

## Introduction

Since 1993/94, councils have been required by law to provide information on how well they are carrying out their activities. Councils have to publish the information by 30 September each year.

The Local Government Act 1992 places upon the Accounts Commission (the Commission) the duty each year to direct local authorities to publish information which will, in the Commission's opinion, assist in the making of appropriate comparisons - by reference to the criteria of cost, economy, efficiency and effectiveness - between:

- the standards of performance achieved by different authorities in a financial year
- the standards of performance achieved by authorities in different financial years.

In 2003 the legislation was amended to:

- add 'Best Value' to the range of criteria
- extend the range of functions to include Community Planning.

This Compendium, prepared by Audit Scotland on behalf of the Commission, is the 19th national Compendium on the performance of councils under the Local Government Act 1992 and it:

- helps readers to form a view as to how Scottish councils performed in 2011/12
- provides comparison with performance in previous years
- seeks to stimulate interest in, and debate on, the performance of local government in Scotland.

We expect some public interest in aspects of the Compendium, but anticipate that the principal users will be those acting on the public's behalf in providing services and monitoring performance (for example, local councillors, council officials and councils' auditors).

The 'Council' section gives information separately on the performance of each council in relation to the service areas covered. It shows how for each indicator in each service the performance of a council has changed over the three years 2009/10, 2010/11 and 2011/12.

The 'Service' section covers each of the services for which there are indicators. For each indicator within the service, the report shows details of the indicator for 2009/10, 2010/11 and 2011/12.

A separate section covering fire & rescue services is provided on the web site.

The performance information for police forces is provided as part of the Scottish Policing Performance Framework (the framework). A report on police service performance, as reported in the framework has been published by Her Majesties Inspectorate of Police Scotland and the data for each of the forces has been collated and reported by the Scottish Government Justice and Communities Directorate. Links to these publications are provided in our web site.

Since the Compendium is primarily for use by those wishing to undertake their own analysis of the data, no commentary or conclusions are included for individual indicators. Nevertheless, for several indicators benchmark performance standards exist and performance might be assessed against these.

Although the published information will raise many questions as to what is in fact 'good' performance or 'best practice', in many cases further information would be required before answers could be provided. Local factors may mean that a body with a performance that appears to be worse than that of another has, in fact, performed better given the more difficult circumstances it faces.

In a few cases there are differences between the information published in this Compendium and that published by councils earlier in their own reports. Generally, this is because further enquiries either by the council or the auditor on behalf of Audit Scotland, have identified the need for correction to the locally published figure.

Sometimes councils or auditors discover that information already published by Audit Scotland (eg for a previous year) is incorrect. In such cases it is our policy to correct the information in the Compendium when errors are brought to our attention.

## **Indicator selection**

As far as possible, the indicators measure the performance of aspects of a service that are of interest to the public and are important to relevant service managers. A number of the indicators measure quantity of, and expenditure on, an activity. The Commission believes that indicators based on quantity and efficiency (including economy) assist in making comparisons of performance. A number of the indicators measure speed of response to a request for a service to be provided; this is often an important aspect of the effectiveness and quality of a service.

We have had to strike a balance between selecting sufficient indicators to reflect the diversity of council services while not overwhelming users. Also, regard has to be given to the amount of work involved for councils in putting in place robust management systems for information gathering and reporting.

As we have sought to reflect Best Value within the statutory performance indicators (SPIs) Audit Scotland has worked with partners, to ensure they form part of a broader performance management and reporting framework.

The 1992 Act requires the Commission to determine its performance indicators by reference to a range of criteria but does not require that indicators are included about each of these criteria for all council services. Rather, they provide a framework against which we need to consider the overall 'package' of indicators.

Generally, cost indicators provide a context for understanding other performance information. For example, it is important when comparing two councils each of which has an efficient refuse collection service, to know whether one is achieving its objective at a significantly lower cost. However, it is also important to recognise that a council may choose to offer a better service by spending more than would be necessary to provide a service to the minimum acceptable standard. Users need to interpret cost data in the light of other information or knowledge they might have concerning the service provided.

