

The Accounts Commission for Scotland

Agenda

**Meeting on Thursday 10 April 2014
in the offices of Audit Scotland, 18 George Street, Edinburgh**

The meeting will begin at 10.00am

1. **Apologies for absence.**
2. **Declarations of interest.**
3. **Decisions on taking business in private:** The Commission will consider whether to take items 10 to 12 in private.
4. **Minutes of meeting of 13 March 2014.**
5. **Update report by the Secretary and Business Manager:** The Commission will consider a report by the Secretary and Business Manager on significant recent activity in relation to local government.
6. **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.
7. **Accounts Commission Code of Conduct:** The Commission will consider a report by the Secretary and Business Manager.
8. **Local Government Benchmarking Framework: Overview Report 2014:** The Commission will consider a report by the Secretary and Business Manager.
9. **Community Planning in Glasgow:** The Commission will consider a report by the Controller of Audit.

The following items are proposed to be considered in private:

10. **Performance audit – draft report: Scotland’s public finances – a follow-up report:** The Commission will consider a report by the Director of Performance Audit and Best Value.
11. **Performance audit – draft report: self-directed support:** The Commission will consider a report by the Director of Performance Audit and Best Value.
12. **Commission business matters:** The Commission will discuss matters of interest.

The following papers are enclosed for this meeting:

Agenda Item	Paper number
Agenda Item 4: Minutes of meeting of the Commission of 13 March 2014	AC.2014.4.1
Agenda Item 5: Report by Secretary and Business Manager	AC.2014.4.2
Agenda Item 7: Report by Secretary and Business Manager	AC.2014.4.3
Agenda Item 8: Report by Secretary and Business Manager	AC.2014.4.4
Agenda Item 9: Report by Controller of Audit	AC.2014.4.5
Agenda Item 10: Report by Director of Performance Audit and Best Value	AC.2014.4.6
Agenda Item 11: Report by Director of Performance Audit and Best Value	AC.2014.4.7

ACCOUNTS COMMISSION

MEETING 10 APRIL 2014

MINUTES OF PREVIOUS MEETING

Minutes of the meeting of the Accounts Commission
held in the offices of Audit Scotland at
18 George Street, Edinburgh, on
Thursday, 13 March 2014, at 10.00am

PRESENT: Douglas Sinclair (Chair)
Alan Campbell
Sandy Cumming
Colin Duncan
Christine May
Bill McQueen
Linda Pollock
Colin Peebles
Graham Sharp
Pauline Weetman

IN ATTENDANCE: Fraser McKinlay, Controller of Audit
Angela Cullen, Assistant Director, Performance Audit and Best Value
(PABV) [Item 13]
Russell Frith, Assistant Auditor General [Items 9 and 11]
Lucy Jones, Project Officer, PABV [Item 9]
John Lincoln, Project Manager, PABV [Item 13]
Mark MacPherson, Senior Manager, PABV [Item 13]
Diane McGiffen, Chief Operating Officer [Item 12]
Gordon Smail, Senior Manager, PABV [Item 10]
Claire Sweeney, Senior Manager, PABV [Item 9]

<u>Item No</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of interest
3.	Decisions on taking business in private
4.	Minutes of meeting of 13 February 2014
5.	Minutes of meeting of Performance Audit Committee of 27 February
6.	Minutes of meeting of Financial Audit and Assurance Committee of 27 February
7.	Update report by the Secretary and Business Manager
8.	Update report by the Controller of Audit
9.	Update on progress with the integration of adult health and social care in Scotland
10.	Review of annual audits
11.	Local authority charitable trusts
12.	Audit Scotland papers
13.	Performance audit – draft report: Procurement in local government
14.	Local Government and Regeneration Committee Inquiry into the Flexibility and Autonomy of Local government: draft submission
15.	Commission business matters

1. Apologies for absence

It was noted that apologies for absence had been received from Michael Ash.

2. Declarations of interest

Christine May declared an interest in relation to items 11 and 13, as a trustee and Vice-Chair of Fife Cultural Trust.

3. Decisions on taking business in private

It was agreed that items 12 to 15 should be taken in private as they contained draft reports and confidential issues.

4. Minutes of meeting of 13 February 2014

The minutes of the meeting of 13 February 2014 were submitted and approved, subject to:

- In item 9, adding “agreed to invite the Council to a meeting with the Commission to discuss the reasons behind its decision”.
- In relation to item 5, noting advice from the Secretary and Business Manager that a summary of the Williams Commission report had been placed on the members’ secure portal.
- In relation to item 11, noting advice from the Secretary and Business Manager that Audit Scotland would report to the Commission in early course on its ongoing review of the Audit Scotland websites.

5. Minutes of meeting of Performance Audit Committee of 27 February 2014

The minutes of the Performance Audit Committee of 27 February 2014 were submitted and approved, subject to agreeing that the performance audit on school education be reported to the Commission at its May meeting.

6. Minutes of meeting of Financial Audit and Assurance Committee of 27 February 2014

The minutes of the Financial Audit and Assurance Committee of 27 February 2014 were submitted and approved, subject to, in relation to item 4:

- In relation to the second bullet point (opencast mine restoration), noting advice from the Director of Performance Audit and Best Value that he had yet to meet the Chief Executive of East Ayrshire Council, and that work to better clarify the extent of the issue was ongoing through the annual financial audit process.
- In relation to the fourth bullet point (arm’s length external organisations), noting advice from the Secretary and Business Manager that the deadline for auditors providing information on arm’s length external organisations (ALEOs) was 31 May 2014.
- In relation to the fifth bullet point (second sub-bullet, second point: Dumfries and Galloway Council), replace “if” with “establish whether”.

7. Update report by the Secretary and Business Manager

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

During discussion the Commission:

- In relation to paragraph 5 (South Ayrshire Council), noted advice from the Secretary and Business Manager that the Chair and Pauline Weetman would be meeting representatives of the Council on 19 March 2014.
- In relation to paragraph 8 (recruitment process: Deputy Chair of the Commission), noted advice from the Secretary and Business Manager on proposed arrangements in the recruitment campaign for Deputy Chair and members of the Commission.
- In relation to paragraph 26 (Children and Young People (Scotland) Bill), agreed to note advice from the Director of Performance Audit and Best Value that progress with the various parts of the legislation would be of interest to the Commission, and he would keep a watching brief to this end, with a view to reporting to the Commission as appropriate.
- In relation to paragraph 46, noted advice from the Secretary and Business Manager that the Chair had agreed the future arrangement that information on outputs and intelligence from the Scottish Public Sector Ombudsman would be reported on a regular basis to the Financial Audit and Assurance Committee.

Thereafter 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.

9. Update on progress with the integration of adult health and social care in Scotland

The Commission considered a report by the Director of Performance Audit and Best Value which accompanied a presentation providing an update on the integration of adult health and social care. The presentation was undertaken by Claire Sweeney, Portfolio Manager, Performance Audit and Best Value.

During discussion, the Commission agreed:

- To note that further information on lessons learned from the Highland lead agency model would be provided to the Commission in due course.
- Agreed that the Director report further on issues surrounding governance and accountabilities, including officer accountability.

Action: Director of Performance Audit and Best Value

- Having noted advice from the Assistant Auditor General on the provisions in the Bill for the stewardship and accounting and audit of the money received and paid by integration joint boards, and for a duty to achieve value for money, agreed that he report further in this regard to the Commission in due course.

Action: Assistant Auditor General

- That a discussion with practitioners – particularly from the Highlands - on their experiences with the integrated model take place at a future meeting.

Action: Secretary and Business Manager

- To note advice from the Director that the role of strategic outcomes, and the measurement of and progress towards them, forms a core part of financial and performance audit work.
- To note advice from the Director that Audit Scotland was currently considering the implications of the legislation on its resources, upon which he would report further to the Commission in due course.

Action: Director of Performance Audit and Best Value

Thereafter the Commission agreed to note the report.

10. Review of annual audits

The Commission considered a report by the Director of Performance Audit and Best Value summarising the outcome of the review of the 2012/13 annual audit reports for councils and related local authority bodies and seeking the Commission's view of the processes to keep it informed about matters arising from the annual audit in local government.

Following discussion, the Commission:

- Noted advice from Bill McQueen he had asked that the Financial Audit and Assurance Committee receive a briefing from an audit firm engaged in the audit of councils, in line with previous recent such briefings to the Committee.
- Noted the outcome of the review of annual audit reports for local government bodies.
- Noted the information provided from annual audit activity to help it deliver its statutory responsibility and agreed that this information fulfils its purpose.

11. Local authority charitable trusts

The Commission considered a report by the Assistant Auditor General providing an update on the audit of local authority charities.

Following discussion, the Commission noted the report.

12. Audit Scotland papers [in private]

The Commission considered a paper by the Secretary and Business Manager seeking its consideration of papers from Audit Scotland, in particular the Board minutes and the results of the Audit Scotland annual staff survey, known as the 'Best Companies' survey.

During discussion the Commission:

- Noted advice from the Chair that, rather than tabling minutes of meetings of the Board, he would report to the Commission as appropriate in future.
- Agreed that information on sickness absence be provided.

Thereafter the Commission agreed to note the information provided.

13. Performance audit – draft report: Procurement in local government [in private]

The Commission agreed that this item be held in private to allow it to consider a draft performance audit report.

The Commission considered a report by the Controller of Audit proposing a draft performance audit report *Procurement in councils* and proposing arrangements for its publication and promotion.

Following discussion, the Commission agreed:

- To approve the draft performance audit report *Procurement in councils*, subject to the audit team considering a number of points raised in discussion and consulting further with the sponsors of the performance audit, Sandy Cumming and Colin Peebles.
- The proposed arrangements for its publication and promotion.

Actions: Director of Performance Audit and Best Value

14. Local Government and Regeneration Committee Inquiry into the Flexibility and Autonomy of Local Government: draft submission [in private]

The Commission agreed that this item be held in private to allow it to consider a draft paper.

The Commission considered a report by the Secretary and Business Manager proposing a response to the Local Government and Regeneration Committee's Inquiry into the Flexibility and Autonomy of Local Government.

Following discussion the Commission agreed:

- The draft response, subject to a point raised in discussion.
- That the response be sent to COSLA for its information.

Actions: Secretary and Business Manager

15. Commission business matters [in private]

The Commission agreed that the Chair's update on Commission business matters be held in private to allow it to discuss issues of a confidential nature relating to the operations of the Commission.

The Chair briefed the Commission on matters of interest.

ACCOUNTS COMMISSION

MEETING 2 APRIL 2014

REPORT BY SECRETARY AND BUSINESS MANAGER

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. It complements the regular Controller of Audit report to the Commission which updates the Commission on his activity. The Commission's Financial Audit and Assurance Committee also receives a more detailed update on issues relating to local government. Further, detailed news in relation to local government activity is provided in the weekly media digests produced by Audit Scotland's Communications Team and provided to Commission members alongside Commission meeting papers.
3. The information featured is also available on the Accounts Commission member portal. Hyperlinks are also provided in the electronic version of the report for ease of reference.

Commission business

4. The Accounts Commission published on 27 March its annual overview report, [An overview of local government in Scotland 2014](#). The report attracted wide press and broadcast coverage. It received public criticism from the President of COSLA who referred to its "blandness" and delivering "nothing in terms of moving things forward".
5. The sixth report in the Commission's *How councils work* series, [How councils work: an improvement series for councillors and officers - Options appraisal: are you getting it right?](#) was published on 20 March 2014.
6. The Commission's annual Strategy Seminar took place on 26 and 27 March. The Commission reviewed progress against its annual action plan and discussed actions for the forthcoming year. It also discussed how to take forward the auditing of Best Value. Further discussions will now take place with a view to outputs from the Seminar being discussed at the next meeting of the Commission on 15 May.
7. On 19 March, Douglas Sinclair and Pauline Weetman met with senior councillors and the Chief Executive of South Ayrshire Council. The Commission had requested the meeting to discuss with the Council the reasons behind its findings in its [statutory report](#) on South Ayrshire Council (published 27 February) by the Controller of Audit.

Issues affecting local government

Scottish Parliament/ Scottish Government:

8. [Quarterly Police officer statistics](#) have been published (5 March), showing a drop of 56 full time equivalent officers over the quarter. The Scottish Government's stated number of officers is 1024 higher than in March 2007.

9. The [2012-13 Scottish Crime and Justice Survey](#) has been published (7 March), showing falling crime figures, an increase in perceptions of safety, and improvements in confidence in the police.

Parliamentary Committee News:

Local Government and Regeneration Committee:

10. At its meeting of 12 March, the Committee took evidence from a number of parties on the Draft Community Empowerment (Scotland) Bill. These parties included the Scottish Community Development Centre and Community Health Exchange; Development Trusts Association Scotland; Scottish Council for Voluntary Organisations; Scotland's Urban Regeneration Forum (SURF); BIG Lottery Fund; Police Scotland; and Highlands and Islands Enterprise.
11. Also at this meeting, the Committee considered an item on Local Government Budget Scrutiny. It considered its approach to its scrutiny of local government budgets and agreed to undertake a one-off evidence session on the current and future impact of UK welfare reforms on those budgets.
12. The Committee published its [3rd Report, 2014 \(Session 4\): Proposed National Planning Framework 3 and review of Scottish Planning Policy](#) (14 March) which outlines the Committee's scrutiny of the Scottish Government's proposals. This report highlights the need for clearer links between the third National Planning Framework (NPF) and other key national policies such as community regeneration.

Public Audit Committee:

13. At its meeting of 19 March, the Committee considered the Section 23 report: Modern apprenticeships¹, taking evidence from Caroline Gardner, Auditor General for Scotland; and officers from Audit Scotland. The Committee agreed to invite Skills Development Scotland to give oral evidence at a future meeting and agreed to seek written evidence from Audit Scotland on issues raised in discussion. -.
14. Also at this meeting, the Committee considered the Revenue Scotland and Tax Powers Bill. The Committee considered responses from Revenue Scotland and the Auditor General for Scotland on the audit arrangements arising from the Bill. The Committee agreed to write to the Finance Committee on issues raised in its discussion.
15. The Committee also considered the Section 23 report - Police reform: Progress update 2013. The Committee considered the draft report and agreed to consider a revised draft report, in private, at its next meeting.
16. At the meeting of 2 April, the Committee considered the Section 23 report - Reshaping care for older people. It took evidence from the Coalition of Care and Support Providers in Scotland; Scottish Care; Glasgow City Council; NHS Greater Glasgow and Clyde; Perth & Kinross Council; and Perth & Kinross Community Health Partnership. Later in private session, the Committee took further evidence from Caroline Gardner, Auditor General for Scotland and Audit Scotland.

¹ The Auditor General for Scotland (AGS) reports to the Public Audit Committee under Section 23 of the Public Finance and Accountability Act on economy, efficiency and effectiveness of public sector bodies (excluding local government).

17. At the same meeting, the Committee considered the Scottish Government's March 2014 *Major Capital Projects progress update*.
18. On 14 March, the Committee published its [2nd Report, 2014 \(Session 4\): Scotland's colleges 2013](#). The report sets out the Committee's findings in relation to its scrutiny of the Auditor General for Scotland's (AGS) reports *Scotland's colleges: current finances, future challenges (the AGS 2012 college report)*, *Scotland's colleges 2013 (the AGS 2013 college report)* and reflected its previous scrutiny of the previous AGS report, *Learning the lessons of public body mergers*. It also published its [1st Report, 2014 \(Session 4\): Framework for auditing the Scottish rate of income tax](#) (10 March) which outlines the audit information the Parliament can expect to receive and from whom, in order to enable it to undertake its accountability role in relation to the Scottish rate of income tax (SRIT). The report comments that greater transparency is needed if Holyrood is to be able to scrutinise HM Revenue and Customs' (HMRC) collection of the new Scottish Rate of Income Tax.

Infrastructure and Capital Investment Committee:

19. At its meeting of 12 March, the Committee considered the Housing (Scotland) Bill. It took evidence on the Bill at Stage 1 from Margaret Burgess, Minister for Housing and Welfare and from Scottish Government officials. It also considered the Draft Third National Planning Framework and agreed a revised draft report.
20. On 14 March, the Committee published its [3rd Report, 2014 \(Session 4\): Proposed National Planning Framework 3](#) on the Scottish Government's proposals. The report calls for more information from the Scottish Government in relation to key aspects of its National Planning Framework.

Finance Committee:

21. The Committee has been continuing its consideration of the Revenue Scotland and Tax Powers Bill at Stage 1. At its meeting of 12 March, it took evidence on the Bill from the Law Society of Scotland. On 19 March, it took evidence from the Scottish Trades Union Congress and the Low Incomes Tax Reform Group. At the 26 March meeting, it took evidence from an academic and an independent HR and employment taxes consultant.
22. Also at the 26 March meeting, the Committee also considered the Courts Reform (Scotland) Bill. It took evidence on the Financial Memorandum from the Association of Personal Injury Lawyers; the Faculty of Advocates; and from officials of the Scottish Government.

Public Petitions Committee:

23. At its meeting of 18 March, the Committee considered a current petition by Pete Gregson, on behalf of 'Kids not Suits', on [PE01488: Whistleblowing in local government](#). The Committee agreed to write to the Accounts Commission and Audit Scotland to ask about their scrutiny of local authority whistleblowing policies (No letter has yet been received).
24. Also at that meeting, the Committee agreed to refer to the Education and Culture Committee a current petition by Colin Emerson on behalf of the Edinburgh Secular Society about religious representatives on local authority education committees.

Justice Committee:

25. At its 11 March meeting the Committee considered Fire and Rescue Service Reform. It took evidence from the Fire Brigades Union; Unison Scotland; Edinburgh Community Safety Partnership; Pat Watters, Chair, Scottish Fire and Rescue Service Board; Alasdair Hay, Chief Officer, Scottish Fire and Rescue Service; and Steven Torrie, HM Chief Inspector of the Scottish Fire and Rescue Service.
26. On 18 March, the Committee considered the Courts Reform (Scotland) Bill at Stage 1. The Committee took evidence on the Bill at Stage 1 from the Law Society of Scotland; the Faculty of Advocates; Which?; Citizens Advice Scotland; and the Sheriffs' Association. The Committee continued its consideration at its 26 March meeting. It took evidence from Scottish Women's Aid; Legal Services Agency; Family Law Association; Forum of Scottish Claims Managers; Scottish Trades Union Congress; Association of Personal Injury Lawyers; and a QC.

Justice Sub-Committee on Policing:

27. On 6 March, the Sub-Committee considered an item on ICT provision, taking evidence from Police Scotland. At its 20 March meeting, the Sub-Committee considered an item on local policing, taking evidence from Police Scotland. The Sub-Committee agreed to write to Police Scotland seeking further information on issues raised during the evidence session.

Bills – Progress Updates:

28. The [Bankruptcy and Debt Advice \(Scotland\) Bill](#) was passed by the Parliament on 20 March. The [Bill](#) was published as passed At Stage 3 (21 March).
29. The Infrastructure and Capital Investment Committee considered the [Procurement Reform \(Scotland\) Bill](#) at Stage 2 (12 and 19 March) and the [Bill](#) was published as amended at Stage 2 (20 March). [Stage 3](#) amendments have been lodged (26 March and 31 March) and will be updated daily until the deadline for amendments (not yet known).
30. Stage 1 of the [Housing \(Scotland\) Bill](#) is due to be completed by 25 April. The lead committee is the Infrastructure and Capital Investment Committee.
31. Stage 1 of the [Disabled Persons' Parking Badges \(Scotland\) Bill](#) is due to be completed by 23 May 2014. The Local Government and Regeneration Committee is the lead committee.
32. The Stage 1 debate on the [Defective and Dangerous Buildings \(Recovery of Expenses\) \(Scotland\) Bill](#) (introduced 30 October 2013) is due to take place on 3 April. The lead committee is the Local Government and Regeneration Committee.
33. Consideration of the [Courts Reform \(Scotland\) Bill](#) at Stage 1 is continuing (introduced 6 February). The Justice Committee (lead committee) has considered the Bill at Stage 1 (18 February and 25 March).

COSLA / Improvement Service etc.:

34. At its annual conference, COSLA announced the winners of its 2014 Excellence Awards. These were as follows:

<u>Category</u>	<u>Council</u>	<u>Project</u>
Service innovation and improvement	North Ayrshire	Care & Support North Ayrshire
Achieving better outcomes	Aberdeenshire	Westhill Men's Shed
Tackling inequalities and improving health	Perth & Kinross	Saints Academy Inclusion Through Sport
Strong and sustainable communities	Highland	Create and Employ
Securing a workforce for the future	Glasgow	Modern Apprentice Scheme for New Scientists
Local matters	Stirling	The Big Noise
SOLACE best team award	Glasgow	Roma Net
COSLA chair's award	Fife Council	Teenage Pregnancy Initiative
Scottish Government award for delivering excellence	Midlothian	Midlothian's got the M Factor

35. Aberdeenshire, Perth and Kinross, Highland, Glasgow City, North Ayrshire and Stirling Councils all took first place in the main categories of the Awards. Fife Council scooped the Chairman's Award, while the SOLACE Best Team Award was also picked up by Glasgow City Council. Midlothian Council was recognised for Delivering Excellence by the Scottish Government.
36. The [Commission on Strengthening Local Democracy in Scotland](http://www.localdemocracy.info/call-for-evidence/watch/#sthash.k621jDgm.dpuf) has concluded its series of Evidence Panels which took place between January and March 2014. These sessions were designed to hear the views of people and organisations on current and future local democracy in Scotland. The Panels provided opportunities to follow up and explore the evidence that received as part of the Commission's initial call for evidence. Every session was designed around a theme and were small round table events bringing together commission members and people or organisations. The evidence sessions can be viewed on the Commission's website at: <http://www.localdemocracy.info/call-for-evidence/watch/#sthash.k621jDgm.dpuf>
37. The Commission work to date shaped the agenda for the recent 2014 COSLA and Improvement Service Annual Conference (13 and 14 March), Professor Richard Kerley presented an overview of the Commission's work so far, which helped to inform the discussions in the conference sessions. The full conference papers, including the Commission's presentation, is available on COSLA's website: <http://www.cosla.gov.uk/conference2014>.
38. On 27 March, the Improvement Service, on behalf of all 32 Scottish councils (and in conjunction with COSLA and SOLACE), published the 2014 Overview Report for the Local Government Benchmarking Framework. The report is on today's agenda.

Current activity and news in local government:

39. The following paragraphs highlight current activity and news occurring in local government over the previous month as well as developing issues. The items are drawn from a range of sources including news articles, websites and media summaries.

Shared Services:

40. East and South Ayrshire councils are the first in Scotland to create a joint agency to maintain local road. A new agency, Ayrshire Roads Alliance, has been established with a view to saving more than £8 million over 10 years, from reduced management and administration costs and better economies of scale. Around 90 South Ayrshire staff are transferring over to East Ayrshire Council but retaining all of their existing terms and conditions of employment. ([BBC Online](#), 1 April)

People and Appointments:

41. The chief executive of Aberdeen City Council, Valerie Watts, announced her resignation to take up a new post as chief executive of Health and Social Care Northern Ireland ([BBC Online](#), 25 March). Opposition politicians in Aberdeen have called on senior Labour members to step down as the political fall-out from the resignation of the local authority's top official continued. (Press and Journal, 25 March).
42. Stirling Council's chief executive Bob Jack is to take early retirement in a move expected to cost the local authority £69,000. (Courier, [BBC Online](#), 29 March).
43. The SNP group leader on Glasgow City Council, Graeme Hendry, is to step down for personal reasons. ([BBC Online](#), 7 March). SNP Councillor Susan Aitken has been elected as the new Leader of the Opposition. ([BBC Online](#), 19 March).
44. Scottish Borders Council's David Parker has resigned as the head of COSLA's group of independent council leaders. ([BBC Online](#), 14 March).
45. South Ayrshire Council leader Bill McIntosh has survived a vote of no confidence in his administration from the opposition SNP group. (Carrick Gazette, with leader comment, 13 March).
46. The leader of Renfrewshire Council, Mark Macmillan, has been found guilty by the Standards Commission Scotland of helping approve up to £25,000 of funding for a subsidiary company of his employer. The Standards Commission said he breached the code of conduct by not declaring a financial interest. Councillor Macmillan has been given a four week ban from attending a committee (Herald, [BBC Online](#), 7 March)

COSLA:

47. West Lothian and West Dunbartonshire councils are the seventh and eighth councils to give notice of their intention to leave COSLA ([BBC News](#), 6 March). Moray Council (19 March) and North Lanarkshire Council (27 March) have voted to stay as members. The SNP group on Aberdeen City Council will no longer have a seat at COSLA after a Labour vote yesterday to switch representation on the local government umbrella body. (Press & Journal, 6 March).
48. Meanwhile, COSLA has stated that legal obligations will result in the eight Labour-led councils leaving it having to pay out a combined £3.5 million. COSLA stated that those departing were partly liable for the lease of the organisation's headquarters and staff costs. Only North Lanarkshire, which has opted to remain in COSLA, has made any public reference to ongoing liabilities when discussing its membership. Sources in Glasgow City Council stated that it was disputing COSLA's position. (Herald, 29 March)

Individual councils:

49. Aberdeen Council staff have been told they can refer members of the public who are unhappy about Council letters endorsing a "No" vote in September's independence referendum to Audit Scotland and the Standards. Commissioner. ([BBC Online](#), 14 March).
50. Criticism of the level of scrutiny being focused on Perth and Kinross Council has been rejected by Councillor Alexander Stewart, Convener of the Council's Scrutiny Committee. He stated that Audit Scotland and the Council's external auditors had commended the council's actions in the past and had not identified any failing. (Advertiser, 5 March)
51. Highland Council has agreed to look again at levels of usage at some of the 23 service points it plans to shut. ([BBC Online](#), 7 March, Ross-shire Journal, West Highland Free Press, 10 March).
52. COSLA has stated that the Scottish Government policy to introduce universal free school meals to primary pupils is undeliverable because of a funding shortfall of nearly £25 million. (The Herald; Scotland on Sunday; Sunday Post, 8, 9 March)
53. Fifty community councils from across Dumfries and Galloway have called for a moratorium on planning consent for wind farms in the region. ([BBC Online](#), 25 March).

Scrutiny and Inspection Bodies

Scottish Housing Regulator:

54. The Scottish Housing Regulator has published the first edition of a new series of reports entitled [Performance Matters](#). These reports will focus on service performance issues and share positive practice and action points that social landlords can consider in terms of improving their own performance in delivering services. The first report highlights the different approaches used by landlords to gather information about their performance. It also considers how successfully landlords have engaged tenants in scrutinising their performance in relation to the Scottish Social Housing Charter.

Care Inspectorate and Education Scotland:

55. The Care Inspectorate has published a report on [Complaints about care services in Scotland 2008-2013](#). In the past year, the Care Inspectorate received 3,172 complaints about care, a rise of 28.2% compared to the 2,475 received by its predecessor body in 2008/9. The Inspectorate says the rise in complaints indicates more people are able to raise concerns and know how to do so. It highlights an increasing awareness among the public of rights in relation to complaining about services. The watchdog stressed that while complaints have risen, the number of services found to be performing well had also risen.
56. A second independent Aberdeen school, The Waldorf School, which has been subject to a joint investigation by the Care Inspectorate and Education Scotland, has announced its decision to close in the summer. In March, the Care Inspectorate confirmed it had received complaints about "staffing and the care of children" at the Waldorf School Kindergarten and a joint inspection by Education Scotland and the Care Inspectorate was undertaken. The findings of the joint investigation are not due to be published until 22 April, but a statement (2 April) from the school council said the "very difficult" closure decision followed a review of the school's current financial position. The Care

Inspectorate, Education Scotland and Aberdeen City Council are working with the school to ensure transfer of pupils to other schools.

Other UK Audit Bodies

Audit Commission and National Audit Office:

57. The National Audit Office (NAO) has published a report on [The Privatisation of Royal Mail](#). The report concludes that the sale achieved its primary objective, but the Department for Business, Innovation and Skills could have achieved better value for the taxpayer. It took a cautious approach to a number of issues which together resulted in the shares being priced at a level substantially below that at which they started trading. It conceded price tension for certainty that the transaction would be completed, by setting a cautious low end of the price range (260 pence). This was to achieve the Department's priority to complete a sale within the time available, against the risks of industrial action and short-term market uncertainty; and to reflect the price indications of a small number of priority investors whose participation was seen as vital, as well the views of over 500 other potential investors.
58. A National Audit Office (NAO) has published a report on the Department for Communities and Local Government's (DCLG) [The Help to Buy equity loan scheme](#) (6 March). The report finds that the scheme appears to be helping buyers as intended, although it is not possible to say how many of those accessing the scheme would have bought a home anyway. The Government has failed to demonstrate whether its £3.7bn Help To Buy equity loan scheme is giving value for money. Help to Buy equity loans are making homes more affordable to buyers and improving access to mortgage finance, but the cost to the taxpayer, in present value terms, is uncertain at this stage and the DCLG cannot yet robustly quantify the economic benefits. The NAO is unable to ascertain at this stage, therefore, whether the scheme will provide value for money. The scheme was introduced in March 2013 as part of a package of measures to address some of the barriers to home ownership, such as the unaffordability of mortgage finance. Early demand for the scheme has been strong, with 12,875 buyers completing purchases through Help to Buy during its first nine months. The Department loaned £518 million to buyers for these purchases. So far, 89 per cent of Help to Buy equity loan sales have been to first-time buyers.
59. The NAO has published its second report on whistleblowing, [Making a whistleblowing policy work](#) (18 March). The NAO's first report reviewed whistleblowing policies from 39 bodies, including its own, against good practice. This second report focuses on how organizations provide the best conditions to encourage people to come forward. The NAO examines the systems, structures and behaviour that enable effective whistleblowing to take place.
60. The NAO has published a report [Update on the Next Generation Shared Services Strategy](#) (31 March). It concludes that the Cabinet Office will have to work with other government departments to ensure that the full benefits of its shared services strategy are realised and that service is maintained. In December 2012, the Cabinet Office published its Next Generation Shared Services strategy. This set out how it intended to reduce the cost of administering finance, human resources and procurement services through sharing back-office functions.
61. The Institute for Government has published a report on [The Demise of the Audit Commission and Other Improvement Agencies](#) (11 March). The report explores "how far inspection should be used to drive policy rather than reflect it". Report findings include a

proposal that the Audit Commission should be “reinvented” arguing there had been “no logic” behind scrapping centralised audits and that this would reduce standardisation and the ability to compare results across bodies. The report notes: “One side effect of the Audit Commission’s abolition has been to extend the reach of the National Audit Office further into local government – a form of mission creep. There is, of course, a precedent in that Audit Scotland and Audit Wales, in appreciably smaller countries than England, appear to have successfully melded oversight of the devolved administrations’ spending with that of local government.”

Westminster

Scottish Affairs Committee:

62. The [Scottish Affairs Committee](#) has [published its follow up report](#) (5 March) on the Crown Estate in Scotland. The report concludes that: “....decentralisation is essential if local communities are to benefit from the development of these assets”. The Committee also clarifies however that “the transfer of these assets from an over-centralised London to an over-centralising Edinburgh would not be sufficient” and that local people and local authorities should “given primacy” in all but the largest cases.
63. The Scottish Affairs Committee met in Dundee on 10 March. The committee heard evidence on the impact of the [Bedroom Tax](#) and other changes to housing benefit in Scotland – with Margaret Burgess, Scottish Government officials, Dundee Council, Abertay Housing Association, Hillcrest Housing Association, Scottish Anti-Bedroom Tax Federation, Dundee Bin the Bedroom Tax, NO 2 Bedroom Tax Campaign and Scottish Anti-Bedroom Tax Federation.

Public Accounts Commission:

64. The Commission has published its nineteenth report to the House of Commons on the [Work of the Commission in 2013](#). (21 March) since the establishment of the Public Accounts Commission under the National Audit Act 1983. This report covers the work of the Commission during the calendar year 2013. The Public Accounts Commission is defined by the National Audit Act 1983 and the Budget Responsibility and National Audit Act 2011. Its principal duties under the Acts are to review the National Audit Office Estimate and lay it before the House of Commons, to appoint the accounting officer for the NAO, to appoint an auditor for the NAO, to appoint non-executive members of the NAO board (other than the chairman), and to make occasional reports..

Conclusion

65. The Commission is invited to consider and note this report.

Paul Reilly
Secretary and Business Manager
2 April 2014

ACCOUNTS COMMISSION

MEETING 10 APRIL 2014

REPORT BY SECRETARY AND BUSINESS MANAGER

ACCOUNTS COMMISSION CODE OF CONDUCT

Introduction

1. This report proposes a new Code of Conduct for the Accounts Commission.

Background

2. The Ethical Standards in Public Life etc. (Scotland) Act 2000 established a framework to ensure that the highest standards of behaviour were maintained by local authority councillors and members of certain public bodies. It introduced codes of conduct which councillors and members must comply with at all times in their duties. It established the Standards Commission for Scotland to hold hearings into alleged breaches of the codes. It also established the Office of the Chief Investigating Officer, now the Commissioner for Ethical Standards, to receive complaints by any member of the public about non-compliance.
3. The Act required Scottish Ministers to issue a Code of Conduct for Councillors and a Model Code of Conduct for Members of Devolved Public Bodies listed in the Act, including the Accounts Commission. Each listed public body is required to develop an individual Code based on the Model Code.
4. The Councillors and Members' Model Code were approved by the Scottish Parliament in December 2001 and brought into effect in May 2003. The period between the two dates allowed the Standards Commission to be set up and establish working systems and a framework for ethical standards.
5. The Councillors' Code was subsequently revised in 2010 following changes to the planning system. The Members' Code was not reviewed at that time because the changes to the planning system did not impact on members of public bodies (with the exception of the two National Park Authorities).
6. Ministers decided last year to review the Members' Model Code in order to update it and where appropriate to do so make it consistent with the more modern Councillors' Code. The aim was also to make it clearer and easier to understand. The revised Model Code was approved by Scottish Parliament on 4th December 2013 and was issued to public bodies in February and March 2014. The Commission is required to approve its own Code by the end of May 2014.

Code of Conduct

7. Scottish Ministers believe codes of conduct should be comprehensive statements of the principles and rules of conduct for behaviour in the performance of their duties by local authority councillors and members of public bodies.
8. The codes of conduct are based on nine key principles – Duty, Selflessness, Integrity, Objectivity, Accountability and Stewardship, Openness, Honesty, Leadership and Respect. The codes of conduct cover a number of areas including, conduct at meetings,

gifts and hospitality, registration of interests, declaring interests, and lobbying and access to members of public bodies

9. Responsibility for ethical standards policy including the codes of conduct rests with the Scottish Government. The Standards Commission and the Commissioner for Ethical Standards in Public Life in Scotland have responsibility for the day-to-day operation of the Codes.
10. A proposed Code for the Commission is attached in the Appendix. In summary, the Code now highlights the need for Commission members to have an awareness of the Commission's policies in relation to a number of areas e.g. appointments, equality, diversity, succession planning, and bullying and harassment in the workplace, and the Bribery Act 2010. It introduces a new requirement for registration of gifts and hospitality over £50 and shares and securities which may be significant to or relevant to the work of the body.
11. There is little difference between this proposed Accounts Commission Code and the Model Code proposed by the Scottish Government. The only material change is in paragraph 5.4 of the Code, in which it is proposed in the Commission's Code that advice on potential conflicts of interest can be sought not only from the Chair but also from the Commission Secretary.

Features of new Code

12. The exhibit below describes how the new Code differs from the previous Code.

Section 1 - Introduction

- Introduced a new section on Appointments which raises awareness of Scottish Government policy in areas such as diversity and equality and succession planning.
- Expanded the section on Guidance.
- Included a reference to On Board guidance which is currently being updated.

Section 2 – Key Principles

- In general terms this section has been amended to make it clear that the key principles should only be used for guidance and interpretation.
- The first key principle is now listed as “Duty” instead of “Public Service”.
- The principle of “Objectivity” has been amplified to provide clearer guidance.
- The principle of “Respect” has been widened to provide greater clarity.

Section 3 – General Conduct

- 3.3 provides greater clarity and guidance when dealing with Commission members and employees of Audit Scotland; it also highlights the need to be aware of Audit Scotland's policies in relation to bullying and harassment. I am currently discussing with Audit Scotland the most appropriate way of ensuring Commission members' awareness in this regard. I will report back to the Commission accordingly.
- 3.5 to 3.10: This section covering gifts and hospitality has been widened to provide greater clarity; mirror the Councillors' Code in relation to, and raise awareness of, the Bribery Act 2010. As a general guide, it is usually appropriate to refuse offers except isolated gifts of a trivial nature, the value of which must not exceed £50 which in the original Code was of a “modest value” which clearly would be open to interpretation.
- 3.13 now highlights the need for a Commission member to take care when using social media networks and the medium of new technology.

