WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead – Resources

Audit Committee: 12 June 2019

Subject: Accounts Commission report: *Local government in Scotland Challenges and Performance 2019*

1.   Purpose

1.1   The purpose of this report is to provide Committee a national audit report, for information and consideration, which has been received from the Accounts Commission.

2.   Recommendations

2.1   The Committee is invited to:
- Note the attached report and the position of the Council in terms of the report's recommendations as detailed at 4.2, along with the scrutiny tool for councillors contained at Appendix 2 and the availability of an on line tool; and
- Consider whether a future Elected Members' development session should take place in relation to this report.

3.   Background

3.1   The report covers three areas:

- The context for councils;
- How councils are responding; and
- Current performance and the impact on communities.

3.2   The Accounts Commission report: *Local government in Scotland Challenges and Performance 2019,* published in March 2019, is intended to inform the public and its representatives and, in particular, local government councillors and senior council officers to support them in their complex and demanding roles. Scotland's councils are managing to improve and maintain most services. But Scottish Government funding to councils is likely to reduce in future; this, combined with increased demand and less flexibility over spending decisions, means councils need to think differently about how they deliver services to the public.

4.   Main Issues

4.1   The report contains a number of key messages:

- *"Councils face an increasingly complex, changing and uncertain environment which places different demands and expectations on them. Councils are also central to delivering many high-level public sector objectives, such as the integration of health and care services and involving citizens more in decisions about public services.*

- *These reforms require councils to collaborate with partners, with the third sector and with communities, to think differently about how they deliver and fund services. Thinking differently about services is important to meet the growing and changing needs of their communities in the coming years. New ways of working can lead to increasingly complicated lines of accountability.*

- *Scottish Government revenue funding to councils has reduced in real terms between 2013/14 and 2019/20, while national policy initiatives continue to make up an increasing proportion of council budgets. This reduces the flexibility councils have for deciding how they plan to use funding. At the same time, demands for council services are increasing from a changing population profile. All councils expect an increase in the proportion of people aged over 65 and almost a third of councils expect an increase in the proportion of children under 15.*

- *Councils have made good progress in developing medium-term financial planning and continue to manage their funding gaps through savings and use of reserves. All councils increased council tax to the maximum three per cent in 2018/19 and many increased their fees and charges to raise income. Some councils are looking at other options to raise income.*

- *Councils need to ensure they have the staff, skills and leaders to deliver change. This requires effective workforce planning, but the quality of planning is inconsistent across councils. An increasing proportion of the workforce is nearing retirement. If there is insufficient succession planning, skills and knowledge will be lost as these people retire. Recruitment into some service areas is becoming increasingly difficult, but national workforce data is insufficient to clearly understand how individual services areas are affected.*

- *Despite reducing funding and increasing demands, across local government most performance indicators are improving or being maintained, although some service areas show more strain. There remains performance variation among councils that cannot be readily explained by differences in context or spend. Better use of data and benchmarking could lead to further improvement and efficiencies."*

4.2. The report contains a number of recommendations that councils should address, with the report stating that, while councils have continued to find ways to manage funding gaps and have made good progress with medium-term financial planning, they face an increasingly complex, changing and uncertain time ahead. To continue to improve the outcomes for their

communities within this context, councils need to be open to transformational change and implement new ways of working.

The report's recommendations are detailed in the table below along with WDC's position.

Report recommendation	WDC current position
Assure themselves that they have adequate leadership and management capacity in place. This should include development arrangements that prepare and support councillors and senior managers to respond to the challenging and changing local and national demands.	**Elected Members** • Induction Robust, structured induction programme for elected members following LG elections, implemented immediately and rolled out during the weeks and months thereafter • Member Seminars Awareness programme supported by regular seminars providing key information at appropriate intervals to support members in undertaking their role. • Personal development planning available on a voluntary basis supporting the development of skills and competencies • Access to Improvement Service website and resources. • Positive Communication Regular meetings with leader, group leaders conveners and shadow conveners **Leaders and Senior Managers** • Senior managers network lead by the Chief Executive bringing together the organisation's leadership on a regular basis • Strategic Leadership Group • Joint leadership development in conjunction with Elected Members • Succession planning: Has led to

