

Report

Report to:	Performance and Review Scrutiny Forum
Date of Meeting:	16 August 2022
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	Local Government Benchmarking Framework (LGBF) Update
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Provide the Performance and Review Scrutiny Forum with an update on discussions regarding the Benchmarking Framework and its future use.

2. Recommendation(s)

2.1. The Forum is asked to note the following recommendation(s):-

- (1) that the engagement with the Local Government Improvement Service on use of the LGBF, be noted;
- (2) that the suite of indicators aligned with Council Plan outcomes as described in section 5, be noted;
- (3) that further work will be undertaken as described in section 6 to map LGBF indicators to reporting routes which place them in an appropriate setting and scrutiny context, be noted; and
- (4) a report on the conclusion of this work be brought to a future meeting of the Forum, be noted.

3. Background

- 3.1. In the course of 2021, the Council raised a number of concerns about the LGBF with the Local Government Improvement Service (IS) and the LGBF Board.
- 3.2. Following this dialogue, the Council agreed to work with the IS to develop a new approach to reporting the LGBF.
- 3.3. A report to the Forum on 26 October 2021 outlined the issues with the LGBF and committed to bringing an update on progress back to the Forum for discussion.
- 3.4. This report summarises the work undertaken so far and sets out further to develop and refine a best practice approach to reporting and using the LGBF.

4. LGBF Issues and Concerns

- 4.1. A number of issues with the LGBF have been raised over several years. To recap, these include:-

- ◆ Local policy decisions can impact on the LGBF results and interpretation of the data. This is particularly true for cost indicators in the LGBF suite, where lower costs are generally equated with good performance. In these instances, where the Council has opted to invest resources (eg, in roads maintenance or in the school estate), costs will appear higher than the Scottish average or for comparable councils and performance may be assessed as 'worse'.
- ◆ A number of satisfaction measures within the LGBF are derived from the Scottish Household Survey (SHS). There are important limitations to this data, for example, the number sampled is very small relative to the population and survey respondents are asked how satisfied they are with services even if they have not used the service in question. The Council's own surveys of service users invariably rate the services more highly than the SHS.
- ◆ The figures within the LGBF are the result of a wide range of service provision models and data collection processes carried out in each of Scotland's 32 councils. While the LGBF endeavours to achieve high standards of completeness and consistency, there are inevitably differences between councils and between indicators in terms of what is counted and how it translates into LGBF performance.

- 4.2. These concerns have featured prominently over recent years when results have been presented at the Forum. The opportunity was taken in June 2021 to raise these issues with the IS and the Chair of the LGBF Board.
- 4.3. Following these discussions, it was agreed that the Council should work with the IS to review how it uses the LGBF and in particular, to develop an approach to LGBF reporting which will better reflect the Council's priorities and support scrutiny of progress in priority areas. As noted above, these developments were reported to the Forum on 26 October 2021.

5. Defining a Strategic LGBF Reporting Set

- 5.1. In December 2021, the IS provided a bespoke analysis of LGBF indicators for the Council, structured around the emerging key themes for the draft new Council Plan.
- 5.2. The aim of this exercise was to begin looking at the LGBF indicators more thematically and more strategically. Resources were asked to review the IS analysis and in tandem with work on the new Council Plan, consider which LGBF indicators added value and which would be the best candidates for inclusion in a subset of indicators for future reporting.
- 5.3. The result of this exercise is shown at appendix 1. Against the 6 outcomes within the new Council Plan, a draft suite of measures has now been identified which draws upon indicators assessed by Resources as appropriate and useful. Several of these LGBF measures are already included within the Council Plan as "measures of success".
- 5.4. The draft matrix at appendix 1 identifies 33 of the 95 LGBF indicators for inclusion within the reporting arrangements for the Council Plan. This is 33% of the current LGBF suite.

6. Towards a Best Practice Approach

- 6.1. Discussion with the IS has highlighted that although the question of how many or which specific indicators are reported is significant, other considerations, such as when and how they are reported, may be more important in getting the most out of the LGBF.