Section 4: Registration of Interests

- 4.1 now informs Commission members that there is a requirement to register any changes in circumstances within one month. This is the timescale set down in the Regulations.
- 4.2: The Regulations governing this particular aspect of the Code have been referenced as a footnote. There is currently an amending Regulation going through the Scottish Parliament which will support this section re Registration of Interests.
- 4.19: The introduction of a double test has been introduced. The main test is whether the shareholding of the member is of significance or relevance in respect of the work of the public body. If that test is met then shareholdings of above 1 per cent or £25,000 would need to be reached before registration is required.

Section 5: Declaration of Interests

- This section has been redrafted and expanded to make it clearer and easier to follow. Most of the interests to be declared will be personal interests but, on occasion may include the interests of other persons known to a Commission member. The Model Code provides information when the Commission member must declare any financial and non-financial interests of a spouse, civil partner, co-habitee, close relative or close associate.
- 5.15 introduces a new section covering “Frequent Declarations of Interests” to help clarify the circumstances which Commission members should take into consideration both prior to accepting appointment and also during their term of office.

Next steps

13. The Commission is asked to adopt the attached Code. If this is done, then the Code will be submitted to the Public Bodies Unit of the Scottish Government which has delegated authority on behalf of the Cabinet Secretary for Finance to approve codes on his behalf and provide a formal notice confirming as such to public bodies. This notice is also issued to the Standards Commission and the Commissioner.
14. Members are also asked to consider, on an individual basis, whether the Code has any implications for them beyond the current Code. They can do this in conjunction with me.

Conclusion

15. The Commission is invited to:
 - consider and approve the attached Code of Conduct for Members, subject to onward approval by the Scottish Government.
 - consider, on an individual member basis, the implications of the Code.
 - note that I will provide further information to the Commission on specific aspects of the Code as appropriate, notably section 3.3 as discussed in the exhibit above.

Paul Reilly
Secretary and Business Manager
31 March 2014

CODE of CONDUCT
for
MEMBERS
of
THE ACCOUNTS COMMISSION

CODE OF CONDUCT for MEMBERS of THE ACCOUNTS COMMISSION

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SECTION 1: INTRODUCTION TO THE CODE OF CONDUCT

1.1 The Scottish public has a high expectation of those who serve on the boards of public bodies and the way in which they should conduct themselves in undertaking their duties. You must meet those expectations by ensuring that your conduct is above reproach.

1.2 The Ethical Standards in Public Life etc. (Scotland) Act 2000, “the Act”, provides for Codes of Conduct for local authority councillors and members of relevant public bodies; imposes on councils and relevant public bodies a duty to help their members to comply with the relevant code; and establishes a Standards Commission for Scotland, “The Standards Commission” to oversee the new framework and deal with alleged breaches of the codes.

1.3 The Act requires the Scottish Ministers to lay before Parliament a Code of Conduct for Councillors and a Model Code for Members of Devolved Public Bodies. The Model Code for members was first introduced in 2002 and has now been revised in December 2013 following consultation and the approval of the Scottish Parliament. These revisions will make it consistent with the relevant parts of the Code of Conduct for Councillors, which was revised in 2010 following the approval of the Scottish Parliament.

1.4 As a member of the Accounts Commission (‘the Commission’), it is your responsibility to make sure that you are familiar with, and that your actions comply with, the provisions of this Code of Conduct which has now been adopted by the Commission.

Appointments to the Boards of Public Bodies

1.5 Public bodies in Scotland are required to deliver effective services to meet the needs of an increasingly diverse population. In addition, the Scottish Government’s equality outcome on public appointments is to ensure that Ministerial appointments are more diverse than at present. In order to meet both of these aims, a board should ideally be drawn from varied backgrounds with a wide spectrum of characteristics, knowledge and experience. It is crucial to the success of public bodies that they attract the best people for the job and therefore it is essential that a board’s appointments process should encourage as many suitable people to apply for positions and be free from unnecessary barriers. You should therefore be aware of the varied roles and functions of the public body on which you serve and of wider diversity and equality issues. You should also take steps to familiarise yourself with the appointment process that your public body will have agreed with the Scottish Government’s Public Appointment Centre of Expertise.

1.6 You should also familiarise yourself with how the public body’s policy operates in relation to succession planning, which should ensure the public body have a strategy to make sure they have the staff in place with the skills, knowledge and experience necessary to fulfil their role economically, efficiently and effectively.

Guidance on the Code of Conduct

1.7 You must observe the rules of conduct contained in this Code. It is your personal responsibility to comply with these and review regularly, and at least

annually, your personal circumstances with this in mind, particularly when your circumstances change. You must not at any time advocate or encourage any action contrary to the Code of Conduct.

1.8 The Code has been developed in line with the key principles listed in Section 2 and provides additional information on how the principles should be interpreted and applied in practice. The Standards Commission may also issue guidance. No Code can provide for all circumstances and if you are uncertain about how the rules apply, you should seek advice from the public body. You may also choose to consult your own legal advisers and, on detailed financial and commercial matters, seek advice from other relevant professionals.

1.9 You should familiarise yourself with the Scottish Government publication “On Board – a guide for board members of public bodies in Scotland”. This publication will provide you with information to help you in your role as a member of a public body in Scotland and can be viewed on the Scottish Government website.

Enforcement

1.10 Part 2 of the Ethical Standards in Public Life etc. (Scotland) Act 2000 sets out the provisions for dealing with alleged breaches of this Code of Conduct and where appropriate the sanctions that will be applied if the Standards Commission finds that there has been a breach of the Code. Those sanctions are outlined in **Annex A**.

SECTION 2: KEY PRINCIPLES OF THE CODE OF CONDUCT

2.1 The general principles upon which this Code is based should be used for guidance and interpretation only. These general principles are:

Duty

You have a duty to uphold the law and act in accordance with the law and the public trust placed in you. You have a duty to act in the interests of the public body of which you are a member and in accordance with the core functions and duties of that body.

Selflessness

You have a duty to take decisions solely in terms of public interest. You must not act in order to gain financial or other material benefit for yourself, family or friends.

Integrity

You must not place yourself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence you in the performance of your duties.

Objectivity

You must make decisions solely on merit and in a way that is consistent with the functions of the public body when carrying out public business including making appointments, awarding contracts or recommending individuals for rewards and benefits.

Accountability and Stewardship

You are accountable for your decisions and actions to the public. You have a duty to consider issues on their merits, taking account of the views of others and must ensure that the public body uses its resources prudently and in accordance with the law.

Openness

You have a duty to be as open as possible about your decisions and actions, giving reasons for your decisions and restricting information only when the wider public interest clearly demands.

Honesty

You have a duty to act honestly. You must declare any private interests relating to your public duties and take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

You have a duty to promote and support these principles by leadership and example, and to maintain and strengthen the public's trust and confidence in the integrity of the public body and its members in conducting public business.

Respect

You must respect fellow members of your public body and employees of the body and the role they play, treating them with courtesy at all times. Similarly you must respect members of the public when performing duties as a member of your public body.

2.2 You should apply the principles of this Code to your dealings with fellow members of the public body, its employees and other stakeholders. Similarly you should also observe the principles of this Code in dealings with the public when performing duties as a member of the public body.

SECTION 3: GENERAL CONDUCT

3.1 The rules of good conduct in this section must be observed in all situations where you act as a member of the public body.

Conduct at Meetings

3.2 You must respect the chair, your colleagues and employees of Audit Scotland in meetings. You must comply with rulings from the chair in the conduct of the business of these meetings.

Relationship with Commission Members and Employees of Audit Scotland (including those employed by contractors providing services)

3.3 You will treat your fellow Commission members and any staff employed by Audit Scotland with courtesy and respect. It is expected that fellow Commission members and employees will show you the same consideration in return. It is good practice for employers to provide examples of what is unacceptable behaviour in their organisation. Public bodies should promote a safe, healthy and fair working environment for all. As a Commission member you should be familiar with the policies of Audit Scotland in relation to bullying and harassment in the workplace and also lead by exemplar behaviour.

Remuneration, Allowances and Expenses

3.4 You must comply with any rules of the public body regarding remuneration, allowances and expenses.

Gifts and Hospitality

3.5 You must not accept any offer by way of gift or hospitality which could give rise to real or substantive personal gain or a reasonable suspicion of influence on your part to show favour, or disadvantage, to any individual or organisation. You should also consider whether there may be any reasonable perception that any gift received by your spouse or cohabitee or by any company in which you have a controlling interest, or by a partnership of which you are a partner, can or would influence your judgement. The term “gift” includes benefits such as relief from indebtedness, loan concessions or provision of services at a cost below that generally charged to members of the public.

3.6 You must never ask for gifts or hospitality.

3.7 You are personally responsible for all decisions connected with the offer or acceptance of gifts or hospitality offered to you and for avoiding the risk of damage to public confidence in your public body. As a general guide, it is usually appropriate to refuse offers except:

- (a) isolated gifts of a trivial character, the value of which must not exceed £50;
- (b) normal hospitality associated with your duties and which would reasonably be regarded as appropriate; or

(c) gifts received on behalf of the public body.

3.8 You must not accept any offer of a gift or hospitality from any individual or organisation which stands to gain or benefit from a decision your body may be involved in determining, or who is seeking to do business with your organisation, and which a person might reasonably consider could have a bearing on your judgement. If you are making a visit in your capacity as a member of your public body then, as a general rule, you should ensure that your body pays for the cost of the visit.

3.9 You must not accept repeated hospitality or repeated gifts from the same source.

3.10 Members of devolved public bodies should familiarise themselves with the terms of the Bribery Act 2010 which provides for offences of bribing another person and offences relating to being bribed.

Confidentiality Requirements

3.11 There may be times when you will be required to treat discussions, documents or other information relating to the work of the body in a confidential manner. You will often receive information of a private nature which is not yet public, or which perhaps would not be intended to be public. You must always respect the confidential nature of such information and comply with the requirement to keep such information private.

3.12 It is unacceptable to disclose any information to which you have privileged access, for example derived from a confidential document, either orally or in writing. In the case of other documents and information, you are requested to exercise your judgement as to what should or should not be made available to outside bodies or individuals. In any event, such information should never be used for the purposes of personal or financial gain, or for political purposes or used in such a way as to bring the public body into disrepute.

Use of Public Body Facilities

3.13 Members of public bodies must not misuse facilities, equipment, stationery, telephony, computer, information technology equipment and services, or use them for party political or campaigning activities. Use of such equipment and services etc. must be in accordance with the public body's policy and rules on their usage. Care must also be exercised when using social media networks not to compromise your position as a member of the public body.

Appointment to Partner Organisations

3.14 You may be appointed, or nominated by your public body, as a member of another body or organisation. If so, you are bound by the rules of conduct of these organisations and should observe the rules of this Code in carrying out the duties of that body.

3.15 Members who become directors of companies as nominees of their public body will assume personal responsibilities under the Companies Acts. It is possible

that conflicts of interest can arise for such members between the company and the public body. It is your responsibility to take advice on your responsibilities to the public body and to the company. This will include questions of declarations of interest.

SECTION 4: REGISTRATION OF INTERESTS

4.1 The following paragraphs set out the kinds of interests, financial and otherwise which you have to register. These are called “Registerable Interests”. You must, at all times, ensure that these interests are registered, when you are appointed and whenever your circumstances change in such a way as to require change or an addition to your entry in the body’s Register. It is your duty to ensure any changes in circumstances are reported within one month of them changing.

4.2 The Regulations¹ as amended describe the detail and timescale for registering interests. It is your personal responsibility to comply with these regulations and you should review regularly and at least once a year your personal circumstances. **Annex B** contains key definitions and explanatory notes to help you decide what is required when registering your interests under any particular category. The interests which require to be registered are those set out in the following paragraphs and relate to you. It is not necessary to register the interests of your spouse or cohabitee.

Category One: Remuneration

4.3 You have a Registerable Interest where you receive remuneration by virtue of being:

- employed;
- self-employed;
- the holder of an office;
- a director of an undertaking;
- a partner in a firm; or
- undertaking a trade, profession or vocation or any other work.

4.4 In relation to 4.3 above, the amount of remuneration does not require to be registered and remuneration received as a member does not have to be registered.

4.5 If a position is not remunerated it does not need to be registered under this category. However, unremunerated directorships may need to be registered under category two, “Related Undertakings”.

4.6 If you receive any allowances in relation to membership of any organisation, the fact that you receive such an allowance must be registered.

4.7 When registering employment, you must give the name of the employer, the nature of its business, and the nature of the post held in the organisation.

¹ SSI - The Ethical Standards in Public Life etc. (Scotland) Act 2000 (Register of Interests) Regulations 2003 Number 135, as amended.

4.8 When registering self-employment, you must provide the name and give details of the nature of the business. When registering an interest in a partnership, you must give the name of the partnership and the nature of its business.

4.9 Where you undertake a trade, profession or vocation, or any other work, the detail to be given is the nature of the work and its regularity. For example, if you write for a newspaper, you must give the name of the publication, and the frequency of articles for which you are paid.

4.10 When registering a directorship, it is necessary to provide the registered name of the undertaking in which the directorship is held and the nature of its business.

4.11 Registration of a pension is not required as this falls outside the scope of the category.

Category Two: Related Undertakings

4.12 You must register any directorships held which are themselves not remunerated but where the company (or other undertaking) in question is a subsidiary of, or a parent of, a company (or other undertaking) in which you hold a remunerated directorship.

4.13 You must register the name of the subsidiary or parent company or other undertaking and the nature of its business, and its relationship to the company or other undertaking in which you are a director and from which you receive remuneration.

4.14 The situations to which the above paragraphs apply are as follows:

- you are a director of a board of an undertaking and receive remuneration declared under category one – and
- you are a director of a parent or subsidiary undertaking but do not receive remuneration in that capacity.

Category Three: Contracts

4.15 You have a registerable interest where you (or a firm in which you are a partner, or an undertaking in which you are a director or in which you have shares of a value as described in paragraph 4.19 below) have made a contract with the public body of which you are a member:

(i) under which goods or services are to be provided, or works are to be executed; and

(ii) which has not been fully discharged.

4.16 You must register a description of the contract, including its duration, but excluding the consideration.

Category Four: Houses, Land and Buildings

4.17 You have a registerable interest where you own or have any other right or interest in houses, land and buildings, which may be significant to, of relevance to, or bear upon, the work and operation of the body to which you are appointed.

4.18 The test to be applied when considering appropriateness of registration is to ask whether a member of the public acting reasonably might consider any interests in houses, land and buildings could potentially affect your responsibilities to the organisation to which you are appointed and to the public, or could influence your actions, speeches or decision making.

Category Five: Interest in Shares and Securities

4.19 You have a registerable interest where you have an interest in shares comprised in the share capital of a company or other body which may be significant to, of relevance to, or bear upon, the work and operation of (a) the body to which you are appointed and (b) the **nominal value** of the shares is:

- (i) greater than 1% of the issued share capital of the company or other body; or
- (ii) greater than £25,000.

Where you are required to register the interest, you should provide the registered name of the company in which you hold shares; the amount or value of the shares does not have to be registered.

Category Six: Gifts and Hospitality

4.20 You must register the details of any gifts or hospitality received within your current term of office. This record will be available for public inspection. It is not however necessary to record any gifts or hospitality as described in paragraph 3.7 (a) to (c) of this Model Code.

Category Seven: Non-Financial Interests

4.21 You may also have a registerable interest if you have non-financial interests which may be significant to, of relevance to, or bear upon, the work and operation of the body to which you are appointed. It is important that relevant interests such as membership or holding office in other public bodies, clubs, societies and organisations such as trades unions and voluntary organisations, are registered and described.

4.22 In the context of non-financial interests, the test to be applied when considering appropriateness of registration is to ask whether a member of the public might reasonably think that any non-financial interest could potentially affect your responsibilities to the organisation to which you are appointed and to the public, or could influence your actions, speeches or decision-making.

SECTION 5: DECLARATION OF INTERESTS

General

5.1 The key principles of the Code, especially those in relation to integrity, honesty and openness, are given further practical effect by the requirement for you to declare certain interests in proceedings of the public body. Together with the rules on registration of interests, this ensures transparency of your interests which might influence, or be thought to influence, your actions.

5.2 Public bodies inevitably have dealings with a wide variety of organisations and individuals and this Code indicates the circumstances in which a business or personal interest must be declared. Public confidence in the public body and its members depends on it being clearly understood that decisions are taken in the public interest and not for any other reason.

5.3 In considering whether to make a declaration in any proceedings, you must consider not only whether you will be influenced but whether anybody else would think that you might be influenced by the interest. You must, however, always comply with the **objective test** ("the objective test") which is whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your discussion or decision making in your role as a member of a public body.

5.4 If you feel that, in the context of the matter being considered, your involvement is neither capable of being viewed as more significant than that of an ordinary member of the public, nor likely to be perceived by the public as wrong, you may continue to attend the meeting and participate in both discussion and voting. The relevant interest must however be declared. It is your responsibility to judge whether an interest is sufficiently relevant to particular proceedings to require a declaration and you are advised to err on the side of caution. If you are unsure as to whether a conflict of interest exists, you should seek advice from the Commission Secretary or Commission chair.

5.5 As a member of a public body you might serve on other bodies. In relation to service on the boards and management committees of limited liability companies, public bodies, societies and other organisations, you must decide, in the particular circumstances surrounding any matter, whether to declare an interest. Only if you believe that, in the particular circumstances, the nature of the interest is so remote or without significance, should it not be declared. You must always remember the public interest points towards transparency and, in particular, a possible divergence of interest between your public body and another body. Keep particularly in mind the advice in paragraph 3.15 of this Model Code about your legal responsibilities to any limited company of which you are a director.

Interests which Require Declaration

5.6 Interests which require to be declared if known to you may be financial or non-financial. They may or may not cover interests which are registerable under the terms of this Code. Most of the interests to be declared will be your personal interests but, on occasion, you will have to consider whether the interests of other persons require you to make a declaration. The paragraphs which follow deal with (a) your financial

interests (b) your non-financial interests and (c) the interests, financial and non-financial, of other persons.

5.7 You will also have other private and personal interests and may serve, or be associated with, bodies, societies and organisations as a result of your private and personal interests and not because of your role as a member of a public body. In the context of any particular matter you will need to decide whether to declare an interest. You should declare an interest unless you believe that, in the particular circumstances, the interest is too remote or without significance. In reaching a view on whether the objective test applies to the interest, you should consider whether your interest (whether taking the form of association or the holding of office) would be seen by a member of the public acting reasonably in a different light because it is the interest of a person who is a member of a public body as opposed to the interest of an ordinary member of the public.

Your Financial Interests

5.8 You must declare, if it is known to you, any financial interest (including any financial interest which is registerable under any of the categories prescribed in Section 4 of this Code).

There is no need to declare an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

You must withdraw from the meeting room until discussion of the relevant item where you have a declarable interest is concluded. There is no need to withdraw in the case of an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

Your Non-Financial Interests

5.9 You must declare, if it is known to you, any non-financial interest if:

- (i) that interest has been registered under category seven (Non-Financial Interests) of Section 4 of the Code; or
- (ii) that interest would fall within the terms of the objective test.

There is no need to declare an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

You must withdraw from the meeting room until discussion of the relevant item where you have a declarable interest is concluded. There is no need to withdraw in the case of an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

The Financial Interests of Other Persons

5.10 The Code requires only your financial interests to be registered. You also, however, have to consider whether you should declare any financial interest of certain other persons.

You must declare if it is known to you any financial interest of:-

- (i) a spouse, a civil partner or a co-habitee;
- (ii) a close relative, close friend or close associate;
- (iii) an employer or a partner in a firm;
- (iv) a body (or subsidiary or parent of a body) of which you are a remunerated member or director;
- (v) a person from whom you have received a registerable gift or registerable hospitality;
- (vi) a person from whom you have received registerable expenses.

There is no need to declare an interest if it is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

You must withdraw from the meeting room until discussion of and voting on the relevant item where you have a declarable interest is concluded. There is no need to withdraw in the case of an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

5.11 This Code does not attempt the task of defining “relative” or “friend” or “associate”. Not only is such a task fraught with difficulty but is also unlikely that such definitions would reflect the intention of this part of the Code. The key principle is the need for transparency in regard to any interest which might (regardless of the precise description of relationship) be objectively regarded by a member of the public, acting reasonably, as potentially affecting your responsibilities as a member of the public body and, as such, would be covered by the objective test.

The Non-Financial Interests of Other Persons

5.12 You must declare if it is known to you any non-financial interest of:-

- (i) a spouse, a civil partner or a co-habitee;
- (ii) a close relative, close friend or close associate;
- (iii) an employer or a partner in a firm;
- (iv) a body (or subsidiary or parent of a body) of which you are a remunerated member or director;
- (v) a person from whom you have received a registerable gift or registerable hospitality;
- (vi) a person from whom you have received registerable election expenses.

There is no need to declare the interest if it is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

There is only a need to withdraw from the meeting if the interest is clear and substantial.

Making a Declaration

5.13 You must consider at the earliest stage possible whether you have an interest to declare in relation to any matter which is to be considered. You should consider whether agendas for meetings raise any issue of declaration of interest. Your

declaration of interest must be made as soon as practicable at a meeting where that interest arises. If you do identify the need for a declaration of interest only when a particular matter is being discussed you must declare the interest as soon as you realise it is necessary.

5.14 The oral statement of declaration of interest should identify the item or items of business to which it relates. The statement should begin with the words “I declare an interest”. The statement must be sufficiently informative to enable those at the meeting to understand the nature of your interest but need not give a detailed description of the interest.

Frequent Declarations of Interest

5.15 Public confidence in a public body is damaged by perception that decisions taken by that body are substantially influenced by factors other than the public interest. If you would have to declare interests frequently at meetings in respect of your role as a Commission member you should not accept a role or appointment with that attendant consequence. If members are frequently declaring interests at meetings then they should consider whether they can carry out their role effectively and discuss with their chair. Similarly, if any appointment or nomination to another body would give rise to objective concern because of your existing personal involvement or affiliations, you should not accept the appointment or nomination.

Dispensations

5.16 In some very limited circumstances dispensations can be granted by the Standards Commission in relation to the existence of financial and non-financial interests which would otherwise prohibit you from taking part and voting on matters coming before your public body and its committees.

5.17 Applications for dispensations will be considered by the Standards Commission and should be made as soon as possible in order to allow proper consideration of the application in advance of meetings where dispensation is sought. You should not take part in the consideration of the matter in question until the application has been granted.

SECTION 6: LOBBYING AND ACCESS TO MEMBERS OF PUBLIC BODIES

Introduction

6.1 In order for the public body to fulfil its commitment to being open and accessible, it needs to encourage participation by organisations and individuals in the decision-making process. Clearly however, the desire to involve the public and other interest groups in the decision-making process must take account of the need to ensure transparency and probity in the way in which the public body conducts its business.

6.2 You will need to be able to consider evidence and arguments advanced by a wide range of organisations and individuals in order to perform your duties effectively. Some of these organisations and individuals will make their views known directly to individual members. The rules in this Code set out how you should conduct yourself in your contacts with those who would seek to influence you. They are designed to encourage proper interaction between members of public bodies, those they represent and interest groups.

Rules and Guidance

6.3 You must not, in relation to contact with any person or organisation that lobbies do anything which contravenes this Code or any other relevant rule of the public body or any statutory provision.

6.4 You must not, in relation to contact with any person or organisation who lobbies, act in any way which could bring discredit upon the public body.

6.5 The public must be assured that no person or organisation will gain better access to or treatment by, you as a result of employing a company or individual to lobby on a fee basis on their behalf. You must not, therefore, offer or accord any preferential access or treatment to those lobbying on a fee basis on behalf of clients compared with that which you accord any other person or organisation who lobbies or approaches you. Nor should those lobbying on a fee basis on behalf of clients be given to understand that preferential access or treatment, compared to that accorded to any other person or organisation, might be forthcoming from another member of the public body.

6.6 Before taking any action as a result of being lobbied, you should seek to satisfy yourself about the identity of the person or organisation that is lobbying and the motive for lobbying. You may choose to act in response to a person or organisation lobbying on a fee basis on behalf of clients but it is important that you know the basis on which you are being lobbied in order to ensure that any action taken in connection with the lobbyist complies with the standards set out in this Code.

6.7 You should not accept any paid work:-

- (a) which would involve you lobbying on behalf of any person or organisation or any clients of a person or organisation.

(b) to provide services as a strategist, adviser or consultant, for example, advising on how to influence the public body and its members. This does not prohibit you from being remunerated for activity which may arise because of, or relate to, membership of the public body, such as journalism or broadcasting, or involvement in representative or presentational work, such as participation in delegations, conferences or other events.

6.8 If you have concerns about the approach or methods used by any person or organisation in their contacts with you, you must seek the guidance of the public body.

ANNEX A

SANCTIONS AVAILABLE TO THE STANDARDS COMMISSION FOR BREACH OF THE CODE

- (a) Censure – the Commission may reprimand the member but otherwise take no action against them;
- (b) Suspension – of the member for a maximum period of one year from attending one or more, but not all, of the following:
 - (i) all meetings of the public body;
 - (ii) all meetings of one or more committees or sub-committees of the public body;
 - (iii) all meetings of any other public body on which that member is a representative or nominee of the public body of which they are a member.
- (c) Suspension – for a period not exceeding one year, of the member's entitlement to attend all of the meetings referred to in (b) above;
- (d) Disqualification – removing the member from membership of that public body for a period of no more than five years.

Where a member has been suspended, the Standards Commission may direct that any remuneration or allowance received from membership of that public body be reduced, or not paid.

Where the Standards Commission disqualifies a member of a public body, it may go on to impose the following further sanctions:

- (a) Where the member of a public body is also a councillor, the Standards Commission may disqualify that member (for a period of no more than five years) from being nominated for election as, or from being elected, a councillor. Disqualification of a councillor has the effect of disqualifying that member from their public body and terminating membership of any committee, sub-committee, joint committee, joint board or any other body on which that member sits as a representative of their local authority.
- (b) Direct that the member be removed from membership, and disqualified in respect of membership, of any other devolved public body (provided the members' code applicable to that body is then in force) and may disqualify that person from office as the Water Industry Commissioner.

In some cases the Standards Commission do not have the legislative powers to deal with sanctions, for example if the respondent is an executive member of the board or appointed by the Queen. Sections 23 and 24 of the Ethical Standards in Public Life etc. (Scotland) Act 2000 refer.

Full details of the sanctions are set out in Section 19 of the Act.

ANNEX B

DEFINITIONS

“Chair” includes Commission chair or any person discharging similar functions under alternative decision making structures.

“Code” code of conduct for members of devolved public bodies

“Cohabitee” includes a person, whether of the opposite sex or not, who is living with you in a relationship similar to that of husband and wife.

“Group of companies” has the same meaning as “group” in section 262(1) of the Companies Act 1985. A “group”, within s262 (1) of the Companies Act 1985, means a parent undertaking and its subsidiary undertakings.

“Parent Undertaking” is an undertaking in relation to another undertaking, a subsidiary undertaking, if a) it holds a majority of the rights in the undertaking; or b) it is a member of the undertaking and has the right to appoint or remove a majority of its board of directors; or c) it has the right to exercise a dominant influence over the undertaking (i) by virtue of provisions contained in the undertaking’s memorandum or articles or (ii) by virtue of a control contract; or d) it is a councillor of the undertaking and controls alone, pursuant to an agreement with other shareholders or councillors, a majority of the rights in the undertaking.

“A person” means a single individual or legal person and includes a group of companies.

“Any person” includes individuals, incorporated and unincorporated bodies, trade unions, charities and voluntary organisations.

“Public body” means a devolved public body listed in Schedule 3 of the Ethical Standards in Public Life etc. (Scotland) Act 2000, as amended.

“Related Undertaking” is a parent or subsidiary company of a principal undertaking of which you are also a director. You will receive remuneration for the principal undertaking though you will not receive remuneration as director of the related undertaking.

“Remuneration” includes any salary, wage, share of profits, fee, expenses, other monetary benefit or benefit in kind. This would include, for example, the provision of a company car or travelling expenses by an employer.

“Spouse” does not include a former spouse or a spouse who is living separately and apart from you.

“Undertaking” means:

- a) a body corporate or partnership; or
- b) an unincorporated association carrying on a trade or business, with or without a view to a profit.

ACCOUNTS COMMISSION

MEETING 10 APRIL 2014

REPORT BY SECRETARY AND BUSINESS MANAGER

LOCAL GOVERNMENT BENCHMARKING FRAMEWORK: OVERVIEW REPORT 2014

Introduction

1. This report advises the Commission of the publication of the Local Government Benchmarking Framework Overview Report 2014.

Background

2. On 27 March, the Improvement Service, on behalf of all 32 Scottish councils, published the 2014 Overview Report for the Local Government Benchmarking Framework. The report is attached in the Appendix.
3. The Commission has been monitoring in recent years the progress of the Benchmarking Framework 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 to councils. To this end, at its meeting on 12 December 2013, the Commission noted satisfactory progress of the Framework and approved its 2013 Direction which was published on 20 December 2013. In line with the aim of less prescription, the Direction has only three indicators, in relation to corporate characteristics and service performance and reporting through the Framework. In his foreword to the Direction, the Commission Chair welcomes progress made through the Framework.

The Report

4. The report is an overview report. It states that the benchmarking indicators cover 70% of local government spend in 2012/13. Its focus is on three areas:
 - Trends across Scotland for service groupings and key indicators covered by the framework covering the period 2010 to 2013. The data is reported in financial rather than calendar years. For each unit cost indicator, change over the three years is reported in cash and in real terms, with analysis based on the latter.
 - Factors shaping these trends across Scotland including physical geography, population distribution, size of council and the impact of deprivation.
 - Identification of areas where unexplained variation exists and significant improvement might be achieved by all councils getting close to the "best in class".
5. The more detailed benchmarking information can be found at the Benchmarking Framework website at <http://www.improvementservice.org.uk/benchmarking/index.html>. The indicators are set out covering the following service areas:
 - Children's services
 - Corporate services

- Adult social care
 - Cultural and leisure services
 - Environmental services
 - Housing services
 - Economic development
6. The website is designed to allow the public to analyse performance by council or by service area.

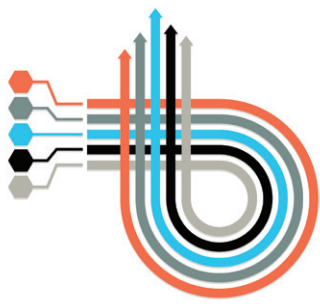
Next steps

7. Audit Scotland is currently considering the report in relation to its implications for the Commission's work, notably for the shared risk assessment process and its performance audit programme. Further reports in this regard will follow as appropriate. The Commission will also consider the progress of the Framework when it considers its annual performance information Direction, which it will do towards the end of the calendar year.
8. Fraser McKinlay, Director of Performance Audit and Best Value, attends meetings of the Local Government Benchmarking Board as an observer. He will continue to do this and update the Commission as appropriate.
9. The Commission may also want to consider inviting a representative of the project to a meeting to discuss further this report and the progress of the Framework, for example, the Chair of the Board, Ronnie Hinds.

Conclusion

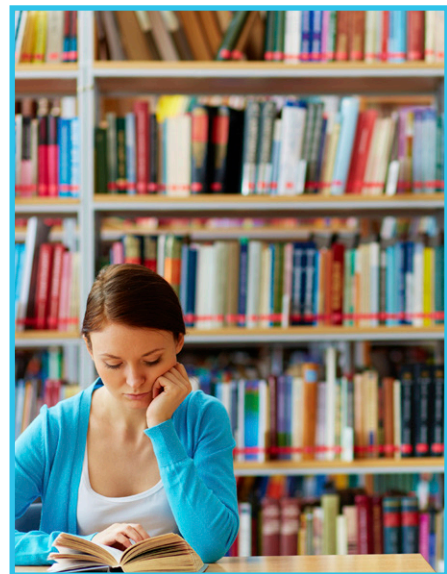
10. The Commission is invited to:
- Note the publication of the Local Government Benchmarking Framework: Overview Report 2014.
 - Note that Audit Scotland will be considering further the implications of the report on the Commission's work.
 - Consider whether to invite a representative of the project to discuss it further with the Commission.

Paul Reilly
Secretary and Business Manager
1 April 2014



Local
Government
Benchmarking
Framework

National Benchmarking Overview Report 2014



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Preface

This is the second annual report for the Scottish Local Government Benchmarking Framework (LGBF). All 32 Scottish councils having been working with the Improvement Service (IS) over the last three years on developing 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 our use of performance information, improve our understanding of why councils vary in terms of what we achieve for our communities and how effective 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 us 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.

It is important to remember though, 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. To ensure comparability across councils, it has been necessary to develop standard service definitions, and standard classifications for spending and performance.

As part of our work we are piloting 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 socio economic make up of their area and also population sparsity. The outputs of the first phase of this work will be reported by the IS summer 2014 and it will focus on work being undertaken with Road Services and around the post school destinations of children.

The information presented below covers how much councils spend on particular services, service performance and how satisfied people are with the major services provided by councils. All the information that this report draws upon is in a standard and therefore comparable form to a high degree of accuracy.

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 make their lives better. 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. So 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 the lives lived by people across Scotland's many and diverse communities.

David O'Neil
Chairman, Improvement Service
and COSLA President

George Black
Chair of SOLACE (Scotland)

Introduction

Councils and their partners face very significant pressures across the next few years. Financial projections show that the spending available to councils will fall in both cash and real terms, which means adjusting for the impact of inflation. At the same time service demands driven by demographic change is likely to rise sharply in health and social care. In other service areas such as schools there will be an overall small reduction in the number of pupils in schools but this will be unevenly spread across Scotland and in some areas pupil rolls will rise. In yet other service areas such as economic development and employment support, significant demand for support is being driven by the fragile economic recovery and the impact of major reforms in the Welfare system.

Over the last five years all councils have been making major efforts to drive improvements in both the cost and quality of their services. These efforts have seen substantial efficiencies made both within councils and within public sector partnerships that councils are part of. The on-going challenge councils face is to continue to drive these productivity and efficiency gains across their services and partnerships while demand for many services continues to rise.

Dealing with these pressures is at the heart of the current reform programmes that councils and other public sector partners in Scotland are implementing. These reforms include:

- The renewed framework for Community Planning and the Single Outcome Agreement (SOA) which emphasises the importance of partners working more closely together to plan service delivery in local areas, integrating where appropriate their services and in working jointly to share resources to help meet local needs across Scotland.
- The emphasis on prevention and early intervention across key areas such as early years development; youth unemployment and reshaping care for older people will continue to grow as councils and their partners seek to intervene earlier to help improve lives for people while seeking to reduce costs to the public purse.
- The public service reform agenda also challenges councils and their partners to work together to target and reduce persistent patterns of inequalities by supporting the most disadvantaged and vulnerable communities “in the round”.
- The reform challenge councils face is to continue to develop new ways of working with communities that build on their resources and talents to help attune public services more fully to their needs.

How to make these and other changes happen in ways that work best to reduce inequalities between and within communities is the basis for councils’ improvement activities and their collective efforts embodied in projects such as the Local Government Benchmarking Framework (LGBF). But the challenges are complex and will require major change in how the whole public sector, including councils operate. It is against this backdrop that the work set out in this report should be read. The LGBF forms a key element in councils’ collective and individual responses to the challenges they and their communities face.

Our 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 to improve local service delivery throughout Scotland. This work is on-going and all councils continue to participate in these collective efforts towards self-improvement.

Our approach means that there 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.

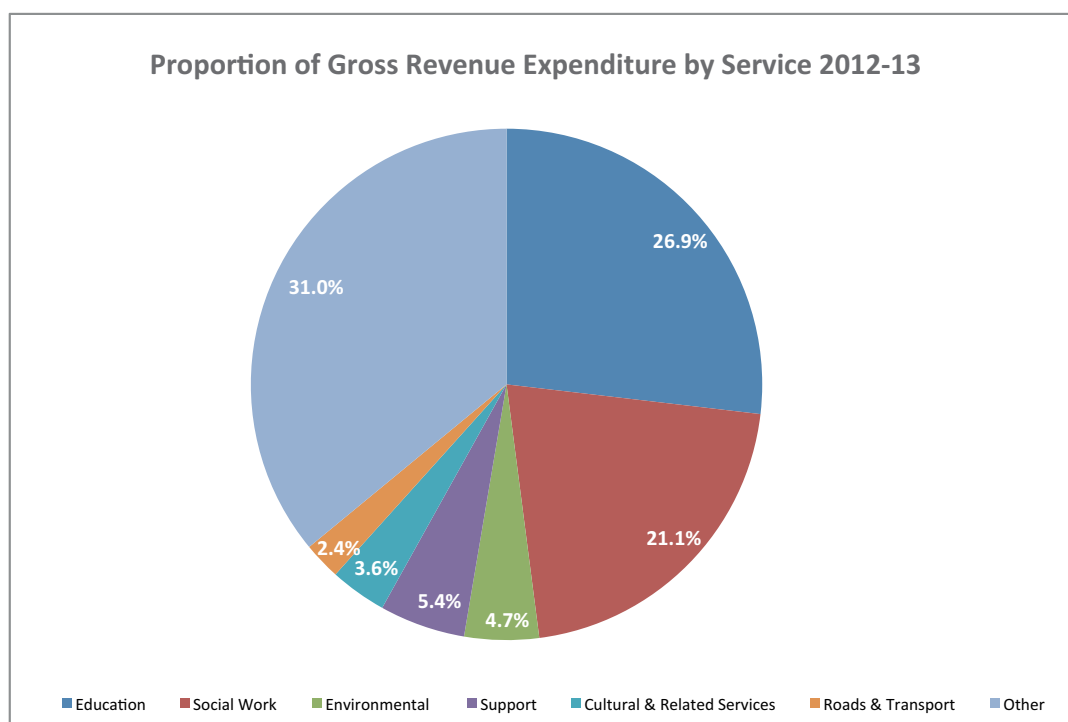
The benchmarking framework reported here lends itself to any type of comparison councils, or citizens, wish to make. What it does not support is a crude “league table” assessment: it would be as misleading to assess the performance of councils with high levels of deprivation without taking account of that as it would be to explore the performance of island councils without noting they are island groups with a very distinctive population distribution. However, within family groups of councils the variations against the indicators between similar types of councils will be fully explored and good practices exchanged within and between those family groups. The point of comparing like with like is that this is more likely to lead to useful learning and improvement. However, that should not be a straitjacket, where comparing between “families” is useful we will do that.

