

The Publication of Information (Standards of Performance) Direction 2015

Local Government Act 1992

Statutory Performance Indicators

Direction 2015

December 2015

A new approach to the SPI regime

The Accounts Commission has a statutory responsibility to define the performance information that councils must publish for performance comparison and benchmarking purposes. This responsibility links closely with the Commission's Best Value audit responsibilities.

Whilst recognising the importance of these powers the Commission believes that high quality Public Performance Reporting (PPR) and performance benchmarking will only occur if there is ownership of this agenda as part of a culture of continuous improvement within local government. For this reason, since 2008 the Commission has taken steps to develop a more flexible approach to its statutory performance information role. Our 2008 Direction reduced the number of statutory indicators from 58 to 25. Since then, the Commission has endorsed and supported the development of the local government performance benchmarking framework (LGBF), and to reflect this, in 2012 we further reduced the number of indicators to three. The Commission's position reflects a commitment to supporting sector-led improvement. It is also consistent with the Crerar¹ principle that the primary responsibility for demonstrating [effective] performance should rest with service providers, a principle which is reflected in the Commission's strategy 2013-16.

Three years on, the Commission recognises that it is time to reflect further on progress and how our approach to the statutory performance information (SPI) regime should be taken forward in the longer-term.

On that basis, this year we reviewed our approach to the SPI regime in the context of ongoing improvements in councils' approaches to PPR and the increasing maturity of the LGBF project. As part of that process we also considered how the SPI regime could be more effectively aligned with our new integrated approach to auditing Best Value.

The Commission has adopted a new SPI strategy incorporating the following principles:

- A longer-term statutory performance information Direction from 2015.
- Reflecting the increasing maturity of, and the Commission's ongoing support for the further development of, the LGBF within the SPI Direction.
- Incorporating the assessment of councils' approaches to PPR as an integral element of the new approach to auditing Best Value, rather than as a separate assessment of this aspect of councils' performance, which has been the case in recent years.

We are significantly streamlining the SPI regime and aligning SPI and PPR activity within our new approach to auditing Best Value. This decision was made to signal clearly to the local government community how we are reflecting the increasingly mature approach to sector-led improvement in our SPI regime. As part of this new approach, we want to better reflect the impact that councils are making on their communities and how they are contributing to improved outcomes for local people.

This new 2015 Direction sets out a streamlined and more flexible set of performance information for the 2016/17 financial year that the Commission requires councils to collect and report in public. Councils will be required to publish the required information from the financial year ending 31st March 2017 each year through to the financial year ending 31st March 2019.

However, the Commission is clear that councils' approaches to benchmarking and PPR need to be comprehensive and reflect local improvement priorities. This means that simply complying with the LGBF is not enough in itself to satisfy councils' PPR obligations. In addition, the Commission wants to see evidence that councils are using benchmarking information to improve their performance.

Although this will be a three-year Direction the Commission will continue to engage with the LGBF Board and monitor the ongoing development of the LGBF and will review progress with the LGBF and councils' reporting of performance on an annual basis.

The Commission hopes our new approach will be welcomed by councils and their partners.

Douglas Sinclair
Chair of the Accounts Commission for Scotland
December 2015

LOCAL GOVERNMENT ACT 1992
THE PUBLICATION OF INFORMATION
(STANDARDS OF PERFORMANCE) DIRECTION 2015

1. This Direction is given by the Accounts Commission for Scotland (“the Commission”) under section 1(1)(a) of the Local Government Act 1992, which requires the Commission to direct relevant bodies to publish such information relating to their activities in any financial year or other specified period as will, in the Commission’s opinion:

“facilitate the making of appropriate comparisons (by reference to the criteria of cost, economy, efficiency and effectiveness and of securing best value in accordance with section 1 of the Local Government in Scotland Act 2003) between –

i. the standards of performance achieved by different relevant bodies in that financial year or other period; and

ii. the standards of performance achieved by such bodies in different financial years or, as the case may be, other periods”

2. This Direction is given to all local authorities and to joint committees and joint boards, as defined by the Local Government (Scotland) Act 1973, and amended by the Local Government etc. (Scotland) Act 1994.

3. Each of the bodies referred to in paragraph 2 shall, in accordance with section 13 of the Local Government in Scotland Act 2003 and associated regulations and guidance from Scottish Ministers, publish the information specified in the schedule to this Direction for all those activities which are carried out by the body

4. The periods for which the information in the schedule must be published are the financial years ending 31st March 2017, 2018 and 2019.

5. In the schedule, the term ‘Best Value’ shall be interpreted in accordance with the definition and requirements of Part 1 of the Local Government in Scotland Act 2003.

Schedule

Achievement of Best Value

SPI 1: Each council will report a range of information setting out:

- Its performance in improving local public services (including with partners).
- Its performance in improving local outcomes (including with partners).
- Its performance in engaging with communities and service users, and responding to their views and concerns.
- Its performance in achieving Best Value, including its use of performance benchmarking; options appraisal; and use of resources.

Local Government Benchmarking Framework

SPI 2: Each council will report its performance in accordance with the requirements of the Local Government Benchmarking Framework.