Some of our indicators look at 'outputs' to examine how the available resources are put to use. Indicators such as the proportion of planning applications processed or environmental health inspections carried out within time help to show which councils are performing the basic functions of their services more efficiently. For many of these indicators national targets or standards of service are in place to identify expectations, and the Commission uses these as the basis for comparing performance. However, using such indicators to compare between the performance of different councils requires a presumption that in each case the service is delivered to professional standards. In many cases other regulatory bodies are responsible for making sure this is the case (eg the Food Standards Agency and Scottish Environment Protection Agency).

Measures of service output are relatively straightforward to develop and interpret. However, the Act requires the Commission to compare between all Scotland's councils. Therefore, it is important that for our purposes, indicators deal with service issues that are common to all (or at least most) councils (or fire & rescue services or police forces) and, if possible, subject to common standards of expected service.

Determining the effectiveness of a service, ie whether the service is achieving what it was intended to achieve, is often more challenging. The outcome of a service may take a long time to emerge. For example, it may take years to assess the impact on a family of social work intervention, or the way routine trading standards inspections influence traders to comply with legislation. Often such things require detailed investigation using a range of research techniques, potentially making the use of quantitative performance indicators inappropriate.

The Act does not separately include 'quality' as one of the criteria to be used by the Commission. However, quality may be viewed as an aspect of effectiveness in as much as poor quality services might hinder the achievement of a council's objectives.

# Using the performance information

## Comparing performance

When considering a council's performance, comparisons can be made in three ways:

- the standard of performance achieved by the same council over two or more years, ie same-council comparison over time
- the performance achieved by other councils for the same activity, in the same year, ie inter-council comparison
- the standard of performance compared with national standards.

**Same-council comparison:** many of the indicators presented in this report can be used to look at how the performance of councils' services has changed over time. However, some of the indicators have either had changes in definition since earlier years or have changed in terms of the collected data. In such cases, direct comparison over time may not be possible or appropriate.

**Inter-council comparison:** some indicators can also be used to compare the performance of different councils for the same year. This is the case where there is a reasonable consistency between councils in what they are trying to achieve.

On the other hand, the performance may be reported in relation to a target set by each council, making inter-council comparisons difficult where targets differ. For example, Housing Indicator 14 reports the percentage of repairs completed by a council within locally set target response times.

**National standards:** where there is a national standard the extent to which each council has achieved the standard can be compared directly.

## Drawing comparisons

Each of the statutory performance indicators is designed to assist members of the public gain an understanding of the cost, economy, efficiency or effectiveness with which council services are delivered.

A number of factors may have an impact on the reported performance information. It is important to be aware of these in order to understand why councils' results may vary considerably. Some of the factors are population size, population density, and the mix between urban and rural settlements. Others may be specific to a particular service or the groups of people it serves.

No single indicator provides sufficient evidence upon which to base a judgement as to the provision of a complete service, such as housing. Also, an indicator may conceal variations in performance within a council area. For example, if a council has four swimming pools of varying ages and conditions, offering different types of facilities, attendance levels at each of them may be quite different. The information in this publication is reported in relation to the whole council rather than the location in which a service is delivered.

### **Data reliability**

The Local Government Act 1992 places a responsibility on councils to:

- make arrangements to collect and record the required information so that it is available for publication
- publish information which, as far as is practicable, is accurate and complete.

To assist councils to collect the information on a consistent basis, we provide them each year with a Guide that contains:

- definitions of terms for each indicator and clarification on how the information should be compiled
- details of a 'helpline' provided by Audit Scotland to answer queries from councils and auditors
- guidance on proposed management arrangements within a council for ensuring that each of its services supplies the required information on time
- guidance on the role of the external auditors, appointed by the Commission, in reviewing the systems being used to produce the information and, where appropriate, highlighting where improvements need to be made.

### **Key to information**

The information tables in the 'Council' and 'Service' sections of the Compendium make use of several conventions to explain the lack of data in particular cells:

- 'Not reported' means that the authority failed to report the required information
- 'No service' means that the authority did not offer the service
- an empty cell indicates that there was no applicable data
- data shown in blue was deemed by the appointed auditor to be 'unreliable' (see above).