The purpose, therefore, is to create a framework that supports evidence based comparisons and, through that, shared learning and improvement. The indicators in the LGBF are very 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 provides the platform for learning and improvement. We will report in summer 2014 on our first phase of this aspect of benchmarking. Once we report on our first phase of this work successive areas within the LGBF will be targeted for subsequent exploration and reporting.

The Local Government Benchmarking Framework

The framework is based on seven overall service groupings which cover the major services provided to the public, and the support services necessary to do that. Chart 1 gives the service categories and the distribution of council spending between them and also the proportion of spending by councils currently out with the LGBF.

Other Services include Police, Fire, Planning and Trading Services, areas not included within the



benchmarking framework. The above breakdown does not include spend on Housing services as not all councils have responsibility for the provision of this service.

As can be seen, services to children (education, child protection and child care) and social work and social care to adults account for just under half of all spend. Despite some perceptions, the cost of corporate administration and the costs of democracy (support for elected members) together account for around 5% of total spending.

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: preschool education; primary education; secondary education and child care and protection. A full list of service categories and indicators is attached (See Appendix 1).

For each category, standard indicators of spend and performance have been applied. Spending has been standardised by expressing it as expenditure per standard unit (e.g. spending per pupil; spending per kilometre of road maintained; spending per residence for waste collection, etc.). These indicators have been standardised by application of rigorous protocols and provide a reliable basis for comparison between councils. Indicators of performance have proven to be more difficult.

For some services, well accepted measures of performance exist (e.g. pupil attainment at standard grade or higher level for secondary education). For others, no standard measures of performance are currently available (e.g. children's educational attainment at the end of primary school). For others again, performance is defined against policy requirements (e.g. percentage of older people with intensive needs receiving care at home). Finally, in some cases, community satisfaction with the service is used but is not equally available for all services.

The Purpose of this Report

All of the information generated by the LGBF has been placed in a dedicated website. It contains "dashboards" for each council showing movement on indicators across the three years covered, and a comparison with the Scottish average for all indicators. It contains all Scotland and, where relevant, "families" data for every listed indicator.

This report is an overview report and does not seek to replicate the depth and detail of the website. The focus is on three important areas:

1. Trends across Scotland for the service groupings and key indicators covered by the framework covering the period 2010 to 2013. For consistency we report the data in financial rather than calendar years. For each unit cost indicator we have calculated the change over the three years covered by this report in cash and in real terms, that is taking account of impact of inflation over time. **However, to demonstrate change over time we have opted to focus on the real term change but to allow for other comparisons we have included the cash figures in a table with each relevant indicator.**
2. Factors shaping these trends across Scotland including physical geography, population distribution, size of council and the impact of deprivation.
3. Identification of areas where unexplained variation exists and significant improvement might be achieved by all councils getting close to the "best in class".

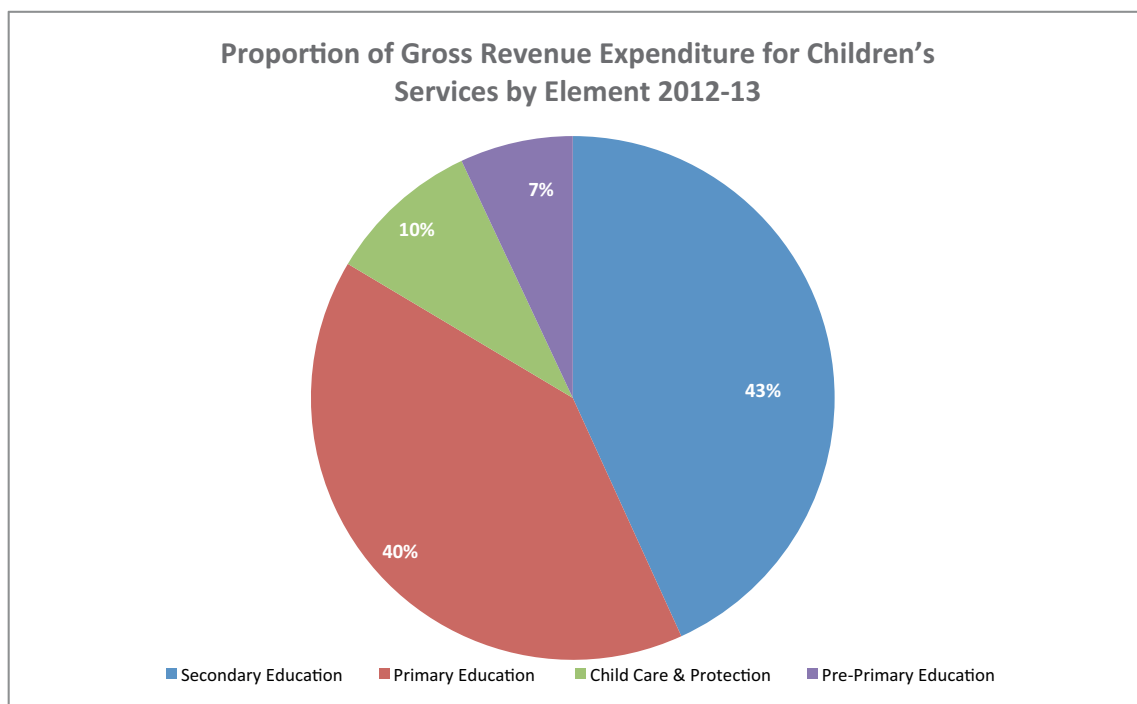
Executive Summary

1. The Benchmarking framework covers approximately 70% of local government spend in 2012/13, covering the major services provided to the public and the support services necessary to do that.

2. In terms of Education, in real terms there has been a reduction in costs across primary, secondary, and pre-school since 2010/11, although the rate of this reduction has slowed in the last 12 months.
3. This reduction in education costs has been accompanied by a continued improvement in relation to all measures of attainment, including the demanding criterion of % achieving 5+ awards at SQA level 6 and the % of people into positive destinations
4. Continued progress is being made in relation to closing the attainment gap in relation to SIMD. The attainment gap between the highest 20% and lowest 20% is narrowing. The rate of improvement for attainment for those 20% most deprived communities was 20% at level 5 and 26% at level 6 – compared to improvement rate of 9.1% and 11.7% on average.
5. In relation to corporate and support costs, these continue to account for around 5% of total gross revenue spend for local government across Scotland, with % spent on Support Service holding steady at less than 5%, and a decrease observed in costs of Democratic Core and cost of collecting Council Tax from 2010/11. There has been continued improvement in relation to ensuring equal pay opportunities across genders, with an increase in % of women in top 5%, from 46% to 49% between 2010/11 to 2012/13.
6. For Adult Social Care, there has been a real reduction in costs in relation to Home Care Costs and Residential Care Costs while in relation to the balance of care, there has been an increase in % of people with intensive needs cared for at home and % Social work spend allocated to Direct Payment spend.
7. Across culture and leisure services at a Scotland-wide level, costs per visit/attendance have reduced. This has been against a backdrop of increasing visitor numbers across sports, museums and libraries. There were larger decreases in costs between 10/11 and 11/12 and a levelling off in 11/12 to 12/13. Customer satisfaction rates for all culture and leisure facilities, except libraries, have also risen in 2012/13.
8. In Environmental services, unit costs have fallen across all but one of those areas included in the framework since 2010/11 while the associated outcome measures in relation to cleanliness index and satisfaction figures with both street cleaning and refuse collection continue to improve. Waste disposal costs show a slight increase of 3.7%.
9. Overall costs for roads maintenance per km have reduced in real terms since 2010/11 but increased in the last 12 months. Detailed work on this area is currently being undertaken within the Family group of councils and this work will be fully reported on in summer 2014. The condition of the roads network continues to improve.
10. In Housing Services there has been an increase in % of tenants' arrears as a % of net rent due since 2010/11, with the rate of this increase accelerating in the past year. Meanwhile when looking at council management of housing stock, the rent due lost due to voids has decreased since 2010/11, with all of the decrease occurring between 2011/12 and 2012/13. In terms of Housing Quality, there have been consistent improvements over the past 3 years in terms of dwellings meeting Scottish Housing Standards and energy efficiency standards.
11. For the first year, the framework includes a measure in relation to Economic Development focussing on the ' % of total Unemployed People in an area Assisted into Work from Council Funded/Operated Employability Programmes'. The Scotland average for 2012/13 was 9.6%.

Children's Services

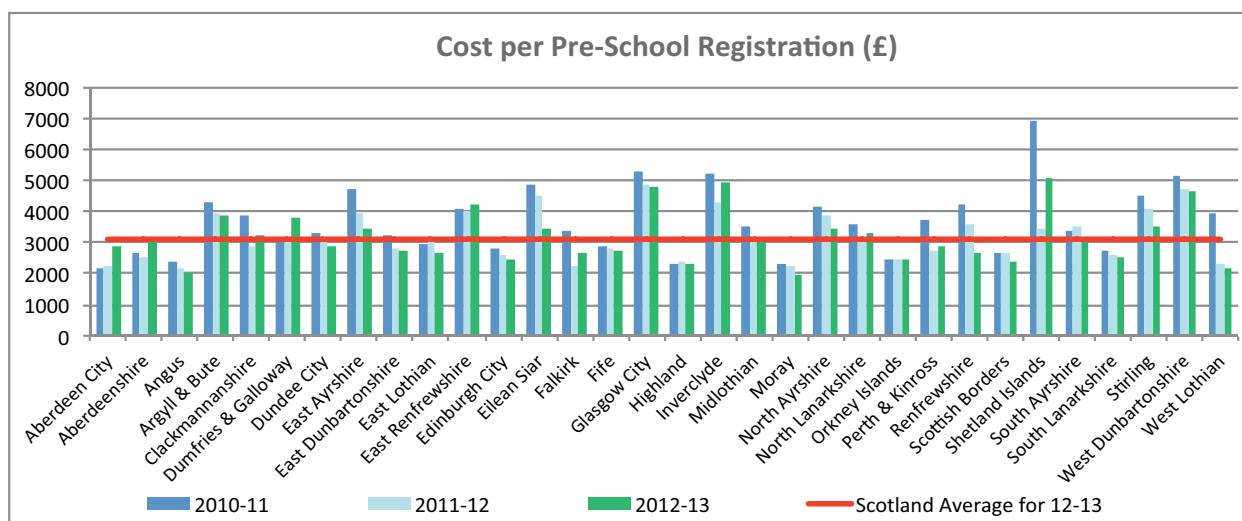
The major elements of children's services, and the percentage of total children's services spend on each one, are given in Table 2 below.



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.

Preschool Provision for Children

For preschool educational provision for children ("nursery school"), spending has been standardised as total spend per preschool place. As can be seen in 2012/13, there was substantial variation between councils, ranging from £1966 per place to £5062 per place. There is no systematic connection with the different scale, population distribution or levels of deprivation for different councils. The variation seems more likely to reflect specific local choices about the nature and quality of the service provided.



Over the three year period the Scottish average for the Cost per Pre School Place has reduced in real terms by -£393. In percentage terms this represents an average real terms reduction across Scotland of 11.2%.

The rate of reduction though has slowed in the last 12 months. From 2010/11 to 2011/12 there was a real terms reduction of -10.1%. However, from 2011/12 to 2012/13 there was a real terms reduction of -1.2%.

Pre-School Provision Changes 2010/11 – 2012/13

% Change	Cash	Real
2010/11 – 2012/13	-7.6	-11.2
2010/11 – 2011/12	-8	-10.1
2011/ 12 - 2012/13	+0.5	-1.2

Factors such as the age, experience and grade of staff deployed, and the cost of facilities, may be part of an explanation as these are major cost elements in delivering the service. In particular the impact of the nationally agreed wage freeze has been a major factor in the cost reductions in previous years. The number of hours/ sessions per week offered to children, and the age from which they are offered is also an important cost factor. In many councils the management of pre school centres has been incorporated into the Primary School that the nursery has been attached to.

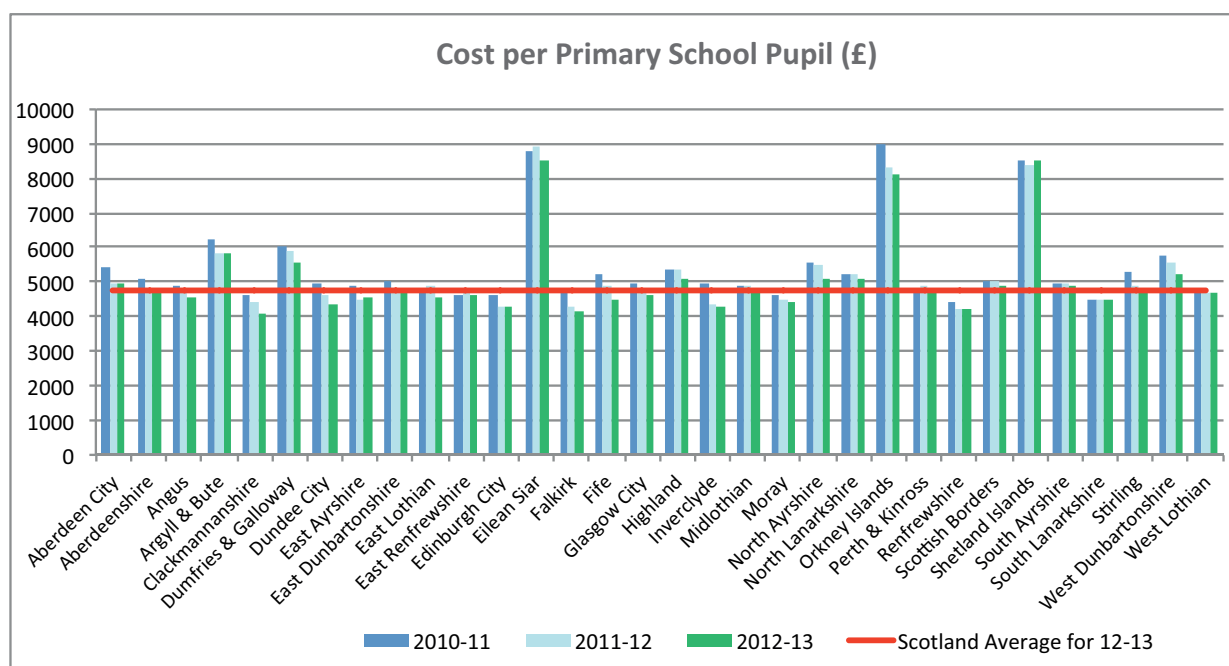
Currently there are no systematic and consistent measures deployed by all 32 councils for understanding children's' development as they progress through the pre school setting. In conjunction with the Association of Directors of Education Scotland (ADES) we are exploring how such measures will be developed going forwards. With ADES we will seek to work with colleagues across the wide range of Early Years services and generate a standardised and comparable set of indicators that captures how children are developing through the preschool period. This will build from the summative forms of evaluation that each child currently experiences within the preschool setting which are tailored towards their individual development needs. What we will seek is a complimentary set of indicators that will allow councils to compare on a standardised basis how children are progressing in the preschool years in order that good practices can be identified and fully shared across councils and preschool settings. We will report fully on these developments in future years.

Primary and Secondary School Spending

The pattern of spend on primary and secondary schooling is standardised as "total spend per pupil". The data shows a very distinctive pattern across Scotland, with the Island councils spending significantly more than others. For example, including the Islands, the range per primary school pupil is from £4084 to £8527 and from £5425 to £13,657 for secondary schools. Excluding the Islands, the range per pupil for primary comes down to £4084 to £5847, and for secondary it comes down to £5425 to £7757. The distinctive physical geography and population distribution of the island councils results in a distinctive spending pattern.

Cost Per Primary Pupil

From 2010/11 to 2012/13 there was a real terms a reduction of -£318 per Primary Pupil. This represents a -6.3% real terms reduction. The rate of reduction has slowed between 2010/11 and 2011/12 when there was a reduction of -3.8% while between 2011/12 and 2012/13 there was a reduction of -2.6%.

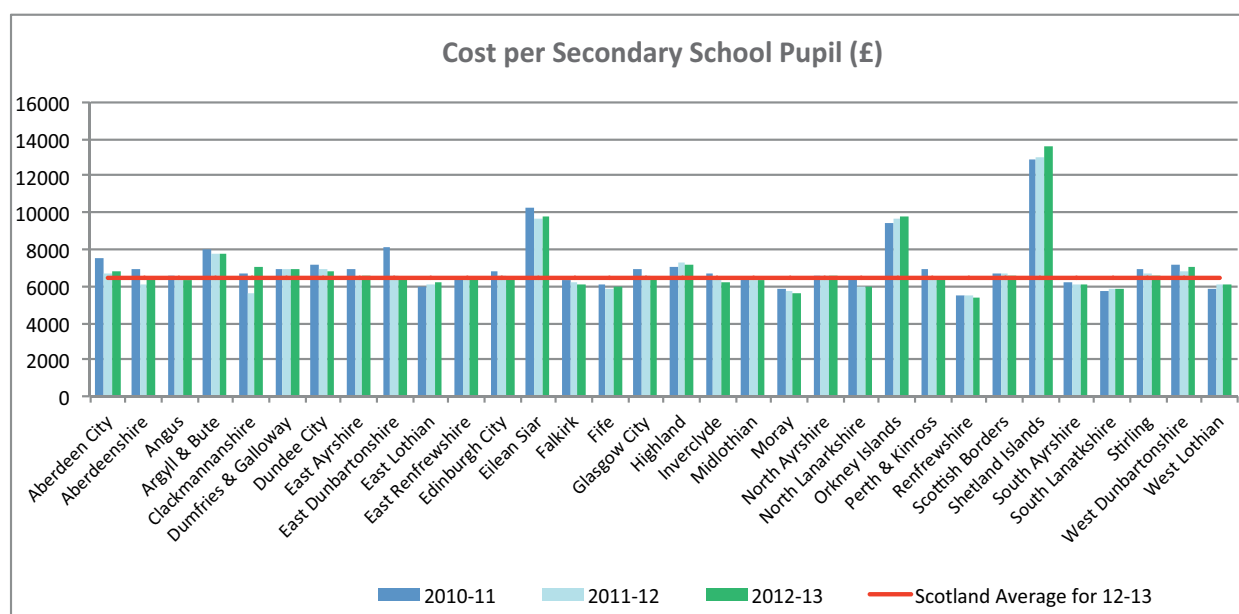


Cost Per Primary Place 2010/11 – 2012/13

% Change	Cash	Real
2010/11 – 2012/13	-2.4	-6.3
2010/11 – 2011/12	-1.6	-3.8
2011/ 12 - 2012/13	-0.9	-2.6

As with preschool children's development we are in discussion with ADES to help agree a consistent method for assessing children's development through primary schools. Currently some councils deploy formal development measurement approaches while others adopt a different less formal approach to assessment. We will report in future years on this important area of development.

Cost Per Secondary Pupil



From 2010/11 to 2012/13 there was a real terms reduction of -£260 per pupil, this represents a -3.9% real terms reduction. As before the rate of reduction has slowed in the most recent year as from 2010/11 to 2011/12 there was a -3.8% real terms reduction whereas between 2011/12 and 2012/13 it was a -0.1%.

% Change	Cash	Real
2010/11 – 2012/13	0.1	-3.9
2010/11 – 2011/12	-1.6	-3.8
2011/ 12 - 2012/13	1.7	-0.1

Around 60% of the cost per pupil is teaching staff costs and a further 20% represents operating costs of which the biggest element is the provision of school facilities themselves. This means that variation between councils is highly influenced by the age and salary costs of the teaching workforce, and the number and condition of the school buildings they provide. As a substantial proportion of the school estate has been renewed in the last 15 years using PPP/PFI vehicles, annual contract costs are also likely to be a significant factor.

Currently in Scotland an agreement has been reached by the Scottish Government and Local Authorities to ensure councils will maintain teacher numbers in line with pupil numbers. From August 2011, the class size maximum in all P1 classes was reduced from 30 to 25. In 2013 99% of primary school children were taught in classes of 25 or fewer with an overall teacher pupil ratio in Primary schools of 16 pupils to 1 teacher being achieved.¹ This means that in managing costs this element of the council workforce cannot be reduced below the stipulated levels and represents a fixed cost to councils. Data on Secondary schools is not generally collated in the same way as in Primary Schools but the average teacher pupil ratio in 2013 in Secondary schools was 12.2: 1 and in special support schools a ratio of 3.5: 1 was achieved. It is also worth noting that the current moratorium on school closures together with the complex issues involved with such closures inhibits further rationalisation of facilities, which in turn also acts to maintain costs within both primary and secondary school expenditure. The impact of both factors limit councils efforts in seeking to generate further efficiencies in this major area of expenditure.

As the charts and analysis above indicate, that despite the common factors that structure substantial areas of performance e.g. class sizes there are still substantial variations between councils, particularly for secondary education. These variations have been examined in terms of scale of council, population distribution and levels of deprivation, but none explain the variation that exists. This suggests that this variation is most likely to be associated with choices made by councils in the past with respect to service delivery and design. The IS will work with all councils, ADES, Education Scotland and other relevant bodies to better understand the impact of these factors and fully share the insights gained into how some services are designed and delivered in ways that achieve greater benefits for children and share these insights with all councils.

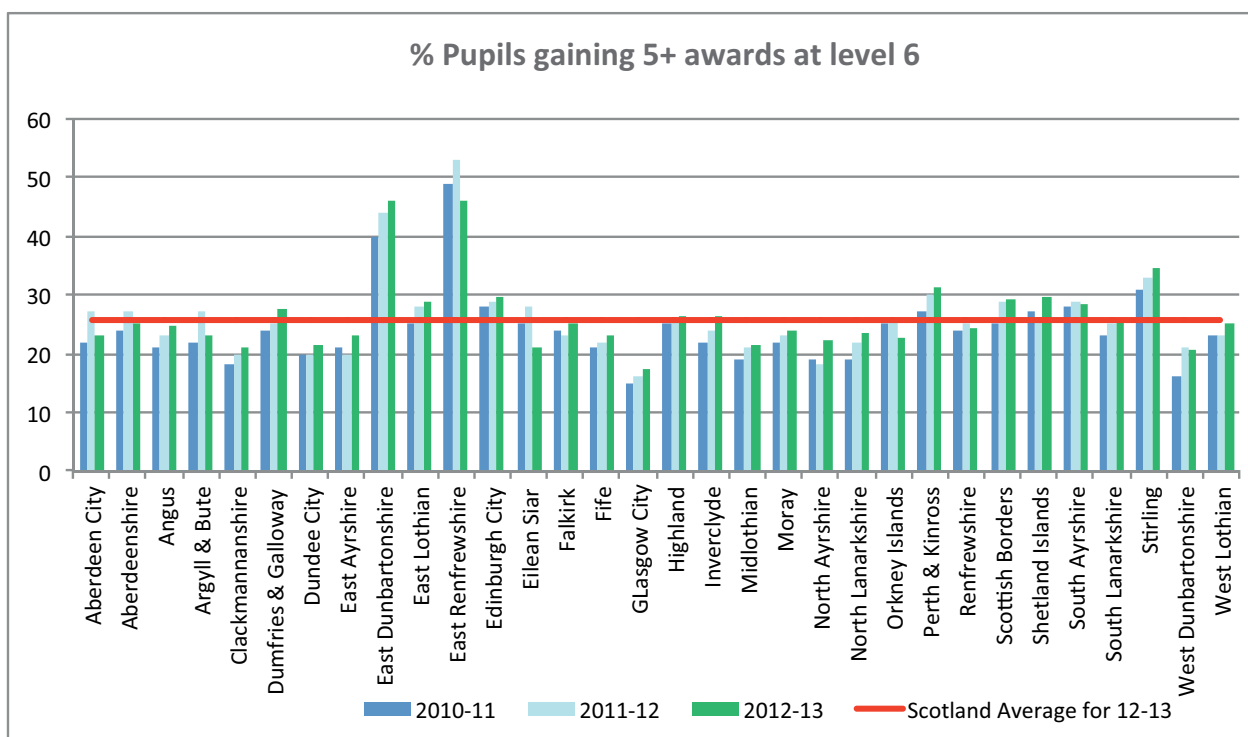
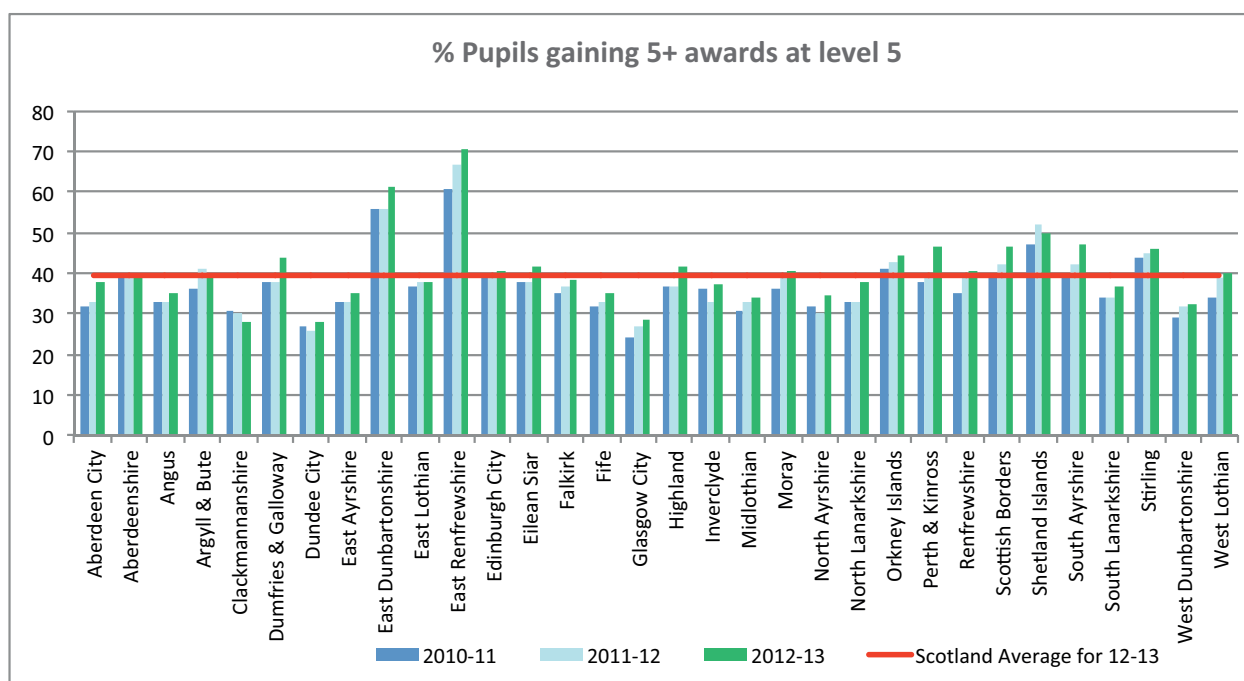
Secondary School Performance

Performance at secondary level is measured by three indicators within the benchmarking framework: percentage of pupils achieving 5+ SQA level 5 qualifications (Standard Grade A – C equivalent); percentage of pupils gaining 5+ SQA level 6 qualifications (Higher A – C level) and the post school destinations of pupils.

On the level 5 and 6 qualifications indicators, very substantial variations can be identified. The range is from 27.9% to 70.7% for 5+ at level 5 and from 17.5% to 46.1% for 5+ at level 6. It should be noted that 5+ awards at SQA level 6 is a demanding criterion.

A clear relationship exists between multiple deprivation and educational attainment within

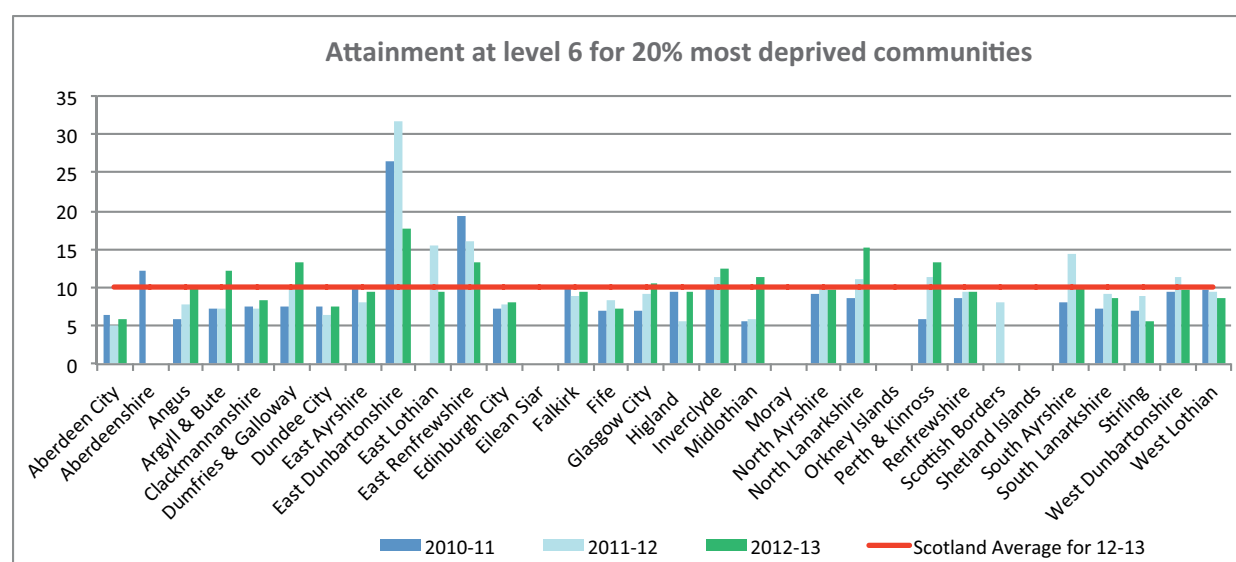
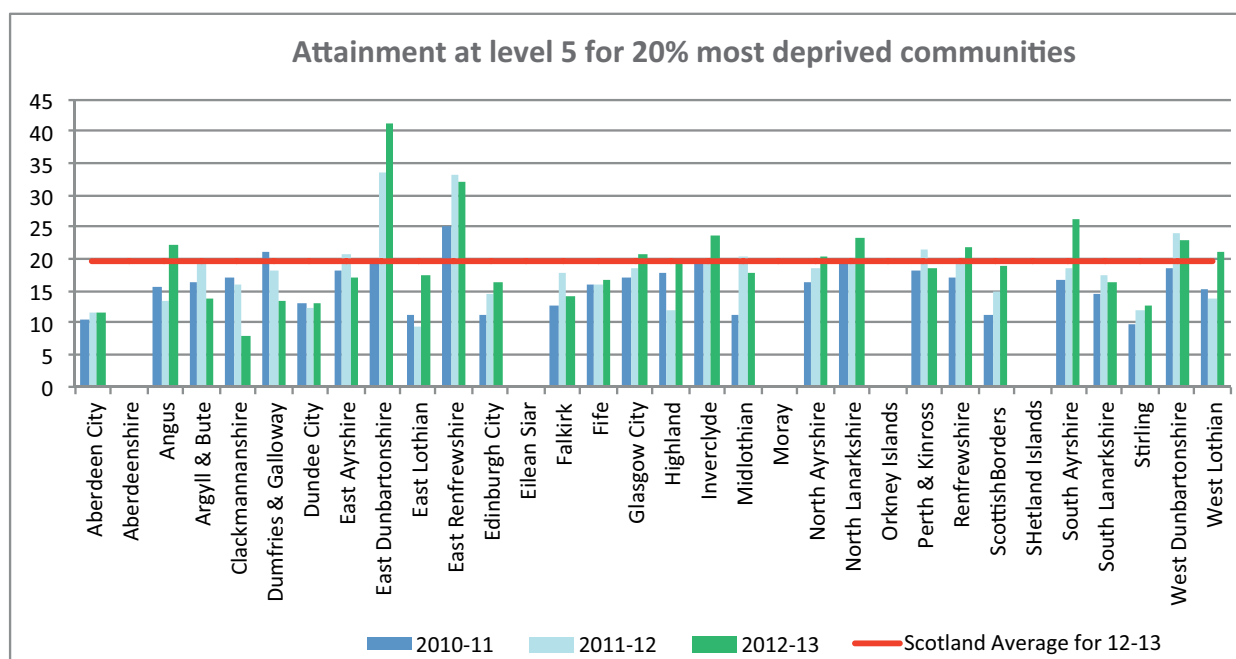
¹ <http://www.scotland.gov.uk/Topics/Statistics/Browse/School-Education/TrendClassSizes>



and between councils. Within councils, the average performance of pupils from the 20% most deprived areas is well below the average for other pupils. Between councils, achievement on SQA levels 5 and 6 varies systematically with the overall level of deprivation in the council area: this accounts for around 40% of the variation in outcome between councils.

Two points that need further exploration can be seen in these tables. First, councils with very low levels of overall deprivation are often achieving exceptional results with pupils from deprived areas, spectacularly in some cases. However, when the overall level of deprivation is factored in, a clear link exists between higher levels of deprivation and low educational achievement.

Second, if councils are grouped into four “families” based on their overall levels of deprivation, see below, differences emerge within the families as well as between them. If in family group 1 we exclude the performance of the two highest performing councils in Scotland - East Renfrewshire and East Dunbartonshire as outliers even within their family group – the range within that group



narrows to around 12%. The pattern across all four groups still suggests that when councils are grouped on the basis of similar socio economic and deprivation levels the range in performance is such that some councils seem to be achieving better results with children from similar backgrounds than others.

Family group variation in attainment

	5 or More Awards at Level 5				5 or More Awards at Level 6			
GROUP	MEDIAN	MIN	MAX	RANGE	MEDIAN	MIN	MAX	RANGE
FG1 – least deprived	45.4	38.0	70.7	32.7	29.6	22.7	46.0	23.3
FG2	40.4	34.2	46.7	12.5	25.5	21.4	34.6	13.2
FG3	39.2	27.9	47.0	19.1	25.1	21.1	28.4	7.3
FG4 – most deprived	34.8	27.9	41.5	13.6	21.9	17.5	26.3	8.8
SCOTLAND	39.3	27.9	70.7	42.8	25.7	17.5	46.0	28.6

An improving trend can also be seen in the SQA level 5 and level 6 data across the three years for which we have collated data. The total percentage of young people gaining 5 awards at level 5 and level 6 is increasing, and the percentage for young people from deprived areas achieving that

level of award is also increasing. This trend can be tracked back across the last 10 years, with the performance of children from the most deprived backgrounds having improved by 17% across the period since 2002. The “equality gap” between the most and least disadvantaged pupils has narrowed by much less because all pupils have improved their performance across the period. The IS is currently undertaking further research into the connections between multiple deprivation and the patterns of outcomes achieved for people in Scotland including educational performance of children, the findings of this work will be published later in 2014.

Percentage of Pupils Achieving SQA Level 5 and Level 6 Awards

Year	% 5 or More Awards at Level 5	% 5 or More Awards at Level 6
2010/11	36	23
2011/ 12	37	25
2012/13	39	26

Between 2010/11 and 2012/13 this represents a rate of improvement of 9.1% for Pupils achieving 5 or more awards at Level 5 and a 11.7% rate of improvement for Pupils achieving 5 or more awards at Level 6.