	development opportunities such as new employee / line manager induction; Influential Leaders programme for middle managers
Undertake long-term financial planning to set out how they will deliver national policy commitments, while continuing to sustain local services with reducing budgets and increasing demands.	The long-term financial planning process seeks to describe how the Council does this over a period of 10 years, though looking into the future with no clarity of levels of funding is a significant concern.
Continue to seek and implement innovative ways of working and collaborate with communities, partners and the third sector to drive transformational change.	• Community Empowerment Strategy & action plan being developed with extensive consultation and collaboration; • Your community neighbourhood model of service delivery and community engagement, a partnership approach; • Community budgeting model being further refined to include greater collaboration; • Developing new methods of engagement, e.g. community soups; • Participation request process being developed in collaboration with local people; • Asset transfer process to be further developed and promoted working alongside Community Ownership Support service; • Close links with CVS including via Empowerment Delivery & Improvement group; • Partner agencies and the third sector are represented through community planning structures. This mechanism ensures a consistent approach while also allowing opportunities for innovation and collaborative working to be explored; and • The Council's Engaging Communities Framework provides a model, toolkit and consistent approach to engagement of our citizens.

Improve data to: • help inform the difficult decisions councils have to make; and • support benchmarking, learning and sharing of experience and effective practice with others that will contribute to improving service quality, efficiency and outcomes for communities	Council participates in the Local Government Benchmarking Framework (LGBF) and a range of external benchmarking groups such as APSE and CIPFA. This ensures that we are able to undertake robust benchmarking and share learning / best practice to drive improvement; and In addition, we undertake self-evaluation across services and are building a arrange of additional service specific benchmarking measures which focus on cost, service delivery and user satisfaction. The creation of a data analysis function within the performance and strategy team allows better utilisation of existing data generated by services and external agencies. In addition, ongoing engagement of citizens through telephone survey, citizens panel and routine consultation activity ensures that decision making is informed by the views of our citizens.
Ensure they have workforce planning that is clear about the workforce needed now and in the future, where the gaps are and what training or other action is needed to fill them. This should be supported by better workforce data.	• Workforce planning is integral to with the service planning process. The workforce data, trends and changes are analysed quarterly and reported annually to the relevant service committee; • Workforce data is reviewed regularly to inform business decisions with a focus on future requirements such as training or identification of and addressing skills gaps. One example is absence data showing mental health as an area of concern and this informed the focus on mental health during 2018/19; • Monthly workforce management meetings aim to improve data and its use in supporting managers; and • An annual training needs analysis facilitates the efficient procurement and delivery of learning opportunities.
Be able to demonstrate how spending decisions and priorities	Savings and efficiency options reported to Elected Members describe the impact on

have impacted on service delivery and the outcomes of residents, as well as how they are delivering against the national performance framework.	the community. The Council has a set of Corporate Priorities which are embedded with a performance scorecard identifying the expected and measured outcomes to the Council and community. Performance against the national framework is also reported regularly identifying areas for improvement.

4.3   To help councillors, the following supplements have been produced to accompany this report:

- A scrutiny tool which captures a number of potential questions for councillors. This is attached at Appendix 2 and is designed to provide councillors with examples of questions they may wish to consider to help them better understand their council's position and to scrutinise performance; and
- An on line tool which shows how councils are performing. It is designed to allow councillors, officers and members of the public to better understand how their council is performing compared to others. The link to the on line tool is:

    http://www.audit-scotland.gov.uk/local-government-in-scotland-challenges-and-performance-2019

5.   People Implications

5.1   There are no direct people implications arising from this report.

6.   Financial and Procurement Implications

6.1   There are no direct financial or procurement implications arising from this report.

7.   Risk Analysis

7.1   Taking cognisance of the key messages in the report will help councillors and senior council officers in their complex and demanding roles.

8.   Equalities Impact Assessment (EIA)

8.1   There are no equalities issues arising from this report.

9.   Consultation

9.1   This report has been subject to consultation with appropriate Strategic Leads.

10.   Strategic Assessment

10.1 The report is for noting and, therefore, does not directly affect any of the strategic priorities.

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Date: 13 May 2019

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Appendix: Appendix 1: Accounts Commission report: *Local government in Scotland Challenges and Performance 2019*

Appendix 2: Scrutiny tool for councillors

Background Papers: On line tool available at:

http://www.audit-scotland.gov.uk/local-government-in-scotland-challenges-and-performance-2019

Wards Affected: All Wards