- 6.2. In addition to the issues identified at 4.1 above, the way in which LGBF indicators are reported can raise barriers to using the framework for effective scrutiny, enquiry and learning:-
- ◆ Presenting the LGBF as a standalone suite tends to encourage league-table analysis and comparisons across councils or services which are not sufficiently alike for meaningful debate.
 - ◆ When the focus of reporting is on the LGBF suite as a whole and year-to-year movements or standing relative to the Scottish average, the discussion lacks appropriate context and loses depth and nuance. In effect, individual indicators are given undue prominence and context is imported into the LGBF reporting rather than the LGBF reporting occurring in a more appropriate context.
 - ◆ Reporting the LGBF alongside health warnings, reservations and other caveats, can impair scrutiny by focusing attention on these difficulties instead of where the suite is illuminating real issues as well as having the effect of undermining confidence on the suite as a whole.
 - ◆ As the LGBF grows larger and there are plans to extend it into new areas, the idea that all indicators should be given equal weight and have an equal bearing on a council's performance is less tenable; the IS and the LGBF Board are keen to move thinking away from this whole-framework approach.
- 6.3. Taken together, these considerations suggest a best practice approach would place an emphasis on looking at LGBF indicators in a more integrated, thematic way and would encourage the consideration of LGBF measures within or alongside other performance reporting. This enables the LGBF to be seen in an appropriate context and alongside or in the course of strategic decision-making and scrutiny.
- 6.4. Following the logic of this approach, the strategic LGBF subset identified in section 5 above would form part of the reporting arrangements for the Council Plan and would appear alongside other measures relevant to the achievement of the 6 outcomes.
- 6.5. To complement the reporting of this strategic LGBF suite, additional work will be undertaken to map the LGBF indicators across the Council's reporting arrangements to identify where LGBF might be included within other reporting streams, where there is more context and other indicators. The aim of this exercise would be to find a "home" for the LGBF indicators in our routine reporting so that they can be reported in the most suitable context and alongside other appropriate information and narrative content.
- 6.6. As part of this exercise, the Public Performance Reports (PPRs) on the Council's website will be reviewed to identify where LGBF indicators could usefully be included. The PPRs are updated annually and are provided as part of the Council's commitment to balanced and accessible performance reporting as required by Best Value legislation. This will enhance the visibility and relevance of the LGBF in our public performance reporting.
- 6.7. The conclusion of this work will position the Council to implement a well-considered, robust and comprehensive approach to LGBF which sees the indicators embedded across our reporting arrangements, with a strategic focus on those which are most relevant to the priorities for the Council. These arrangements will strengthen opportunities to scrutinise the LGBF and enhance the role of the LGBF in the Council's public performance reporting.

- 6.8. Elected Members will continue to receive the annual LGBF report through the Performance and Review Scrutiny Forum. However, the implementation of the approach described in this paper will offer more opportunities to scrutinise LGBF within an appropriate context and in the course of strategic decision-making. The focus will be placed on those indicators which are most relevant to the Council's outcomes as set out in the Council Plan Connect, illustrated in the draft matrix described in section 5 above.

7. Next Steps and Recommendations

- 7.1. The Forum is asked to note the work undertaken with the IS to develop the Council's use of the LGBF.
- 7.2. Further work will be undertaken with to:-
- ◆ Refine and finalise the draft strategic indicator suite for use in conjunction with the reporting of the new Council Plan; and
 - ◆ Investigate routes by which LGBF indicators can be embedded into routine reporting by mapping indicators to potential reporting routes.
- 7.3. A further progress report will be brought to the Forum on conclusion of this work.

8. Employee Implications

- 8.1. There are no direct employee implications.

9. Financial Implications

- 9.1. There are no direct financial implications.

10. Climate Change, Sustainability and Environmental Implications

- 10.1. There are no direct climate change, sustainability and natural environment implications arising from this report.

11. Other Implications

- 11.1. Considering the detail of the report and identifying actions as appropriate contribute towards effective risk management.

12. Equality Impact Assessment and Consultation Arrangements

- 12.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.

Paul Manning

Executive Director (Finance and Corporate Resources)

21 July 2022

Link(s) to Council Values

- Accountable, effective, efficient and transparent
- Ambitious, self-aware and improving

Previous References

- LGBF Update – 26 October 2021

List of Background Papers

- None

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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LGBF suite aligned to Connect Outcomes

Communities and Environment Caring, connected, sustainable communities	Education and Learning Inspiring learners, transforming learning, strengthening partnerships	Health and Wellbeing People live the healthiest lives possible	Children and Young People Our children and young people thrive.	Housing and Land Good quality, suitable and sustainable places to live	Our Economy Thriving business, fair jobs and vibrant town centres	Delivering the Plan and achieving Best Value
Refuse collection	LAC Pupil Attendance Rates	Balance of Care	Child Poverty Rates	Rent Arrears	Superfast broadband	% of income due from Council Tax received
Street Cleansing Score	Literacy Attainment Gap	Delayed Discharges	Developmental Milestones	Voids	Town centre vacancy rates	Total useable reserves
Parks/Open Spaces Satisfaction	Numeracy Attainment Gap	Hospital readmissions	LAC Placement Stability	Repair time	Youth Unemployment	Actual outturn as a % of budgeted expenditure
Leisure Satisfaction	% Pupils Gaining 5+ Awards at Level 5 (SIMD)	Home Care Costs	Balance of Care for LAC	Energy Efficiency	% earning less than the real Living Wage	
Carbon Emissions	% School Leavers entering Positive Destinations	Residential Care Costs	LAC Costs Community		Roads Condition	
			LAC Costs Residential			

Indicators in bold are included within the Council Plan “measures of success”