Percentage of Pupils Living in the 20% Most Deprived Communities Achieving SQA Level 5 and Level 6 Awards

Year	% 5 or More Awards at Level 5	% 5 or More Awards at Level 6
2010/11	16	8
2011/ 12	18	9
2012/13	20	10

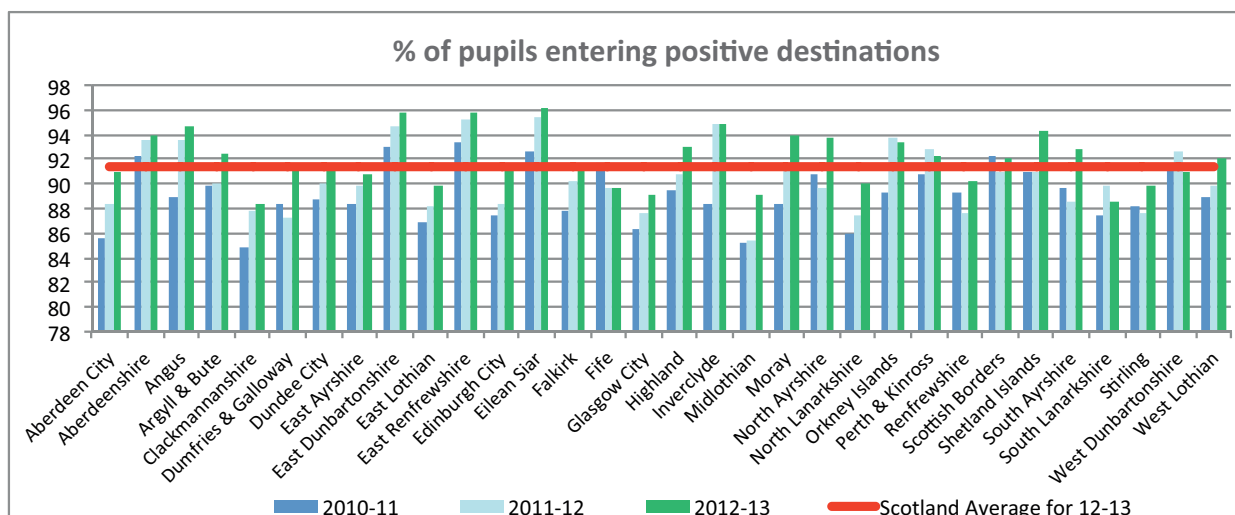
Between 2010/11 and 2012/13 this represents a rate of improvement of 22% for Pupils Living in the 20% most Deprived Communities Achieving 5 or more awards at Level 5 and a rate of improvement of 26% at Level 6.

We should note however that the above figures are highlighting average performance across the whole council area. In reality there are clusters of higher and lower performance within each council area at school level. We will work with all councils, ADES and Education Scotland to better understand this level of variation and the factors that drive it at school and council levels. Working with colleagues we will support Education Services to capture and share good practices both on how our ‘higher performing’ schools operate and also in terms of how schools work with a wider range of services to support children and their families to improve the life outcomes for children including their educational attainment.

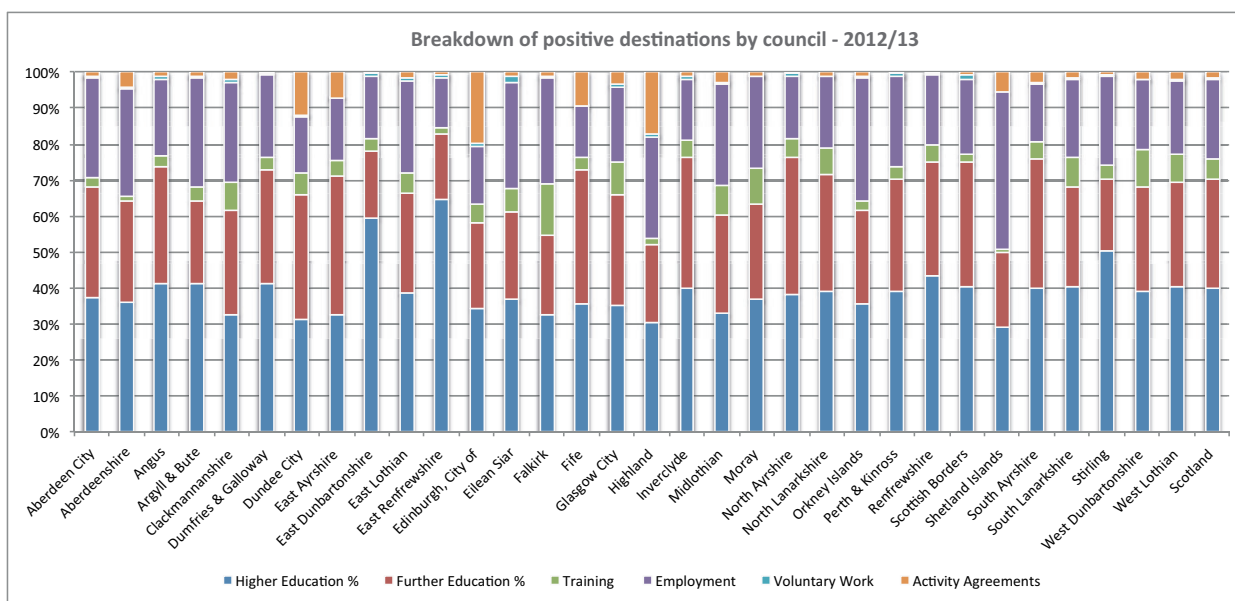
Positive Destinations

The data for “positive destinations” after school (participation in FE, HE, training/apprenticeships, or employment) are much more even and very positive. The average for positive destinations across Scotland in 2012/13 was 91%, with a range from 88.3% to 96.1%. This represents a 2.8% rate of improvement since 2010/11. No strong link exists with overall positive destinations and deprivation, urban/rural context, or scale of authority.

However, if “positive destinations” is broken down into its component parts, more interesting trends can be identified. The balance of participation in colleges and universities more or less reverses between councils with higher levels of deprivation and councils with lower levels



of deprivation. There is a clear link between deprivation and lower participation in higher education across Scotland. (The participation rate is still high: Glasgow, with the highest level of deprivation in Scotland, still has over 30% of all its pupils going to University). The percentage of pupils moving directly into unemployment is higher for councils with higher levels of deprivation although the relationship is not statistically significant.



The final point to note is that measuring performance at council level provides only a very high level indicator. As noted earlier, pupils are educated in particular schools, and different pupils come from different backgrounds. For example, Glasgow's 31% university participants may disproportionately come from a limited number of schools, and the participation rate from some of those schools may be significantly above the average for the City as a whole. The pupils in these schools may disproportionately come from the less deprived areas in the city, and may be very similar to their peers in more affluent council areas.

This area was selected as an area for further exploration. All 32 councils are currently (at the time of writing this report) working with the IS to explore matters in detail. The four family groups of councils are working towards a detailed report to be published in June 2014. The report will contain a more detailed analysis of this and more detailed underpinning information to better explain why the variation we observe in this high level indicator occurs. It will also detail the good practices of the higher achieving councils that the family groups have identified.

Percentage of Adults Satisfied with Education Services

In terms of Adults satisfied with their local schools service the range across Scotland is from 72% to 94%. The overall Scottish Average satisfaction rate in 2010/11 was 83% which remained the same in 2012/13. These satisfaction rates achieved by local schools remain among the highest rates achieved by local council services. There appears to be no firm link in the trends related to the size of the councils, the urban/ rural nature of the councils or the level of deprivation in the council area.

Percentage of Adults Satisfied with Local Schools

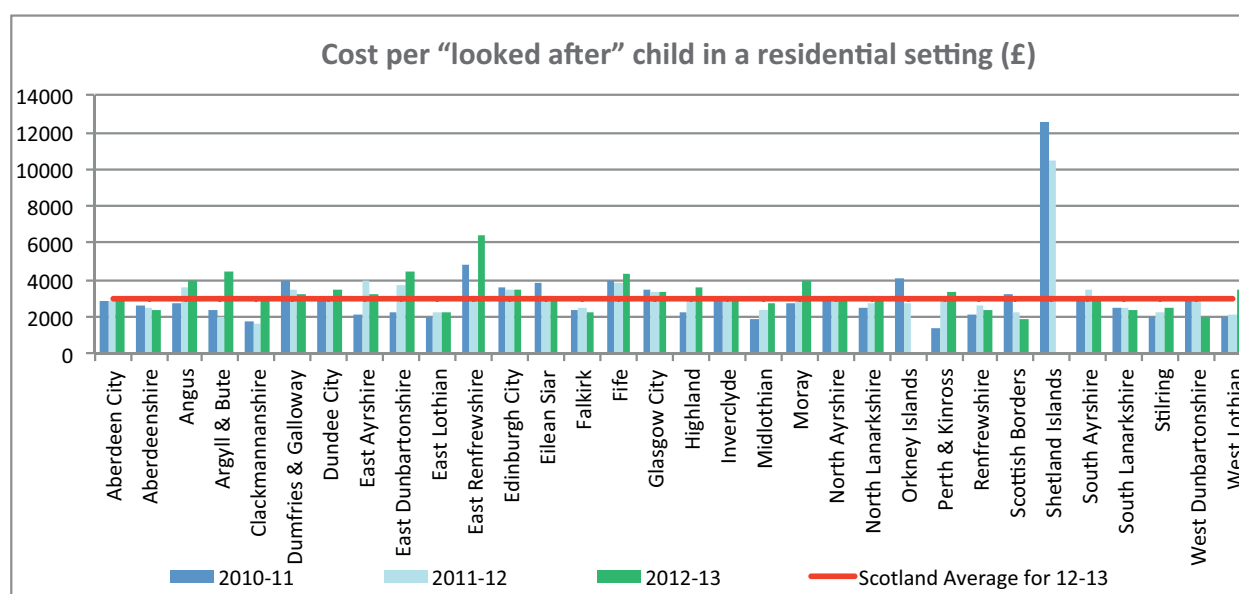
Year	% Satisfied
2010/11	83
2012/13	83

Looked After Children

As well as providing education services to all children, councils have a duty to provide care, protection and supervision to children who need it. The data reported here relates to children who are under formal arrangements for care, protection and supervision, typically decided by a Childrens Hearing, or a court in exceptional circumstances. This may be because of family breakdown or risk, the child's behaviour or particular identified needs of the child.

There are three indicators in the benchmarking framework for "looked after children": the weekly gross cost per "looked after" child in a community setting; the weekly gross cost per child in a community setting; and the percentage of all "looked after" children in a community setting.

Weekly Cost per "looked after" child in a residential setting



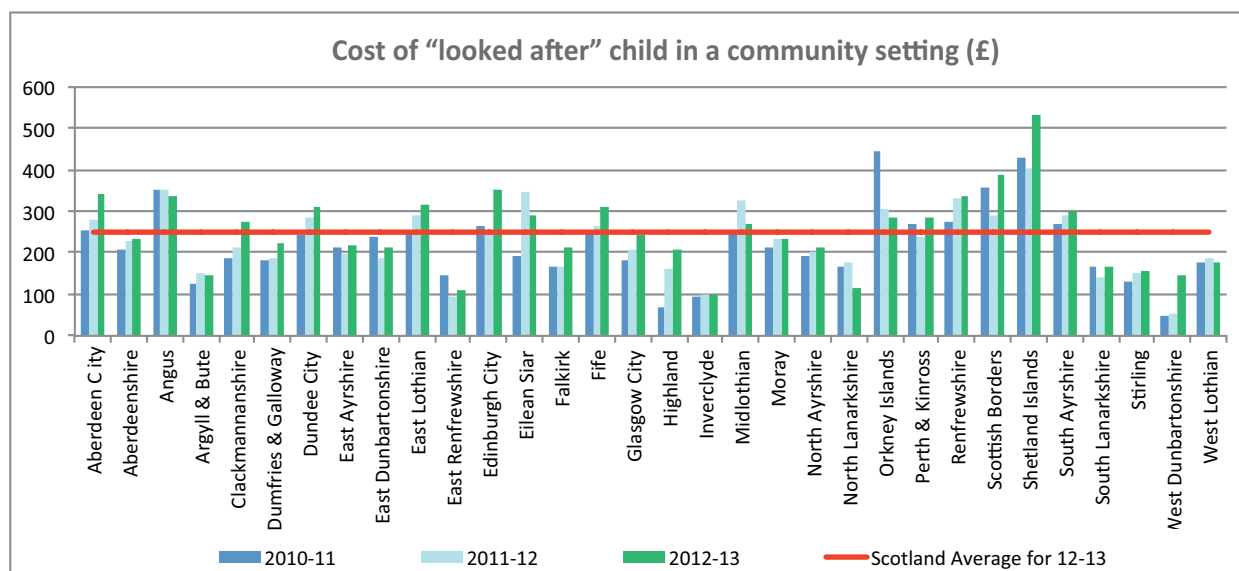
In 2012/13, the average weekly cost per looked after child in a residential setting was £2928. Over the three year period the Scottish average cost has reduced in real terms by £54, a reduction of -1.8%. The rate of change has gone from a growth of 2.9% between 2010/11 and 2011/12 to a real reduction of -4.5% from 2011/12 to 2012/13.

% Change	Cash	Real
2010/11 - 2012/13	2.3	-1.8
2010/11 - 2011/12	5.3	2.9
2011/12 - 2012/13	-2.9	-4.5

Weekly Cost per “looked after” child in a community setting

The average cost per looked after child in a community setting in 2012/13 was £249 per week, which represented a 17.1% increase in real terms since 2010/11, with the rate of increase accelerating in the last 12 months. This change reflects an increase in gross spending in this area whilst the numbers of children being looked after has remained relatively constant.

% Change	Cash	Real
2010/11 - 2012/13	21.9	17.1
2010/11 - 2011/12	8	5.6
2011/12 - 2012/13	12.9	10.9



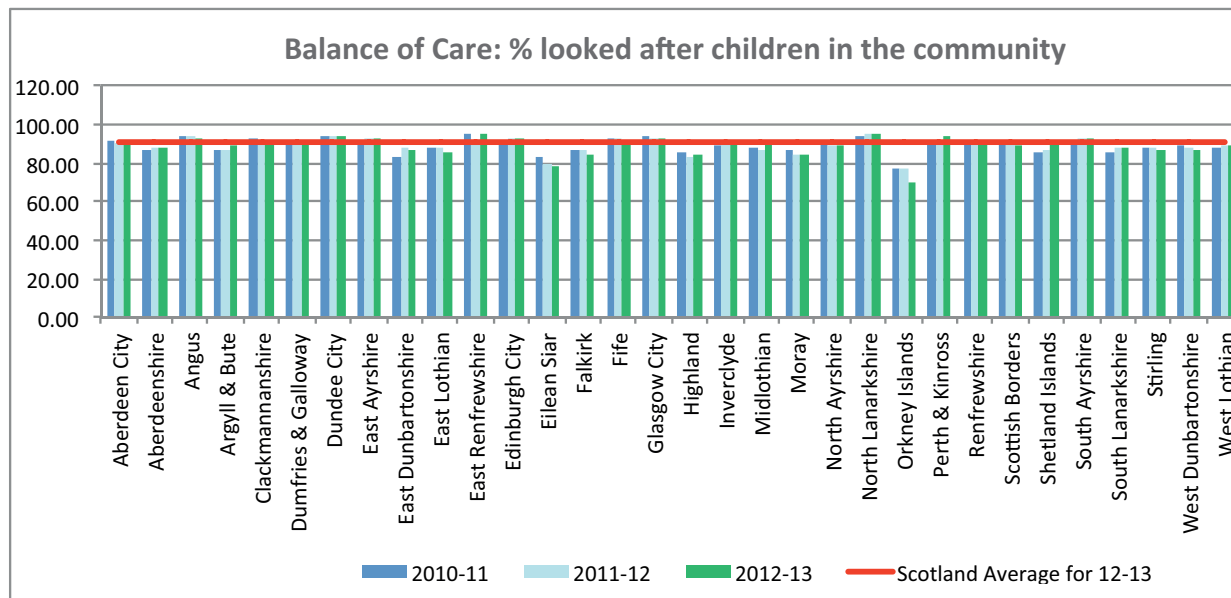
The average gross weekly cost per child of community and residential placements shows very wide variation. The range is from £99 to £529 for community placements and £1846 to £6455 for residential placements.

No clear relationship could be found between cost variation and urban/rural context; scale of council or deprivation. The key factors explaining variation may be: the needs and circumstances of the children being looked after; local availability of placements; the policy choices and service models adopted by councils; and the specific decisions of Children’s Hearings. There is currently no standard measure(s) of the outcomes of care for looked after children and therefore no capacity to link spending to results. This is a development priority for the next year. In the meantime, there is clear scope for councils to collaborate in reaching a better understanding of the reasons behind this variation in cost.

The Balance of Care

The overwhelming majority of children are looked after in community settings: This has remained consistent at 90% on average across Scotland over the past 3 years. The range is relatively

narrow: from 85% to 95% (excluding island councils who average 79%). Nevertheless, there would be merit in raising this figure given the recognised benefits associated with community care. There is a clustering of rural and island councils at the bottom of the range, possibly indicating the greater difficulty of organising community provision for high need cases in those contexts. Clearly the role of the Childrens Hearing is again important in understanding this pattern as they decide the provision necessary for particular children.

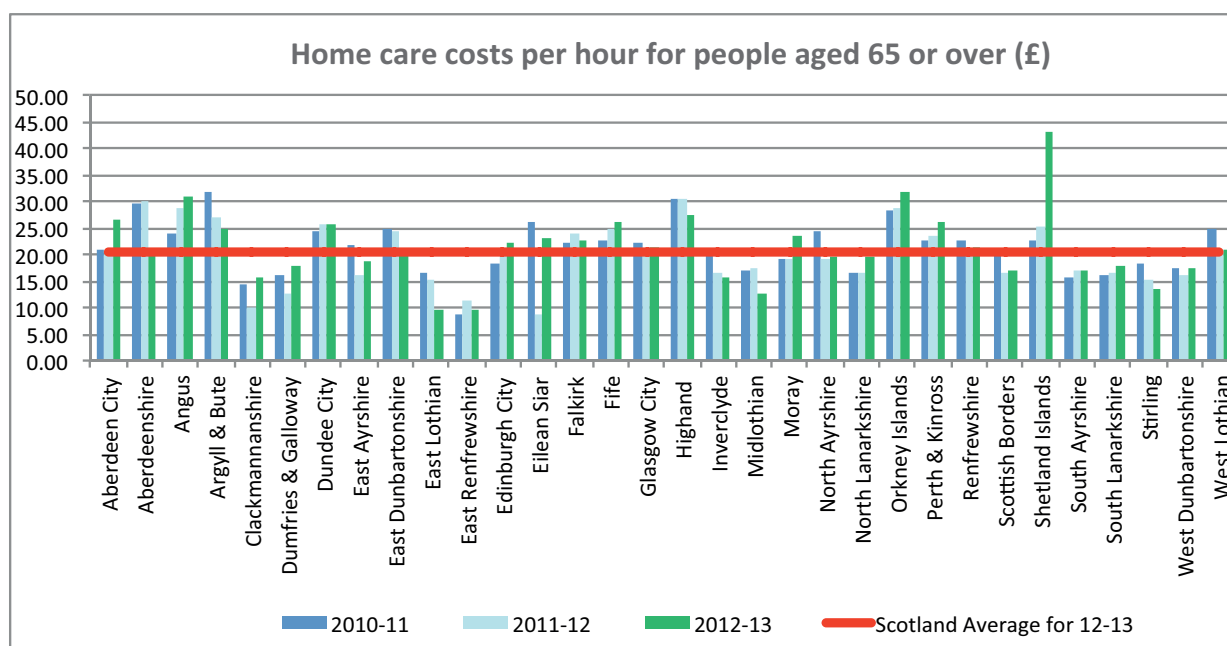


Adult Social Care

The provision of services to support vulnerable adults and older people is a major priority for councils. This is an area where councils face growing demands and where services are experiencing a major change 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 help improve outcomes for vulnerable adults and older people by strengthening the partnership working across public services. We will work with colleagues from across the sector including the new HSCP's, the Association of the Directors of Social Work (ADSW), the Joint Improvement Team (JIT) to better capture how the outcomes for these two groups of adults are improving over time and how emerging good practices in the design of these new partnerships and the delivery of their integrated services is supporting improvements in outcomes.

Home Care Services

Council spend on Home Care Services has been standardised around home care costs per hour for each council. The average spend per hour in 2012/ 13 was £20.48 per hour with the range in spending per hour going from £9.70 per hour to £43.11



From 2010/11 there has been in real terms a -0.6% reduction in spending per hour on home care for people over 65. The rate of change has gone from a reduction of -5.1% between 2010/11 and 2011/12 to a real growth of 4.7% from 2011/12/ to 2012/13.

Home Care Costs Per Hour for People Aged 65 or Over

% Change	Cash	Real
2010/11 - 2012/13	3.5	-0.6
2010/11 - 2011/12	-2.9	-5.1
2011/12 - 2012/13	6.5	4.7

When the data is examined, there is no strong connection between costs per hour and sparsity, deprivation levels or size of the council. Of importance to note that the age structure of the local population does not drive cost in this area. It is often assumed that the older a population

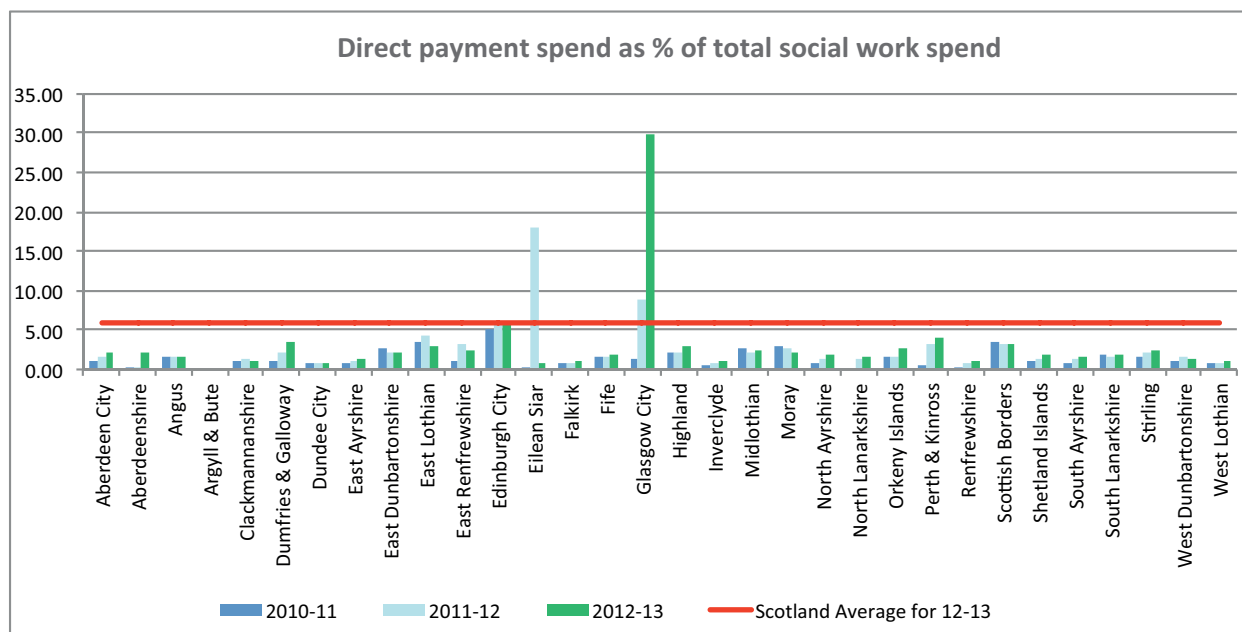
group is then there will be higher costs for service providers. This is not borne out by the data where the relationship between the cost per hour of home care services and the demographic structure of the local population is weak. Of more significance is the needs profile of the local population which is not simply determined by its age structure. The level of vulnerability across the population is a key factor in driving demand pressures and we will explore with councils how those demands are being met in innovative ways by different councils and share that innovation across all authorities and their respective local partnerships.

The cost data presented above needs more detailed examination as costs can be influenced by a wide range of factors such the number of clients care workers support, the travel time between clients for workers and the numbers of clients requiring multiple assistance from two or more workers at a time, for example for lifting purposes. Improving this data will be an area for development of the project going forward.

Direct Payments

Social Work services continue to drive forward the use of direct payments by clients to allow them to purchase their own care directly. The rationale of this is to engender greater client choice to reshape the provision of care by giving clients more control over the budget spent in supporting them.

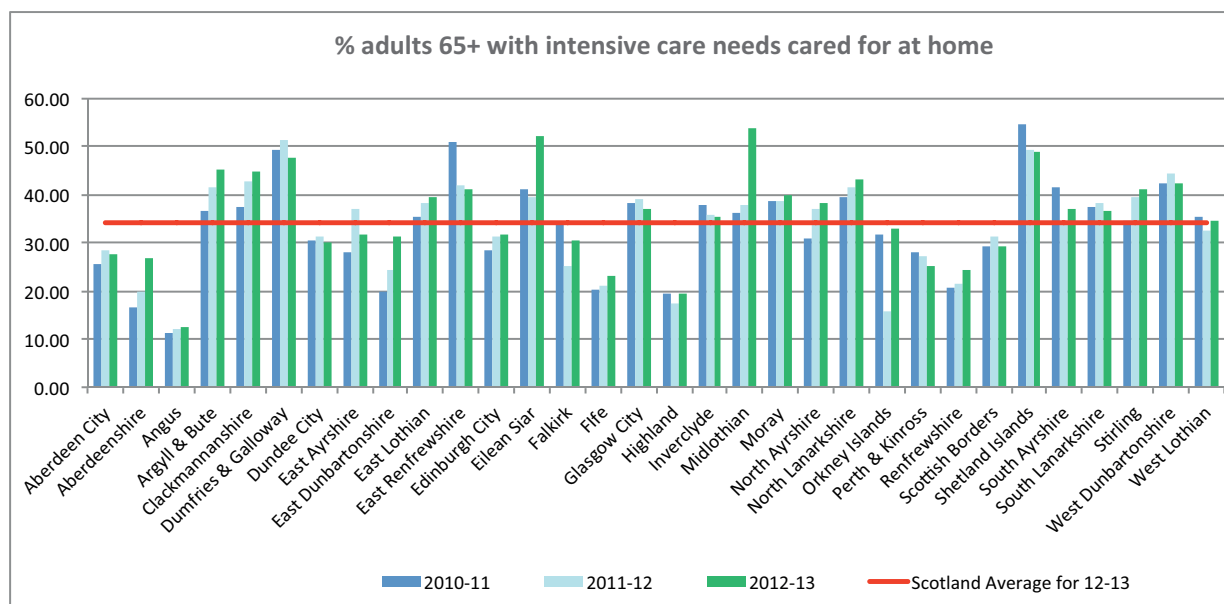
In 2012/13 the range in the percentage of Social Work spend on adults (18+) via Direct Payments as a % of total social work spend on adults 18+ was 0.8% to 29.8%. The Scottish average in 2012/13 was 5.9%. Between 2010/11 and 2012/13 there was an increase in the number of clients making use of Self Directed Spend opportunities, the rate of improvement was 4.3%. The majority of this growth occurred in Glasgow where there has been a growth of 28.5%. Glasgow City Council was part of a national project to drive increases in Direct Payments and we will work with the council to better understand how they have achieved growth in this area and share tha practice with other councils. The range between the highest and lowest performance on this measure is such that we will work with all 32 councils and ADSW to better understand its robustness and to identify service practices that are driving some councils forward at a faster rate than others.



In examining the data there seems to be little connection between the data and sparsity, deprivation levels or size of the council. This suggests that local practices and the choices of individual councils is important in driving forward this agenda of client empowerment and we will explore these matters further to share emerging good practices across all councils.

Adult 65+ Intensive Home Care

The third area of Social Work Services covered in the framework is the % of adults over 65 with intensive care needs who are cared for at home. As part of the effort to care for more people in their own home rather than institutional setting such as hospitals this is an area of growing importance. In 2012/13 the range was 12.3% to 53.6%, with the Scottish Average being 34%. In comparison the equivalent Scottish Average in 2010/11 was 33%.



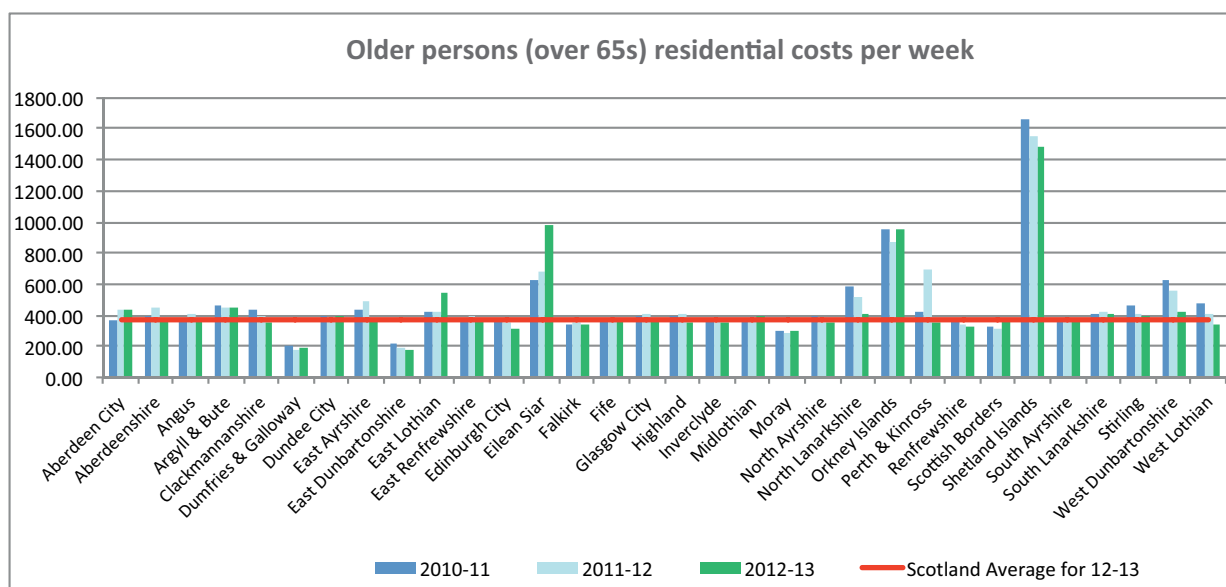
The range of figures appears to be related to council size with smaller councils on average achieving higher levels of intensive home care provision. However, there are no systematic connections between balance of care levels and population sparsity or deprivation.

In the period ahead we will work with colleagues from HSCPs, ADSW JIT and other relevant bodies to capture the impacts that home care services can have upon life outcomes for older people. In particular we know that older people from more deprived communities are much more likely to be admitted to hospital over the course of a year on an unplanned basis than older people from more affluent communities. We will work with colleagues across this sector to better understand how the design and delivery of home care services can help prevent those most at risk of unplanned hospital admissions from entering the hospital sector unnecessarily. The effective practices we identify in this area will be fully shared with all councils and their local partners in support of their efforts to improve outcomes for older people.

Residential Care

The fourth Social Work area covered by the framework is the net cost of residential services. The measure has been standardised by looking at Residential Costs per week for people over the age of 65. In 2012/13, the average cost across Scotland was £373 per week per resident. Analysis of the data reveals considerable levels of variation across councils with island councils in particular reporting significantly higher costs. When island councils are excluded, costs ranged from £182 to £546, with island councils each reporting costs above £900 per resident. There are no systematic patterns in costs in relation to population sparsity, size of council or level of deprivation when island councils are excluded from the analysis.

In real terms the weekly cost has reduced since 2010/11. In 2010/11 the weekly cost in real terms was £404 and in 2012/13 it was £373. In percentage terms this represents a -7.9% change. The rate of change has moved from a 0.2% growth from 2010/11 to 2011/12 to a reduction of -8.1% in 2011/12 to 2012/13. However it is important to note that the figures for 2012/13 have in agreement



with the local government Directors of Finance excluded a Support Cost component which was included in previous years, and therefore the costs across the years are not directly comparable.

Residential Care Costs per Week for People over 65

% Change	Cash	Real
2010/11 - 2012/13	-4.1	-7.9
2010/11 - 2011/12	2.5	0.2
2011/12 - 2012/13	-6.4	-8.1

Local authorities purchase most care home places for older people from private and voluntary care home providers. Local authorities which have retained their own Council-owned, “in-house” care home capacity, may have higher net costs, as staff salaries and pension costs are generally lower in the private and voluntary sectors. In the absence of reliable indicators regarding the outcomes for this service, it is not possible to comment on the relative merits of the two service delivery models.

Net expenditure on residential care is defined as gross expenditure minus income. Up to and including 2014/15, the National Care Home Contract for residential care for older people will, to a large extent, have standardised the gross cost per resident week, apart from enhancements that some councils may pay for specialist dementia care or respite as required by local market conditions. Net expenditure is affected by income, and therefore by the ability of residents to contribute to the costs of their care, and the extent to which other sources of income, such as NHS Resource Transfers, are counted as a contribution to the local authority’s costs for providing or funding care home placements. Variations in net expenditure between local authorities will also be affected by variations in the numbers of eligible wealthier older people in care homes for whom the council is paying free personal and nursing care.

The use of care homes for older people is changing and in future more emphasis will be given to use for rehabilitation and short-stays. Once again we will work with Social Work colleagues and other relevant bodies to better understand the reasons behind the variations across council areas; how different local partnerships including Social Work services are responding to the challenges around residential care services and to support the services in sharing effective good practices across Scotland.

Percentage of Adults Satisfied with Social Care or Social Work Services

In terms of Adults satisfied with social care or social work services the range across Scotland is from 40% to 82%, with the highest levels of satisfaction in island councils, each above 75%. Analysis of the data reveals there is no systematic pattern in relation to size of council, sparsity or deprivation in relation to satisfaction figures. The overall Scottish Average satisfaction rate in 2010/11 was 62% in 2012/13 this had reduced to 57%. This reduction in satisfaction differs from other service areas covered by the LGBF where customer satisfaction has either improved over time or remained steady. We will work with Social Work colleagues in the year ahead to understand why this difference has occurred in order to see if there is an anomaly in the data we are drawing upon or if other factors are driving the effect observable in the data.

Year	% Satisfied
2010/11	62
2012/13	57

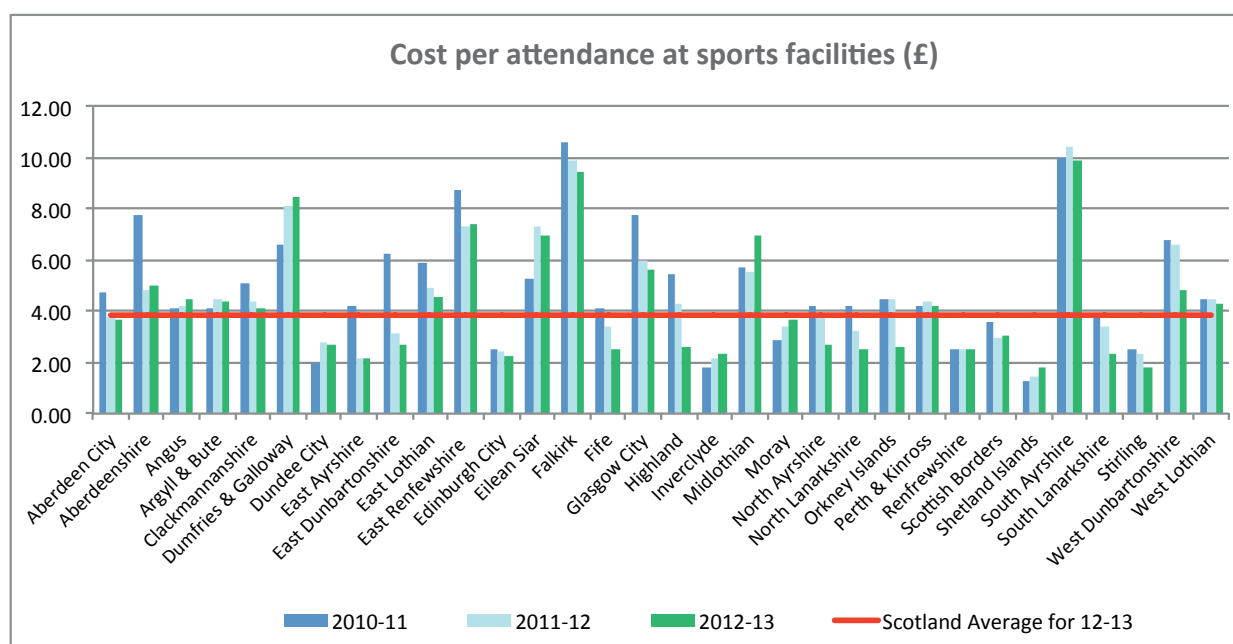
Developing the section of the benchmarking framework relating to Adult Social Care measures has been agreed as a key priority for development in the coming year. In conjunction with the Association of Directors of Social Work (ADSW) we will link into current work being undertaken to agree outcome measures for Health and Social Care integration. We will report on these developments in future years.

Culture and Leisure

Sports Facilities

Culture and Leisure services are an important local service make an important contribution to the quality of life in local communities and they also play an ever more important vital role in terms of supporting better health across the whole population. There are a range of service delivery models operating within local government with respect to sports services with some councils choosing to establish arms length trusts to manage these services while some retain the whole service in house.

The data presented below illustrates the costs of indoor and outdoor sports and recreation facilities. The figures cover costs for swimming pools, sports halls and leisure centres, running tracks, skating rinks, tennis courts, football pitches and golf courses.



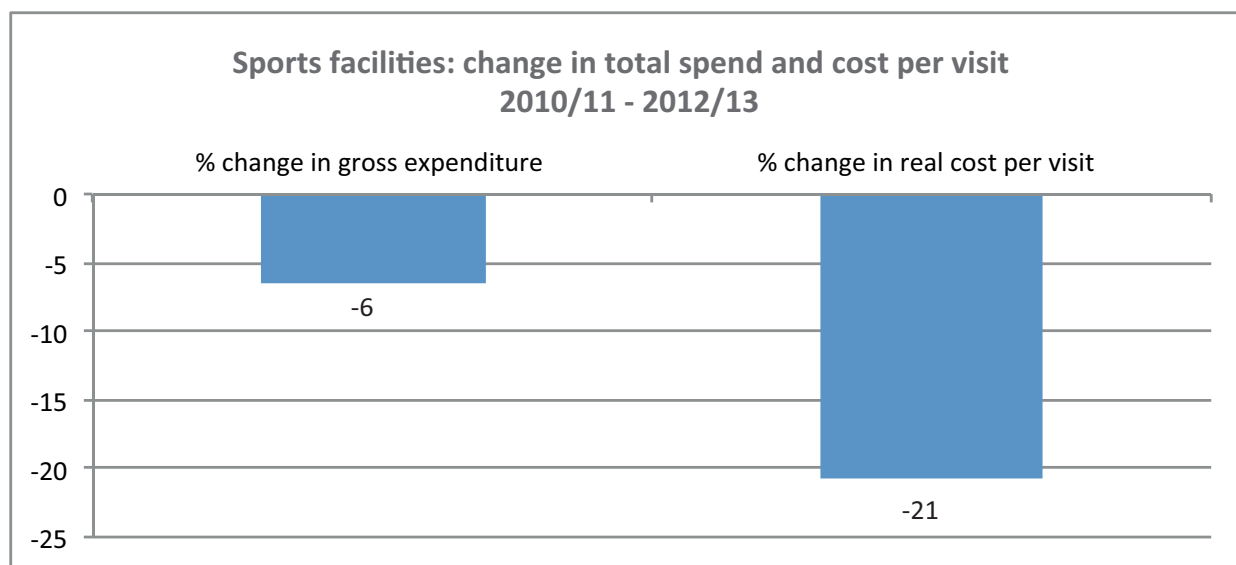
With respect to the cost to each council of an attendance at a sports facility in 2012/13 the range in cost per visit was £1.82 to £9.92. The average cost per visit across Scotland was £3.82. Over the three year period from 2010/11 to 2012/13 the average cost fell from £4.82 to £3.82 in real terms. In percentage terms this represents a -20.8% reduction in real terms. The rate of reduction slowed from -12.3% in real terms in 2010/11 to 2011/12 to -9.8% between 2011/12 to 2012/13.

Cost Per attendance at Sports Facilities

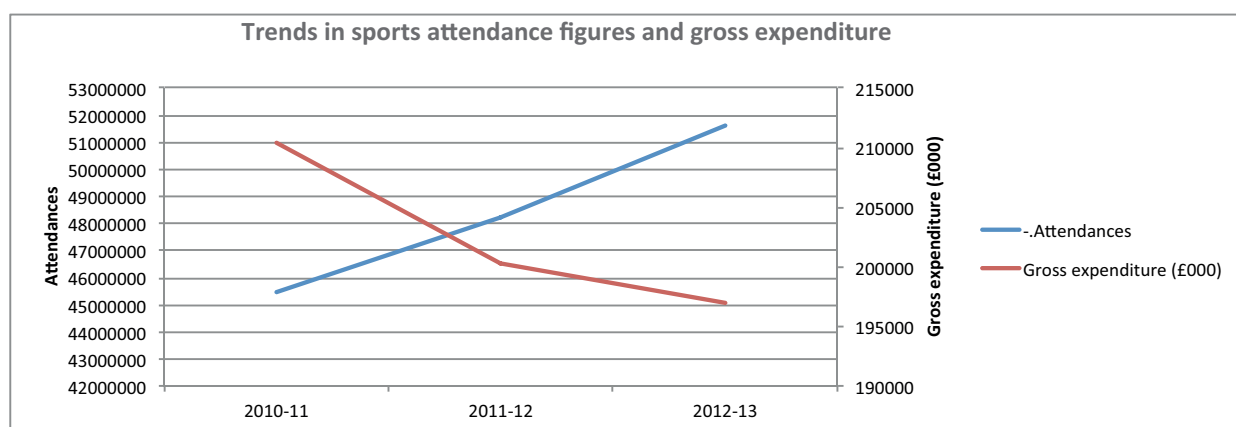
% Change	Cash	Real
2010/11 - 2012/13	-17.6	-20.8
2010/11 - 2011/12	-10.3	-12.3
2011/12 - 2012/13	-8.2	-9.8

The cost per attendance figures on their own do not give a complete picture of what has been happening in Sports services over the last three years. While the cost to the council per attendance has been declining **the number of people using council provided sports services has risen significantly**. The increased numbers of users means that the cost per attendance figure has declined by -20.8%. As can be seen below the average total spend across

Scotland over the three years by councils on Sports Services has not reduced as sharply which has fallen by -6.4% .



The chart below illustrates how visitor numbers have increased by 13.5% over the three years covered by the LGBF while the unit cost of Sports attendances has fallen. This indicates that leisure and recreation services have managed to attract more people into using their facilities and to do so while managing significant financial pressures. It is also worth noting that this increase in the productive use of council provided community assets has been achieved against a backdrop of a major economic recession and significant pressure on household spending.

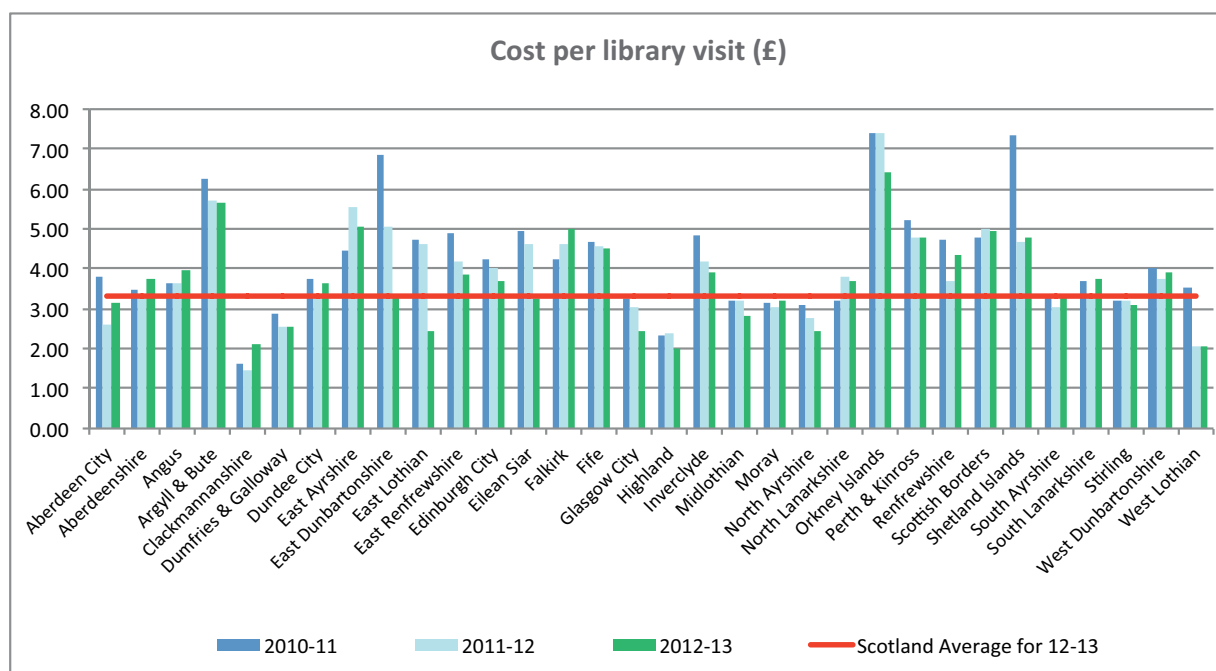


While variation between councils exists against this general trend we will capture the good practices of those councils performing well and share that with all councils.

Library Services

With respect to Library services there is a clear effect of population density, with urban councils typically having lower cost per visit than rural equivalents. In rural areas the costs involved in providing the service to smaller populations dispersed over larger areas pushes costs up in comparison to densely populated parts of the country.

The average cost per Library visit in 2012/13 in Scotland was £3.31. The range in cost per visit in 2012/13 was from £2.00 to £6.42. In 2010/11 the Scottish average cash cost per visit was £3.75 in real terms. Over the three year period this represents a reduction of -11.7%. As in other service areas the rate of reduction has slowed over the three year period moving from a reduction between 2010/11 to 2011/12 of -6.9% to -5.1% from 2011/12 to 2012/13.

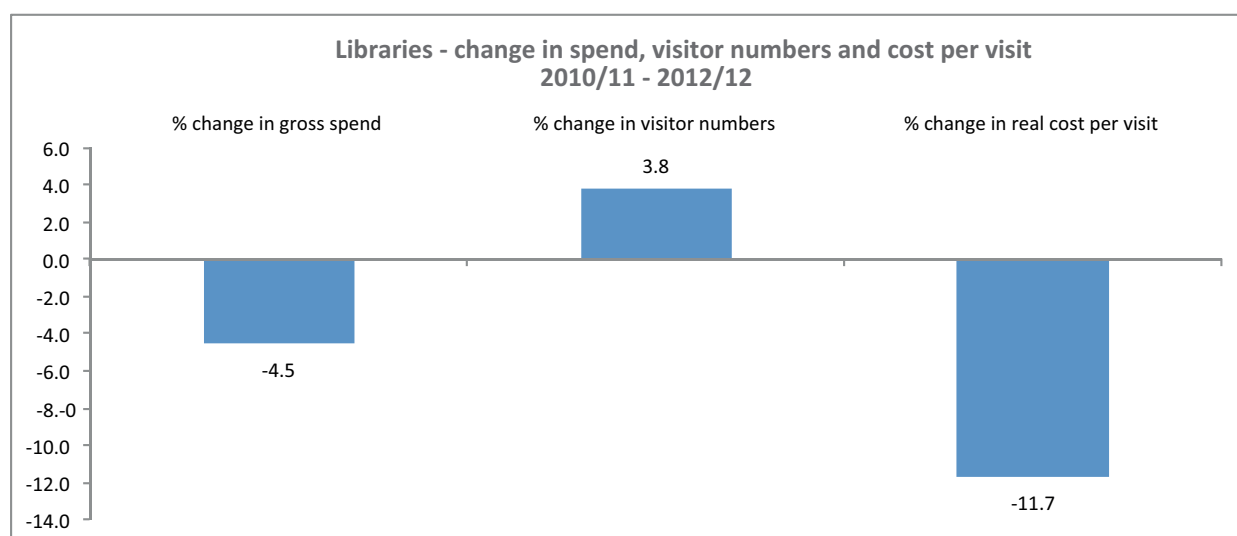


Cost Per Library Visit

% Change	Cash	Real
2010/11 - 2012/13	-8.1	-11.7
2010/11 - 2011/12	-4.8	-6.9
2011/12 - 2012/13	-3.4	-5.1

As with sports services these figures on their own do not tell the full story of the last three years for Library Services. Over the three year period covered by the LGBF gross spending on library services across Scotland fell by -4.5% whereas the unit cost per visit fell by -11.7% (see graph overleaf). At the same time visitor numbers increase over the country by 3.8%. Again this indicates that against a difficult financial backdrop council services have achieved a growth in people using the service and as a consequence reducing the unit cost per visit to the council by a substantial margin.

As with sports attendance the picture across councils with respect to the general trend is not universal. We will capture and share the good practices of those councils who have increased visitor numbers by significant amounts while reducing their costs.



Museum Services

With respect to Museum services similar patterns occur as with Library services. In 2012/13 the range in cost per visit was from £0.34 to £18.92 and the Scottish average cost per visit in 2012/13 was £3.94. Over the three year period this represents a reduction of -21.9% in real terms. As with Libraries and Sports services the trend has been for a lower reduction in 2012/13 than in previous years. The reduction between 2010/11 and 2011/12 was -23.2% in real terms whereas between 2011/12 and 2012/13 it was a growth of 1.8% in real terms.

% Change	Cash	Real
2010/11 - 2012/13	-18.7	-21.9
2010/11 - 2011/12	-21.5	-23.2
2011/12 - 2012/13	3.6	1.8

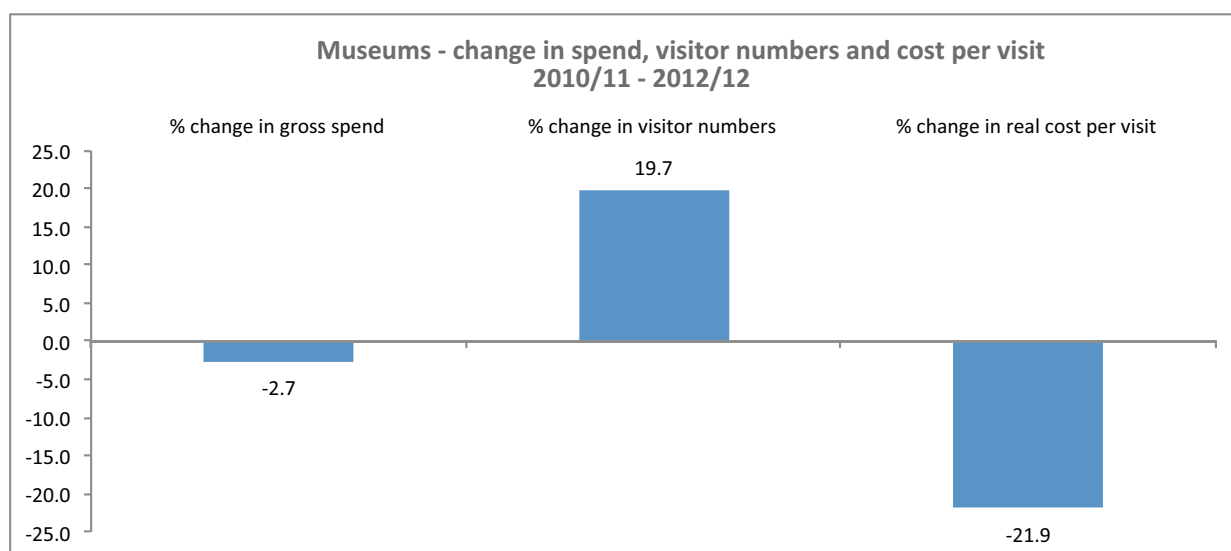
The data reveals no systematic cost per visit patterns in relation to sparsity, size of council or deprivation.



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 three period covered by this report. The average spending on museum services across Scotland has fallen by around -2.6% since 2010/11 but in the same period visitor numbers have increased by 19.6%. 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 sports and libraries attendance the picture across councils with respect to the general trend is not universal. We will capture and share the good practices of those councils who have increased visitor numbers by significant amounts while reducing their costs.

Parks and Open Spaces

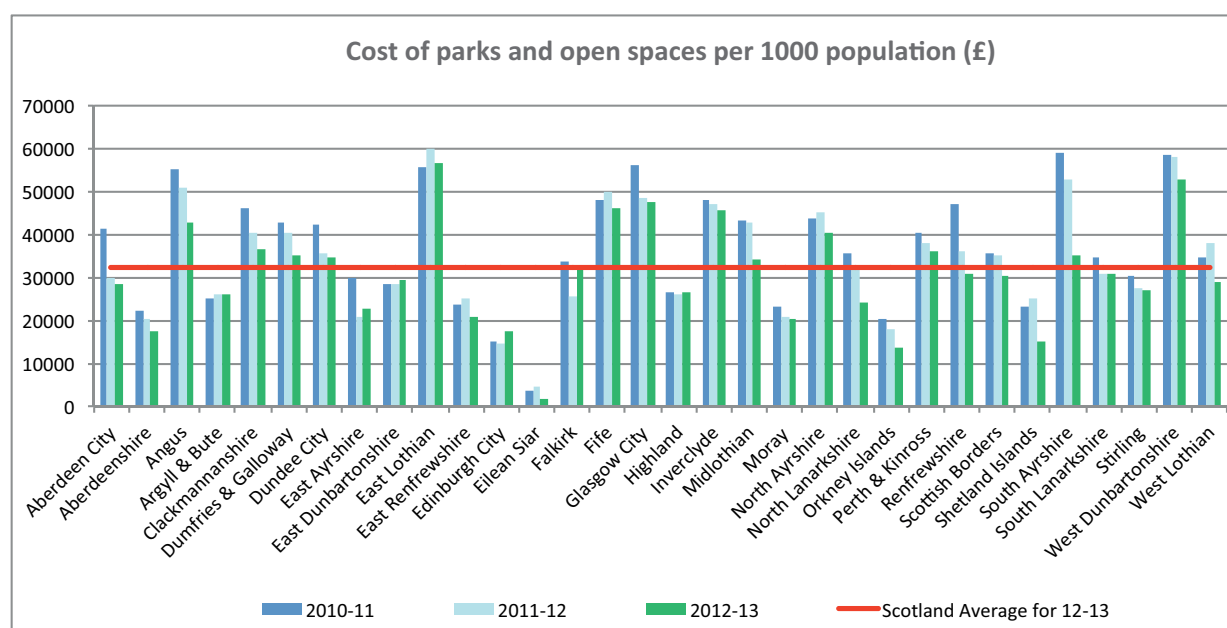
In terms of parks and open spaces the information suggests that the geographical nature of the area a council covers is the most important point in shaping the cost of providing the service. In 2012/13 the Scottish average of the service measured on a per 1000 population basis was £32,256, the range in cost was from £1851 to £56,440. Over the three year period from 2011/10/11



to 2012/13 the change in real terms was -15%. The rate of change has remained consistent across the 3 year period, with a -8.2% real terms reduction in 2010/11 to 2011/12 and a 7.4% reduction between 2011/12 and 2012/13.

% Change	Cash	Real
2010/11 - 2012/13	-11.5	-15.0
2010/11 - 2011/12	-6.1	-8.2
2011/12 - 2012/13	-5.8	-7.4

In examining the data rural councils typically have lower costs but councils covering a semi-rural area have typically the highest costs. This is largely down to the concentration of open space in more urban areas meaning that the cost to maintain those spaces is reduced as a result and in rural areas there is less publically maintained open space. In semi-rural areas though there are urban communities requiring access to open space but these facilities will be dispersed across a much wider geography than in a purely urban council area and so higher costs to semi-rural councils are evident.



Percentage of Adults Satisfied with Culture & Leisure Services

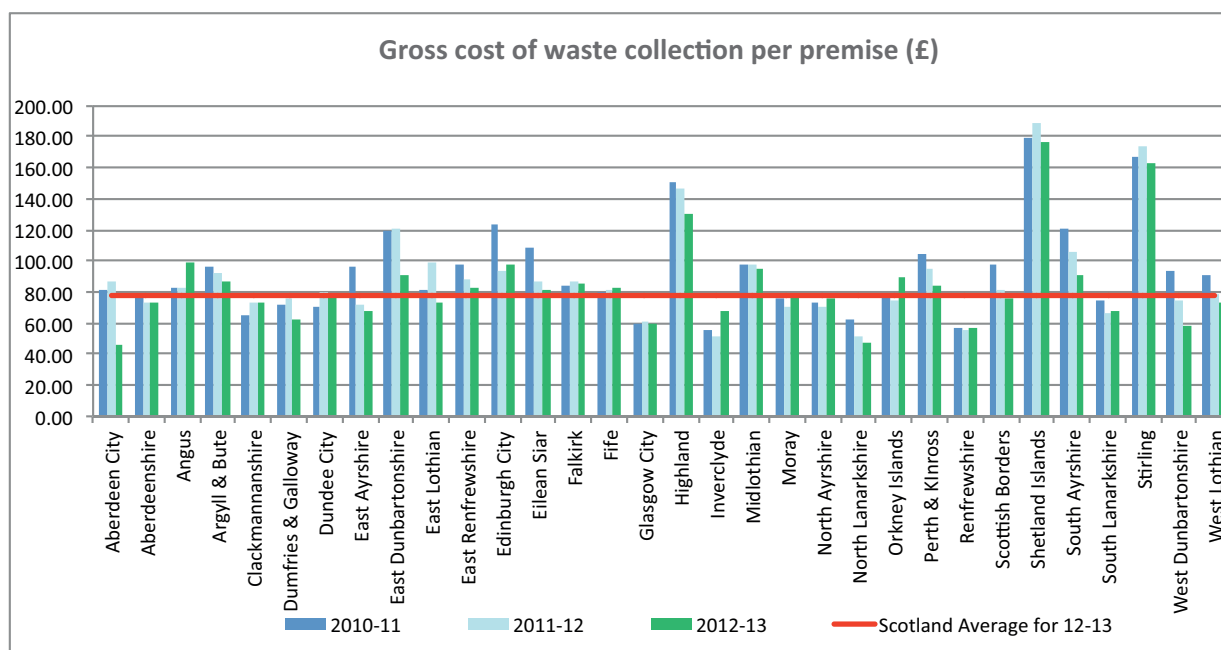
Year	Leisure % Satisfied	Libraries % Satisfied	Museums % Satisfied	Parks % Satisfied
2010/11	74.6	83.5	75.5	83.1
2012/13	80.0	83.0	78.0	86.0

Satisfaction levels for all areas of culture and leisure remain high at above 75%. For leisure facilities, Museums and parks, satisfaction levels increased across the period, with the exception of libraries which remained at 83%.

Environmental Services

Waste Collection

In examining the cost of waste collection services across councils we had previously gathered information on the basis of the Gross cost of collection on a per premise basis. For the first time this year we have agreed with all 32 councils a methodology for agreeing how to calculate, on a common basis, the Net cost of Waste collection per premise. This development 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. Below we report the Gross costs of waste collection over the three year period and for 2012/13 only we also report the Net cost of the service for the first time. In future years we will replace the Gross cost per premise data with the Net cost data.



In 2012/13 the Scottish average cost (**Gross**) of waste collection per premise was £77.78 but in **Net** terms the average cost per premise was £59.12. The range in 2012/13 across Scotland on a Gross basis was from £45.45 to £176.72. This range is however distorted by the impact of factors such as rural sparsity, the tenemental structure of local housing on the service. Across rural councils the average Gross cost per premise was £84.18, in urban councils it was £59.95 and in semi-rural councils it was £76.83.

When the figures are examined on a Net basis the same broad trend occurs with urban councils delivering the service at a lower cost. The average among urban councils was £46.20, among rural councils £65.24 and in semi-rural council areas £63.54. Within each grouping of councils there remains variation in both the gross and net costs being achieved. The reasons behind this variation and the identification and sharing of good practice will be focused on in the next stage of development in the LGBF.

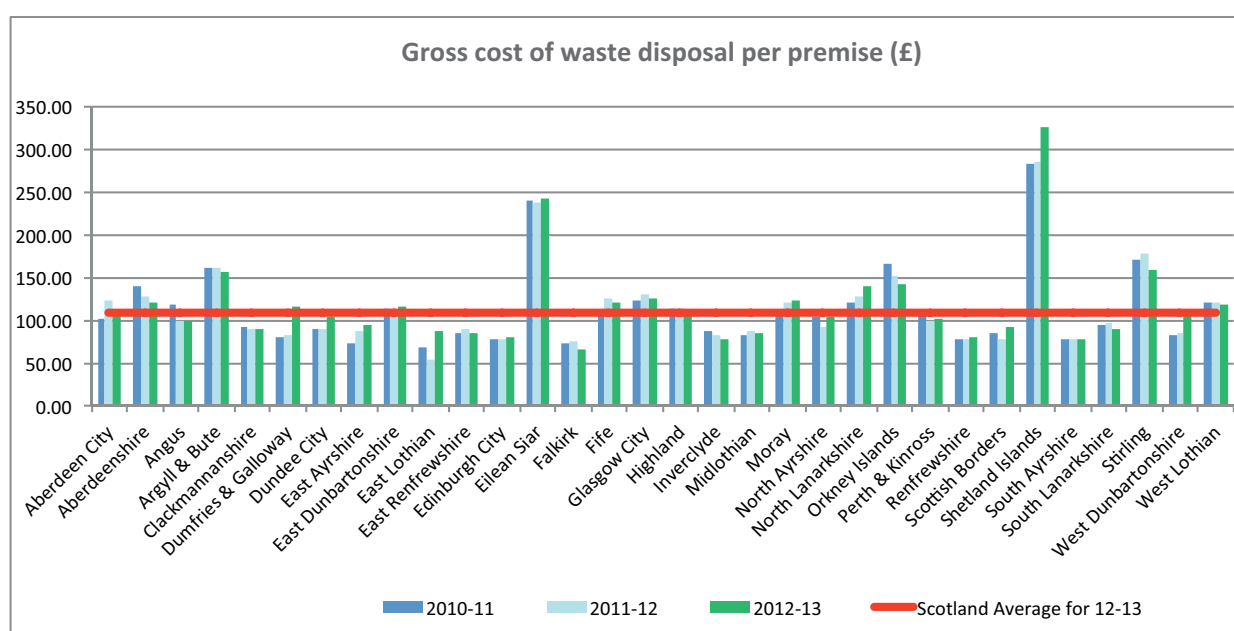
Over the three years period from 2010/11 to 2012/13 the Scottish average cost per premise for waste collection (on a Gross basis only) reduced by -11.4% in real terms. The rate of annual improvement in cost has been relatively steady over the three period at around -6% per annum in real terms.

Gross cost waste collection per premise

% Change	Cash	Real
2010/11 - 2012/13	-7.8	-11.4
2010/11 - 2011/12	-3.9	- 6.1
2011/12 - 2012/13	-4.0	-5.7

Waste Disposal

As with waste disposal for the first time this year we are able to report both the Gross and the Net cost of disposal per premise. In future years as the net cost data builds up we will move towards reporting this figure alone. The graph below reports the gross cost per premise since 2010/11 to 2012/13.



In 2012/13 the Scottish average gross cost of waste disposal per premise was £108.65 in net terms the cost was £92.28. The range across councils was from £66.29 to £325.69. The average gross cost for urban councils was £110.56, for rural councils it was £120.90 but in semi-rural council areas it was £91.57. On a net basis the figures for 2012/13 were an average of £46.12 for urban councils, £65.24 for rural councils and £63.54 for semi-rural council areas. In both cases the Island councils typically face higher costs due to the nature of the Island communities and the associated costs of supporting the local populations within the islands. Given the wide range of costs across councils, even councils of the same type, there would appear to be scope for sharing best practice and making significant efficiencies in this service. Generating understanding of the reasons behind the variations in both the gross and net costs of waste disposal and the exchange of good practice across all councils will be a priority in the year ahead for the project.

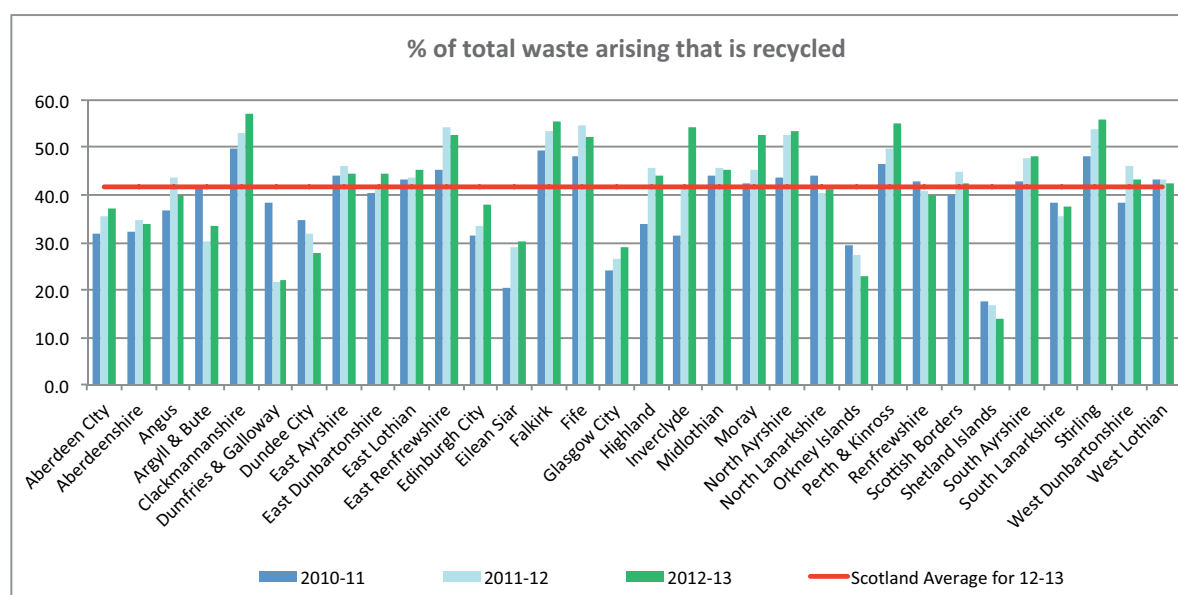
Over the three year period from 2010/11 to 2012/13 the Scottish average gross cost of waste disposal has increased in real terms by 3.7%, from £104.80 in 2010/11 to £108.65 in 2012/13. The rate of increase has slowed in recent years from a 2.3% increase in real terms from 2010/11 to 2011/12 and an increase of 1.3% from 2011/12 to 2012/13.

Gross cost waste disposal per premise

% Change	Cash	Real
2010/11 - 2012/13	8	3.7
2010/11 - 2011/12	4.7	2.3
2011/12 - 2012/13	3.1	1.3

Waste Recycling

Over recent years Councils have put greater emphasis on the recycling of waste in compliance with the National Zero Waste Plan². For the two years for which we have consistent data councils have achieved a Scottish average recycling rate of 41% in 2011/12 and 41.7% in 2012/13. The range in recycling rates achieved is significant ranging from 14.1% to 57% in 2012/13. Rural councils achieved on average a rate of 33.5% with urban councils achieving an average of 40.1% rate and semi-rural area councils achieving an average of 50.1%. Within these groups it would seem that in general medium sized, mixed area councils achieve the highest rates of recycling. The reasons behind this will be further explored and the good practices being employed in some councils will be fully shared across all authorities.



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 in the quality of people's lives.

Street Cleanliness was previously presented using the overall Street Cleanliness Index. This has been changed this year to a Street Cleanliness Score, which is produced by Keep Scotland Beautiful.³ The score presents the % of areas assessed as 'clean' – three years of data are presented for this measure. Unlike the previous 'index' measure, this new measure moves away from a focus on attaining completely litter free sites (considered impractical in areas of high footfall) and allows authorities to tackle litter problem areas to achieve better results.

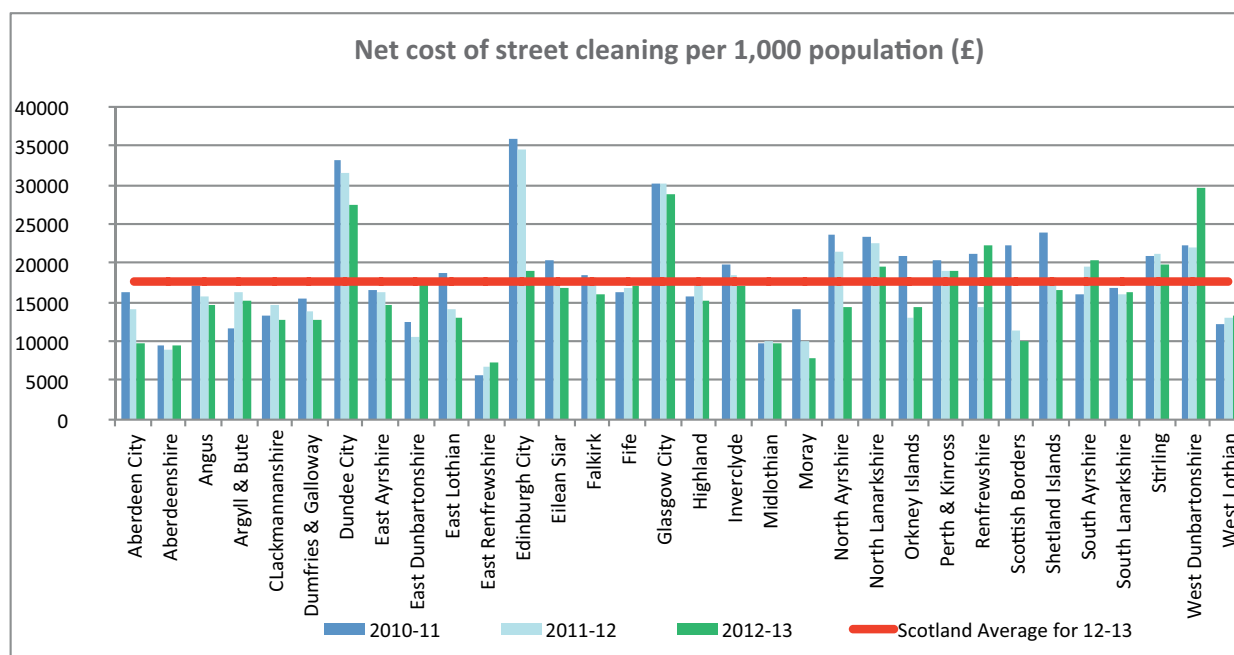
The Scottish average for both the Cleanliness Score and Satisfaction with Street Cleaning has

² <http://www.scotland.gov.uk/Publications/2010/06/08092645/0>

³ <http://www.keepsotlandbeautiful.org/>

increased over the three years period from 2010/11 to 2012/13 (from 95.4% to 95.8% and from 73% to 75% respectively). Both the cleanliness score and satisfaction with cleanliness were lower in urban areas.

Over the same three year period the Scottish average for Net Cost of Street Cleaning has reduced in real terms by 15.2%. This rate of reduction has increased in recent years from -4.6% in real terms from 2010/11 to 2011/12 to -11.1% from 2011/12 to 2012/13. The range across councils varies significantly (from £7327 to £29621, with the Scottish average at £17,534) with significantly higher costs in urban areas.



Net Cost of Street Cleaning per 1,000 population

% Change	Cash	Real
2010/11 - 2012/13	-11.7	-15.2
2010/11 - 2011/12	-2.4	-4.6
2011/12 - 2012/13	-9.5	-11.1

Percentage of Adults Satisfied with Waste Collection & Street Cleaning

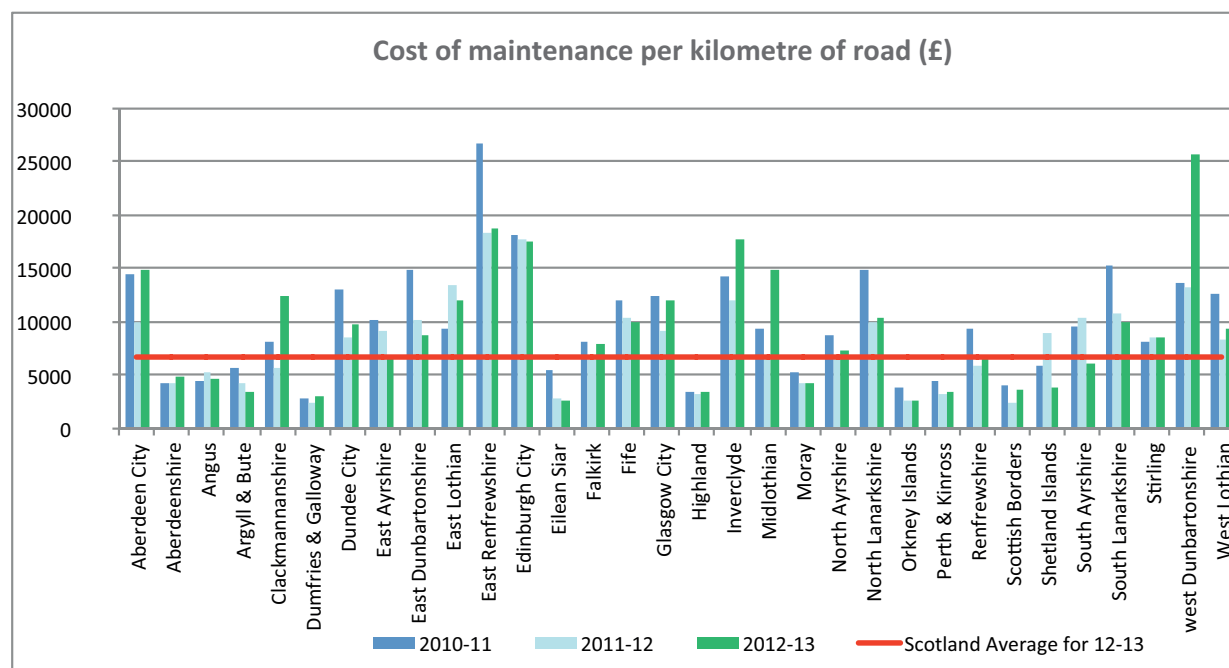
Year	Waste Collection % Satisfied	Street Cleaning % Satisfied
2010/11	80.9	73.3
2012/13	83.0	75.0

Satisfaction levels for waste collection and street cleaning remain high at above 70%, with levels increasing for both since the base year.

Roads Maintenance

In terms of the cost of road maintenance per kilometre of road the Scottish average was £6,655. The range of cost per kilometre in 2012/13 was from £2619 to £25,598. There is a significant difference in costs between urban, rural and semi-rural councils. The average in 2012/13 for urban

councils was £10,278 per kilometre, for rural councils it was £3414 and for semi-rural area councils it was £9641. The higher traffic volumes experienced in urban and semi-rural areas, where some large towns are located, is a key factor behind the variations in spending.



For the three years for which we have data the Scottish average per cost of kilometre fell in real terms by -12.3%. The rate of reduction has altered significantly over the three years as in 2010/11 to 2011/12 there was a real terms reduction of -16.7% whereas in 2011/12 to 2012/13 there was a growth in real terms of 5.3%.

Cost of Maintenance per kilometre of Road

% Change	Cash	Real
2010/11 - 2012/13	-8.7	-12.3
2010/11 - 2011/12	-14.8	-16.7
2011/12 - 2012/13	7.1	5.3

When road condition data is examined there is very little overall difference in the percentage of roads needing repairs in these areas. For class A roads in Urban areas the % needing repair in 2012/13 was 25%, in semi-rural area councils it was 26.1% and in rural areas it was 28.9%. Similar patterns prevailed across B and C class roads too. Over the three year period covered by this report the overall percentage of A,B and C class roads in need of repair has remained at similar levels. For A class roads it has remained around 30% on average across Scotland; 36% for B class roads and 35% for C class roads. So despite the overall reductions on spending the condition of the roads networks has remained at broadly the same level over the three year period, a trend highlighted by the Accounts Commission in their 2013 review of Roads Maintenance.⁴

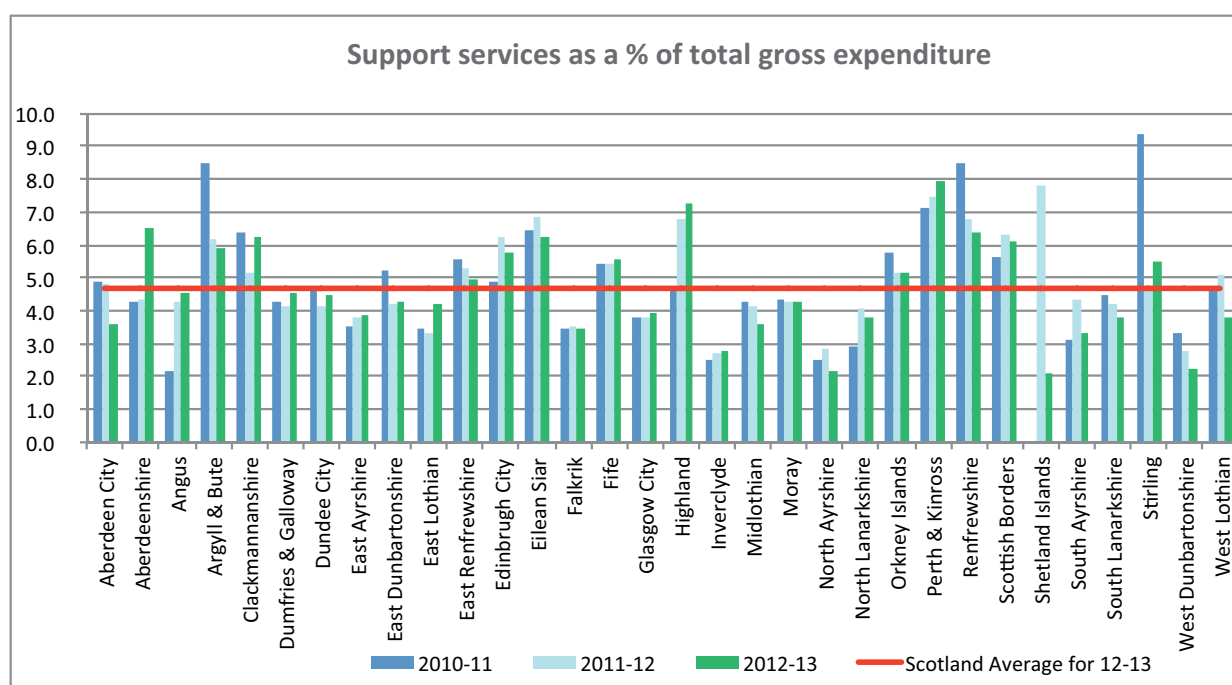
Four family groups of councils that have been formed within the LGBF and they are currently exploring the variations in cost per kilometre of road maintained. The four groups will report fully in the summer of 2014. The report will contain a more detailed analysis of the data and more detailed underpinning information to better explain why the variation we observe in this high level indicator occurs. It will also detail the good practices of the higher achieving councils that the family groups have identified.

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 2012/13 the Scottish average among councils for the cost of support services as a percentage of the total revenue budget of a council was 4.7% this was a slight increase from 2010/11 when the figure was 4.6%. In 2012/13 the range across councils is from 2.2% to 7.9% with a significant difference between urban, rural and semi-rural councils. In general terms rural authorities displayed a higher percentage than urban and semi-rural area councils; the rates were 6.1% on average for rural councils, 3.9% for urban councils and 4.0 % for semi-rural councils.



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 2012/13 the Scottish average for the cost of the democratic core per 1000 of population was £31,778. The range across councils was from £15,610 to £241,447, with rural councils having significantly higher costs than urban/ semi-rural equivalents. If the Island councils are removed from this range it reduces from £13,610 to £48,448. These figures indicate the higher costs for 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. Over the three year period 2010/11 to 2012/13 the cost reduced by -8.8% in real terms. The rate of reduction has slowed in recent years from -8.1% in real terms from 2010/11 to 2011/12 to -0.8% in real terms from 2011/12 to 2012/13.

Percentage of Women in Top Salaries

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 2012/13 this has increased from 46% to 49%. The level is broadly similar across all types and ranges of councils.

Cost of Council Tax Collection

The cost of collecting the council tax is measured on a per property basis to standardise the measure across councils. Over the three year period from 2010/11 to 2012/13 this has remained broadly steady in cash terms at £13.81 falling to £13.29. The figures are broadly similar once adjusted for inflation and in real terms. The range however varies significantly from £4.10 to £29.23. In particular the costs are higher in the Island councils which has a significant impact on the overall average.

Percentage of Council tax received by the end of the financial year

The Scottish average overall rate of in year collection for council tax collection was 95.2% in 2012/13 which is a figure that has remained steady since 2010/11. To achieve this level of collection during a period of significant economic pressure is testimony to the hard work of councils and their finance staff.

Sickness Absence Rates

The management of sickness absence is a major priority for councils in their efforts to manage their costs. The rate has remained flat at 10 days average from 2010/11 to 2012/13. There is little variation based on the urban rural nature of a council or size.

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 remained steady at 90% over the three year period 2010/11 to 2012/13.

Housing Services

Tenants' Arrears and Voids

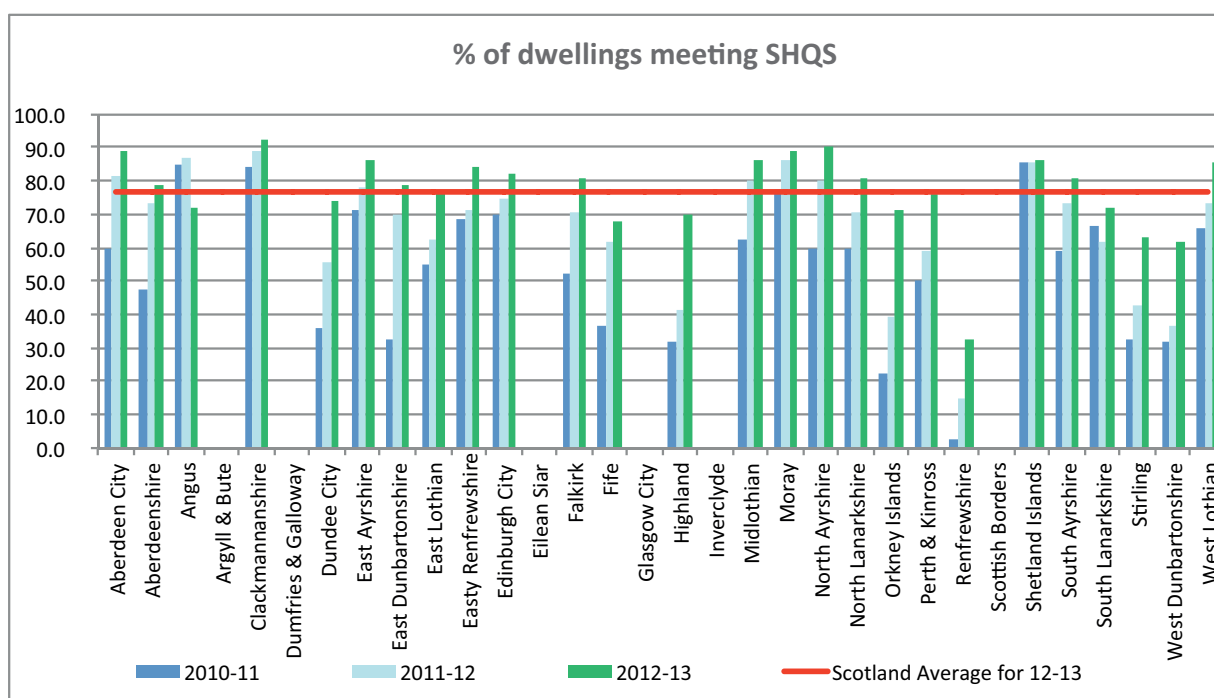
A likely effect of welfare reform can be seen in the increase in tenants' arrears as a % of net rent due since 2010/11, with the rate of this increase accelerating in the past year. The range across authorities in 2012/13 was 3.34% to 11%, with urban authorities reporting the highest arrears.

Meanwhile, the rent due lost due to voids has decreased since 2010/11, with all of the decrease occurring between 2011/12 and 2012/13. Again, figures vary across authorities, from 0.3% to 4.1%, with rural and smaller authorities reporting higher losses. Overall, these figures suggest the councils continue to manage their stock well in the face of mounting pressures as a consequence of the impacts of Welfare Reform.

Year	Current tenants' arrears as a % of net rent due	% of rent due in the year that was lost due to voids
2010/11	5.9	1.3
2011/12	6.1	1.3
2012/13	6.8	1.2

Housing Quality

In terms of Housing Quality, there have been consistent improvements over the past 3 years in terms of dwellings meeting Scottish Housing Quality Standards and energy efficiency standards. In 2012/13, 76.6% of council dwellings met SHS, an increase of 23% from 2010/11. The range across councils varies significantly from 32.3% to 92.3%, although this range has been narrowing since 2010/11.



In 2012/13, 88.8% of council dwellings were energy efficient, an increase from 74.9% in 2010/11. The range across councils ranges from 72.8% to 99.9%, with those areas with

highest levels of deprivation achieving the highest levels.

The % of repairs completed within target times has been consistently averaging 93% for the past 3 years, and is highest in areas of low deprivation.

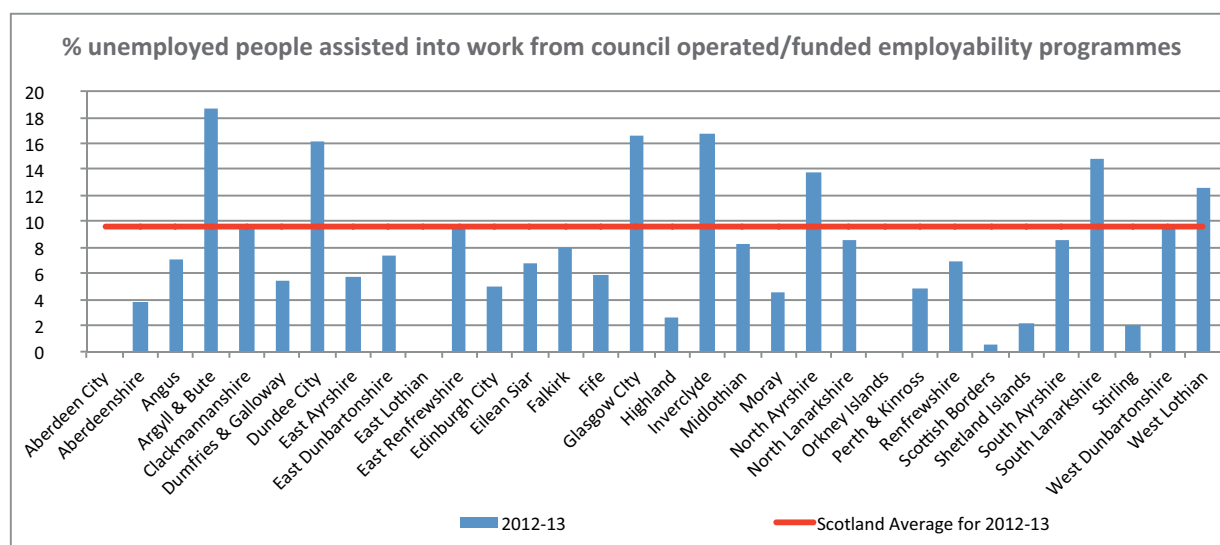
Year	% of council dwellings meeting Scottish Housing Standards	% of repairs completed within target times	% of council dwellings that are energy efficient
2010/11	53.6	93.3	74.9
2011/12	66.1	93.6	81.2
2012/13	76.6	93.1	88.8

Economic Development

This year, for the first time, the framework includes an Economic Development measure focussing on the ‘% of total Unemployed People in an area Assisted into Work from Council Funded/ Operated Employability Programmes’. Employment is a key priority for most Councils / SOAs and accessing employment results not just in a positive economic outcome, but can typically also lead to improvements across a wider range of outcomes and reductions in demand for public services.

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. Work is prioritised in the year ahead to improve the robustness of this measure and providing reliable data on the progression of these people into employment.

In 2012/13, the Scotland average for % of Unemployed people assisted into work from council funded/operated employability programmes was 9.6% of total unemployed. There is a considerable range across councils, from 0.6% to 18%, with a tendency for higher rates being achieved in areas with higher levels of deprivation. Most rural councils tend to have lower rates. Some of the variation is likely to be due to differing priorities and approaches to employability across Councils.



As the ‘employability’ measure, on its own, does not fully monitor the performance by Councils in delivering economic development, the SLAED Indicators work for 2013/14, will seek to develop a robust benchmark to reflect the significant investment in business development and support (e.g. Business Gateway) that may be used in the future LGBF. We will continue to work with SLAED to improve both the quality of the data underpinning this specific indicator and in driving forward with their own benchmarking work which is complementary to this programme.

Conclusions and Next Steps

The core purpose of this exercise is support local government through benchmarking to improve the services they deliver to their local communities. The collective efforts of all 32 councils in Scotland has been important in taking this project to its current stage of development and their on-going support will be critical to its further success. This last year has seen councils continue to improve the quality and performance of the services covered by the LGBF while continuing to manage pressures to reduce costs in all service areas.

In the summer of 2014 we will report on the family group pilots on Road Maintenance services and the positive destinations of young people upon leaving secondary schooling. As well as reporting on those two activities we will learn from the pilot exercise, improve the process where necessary and embed that refined process to further support councils in achieving improvements in local services.

For the year ahead we will continue to work with all councils and relevant partners to make further improvements in the benchmarking project, including how best to develop benchmarking across Community Planning Partnerships. In addition we will prioritise the following actions to strengthen the LGBF further by working with all councils and relevant partners to:

1. Develop a standardised and comparable approach to better understanding the development of children as they progress through primary school.
2. Develop stronger measures to support improvements in outcomes for older people.
3. Roll out where relevant the use of net cost indicators rather than gross cost indicators.
4. Work to better understand the linkages between waste collection, disposal and recycling.
5. Take forward our on-going commitment to improve the measurement of customer satisfaction across local services
6. Strengthen our processes for capturing and sharing good practices emerging from the benchmarking work across all councils.

Appendix 1 Full List of Indicators and Service Categories

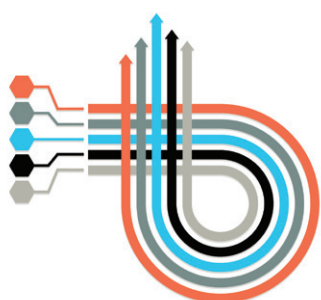
	Data	Indicator Description
Children's Services	CHN1	Cost per Primary School Pupil
	CHN2	Cost per Secondary School Pupil
	CHN3	Cost per Pre-School Education Registration
	CHN4	% of Pupils Gaining 5+ Awards at Level 5
	CHN5	% of Pupils Gaining 5+ Awards at Level 6
	CHN6	% of Pupils from Deprived Areas Gaining 5+ Awards at Level 5 (SIMD)
	CHN7	% Pupils from Deprived Areas Gaining 5+ Awards at Level 6 (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	% of Adults Satisfied with Local Schools
	CHN11	Proportion of Pupils Entering Positive Destinations
Corporate Services	CORP1	Support services as a % of Total Gross expenditure
	CORP2	Cost of Democratic Core per 1,000 population
	CORP3b	The percentage of the highest paid 5% of employees who are women
	CORP4	The cost per dwelling of collecting Council Tax
	CORP5b2	Average time (hours) between time of Noise complaint and attendance on site, for those requiring attendance on site
	CORP6	Sickness Absence Days per Employee
	CORP7	Percentage of income due from Council Tax received by the end of the year
	CORP8	Percentage of invoices sampled that were paid within 30 days
Adult Social Care	SW1	Older Persons (Over65) Home Care Costs per Hour
	SW2	SDS spend on adults 18+ as a % of total social work spend on adults 18+
	SW3	% of people 65+ with intensive needs receiving care at home
	SW4	% of Adults satisfied with social care or social work services
	SW5	Net Residential Costs Per Week for Older Persons (Over 65)
Culture & Leisure Services	C&L1	Cost per attendance at Sports facilities
	C&L2	Cost Per Library Visit
	C&L3	Cost of Museums per Visit
	C&L4	Cost of Parks& Open Spaces per 1,000 Population
	C&L5a	% of adults satisfied with libraries
	C&L5b	% of adults satisfied with parks and open spaces
	C&L5c	% of adults satisfied with museums and galleries
	C&L5d	% of adults satisfied with leisure facilities

	Data	Indicator Description
Environmental Services	ENV1 & 1a	Gross and Net cost of Waste collection per premises
	ENV2 & 2a	Gross and Net cost per Waste disposal per premises
	ENV3a	Net cost of street cleaning per 1,000 population
	ENV3c	Street Cleanliness Score
	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 U class roads that should be considered for maintenance treatment
	ENV5	Cost of trading standards and environmental health per 1,000 population
	ENV6	The % of total waste arising that is recycled
	ENV7a	% of adults satisfied with refuse collection
	ENV7b	% of adults satisfied with street cleaning
Housing Services	HSN1	Current tenants' arrears as a percentage of net rent due
	HSN2	Percentage of rent due in the year that was lost due to voids
	HSN3	Percentage of dwellings meeting SHQS
	HSN4	Percentage of repairs completed within target times
	HSN5	Percentage of council dwellings that are energy efficient
Corp. Asset	C-AST 1	Proportion of operational buildings that are suitable for their current use
	C-AST 2	Proportion of internal floor area of operational buildings in satisfactory condition
Econ Dev	ECON1	% Unemployed People Assisted into work from Council operated / funded Employability Programmes



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Local
Government
Benchmarking
Framework

www.improvementservice.org.uk/benchmarking

ACCOUNTS COMMISSION

MEETING 10 APRIL 2014

COVER NOTE BY SECRETARY AND BUSINESS MANAGER

COMMUNITY PLANNING IN GLASGOW

Purpose

1. The purpose of this report is to introduce for the Commission's consideration the report of the audit of Glasgow Community Planning Partnership. The report is by the Controller of Audit and the Auditor General for Scotland.

Background

2. In 2011, the Cabinet Secretary for Finance, Employment and Sustainability, John Swinney, asked the Accounts Commission to prepare an outline case of how external audit and inspection might support the delivery of better outcomes by Community Planning Partnerships (CPPs).
3. At its meeting on 17 May 2012, the Commission endorsed a proposed approach to the audit of community planning. On 29 June 2012, this approach was shared with the Cabinet Secretary. Subsequent feedback from Scottish Government officials and the minister's office on the proposals was positive.
4. Aberdeen City, North Ayrshire, and the Scottish Borders community planning partnerships agreed to participate in three early audits to be done by the Commission and the Auditor General for Scotland. These audits took place during 2012. At its meeting on 14 February 2013, the Commission agreed to make findings on the reports in conjunction with the Auditor General. The reports were published on 20 March 2013.
5. At the same time a national overview report was published which drew on the common messages emerging from these three reports together with Audit Scotland's insights and conclusions drawn from its previous Best Value audit work in local government, police and fire, previous performance audits on partnership working (e.g. Community Health and Care Partnerships) and earlier national reports on community planning.
6. At its meeting on July 2013, the Commission considered the report of an independent evaluation of the three CPP audits. At its subsequent meeting on 22 August 2013, the Commission agreed its response to the evaluation. At its meeting on 12 September 2013, the Commission endorsed a proposed CPP audit programme for 2013/14. The programme consists of five audits of community planning partnerships, namely:
 - Falkirk
 - Glasgow
 - Moray
 - Orkney
 - West Lothian

There will also be a national report to accompany the publication of the five reports.

7. These reports will be considered by the Commission at forthcoming meetings. The first of these, Glasgow, is submitted to the Commission today for its consideration.

The report

8. The report is made under section 102(1)(a) of the Local Government (Scotland) Act 1973 (as amended by various subsequent pieces of legislation including the Local Government in Scotland Act 2003).
9. The legislation enables the Controller of Audit to make reports to the Commission with respect to:
 - a) the accounts of local authorities audited under the Act;
 - b) any matters arising from the accounts of any of those authorities or from the auditing of those accounts being matters that the Controller considers should be considered by the local authority or brought to the attention of the public; and
 - c) the performance by a local authority of their statutory duties in relation to best value and community planning.
10. The report is made jointly with the Auditor General for Scotland, who makes the report under Section 23 of the Public Finance and Accountability (Scotland) Act 2000. As such, the reports will be laid before the Scottish Parliament.

Consideration of the report

11. The Controller of Audit and members of the audit team from Audit Scotland will be present at the Commission meeting to answer questions.
12. The legislation provides that, on receipt of a Controller of Audit report, the Commission may do, in any order, all or any of the following, or none of them:
 - a) direct the Controller of Audit to carry out further investigations;
 - b) hold a hearing;
 - c) state its findings.
13. If the Commission considers that it requires further information to proceed with its consideration of the report, it may direct the Controller of Audit to carry out further investigations. If the Commission is satisfied with the information which it has, it may wish to proceed to make findings unless members consider that a hearing is necessary. If the Commission chooses to reach findings, then the report will be published jointly between the Commission and the Auditor General.
14. Findings may include recommendations and the persons to whom those recommendations may be made include Scottish Ministers, who have powers to make an enforcement direction requiring an authority to take such action as is specified in the direction.

Conclusion

15. The Commission is invited to:
 - consider the report by the Controller of Audit and the Auditor General on the audit of Glasgow Community Planning Partnership; and
 - decide how it wishes to proceed.

Paul Reilly
Secretary and Business Manager
1 April 2014

Glasgow Community Planning Partnership

Prepared for the Auditor General for Scotland and the Controller of Audit
April 2014

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Commission findings

Key messages

- The Glasgow CPP has set a clear strategic direction which reflects a greater emphasis on a preventative approach to delivering public services and a commitment to dealing with some of the most difficult issues facing Glasgow. It has identified three themes as priorities for action over the next ten years: alcohol, youth employment and vulnerable people. The CPP has also committed to concentrate its efforts on particularly deprived areas in the city.
- All CPP partners must continue to show strong leadership and commitment so they can deliver on these priorities. The CPP has to maintain the pace it is working at and move quickly from planning to implementation. As it does, the CPP must agree clear plans that set out what it will do, the resources it will need and individual partners' responsibilities. Shifting resources will be difficult for all the partners as they balance the needs of the CPP with their own priorities.
- The Glasgow CPP has a clear system of governance and accountability but this has not yet been fully tested. The CPP is structured into 21 area partnerships across the city that reflect council wards, improving how councillors can become involved in community planning at the local level. The CPP partners are building on their existing partnership working to deliver their joint priorities. Partnership working in Glasgow is inherently complex. It will be important for the CPP to work with the new health and social care body as it is being established to ensure it contributes effectively to the delivery of the single outcome agreement.
- The partners in the Glasgow CPP collectively spend over £4 billion each year. Most of these resources are currently committed to meeting individual partners priorities and only a small proportion of this total contributes directly to the priorities in the single outcome agreement. At present, the CPP does not fully understand how much this is and how it is being spent. It is starting to improve its understanding of the resources that relate to its priorities, and how to use these more effectively. This is a necessary and positive first step towards meeting the Scottish Government's and COSLA's aspirations for how CPPs use resources, for managing reduced public sector budgets, and improving outcomes for people.
- The CPP has generally made good progress against the five themes of Working, Learning, Healthy, Safe and Vibrant identified in its last single outcome agreement. Despite this, Glasgow is still not performing as well as other major Scottish cities and comparable English cities. This reflects the scale of the social and economic challenges that it continues to face.

Background

Glasgow

1. As Scotland's largest city and the fourth largest in the United Kingdom, Glasgow has a European and a global profile. Later in 2014, it will host the Commonwealth Games. Within Scotland, it serves as the economic and cultural hub for much of the wider west of Scotland region.
2. The effects of a rapid expansion and decline of heavy industry dominate Glasgow's history. This history has brought both economic success and extreme poverty. In recent years, Glasgow has shifted the balance of employment away from its traditional strengths in industry towards the service sector, especially financial services. It has successfully attracted inward investment, regenerated parts of the city, and established itself as a tourist destination.
3. Glasgow continues to face greater social challenges than other Scottish cities ([Exhibit 1](#)). In particular, people living in Glasgow have poorer health and lower life expectancy than in comparable cities. The reasons for this are not fully understood.¹

Exhibit 1

Comparison of Glasgow and other Scottish cities

Glasgow performs poorly in comparison with other Scottish cities on a range of indicators

	Glasgow	Other major Scottish cities ²
Life expectancy (men)	71.6	75.8
Life expectancy (women)	78.0	80.6
Percentage of children living in poverty	32.2%	19.4%
Number of recorded crimes per 10,000 population	889	652
Percentage of adults with no qualifications	15.8%	9.3%
Percentage of adults with at least one NVQ level 4 qualification	40.3%	44.9%

¹ Exploring potential reasons for Glasgow's 'excess' mortality: results of the three-city survey of Glasgow, Liverpool and Manchester, Glasgow Centre for Population Health, June 2013

² The average of Aberdeen City, Dundee City and the City of Edinburgh

Proportion of young people not in education, employment or training	16%	10.7% ³
Proportion of adults in employment	59.9%	71.0%
Proportion of the adult population claiming at least one key benefit	20.1%	12.1%

Sources: General Register Office for Scotland; HM Revenue and Customs; Scottish Government; Office of National Statistics; Joseph Rowntree Foundation; Scottish Local Authority Economic Development Group; Improvement Service.

4. Glasgow has recently been identified as the most unequal city in the United Kingdom and there are stark inequalities within the city. (Exhibit 2).⁴ Glasgow has 11 per cent of the Scottish population but, in 2012, contained thirty per cent of the 15 per cent most deprived geographical areas in Scotland.⁵ There has been progress since 2004 in reducing the levels of relative deprivation in Glasgow in comparison with the rest of Scotland (Exhibit 3). In 2004, 38 per cent of the most deprived geographical areas in Scotland were in Glasgow.

Exhibit 2

Two miles apart

Ruchill and Possilpark in the north of Glasgow is one of the most deprived areas in Scotland. Two miles to the west, Kelvinside is one of the most affluent. *[This data may be combined with Exhibit 3 in the published version]*

Child pov- erty (%)	Under 25 JSA claimant rate (%)	Female life expectan cy	Male life expectan cy	Incidents of disorder (per 10,000 people)	Crimes of violence (per 10,000 people)	Alcohol related emergen cy admissio ns (% populatio n)
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³ This is the Scottish average.

⁴ Cities Outlook 2014, Centre for Cities, January 2014.

⁵ The Scottish Index of Multiple Deprivation provides a relative measure of deprivation across 6505 geographical areas (or datazones) across Scotland, each covering an average of just under 1000 people. In Glasgow, there are 696 datazones. The index is made up 38 indicators in seven areas: income, employment, health, education, access to services, crime and housing. Each indicator is weighted according to its importance.

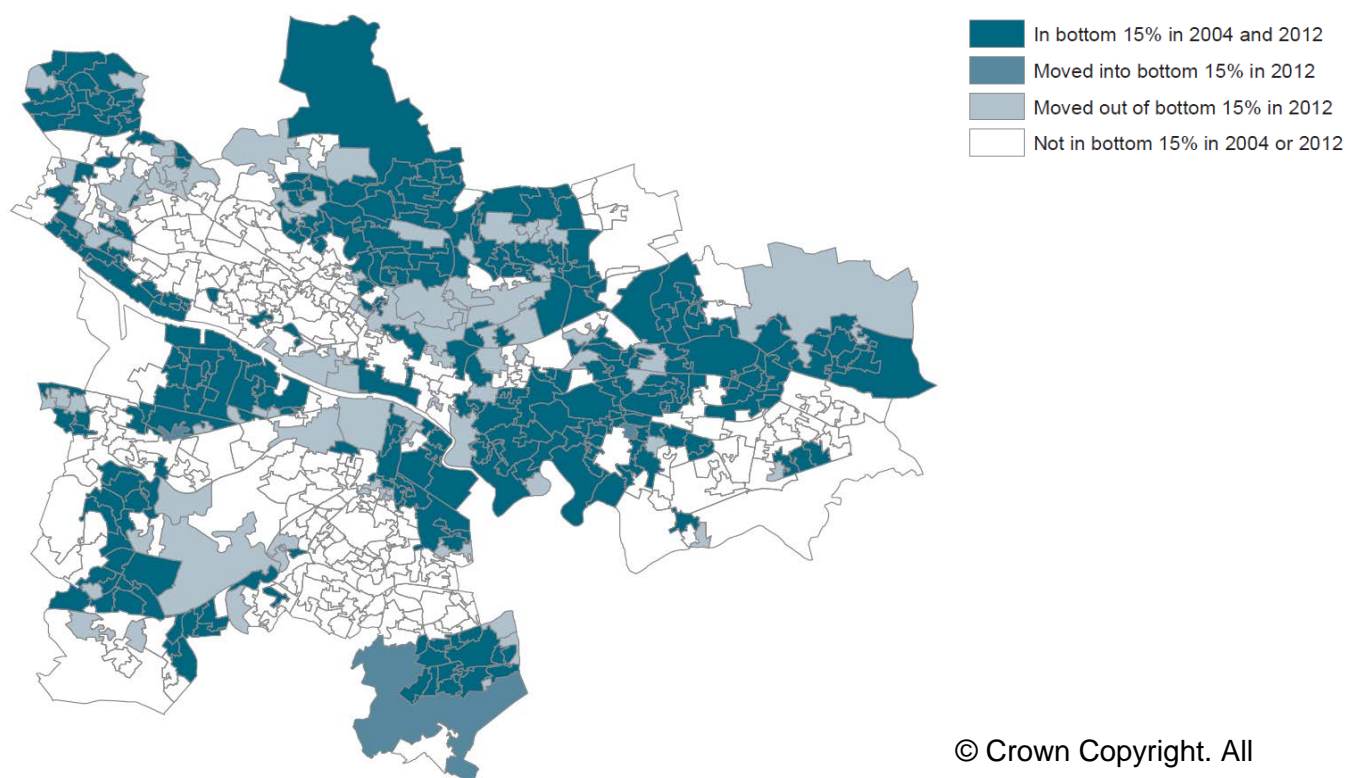
Ruchill and Possilpark	51	16	72.1	63.4	1987	214	2.0
Kelvinside (and Jordanhill*) (and Kelvindale **)	12**	3**	81.3**	76.2**	786*	48*	0.3*

Source: Glasgow City Council, Glasgow Centre For Population Health

Exhibit 3

Percentage of geographical areas in Glasgow in the 15 per cent most deprived in Scotland, 2004 - 2012

The proportion of people in Glasgow living in the 15 percent most deprived areas in Scotland has fallen by a fifth since 2004.



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Source: Scottish Index of Multiple Deprivation

5. Reducing inequality, deprivation and improving outcomes for people requires:

- a long-term perspective
- an understanding of the complexity of the factors create inequality and deprivation

- a willingness to address deep-seated social and cultural attitudes and behaviours.

To do this, all those involved delivering public services have to work together, share lessons about what works and demonstrate collective self-awareness and resilience, especially in the context of future public sector budget reductions.

The role of community planning partnerships

6. Community planning partnerships exist in all 32 local authority areas in Scotland to coordinate and improve the way public services are planned and delivered. They aim to improve outcomes for people living within their areas and reduce inequalities. They bring together the:

- public sector: including councils, health boards, police and fire services, housing associations, enterprise agencies and colleges;
- third sector: for example community groups, voluntary organisations, charities, social enterprises, co-operatives and individual volunteers; and
- private sector.

They include voluntary groups that operate at a local scale through to regional public bodies that operate across several community planning partnerships.⁶ The Glasgow community planning partnership was set up in 2004. It is the largest in Scotland in terms of the number of people who live within its area - almost 600,000 people.

7. Following the Christie Commission report in 2011, the Scottish Government conducted a review of community planning.⁷ In March 2012, the Scottish Government and the Convention of Scottish Local Authorities set out their expectations for community planning in the future.⁸ They expect community planning partnerships to become the focus for improving public services at a local level. Each CPP has a single outcome agreement (SOA) which it agrees with the Scottish Government. This sets out:

- the CPP's priorities
- how it will work to achieve them
- how they contribute to the Scottish Government's priorities.

8. A number of ongoing changes in the way public services are delivered affect community planning partnerships, including:

- welfare reform
- the new national police and fire services.
- the integration of health and social care services.
- reform of the college sector.
- legislative change including the Community Empowerment and Renewal (Scotland) Bill and the Children and the Young People (Scotland) Bill

⁶ For example NHS Greater Glasgow and Clyde, Strathclyde Partnership for Transport, Scottish Enterprise are members of the Glasgow Community Planning Partnership but are also members of several other CPPs.

⁷ Commission on the Future Delivery of Public Services, Dr Campbell Christie (Chair), June 2011

⁸ Statement of Ambition for Community Planning, Scottish Government and COSLA, March 2012

- the Scottish Government's announcement that it is abolishing community justice authorities.

All of this is taking place within the context of falling public sector budgets in the short-to-medium-term future.

About our audit

9. The Scottish Government asked the Accounts Commission to lead audits of individual community planning partnerships to assess their performance. During 2012/13, we audited three community planning partnerships.⁹ The audit of the Glasgow Community Planning Partnership is one of five that we are doing during 2013/14.¹⁰ The 2013/14 audits were done on behalf of the Accounts Commission and Auditor General for Scotland.
10. This is a joint report prepared by the Controller of Audit and the Auditor General for Scotland under section 102(1)(a) of the Local Government (Scotland) Act 1973 (as amended) and Section 23 of the Public Finance and Accountability (Scotland) Act 2000 respectively.
11. The objectives of our audit were to assess:
 - whether the Glasgow CPP has set a clear strategic direction, agreed by all partners, which reflects Glasgow's needs ([Part One](#))
 - whether Glasgow CPP's governance and accountability arrangements are appropriate and allow it to improve outcomes for local people. ([Part Two](#))
 - how well the Glasgow CPP is aligning and managing its resources to deliver joint priorities and outcomes included in its single outcome agreement; and whether any changes to how resources are being used are delivering the expected benefits? ([Part Three](#))
 - how well Glasgow CPP is performing in delivering the outcomes contained in its single outcome agreements and whether it is reporting this clearly and accurately to the public? ([Part Four](#))
12. [Appendix One](#) outlines our approach to the audit. We are grateful to everyone who contributed to our work.

⁹ Aberdeen City Community Planning Partnership, North Ayrshire Community Planning Partnership and Scottish Borders Community Planning Partnership

¹⁰ The five community planning partnership audits are in Falkirk, Glasgow, Moray, Orkney and West Lothian. We have previously published three national reports on community planning: Improving community planning in Scotland, March 2013; The role of community planning partnerships in economic development, November 2011; and Community planning: an initial review, June 2006.

What is the CPP aiming to do?

Key messages

- The Glasgow CPP has set a clear strategic direction which reflects a greater emphasis on a preventative approach to delivering public services and a commitment to dealing with some of the most difficult issues facing Glasgow. It has identified three themes as priorities for action over the next ten years: alcohol, youth employment and vulnerable people. The CPP has also committed to concentrate its efforts on particularly deprived areas in the city.
- All CPP partners must continue to show strong leadership and commitment so they can deliver on these priorities. The CPP has to maintain the pace it is working at and move quickly from planning to implementation. As it does, the CPP must agree clear plans that set out what it will do, the resources it will need and individual partners' responsibilities. Shifting resources will be difficult for all the partners as they balance the needs of the CPP with their own priorities.

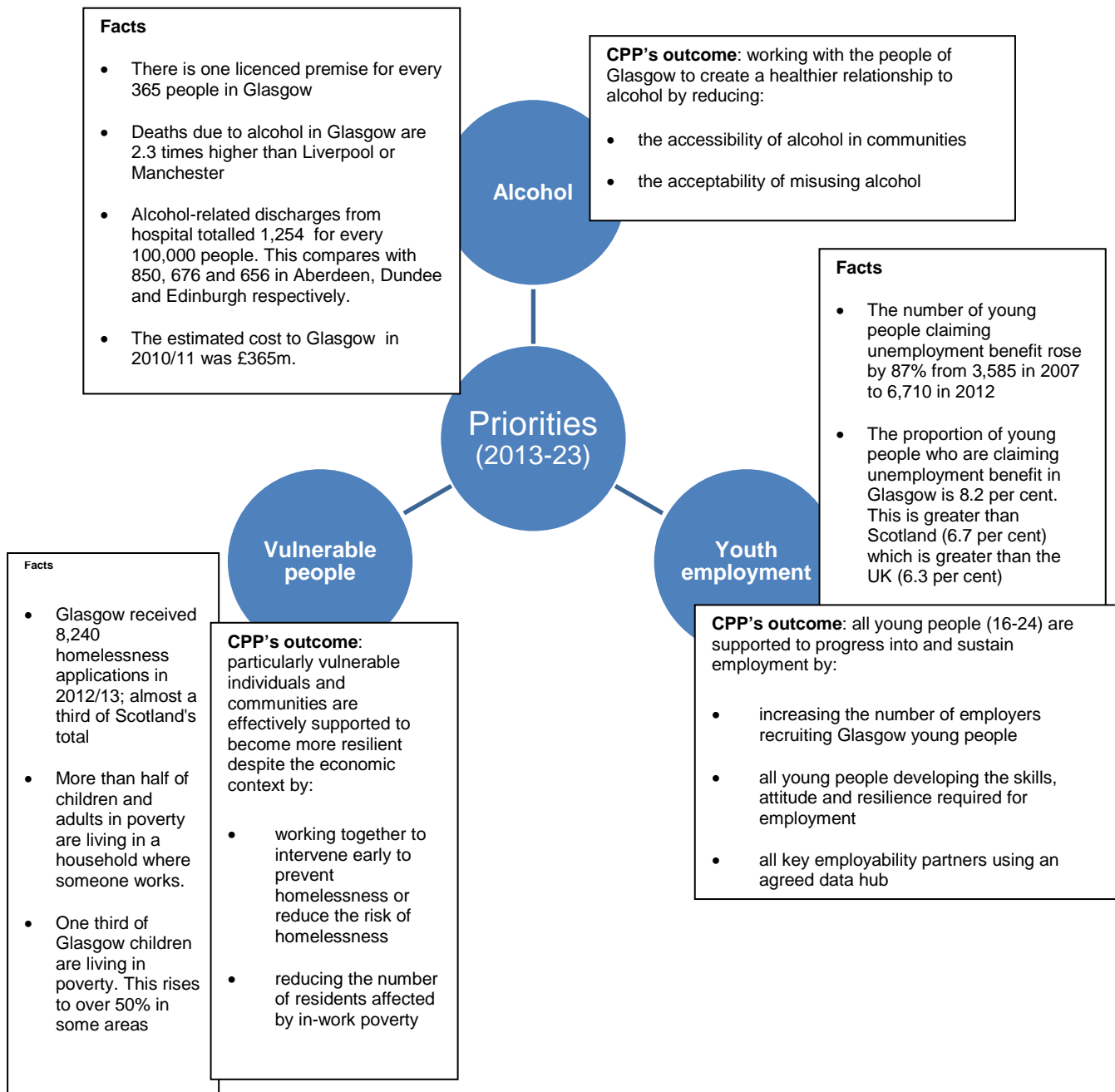
The CPP has shown strong leadership and has a clear strategy that seeks to improve people's lives in Glasgow

13. In August 2013, the Glasgow CPP agreed a new single outcome agreement. It identifies three thematic priorities for Glasgow for the next ten years: **alcohol**, **youth employment** and **vulnerable people**. This focus on a small number of priorities is a positive move away from the previous single outcome agreement (2008 - 2011) which had over 20 priorities. The CPP has used available data to support the selection of the three priorities and has identified outcomes for each of them ([Exhibit 4](#)). All CPP partners support and are enthusiastic about the three priorities. This offers a strong basis for progress.

Exhibit 4

Glasgow CPP's three priorities and associated outcomes

The CPP has identified the outcomes it aims to achieve under each of the three priorities



Source: Glasgow Community Planning Partnership

14. The CPP selected these priorities as they affect the work of all CPP partners to varying extents and are interlinked. For example, unhealthy use of alcohol could affect an individual's ability to maintain employment and good health. In agreeing these three priorities, the CPP has made an important shift towards a more long-term, preventative approach to public services that aims to break the cycle of poverty and poor health. The partners in the CPP, in agreeing this focus, have demonstrated strong collective leadership and commitment in tackling some important social and cultural issues that affect a wide cross-section of people in Glasgow.

15. In identifying alcohol and the relationship that people living in Glasgow have with it as a priority, the CPP aims to tackle an acute social and cultural problem ([Exhibit 4 and case study](#)). Trying to improve individuals' relationship with alcohol rather than dealing with its aftermath represents a major step towards adopting a preventative approach. There are significant potential positive effects for people's health and for communities, for example, lower levels of crime and violence and lower costs to deliver public services. Seeking to improve this relationship will be complex and will not happen immediately.

Case Study - Alcohol and early deaths in Glasgow

There is a well-established link between social and economic conditions and health. The Glasgow Centre for Population Health compared Glasgow with Liverpool and Manchester, which have almost identical deprivation profiles. They found that there were 30 per cent more people dying before the age of 65 in Glasgow than in Liverpool or Manchester.

They attributed around half of these additional early deaths to alcohol and drug misuse. They suggested that further research was needed to understand the other causes of the high rate of death before 65 in Glasgow. The effect was most pronounced in the more deprived areas of Glasgow but even in the least deprived areas of the city, 15 per cent more people died before 65 than in the two English cities.

Source: Glasgow Centre for Population Health

16. There are early signs of change. During 2013, Glasgow's Licensing Board revised its policy on licencing. Now, and for the first time, the policy refers to the single outcome agreement and commits the Board to contributing to delivering the alcohol priority. The Board has also rejected a proposal to extend standard licensing hours for the city centre from midnight to 1am.
17. Economic conditions since the financial crisis of 2008 have particularly affected young people (aged 16-24). Unemployment among young people in Glasgow is higher than for any other age group. In Glasgow, one young person in twelve (8.2 per cent) is unemployed. There are marked variations within the city with, some areas having over 15 per cent of young people claiming unemployment benefit.¹¹ Trying to reduce youth employment represents a shift towards a more preventative, long-term approach as early periods of unemployment can have a negative impact on an individual's life chances.
18. The vulnerable people priority potentially covers a large number of groups including looked after children, older people and homeless people. The CPP has recognised that it cannot focus on all vulnerable groups so has initially prioritised two groups: the **homeless** and those affected by **in-work poverty** ([Exhibit 4](#)).
19. The choice of homelessness reflects the disproportionately high rate of homelessness in Glasgow compared to the rest of Scotland and concerns about the effects of welfare reform.¹² There are many definitions of poverty. The in-work poverty definition uses relative poverty

¹¹ Glasgow Community Planning Partnership analysis for Thriving Places

¹² The Economic Impact of Welfare Policy in Glasgow, Fraser Allander Institute, 2012. Monitoring poverty and social exclusion in Scotland 2013. Joseph Rowntree Foundation, 2013.

after housing costs where individuals are living in households whose income is below 60 per cent of UK median income. More than half of adults and children in Glasgow who live in poverty are in a household where someone is working.¹³ The CPP is starting work to understand better the nature and scale of the in-work poverty in Glasgow.

The CPP has used data to focus its efforts on particular areas of deprivation

20. In addition to its three city-wide, thematic priorities discussed above, the Glasgow CPP is focusing efforts on nine particularly deprived geographical areas ([Exhibit 5](#)). The Statement of Ambition for community planning emphasises the importance of using detailed, local data to help community planning partnerships take action. To select these nine geographical areas, which are known in the single outcome agreement as *Thriving Places*, the CPP combined:

- local data relevant to the three thematic priorities
- data from the Scottish Index of Multiple Deprivation (SIMD); and
- its knowledge of what partners were already doing

The CPP is initially prioritising attention on three of the nine *Thriving Places*:

Parkhead/Dalmarnock, Ruchill/Possilpark and Greater Gorbals. By agreeing to focus partners' on some of the most deprived areas, the CPP has signalled its intention to try to reduce further some of the deprivation and inequality that exists within Glasgow.

Exhibit 5

Glasgow's nine *Thriving Places*

The CPP has prioritised action on some of the most deprived areas in Glasgow

Map (in published version) illustrating the location of the nine Thriving Places and the extent of deprivation in these areas (based on data from GCPP's Key Indicators at Glasgow Neighbourhood Level)

	Child poverty (%)	Income deprivation (%) SIMD	Employment (%) SIMD	U-25 claimant rate (%)	Alcohol consumption (% Scottish average)
Ruchill/ Possilpark	51	36	34	15.9	191

¹³ Harkins C, Egan J. The rise of in-work poverty and the changing nature of poverty and work in Scotland: what are the implications for population health?. Glasgow: Glasgow Centre for Population Health; 2013.

<i>Drumchapel</i>	51	36	31	13.9	115.5
<i>Lambhill/Milton</i>	41	31	29	14.1	133.3
<i>Parkhead/Dalmarnock</i>	55	41	41	14.3	291.2
<i>Easterhouse</i>	49	32	30	12	193.6
<i>Springboig and Barlanark</i>	44	32	30	12.9	152.8
<i>Priesthill/Househillhead</i>	46	31	28	12.1	159.3
<i>Greater Gorbals</i>	51	29	26	9.2	263.9
<i>Govan</i>	38	30	29	13.8	174.7

Source: Glasgow Community Planning Partnership

All partners must continue to show leadership over the longer term to ensure the CPP improves outcomes

21. The CPP has shown strong, collective leadership by agreeing priorities for the next ten years that should begin to address some of the serious issues facing Glasgow. Converting this vision into meaningful, on-the-ground action represents an even more challenging step that the CPP now has to take. This will require strong leadership over the long term and commitment from all partners.
22. In common with most CPPs, and reflecting its duty to lead community planning, Glasgow City Council has been the dominant partner in the community planning process over the last decade and during the development of the current single outcome agreement. As noted previously, there is strong support among all partners for the three priorities identified in the single outcome agreement. But its ambition will not be realised without:
 - leadership and commitment from all CPP partners, across the public, private and third sectors
 - action to achieve "a cultural shift in how public service professionals work collaboratively, strategically, and on the front line".¹⁴

¹⁴ Glasgow's Single Outcome Agreement 2013, Glasgow Community Planning Partnership, August 2013.

23. The process of developing the new single outcome agreement has resulted in a greater level of commitment among all CPP partners. It has focused attention on the need for CPP partners, other than the council, to take greater responsibility for the actions needed to deliver the priorities in the single outcome agreement. To ensure that community planning becomes a true partnership, the council may need to give up some of its perceived control over the process.
24. The CPP is currently developing plans to implement the single outcome agreement. These plans will exist at a city-wide scale and at smaller geographical scales (see [Part Two](#) for more details) and for each of three thematic priorities. The implementation plans must set out the actions, resources and responsibilities that each partner will take to achieve the outcomes in the single outcome agreement. The CPP initially intended to complete these plans by November 2013, but the current aim is to finalise them in May 2014.
25. This is a small delay relative to the ten-year lifespan of the single outcome agreement and the scale of challenge presented by the three priorities. It reflects the CPP's desire to ensure that the implementation plans are clear and effective and there is commitment from all partners to delivering them. While this is reasonable, the CPP needs to keep up its pace and move quickly from planning to implementation. The CPP must convert the willingness and enthusiasm among many of those involved in community planning for the three new priorities into a practical programme of change. Without this, it will miss the opportunity to make changes that could improve outcomes for individuals and communities. Shifting resources will be difficult for all the partners as they balance the needs of the CPP with their own priorities.
26. Equality is one of the principles underpinning the single outcome agreement.¹⁵ The CPP has an Equalities Working Group. During 2014, the group is undertaking equalities impact assessments on the CPP's various implementation plans. The process has highlighted some gaps in the available evidence which will be filled with further research or focused community engagement.

The CPP has not yet established how it will monitor progress in implementing the single outcome agreement

27. The Statement of Ambition for community planning states that CPPs "*must be genuine Boards*" and "*will be expected to hold all partners to account for their contribution to local planning and delivery of those plans*". An important aspect of this is establishing a performance management framework that will allow:
 - the strategic board to monitor progress in implementing the single outcome agreement over the short, medium and long term
 - partners to hold each other to account for their progress in implementing the single outcome agreement.

¹⁵ The other two principles are early intervention and sustainable change.

28. The CPP has established a group to develop a performance management framework, but its work has been delayed. In part, this reflects the wider delay in the implementation planning process. The principles of good performance reporting in partnerships are set out in our report on performance reporting in local government.¹⁶ Developing the performance management framework provides an opportunity to review how to communicate and discuss progress in implementing the single outcome agreement to the public. To date, much of CPP's communication has been through publishing formal plans and papers. This is important and will remain so. But, the CPP could develop more accessible ways to involve people in Glasgow in their plans and keeping them informed of its progress. The single outcome agreement commits to the production of an annual residents' report. This provides an opportunity to explore innovative approaches to communicating and discussing what the CPP has achieved and how its future activity could be shaped.

Recommendations

- The CPP should maintain its pace and agree implementation plans that set out what it will do, the resources it will need and individual partners' responsibilities.
- The CPP should develop a performance management framework that allows:
 - it to monitor progress in implementing the single outcome agreement
 - partners to hold each other to account
- The CPP should consider how it reports its performance to ensure the public can get involved and discuss how it is delivering the priorities in the single outcome agreement.

¹⁶ [Managing performance: are you getting it right?](#) Accounts Commission, October 2012.

How is the CPP run?

Key message

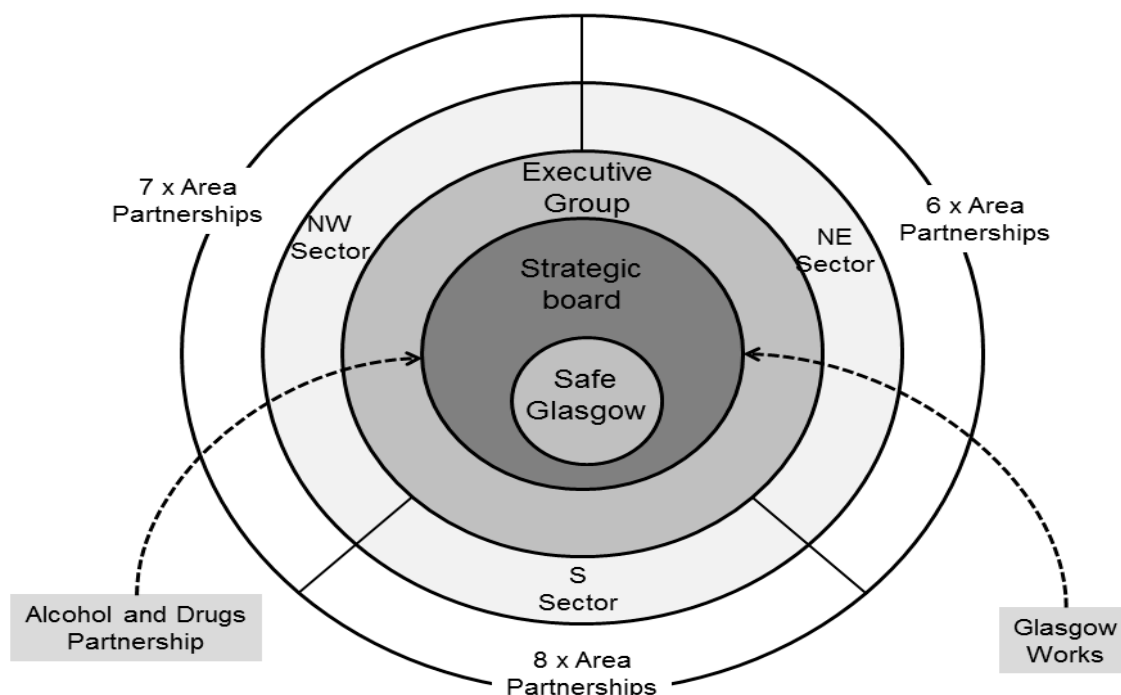
- The Glasgow CPP has a clear system of governance and accountability but this has not yet been fully tested. The CPP is structured into 21 area partnerships across the city that reflect council wards, improving how councillors can become involved in community planning at the local level. The CPP partners are building on their existing partnership working to deliver their joint priorities. Partnership working in Glasgow is inherently complex. It will be important for the CPP to work with the new health and social care body as it is being established to ensure it contributes effectively to the delivery of the single outcome agreement.

The CPP has made its structures more relevant to elected members

29. At the city-wide level, the CPP's strategic board has collective responsibility for:
 - delivering the single outcome agreement
 - determining the partnership's strategy ([Exhibit 6](#)).
30. A councillor from the Glasgow City Council administration chairs the strategic board. It includes councillors, non-executive board members, senior officers and senior staff from partner organisations, including the third sector. An executive group reports to the strategic board. This group, which is chaired by the chief executive of Glasgow City Council, brings together senior officers from all the partner organisations. The executive group has delegated authority from the strategic board to make decisions. A key test of the effectiveness of the Strategic Board in the future will be whether it becomes a forum where the partners genuinely challenge each other in holding each other to account for delivery of the single outcome agreement.

Exhibit 6

Glasgow CPP's governance and accountability structures



Note: We explain the role of Safe Glasgow in paragraphs 41 and 42, page 26)

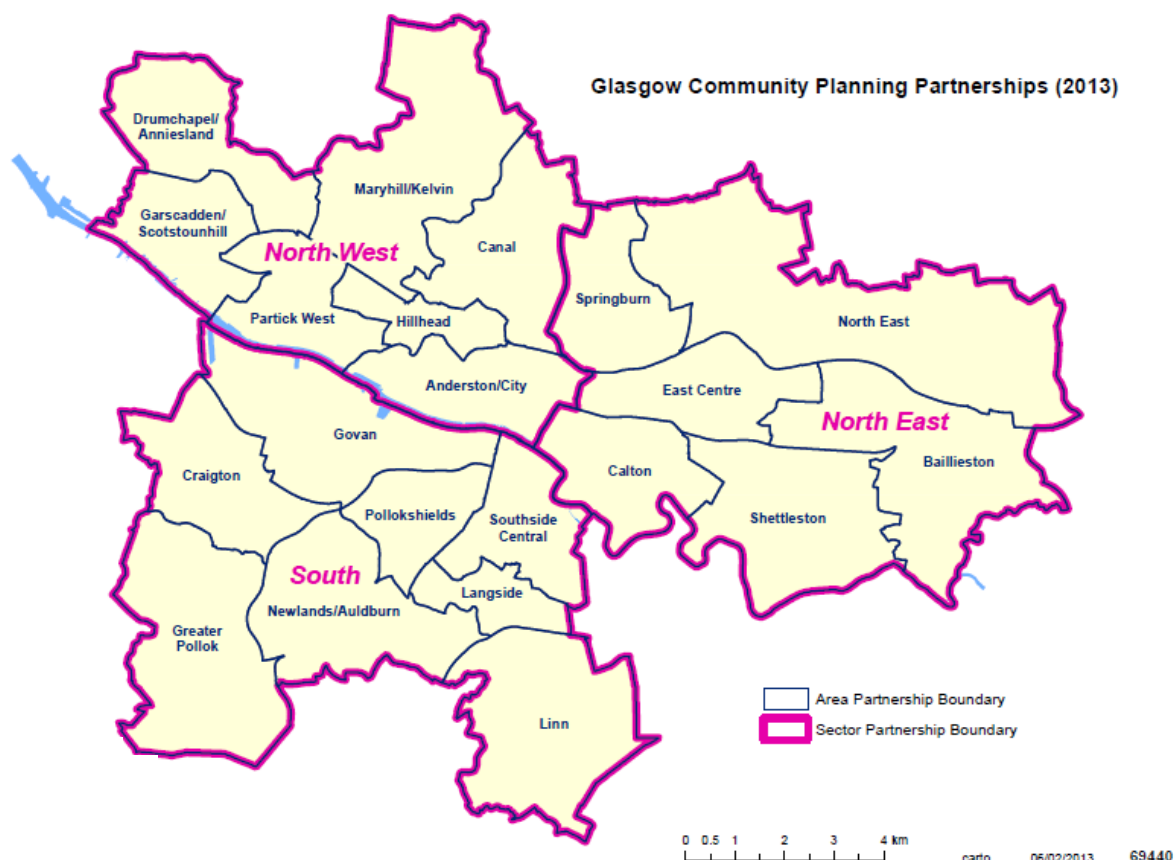
Source: Glasgow Community Planning Partnership

31. The CPP has reviewed and simplified its community planning partnership structures below the city-wide level. It has abolished the ten former local community planning partnerships that covered several wards. At a local level, there are now 21 area partnerships that match the council's multi-member wards ([Exhibit 7](#)). This restructuring should allow councillors to become more involved with community planning and play an important local leadership role. The Statement of Ambition for community planning sets this out as an important aim. These 21 areas are grouped together into three sectors covering the north-east, north-west and south of the city. The three sectors will be a key focal point for the implementing the single outcome agreement.
32. Many of the community planning partners have changed or are changing how they organise themselves to fit this sector and area structure. Examples include NHS Greater Glasgow and Clyde, police, fire and rescue services and Glasgow Housing Association (Wheatley Group). Even with the restructuring, there are a large number of community planning groups for individual community planning partners to coordinate and support. This partly reflects Glasgow's size. But it may cause pressures locally, where, for example, there are competing pressures from 21 separate neighbourhood management groups and 21 area partnerships.

Exhibit 7

The geography of the Glasgow CPP

The CPP is organised at three geographical levels



Source: Glasgow Community Planning Partnership

The CPP is using existing partnership structures to deliver some of its priorities

33. Glasgow has many partnerships. Some of these will contribute to achieving the single outcome agreement's three priorities ([Exhibit 8](#)). Some of them will be directly responsible for delivering the outcomes associated with two of the CPP's three thematic priorities. The Alcohol and Drugs Partnership will prepare and implement a plan to achieve the outcomes associated with alcohol and monitor progress against the plan. Similarly, Glasgow Works, which includes the responsibilities of the Youth Employability Partnership, will do the same for the youth employment implementation plan. There was no appropriate, pre-existing partnership directly relevant to the vulnerable people theme. The CPP has formed a working group to lead the vulnerable people priority.

Exhibit 8

How existing partnerships are involved in the three priorities in the single outcome agreement

Existing partnership programmes in Glasgow outside the CPP structure will help deliver the three priorities in the single outcome agreement

	Alcohol	Youth employment	Vulnerable people
Alcohol and Drugs Partnership	✓	✓	✓
Children's Services Planning Executive	✓	✓	✓
Glasgow Economic Leadership		✓	
Glasgow Economic Strategy		✓	
Community Benefits Policy		✓	✓
Glasgow Works Employability Programme		✓	✓
Glasgow Commonwealth Initiatives		✓	✓
Commonwealth Games Legacy	✓		✓
Integrated Grant Fund Employability Programme	✓	✓	✓
Integrated Grant Fund Vulnerable Adults Programme	✓		✓
Early Years Collaborative			✓
Parenting Support Framework	✓	✓	✓
One Glasgow 0-8 workstream	✓	✓	✓
One Glasgow Reducing Offending workstream	✓	✓	✓

One Glasgow Vulnerable Older People	✓		✓
Community Safety Glasgow	✓	✓	✓
Community Improvement Partnership	✓	✓	✓
Persistent Offender project	✓	✓	✓
Poverty Leadership Framework	✓	✓	✓
Financial Inclusion Strategy	✓	✓	✓
Reshaping Care for Older People			✓

Source: Glasgow Community Planning Partnership

34. Within the vulnerable people theme, a range of groups is already working to reduce homelessness - the CPP's first priority group - and poverty ([Exhibit 9](#)). Because there are so many groups, this risks duplicating services and developing different approaches. In contrast, the partnership groups that deal with youth employment have already been rationalised. The CPP must regularly review the structures and groups that exist to address its CPP's priorities. This will help ensure that there is no unnecessary duplication or lack of clarity about which organisations are responsible for delivering the CPP's priorities.

Exhibit 9

Existing groups in Glasgow that are responsible for reducing homelessness and poverty

Some of the existing structures relating to the CPP's priority area are complex



Source: Glasgow Community Planning Partnership

35. The CPP's Strategic Board meets quarterly. All three thematic groups and all three geographical sectors will take it in turns to report on their progress against the implementation plans directly to the strategic board. The CPP will produce an annual report on progress against the single outcome agreement. The Alcohol and Drugs Partnership and the Youth Employability Partnership (now within Glasgow Works) already have their own existing monitoring and reporting arrangements that sit outside the CPP structures. Care will be required to ensure that all these reporting requirements do not become too demanding or confused.¹⁷
36. The CPP also aims to improve its oversight and connections to other organisations which operate across the wider west of Scotland region. Both the CPP's Strategic Board and Executive Group receive regular reports from these other organisations, for example, Strathclyde Partnership for Transport, Scottish Enterprise and Skills Development Scotland.

¹⁷ The Alcohol and Drugs Partnership reports to the Joint Partnership Board and the Youth Employability Partnership to the Children's Executive Group.

The CPP has put guidance in place to define roles and responsibilities

37. The CPP has a governance framework that aims to:

- explain the roles and responsibilities of all the different groups involved in the CPP
- ensure a consistent of approach.

It is also establishing a programme to help leaders within the CPP develop their skills and abilities. This should provide the necessary leadership and challenge within the CPP to deliver improved outcomes. The CPP has also produced an induction pack for everyone taking part in the CPP. This outlines:

- the partnership's structure and the role of the various groups in that structure
- how it makes decisions
- the role of individual partners on each of the groups

This information is valuable, but should be made available more widely.

38. At the time of our audit, some participants in the sector and area partnerships were uncertain about their role and responsibilities in scrutinising performance locally. This, in part, reflects the fact that the CPP has only recently set up the new area partnership structure. As noted in [Part One](#), the CPP is developing a performance management framework. To be successful and deliver on its priorities, the CPP must ensure that it scrutinises and challenges individual partners' performance at all levels. The performance management framework could usefully clarify the role of sector and area partnerships in holding individual partners to account.

The new body that will deliver health and social care must be aligned with the CPP and its priorities

39. The Scottish Government is bringing adult health and social care services together from April 2015 into new statutory partnerships to improve care and deliver better outcomes. Interim arrangements should be in place by April 2014, with the new arrangements being fully in place in April 2015. Although, progress towards health and social care integration in Glasgow took longer than in other community planning partnership areas, a new joint body has now been established.¹⁸ Importantly, the issues that led to the dissolution of the former community health partnership in 2010 seem to have been overcome.¹⁹ The new joint body is operating in shadow form during 2014/15 and will manage all adult and children's services in Glasgow from April 2015. It will be responsible for a budget of around £1 billion.

40. The Statement of Ambition for community planning states that community planning partnerships should "... *provide the foundation for effective partnership working within which wider reform initiatives, such as the integration of health and adult social care ... will happen*". In line with national developments, NHS Greater Glasgow and Clyde and Glasgow City

¹⁸ Health and Social Care Integration Enquiry, Joint Improvement Team, November 2013.

¹⁹ [Review of Community Health Partnerships](#), Audit Scotland, June 2011.

Council have developed their proposals for health and social care integration in parallel to the work of the community planning partnership. As they establish and develop the new joint body, both organisations must ensure its approach is in line with the CPP's alcohol and vulnerable people priorities.

The new approach to scrutinising police and fire services is at an early stage

41. The Safe Glasgow Group is a sub-group of the CPP's strategic board ([Exhibit 6, page 20](#)). Since the national police and fire and rescue services were formed in April 2013, it has been responsible for scrutinising and reviewing their plans and performance. The Group is still in its first year of operation and developing its approach to how it monitors and challenges the performance of the police and fire and rescue services. Local performance reports from police and fire and rescue services differ in style. The former are more descriptive and the latter are more quantitative. The key issue is the Safe Glasgow Group must be confident that the performance reports it receives allow it to scrutinise and challenge the work of both organisations.
42. Both police and fire and rescue services are developing new local three year plans covering 2014 - 2017. This gives them an important opportunity to:
 - bring their own priorities in line with the CPP's three priorities
 - review how they report on their own performance so the CPP can properly scrutinise it at city, sector and area level.

Recommendations

- The CPP should regularly review and assess the structures and approaches it uses to deliver on its priorities to ensure that they are effective and fit for purpose.
- The CPP should ensure that the role of area and sector partnerships in scrutinising performance and holding partners to account for delivering implementation plans is clear to all participants.

How does the CPP use resources?

Key message

- The partners in the Glasgow CPP collectively spend over £4 billion each year. Most of these resources are currently committed to meeting individual partners priorities and only a small proportion of this total contributes directly to the priorities in the single outcome agreement. At present, the CPP does not fully understand how much this is and how it is being spent. It is starting to improve its understanding of the resources that relate to its priorities, and how to use these more effectively. This is a necessary and positive first step towards meeting the Scottish Government's and COSLA's aspirations for how CPPs use resources, for managing reduced public sector budgets, and improving outcomes for people.

CPP partners spend over £4 billion each year but the CPP has limited influence over this spending

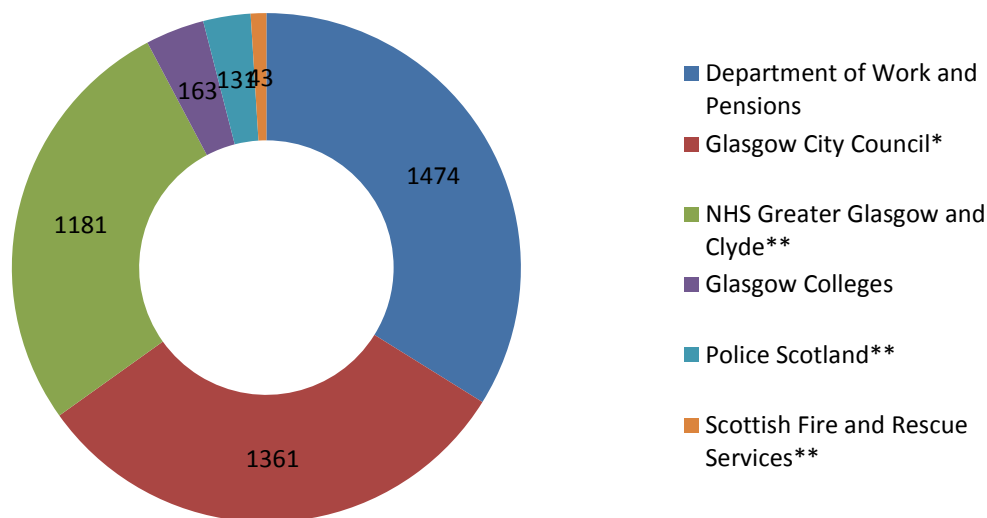
43. We estimate that the public sector partners in the Glasgow CPP collectively spend in excess of £4.35 billion in Glasgow each year ([Exhibit 10](#)). This sum is an underestimate as it excludes other public sector organisations who are partners in the Glasgow CPP but operate on a regional or Scotland-wide basis including Scottish Enterprise, Skills Development Scotland and Strathclyde Partnership for Transport.²⁰ In addition, there is expenditure by Glasgow's large and diverse third sector.

²⁰ Scottish Enterprise's, Skills Development Scotland's and Strathclyde Partnership for Transport's annual expenditure in 2012/13 were £288 million, £198 million and £70 million respectively.

Exhibit 10

Expenditure by CPP partners, 2012/13

CPP partners spent over £4.35 billion in 2012/13



Note: * Includes net expenditure to related companies. ** Spending per person based on population share.

Source: Audit Scotland

44. Most of this money is:

- currently committed to meeting priorities and objectives that individual partners are accountable for
- tied up in fixed commitments such as buildings and equipment.

Only a small proportion is currently allocated to the CPP's three priorities. To date, the CPP has had limited understanding of the size of this proportion and had limited influence over how individual partners spend it.

The CPP is starting to improve its understanding of available resources

45. In September 2013, the Scottish Government and the Convention of Scottish Local Authorities set out their vision for how community planning partners should manage their resources.²¹

The vision demands that all CPPs and their single outcome agreements become "*the focal point for the planning and deployment of resources locally*". The CPP's draft improvement plan notes that "*we do not yet have a collective audit of all spending and resources committed by all CPP partners across these priority themes*".²²

46. In November 2013, CPP partners agreed to begin this process by identifying and sharing the resources and investments that they are contributing to youth employment, one of the CPP's priority areas. This is an important first step. It will allow partners to use this information to plan

²¹ Agreement of Joint Working on Community Planning and Resourcing, Scottish Government and COSLA, September 2013.

²² Draft Improvement Plan, Glasgow Community Planning Partnership.

their budgets for 2015/16 and develop the youth employment implementation plan. The CPP is currently considering a timetable to extend this approach to its other two priority areas. When it has this information, the CPP will have an overview of the resources that its partners have currently allocated to the three priorities. The CPP can then influence how partners allocate and use resources. We consider this is a necessary and positive first step that should help the CPP ensure that partners' spending on the three priorities is as effective as possible.

47. This approach to understand resources builds on Glasgow CPP's experience from its One Glasgow initiative. Since 2011, the One Glasgow initiative has involved many of the CPP partners. Initially, it focused on:

- children aged up to eight years
- reducing offending among people aged between 12 and 25
- vulnerable older people aged over 65.

The first phase of projects under the One Glasgow initiative test a new approach to delivering a public service in a particular area. Before the first phase begins, partners map their existing spending on related activities according to what they were doing to prevent or control a situation or what they were doing to deal with the consequences. This approach aims to help partners move their spending towards preventing negative situations from happening, instead of dealing with their consequences. Some of this analysis proved challenging as not all financial information was available in a consistent manner.

48. Spending money effectively in community planning partnerships is not just about sharing information on budgets and agreeing how and where to spend money. It is also about sharing staff, premises and other assets. We heard the Community Improvement Partnership repeatedly quoted as an example of good partnership working (see [case study](#)). This partnership is currently only active for Glasgow Housing Association properties. The CPP could work to extend this successful approach to other social landlords in the city. There are other examples of practical joint working, for instance, the co-location of police, health, social work and advocacy support services in a centre to support victims of domestic abuse. While we heard about several examples of practical partnership working, it appeared that these had not been planned but had developed opportunistically.

Case study - Community Improvement Partnership

In 2010, Glasgow Housing Association (GHA), the then Strathclyde Police (Police) and Strathclyde Fire and Rescue (SFR) formed a partnership to:

- tackle anti-social behaviour, such as vandalism, violence and youth disorder
- reduce GHA tenants' vulnerability to fire.

It involved seconding 15 police officers and a senior fire officer to GHA for three years. They used information and intelligence obtained from all partners to identify and prioritise what action to take. All partners deployed resources to carry out these actions. Over 500 members of staff were trained in how to recognise important information and intelligence and in identify tenants who may be vulnerable.

The partnership has had some marked successes. In 2012/13, in anti-social behaviour reduced by 26 per cent reduction against the baseline year of 2008/09. Accidental domestic fires decreased by 31 per cent. Secondary fires, which are often directly attributed to anti-social behaviour, decreased by 56 per cent. From an average of seven to eight fire deaths each year in GHA properties between 2003 and 2011, there have been no fire deaths since July 2011.

The CPP is gathering information about available assets in its nine *Thriving Places*

49. It is important for the CPP to understand what existing assets, such as buildings and equipment, are already available in local communities. The CPP can then use this information to help them understand how partners' assets may be able to complement these. This is a necessary step in delivering public services in a way that is a partnership between professionals, people who use services and communities. The CPP has recognised this and is adopting an asset-based approach to support its *Thriving Places* initiative (see [paragraph 18](#)). This approach aims to understand the human, social and physical resources that exist in local communities. Providers of public services use this information to work with communities to make the best use of these resources (see [case study](#)).
-

Case study - Understanding assets in the Gorbals

From the 1980s onwards, there has been a concerted effort to improve the quality of housing and the physical environment in the Gorbals. This has been done through the Crown Street Regeneration Project and the New Gorbals Housing Association. Despite ongoing improvements in the physical environment, there are still serious issues relating to unemployment and poverty, drug and alcohol misuse and poor health.

In 2011, the Gorbals Regeneration Group has brought together all the main public and voluntary sector organisations working in the Gorbals. The group was set up to resolve the imbalance between the rate of physical improvement and economic and social improvement.

The Group carried out a neighbourhood audit to help prioritise future actions by gathering information on:

- the characteristics of people living in Gorbals;
- the priorities of the largest spending public and voluntary agencies and their annual expenditure; and
- community assets such as buildings and the views of the communities.

Based on this information, the Group recommended how the agencies operating in the area could improve the impact of their expenditure by:

- focusing on agreed outcomes
- establishing new joint working and information sharing arrangements
- prioritising prevention and early intervention, and
- getting the local community and people who use services involved in changing the way local services are delivered.

50. Strathclyde Partnership for Transport has carried out an initial asset mapping exercise in each of the three priority neighbourhoods for the CPP. They collected information on:

- the physical infrastructure, for example, community centres and shopping facilities
- local services such as employment and training, social work and education.

Work has started on the next phase. This involves gathering information about the the less tangible, but potentially more important, assets that exist within the three *Thriving Places* that will be the initial focus for attention. These include local community groups, organisations and residents. This approach builds on the experience that physical regeneration alone in deprived areas alone cannot deal with some of the underlying social and cultural issues that affect particular communities (see case study).²³

Case study - Community regeneration in Barrowfield

During the 1980s and 1990s, Barrowfield, in the Parkhead/Dalmarnock *Thriving Place*, received about £60 million to redevelop its housing stock. In addition, a new community centre provided the community with a valuable physical asset.

Despite this investment, Barrowfield continued to be one of the most deprived areas of Glasgow between 2004 and 2012. Subsequent research attributed this lack of progress to barriers caused by deep-seated social issues such as territorialism, insularity and low self-esteem that were more significant than physical infrastructure.

Glasgow's Integrated Grant Fund provides a small amount of funding towards the CPP's priorities

51. Glasgow City Council set up the Integrated Grant Fund in 2010/11. It drew together funding from the Fairer Scotland fund and other council and arms-length organisations. The Integrated Grant Fund provides funding for programmes and projects that contribute to the CPP's priorities at an area, sector and city-wide scale.
52. In 2013/14, the Glasgow CPP allocated £9.7 million to the Integrated Grant Fund. It contributed to programmes and projects including:
- apprenticeships
 - community police officers
 - children's services
 - community engagement
 - third sector support
 - small awards at an area level.

²³ This has also been commented on recently (February 2014) by the Scottish Parliament's Local Government and Regeneration Committee.

A further £8.9 million is available for 2013/14 and 2014/15 from the ten former local CPPs ([see paragraph 28](#)). This money is important. But it should not become the focus for attention for partners at an area or sector scale.

Approaches to involving communities across the CPP are not effectively coordinated

53. The Statement of Ambition for community planning aims to get people more involved in delivering improved outcomes. The Scottish Government's proposed Community Empowerment and Renewal (Scotland) Bill would strengthen the legal basis for community engagement and empowerment.
54. The CPP had limited direct engagement with communities during the development of the single outcome agreement and the identification of the three priorities. It is currently reviewing how it engages with communities throughout Glasgow. In Glasgow, 78 per cent of the 101 community councils are currently active. Community councils provide an important role in community engagement but they may not necessarily reflect all parts of particular communities. There may be other groups or individuals who are key community representatives and leaders. The CPP is exploring other ways to engage with communities and develop new approaches ([see case study](#)). It has begun work to establish "community platforms" that will provide an alternative mechanism for it to obtain community views.

Case study - The Ripple Effect: understanding the impact of alcohol on communities

In the Ripple Effect, 11 voluntary Alcohol and Drug Community Engagers consulted almost 5,000 people of all ages in 16 deprived communities across Glasgow. They used a combination of standard methods: surveys, interviews and focus groups and graffiti response sheets. They also used other techniques, specifically for young people, such as drawings of people affected by alcohol and how young people see alcohol affecting their area. They used these drawings to start talking to people involved in the project.

The results showed the following:

- Almost everyone felt that alcohol affected their communities negatively. The most frequent impacts being antisocial behaviour, litter, violence and vandalism.
- The main public places affected by alcohol were shopping precincts, parks and waste ground.
- The people most affected were children, young people and older people.

The main solutions suggested by local people were restrictions or conditions on selling alcohol, law enforcement, education and awareness of alcohol issues and education. They also suggested employment and diversionary activities for young people. Many suggestions were implemented, for example, off sales campaigns, promoting fire home safety visits, environmental clean-ups and consulting with parents and young people.

The Ripple Effect will be repeated in 2014, 2019 and 2024 to monitor the impact of the CPP's alcohol priority.

55. Individual CPP partners carry out their own community engagement programmes. For example:

- Glasgow City Council conducts a household survey to consult residents on the services it provides
- Glasgow Housing Association surveys its tenants
- Police Scotland conducts annual community consultation surveys
- NHS Greater Glasgow and Clyde survey has a patients' panel.

Individual partners within the CPP have good reasons for conducting their own community engagement. But the CPP must find better ways of coordinating this activity and using the results emerging from it to develop its plans and ensure it is using all its resources effectively.

Recommendation

- The CPP should ensure that the results of individual partners' community engagement work are shared among the partners and coordinate the individual partners' community engagement work to ensure the effective use of resources and inform its future plans.

How is Glasgow performing?

Key message

- The CPP has generally made good progress against the five themes of **Working, Learning, Healthy, Safe and Vibrant** identified in its last single outcome agreement. Despite this, Glasgow is still not performing as well as other major Scottish cities and comparable English cities. This reflects the scale of the social and economic challenges that it continues to face.

Performance against the last single outcome agreement was broadly positive

56. Community planning partnerships aim to improve the lives of people in their communities. Many factors, both national and local, influence local outcomes. Therefore it is difficult to link any changes to specific partnership activities. This makes it difficult for us to assess comprehensively what direct impact the CPP has had. A challenge for the Glasgow CPP will be to demonstrate how it can directly link changes in outcomes to the actions in the single outcome agreement and its associated implementation plans.
57. Glasgow CPP's previous single outcome agreement had five themes of **Working, Learning, Healthy, Safe and Vibrant**. The CPP measured and reported on its progress using 96 indicators and sub-indicators. Overall, performance against these indicators was good with almost three-quarters being within 2.5 per cent of the target.²⁴ In particular, performance under the learning, healthy and safe themes was positive.
58. In this section we:
- report on performance against the CPP's previous single outcome agreement
 - compares, where we can, Glasgow's performance relative to the other major Scottish cities and a wider set of English cities that may give us a more relevant comparison because of their size and socio-economic profile.²⁵

Working

59. The Working theme focussed on making Glasgow an attractive place to do business and realise its economic potential through more and better employment opportunities. Of the 14 indicators under this theme:

²⁴ Indicators and sub-indicators identified as green are ± 2.5 per cent of the target. Indicators and sub-indicators identified as amber are 2.5 – 5 per cent below the target. Indicators and sub-indicators identified as red are more than 5 per cent below the target

²⁵ The core cities are Birmingham, Bristol, Leeds, Liverpool, Manchester, Nottingham, Newcastle and Sheffield (as defined by Core Cities Group, a self-selected, self funded group led by the leaders of the eight largest city economies outside London).

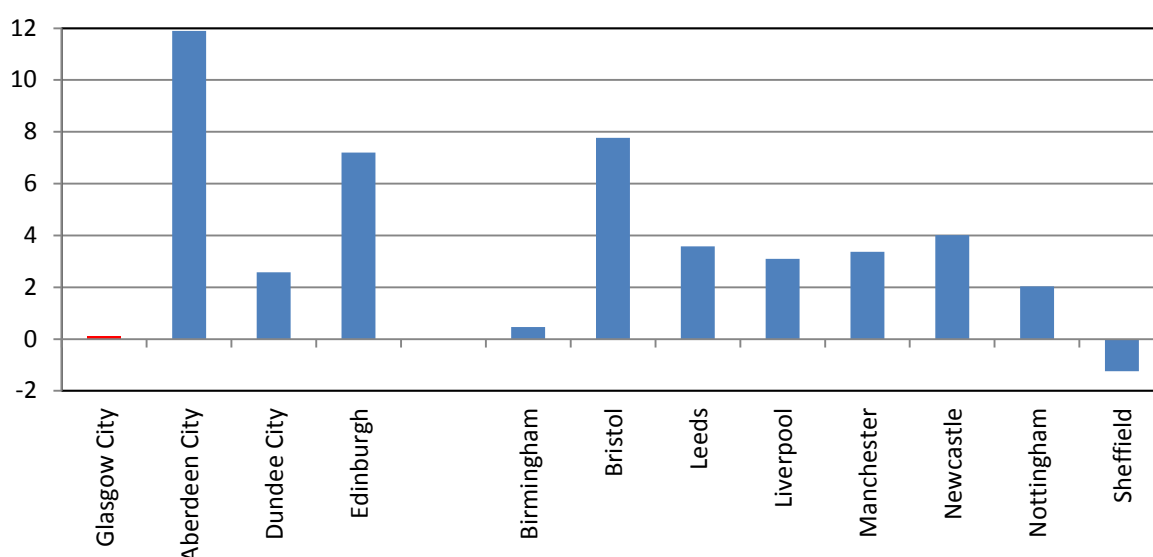
- nine were green (including business births, completed construction projects and development of vacant and derelict land)
- one was amber (increasing the city's population relative to Scotland)
- four were red (tourism expenditure, median earnings, business deaths and increasing jobs in priority sectors).

60. The net business growth rate is one way to assess how attractive Glasgow is to do business in, and provides an indication of employment opportunities. Over the eight year period to 2012, Glasgow was one of the worst performing cities and only increased by an average of just 0.1 business per 10,000 of population per year ([Exhibit 11](#)).

Exhibit 11

Average net business increase per 10,000 population, 2004 - 2012

Glasgow has performed less well than other Scottish and English cities in increasing the number of businesses



Source: Audit Scotland

61. In response to this, Glasgow Economic Partnership, a partnership of the public and private sectors responsible for the city's economic development, commissioned a review of the city's economic strategy. Glasgow Economic Leadership was then formed to implement the review's recommendations. Glasgow has recently won an award for the best inward investment strategy in Europe.²⁶
62. Between 2004 and 2012, the median earnings of those in work who live in Glasgow remained constant in real terms, that is, allowing for inflation. Median earnings had fallen slightly behind that of the other major Scottish cities but remained comparable with earnings in the other core cities. A low level of median earnings, which remain static while household costs such as food

²⁶ European Cities and Regions of the Future for 2014/15, FDI Magazine

and energy costs increase, indicates that more people remain in poverty despite being in work. This is an area that the CPP has chosen for early attention under the vulnerable people priority (see Part One).

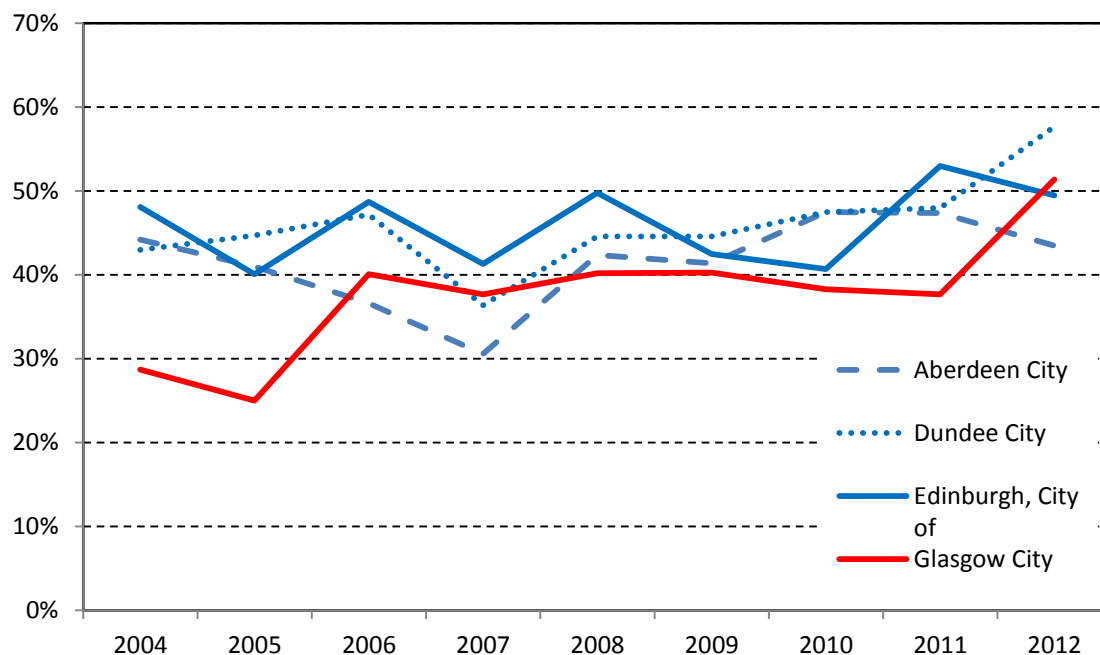
Learning

63. Under the Learning theme, Glasgow has progressed and has closed the gap on the other major Scottish cities since 2004. For example, Glasgow has caught up with other major Scottish cities in the numbers of 18-24 year olds in full time education (Exhibit 12). The Glasgow CPP reported eleven of its twelve Learning indicators as green. The only red indicator refers to the proportion of school leavers in positive and sustained destinations.

Exhibit 12

Percentage of 18-24 year olds in full-time education, 2004-2012

Glasgow has closed the gap with the other major Scottish cities since 2004



Source: Office of National Statistics

64. Glasgow has significantly reduced the proportion of its population aged between 16 and 64 who do not hold any qualification, from 22 per cent in 2004 to 16 per cent in 2012. This is comparable with the core cities. But it is still significantly above the other major Scottish cities where the average is nine percent, although the gap between Glasgow and them has closed between 2004 and 2012.
65. Glasgow has increased the percentage of working-age adults with at least one NVQ level 4 qualification by about ten per cent between 2004 and 2012.²⁷ By 2012, its performance was significantly better than the core city average and comparable with the major Scottish cities.

²⁷ NVQ level 4 is the equivalent of a Higher National Certificate or Higher National Diploma.

Having one or more qualification at this level is likely to indicate that individuals are well educated and therefore likely to affect their life chances positively.

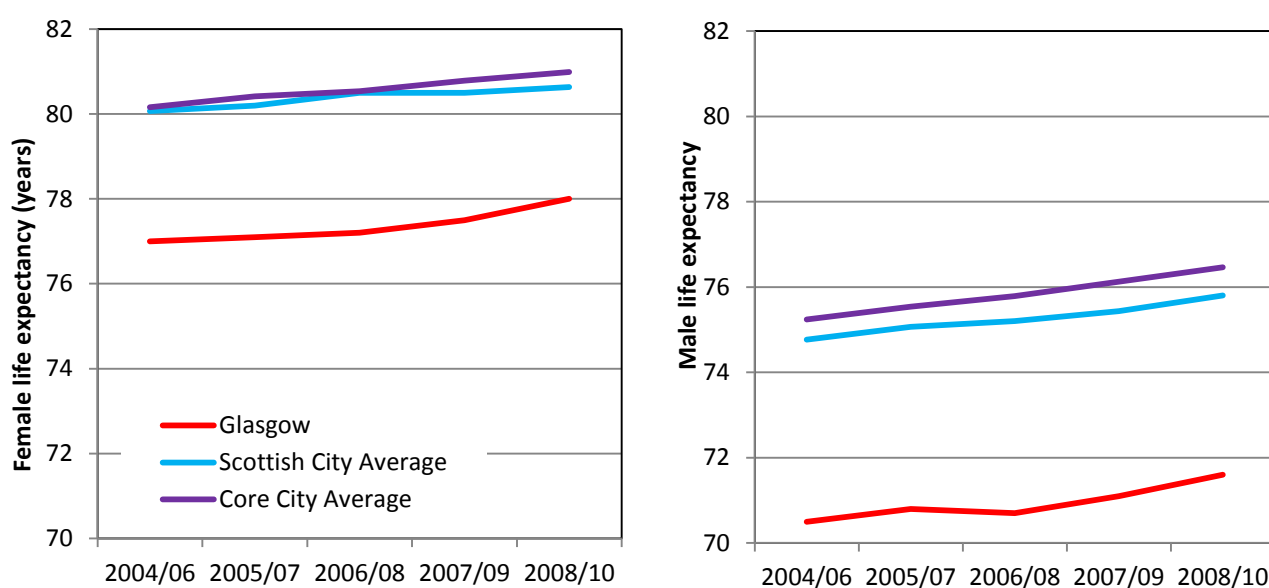
Healthy

66. The Healthy theme sought to give people in Glasgow longer and healthier lives. Life expectancy for women and men living Glasgow has improved slightly but still lags behind both the other major Scottish cities and the core cities ([Exhibit 13](#)).

Exhibit 13

Average life expectancy in Glasgow, 2004/06 - 2008/10

Life expectancies in Glasgow have risen but remain lower than for other cities



Source: Office for National Statistics; National Records of Scotland

67. Of the 23 indicators under the healthy theme, 18 were rated green, two amber and three red. Successes included:

- reducing alcohol related deaths
- reducing the percentage of pupils who drink alcohol or took drugs
- reducing smoking
- reducing deaths from heart disease
- increasing life expectancy.

The targets that Glasgow did not achieve included reducing:

- the percentage of adults who smoke and are living in the most deprived areas
- the percentage of adults who exceed the recommended alcohol consumption
- the proportion of adults who do not meet recommended physical activity levels.

68. As we noted in [Part One](#), alcohol is an important factor in causing early deaths in Glasgow. Between 2004 and 2012:

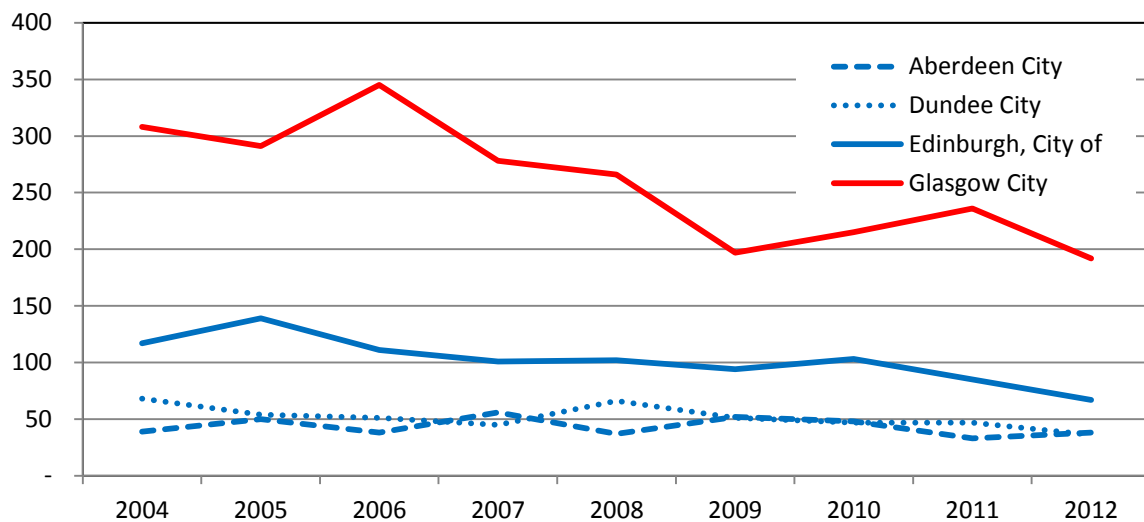
- The number of deaths from alcohol related diseases reduced by over a third
- The number of patients discharged with an alcohol related diagnosis reduced by a fifth.

However, Glasgow's absolute performance on these measures remains worse than the other major Scottish cities ([Exhibits 14 and 15](#)). The CPP has identified this as a priority for the next ten years.

Exhibit 14

Alcohol-related deaths, 2004 - 2012

Glasgow has reduced the number of alcohol-related deaths but it remains higher than in the other Scottish cities

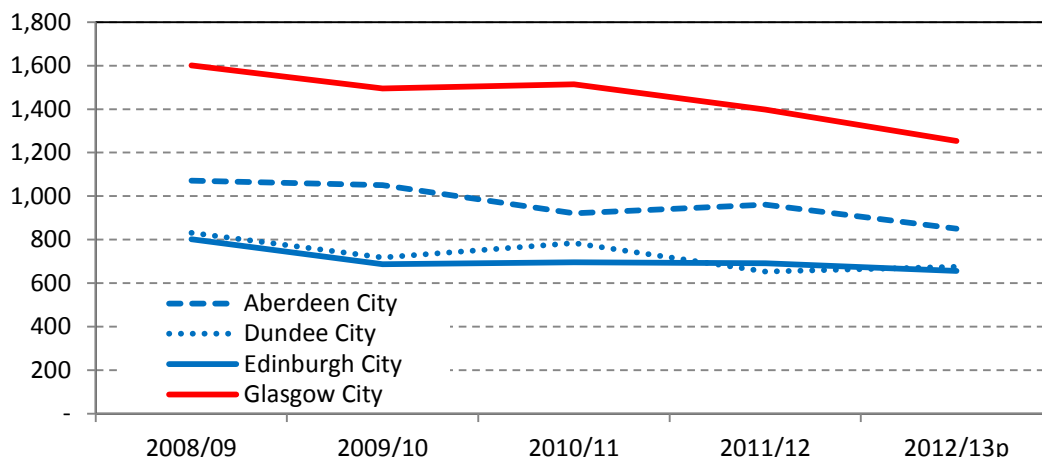


Source: General Register Office for Scotland

Exhibit 15

Hospital admissions and day case discharges with an alcohol-related diagnosis

Glasgow has reduced the number of alcohol-related discharges but remains higher than the other Scottish cities



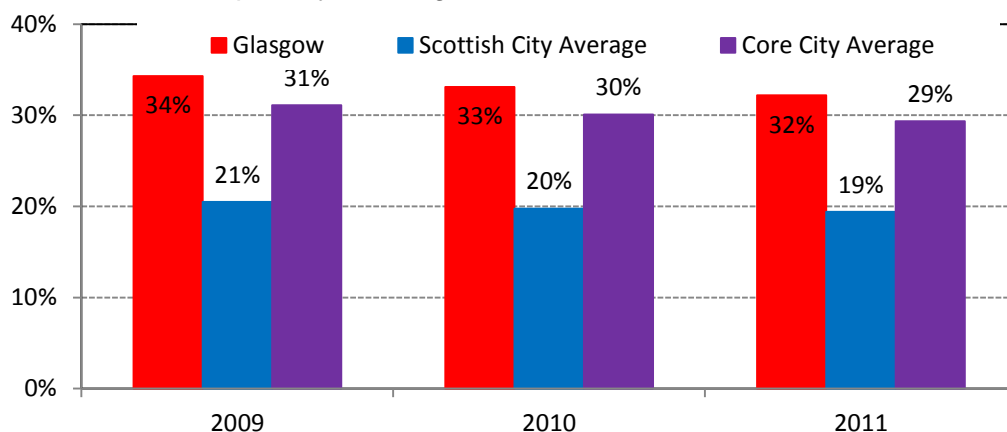
Source: ISD

69. Being born into poverty is linked to future poor health.²⁸ Glasgow has reduced child poverty figures by over two per cent over the three years for which data are available. However it remains worse (32 per cent) than the other major Scottish cities (19 per cent) and slightly worse than the core city average (29 per cent) (Exhibit 16).

Exhibit 16

Percentage of children living in poverty, 2009-2011

More children live in poverty in Glasgow than in other Scottish cities or in the core cities



Source: HMRC

Safe

70. The Safe theme aimed to reduce:

²⁸ A child is recorded as living in poverty if a family receives child tax credits and reported income is less than 60 per cent of median income receives Income Support or Income-based Job Seekers Allowance.

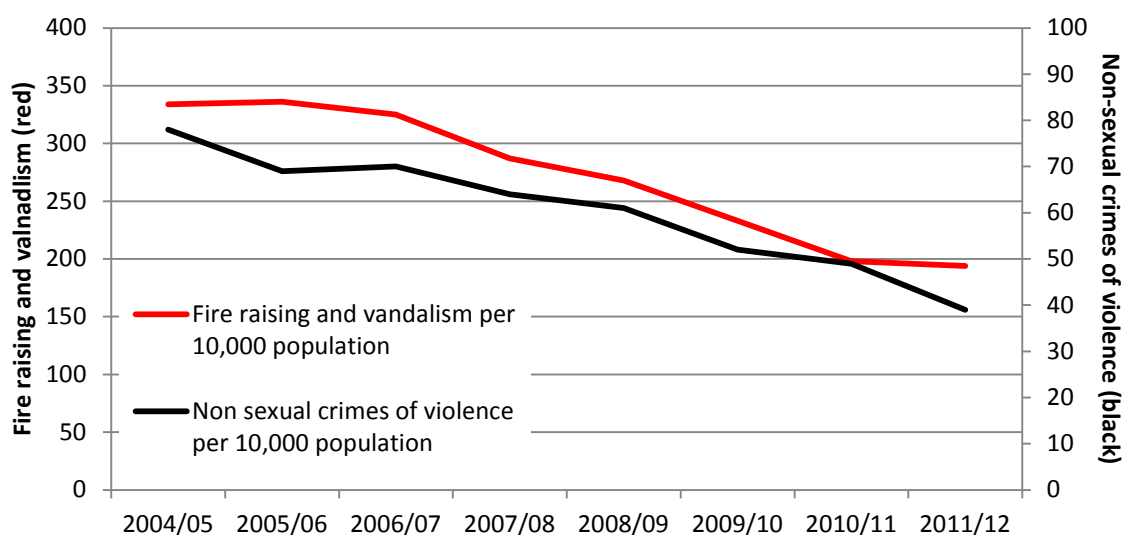
- the level of violent crime, including gender-based and domestic violence
- injuries as a result of road traffic incidents, fires and incidents in the home
- the involvement of young people in crime and as victims of crime and accidents
- the fear of crime.

71. The single outcome agreement included 13 indicators under the Safe theme. It rated ten green, one amber and two red. Particular successes have included reducing violent crime, fire raising and vandalism ([Exhibit 17](#)). There have also been reductions in juvenile crime, domestic violence, domestic fires and road traffic casualties. Targets on reducing the public perception of crime and crimes of indecency have not been met. The latter may be explained by efforts by the police and in the media to increase the rates of reporting.

Exhibit 17

Occurrence of fire raising and vandalism and non-sexual crimes of violence in Glasgow

There have been large reductions in both crimes of non-sexual violence, fire raising and vandalism in Glasgow.



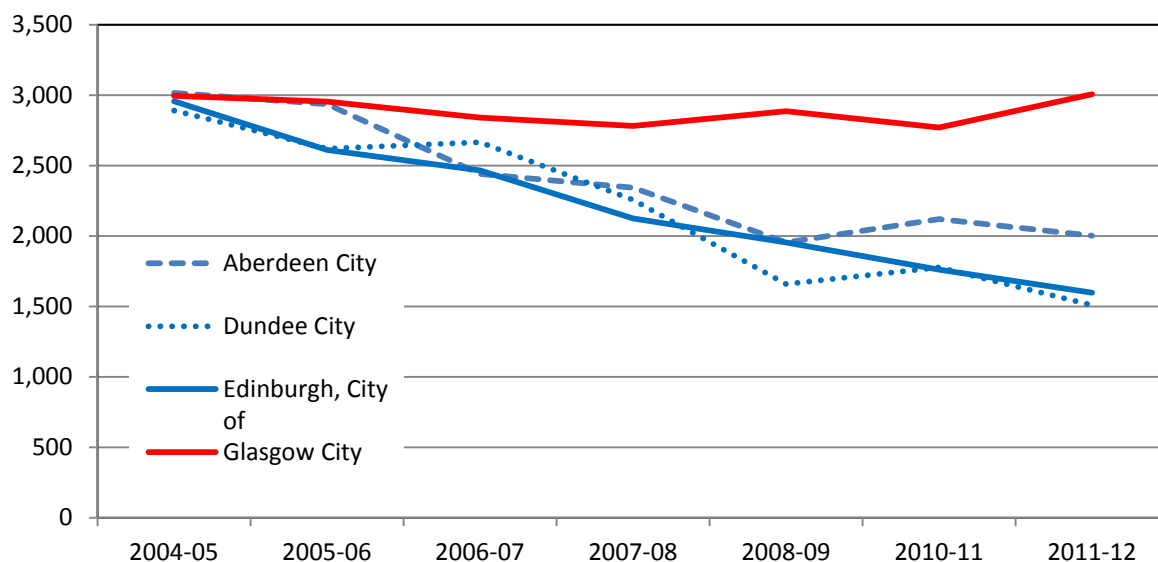
Source: Scottish Neighbourhood Statistics

72. Violent crime in Glasgow has reduced. This has been a particular focus in recent years, with police activity focusing on lower level crime and anti-social behaviour to prevent violent crime from taking place. But Glasgow's level of overall crime and offences has remained relatively constant over recent years, while it has fallen in the other major Scottish cities ([Exhibit 18](#)).

Exhibit 18

Total reported crimes and offences per 10,000 population

The total number of reported crimes and offences in Glasgow has not fallen as it has in other major Scottish cities.

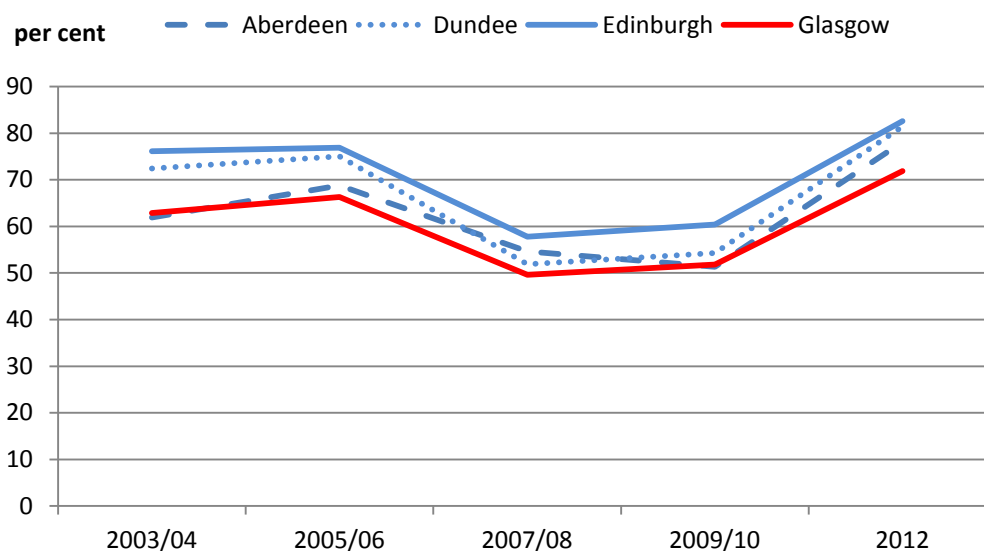


Source: Scottish Neighbourhood Statistics

73. People in Glasgow's perceptions of being safe, for example, feeling safe or fairly safe at home at night or when walking alone after dark, showed an overall improvement between 2009/10 and 2012. This improvement followed trends in other Scottish cities but Glasgow's performance is slightly worse (Exhibit 19).

Exhibit 19

Percentage of adults stating they feel very/fairly safe when home alone at night AND when walking alone in neighbourhood after dark



Vibrant

74. The single outcome agreement's Vibrant theme focussed on the attractiveness of Glasgow as:

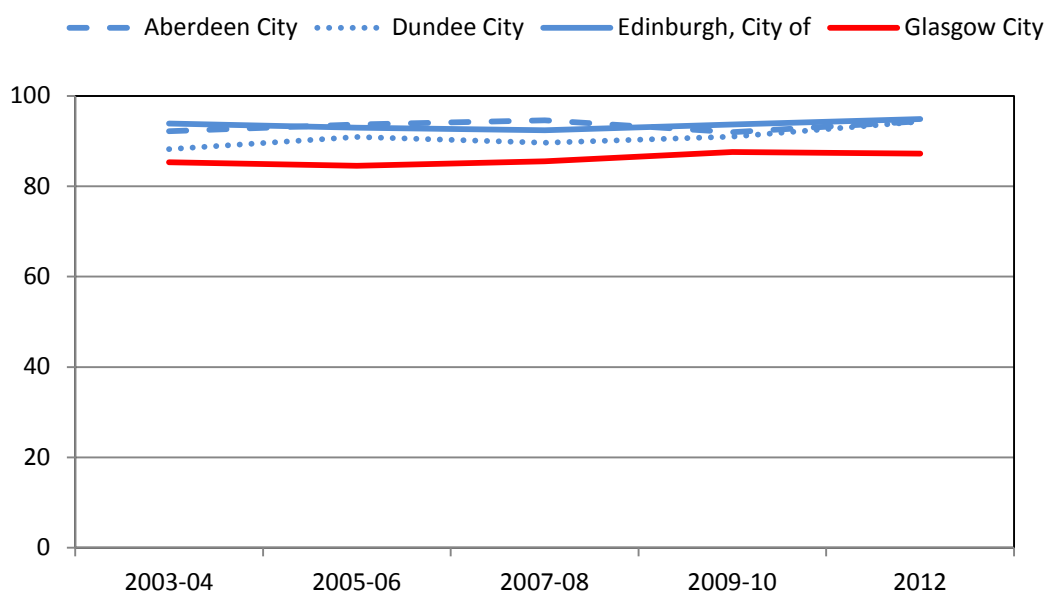
- a place to live, invest, work and visit
- its physical environment and infrastructure
- residents' aspirations, confidence, ability to make decisions and get involved in their community.

Overall, performance is a mixed picture. There has been a slight improvement in the perception of Glasgow as a good place to live although Glasgow residents remain more slightly negative about their city than people in the other major Scottish cities feel about their cities ([Exhibit 20](#)).

Exhibit 20

Percentage of adults who rate their neighbourhood as a very or fairly good place to live

More people in Glasgow consider their neighbourhood positively but Glasgow trails behind the other major Scottish cities



75. The CPP's previous single outcome agreement had 34 indicators under the Vibrant theme. Twenty three were rated green, three amber and eight red. Successes included:

- more people using museums and libraries
- reducing anti-social behaviour
- fewer attacks on emergency service workers
- more adults rating their neighbourhood as a good place to live
- the cleanliness of the environment.

Although the number of young people using sport and leisure facilities was good, attracting adults was less successful. The percentage of adults who rated their neighbourhood as a good place to live did improve. But the targets for reducing the proportion of residents who considered litter, graffiti, fly-tipping and dog fouling to be a problem were not met.

Improvement agenda

The CPP should:

- maintain its pace and agree implementation plans that set out what it will do, the resources it will need and individual partners' responsibilities.
- develop a performance management framework that allows:
 - it to monitor progress in implementing the single outcome agreement
 - partners to hold each other to account
- consider how it reports its performance to ensure the public can get involved and discuss how it is delivering the priorities in the single outcome agreement.
- regularly review and assess the structures and approaches it uses to deliver on its priorities to ensure that they are effective and fit for purpose.
- ensure that the role of area and sector partnerships in scrutinising performance and holding partners to account for delivering implementation plans is clear to all participants.
- ensure that the results of individual partners' community engagement work are shared among the partners and coordinate the individual partners' community engagement work to ensure the effective use of resources and inform its future plans.

Appendix 1: Methodology

Theme/Area information

We conducted specific audit work under the vulnerable people and alcohol priority areas. We investigated these priorities through more targeted work in:

- two out of the three sector partnerships (North West and South sector partnerships)
- two out of the 21 area partnerships (Calton and Southside Central).

Desk research

Our team reviewed a range of documentary evidence the partnership provided including:

- previous and current versions of the single outcome agreement
- individual community planning partner organisation strategies
- community planning meeting agendas, minutes and reports
- analysis of data on performance and resources

On-site fieldwork

We carried out interviews and focus groups with a range of community planning partners in October and November 2013. This included members of the Strategic Board, the Executive Group, and thematic groups as well as sector and area partnerships representing the following organisations:

- Glasgow City Council
- NHS Greater Glasgow and Clyde
- Glasgow Kelvin College
- Glasgow Chamber of Commerce
- Glasgow Third Sector Forum
- Police Scotland
- Scottish Fire and Rescue Service
- Glasgow Housing Associations and other social landlords
- community councils
- Citizens Advice Bureau
- Glasgow Homeless Network
- Scottish Enterprise
- Strathclyde Partnership for Transport

Community representatives also took part in focus groups.

Some of the interviews involved our scrutiny partners from the Care Inspectorate, Education Scotland and HM Inspectorate of Constabulary.

We also observed a range of community planning meetings and workshops during October and November 2013 and visited the Gorbals.