

Local Government & Regeneration Committee
24th February 2016
Joint Submission by Improvement Service & SOLACE

1. We welcome the continued interest of the Local Government & Regeneration Committee in the benchmarking framework. This has been influential both in shaping direction and in building traction. We are therefore pleased to share the 2014/15 Local Government Benchmarking Framework (LGBF) Overview Report which was published in January 2016 and are grateful for the opportunity to provide further evidence at the upcoming Committee meeting on 24th February.
2. The Local Government Benchmarking Framework now has five years data which allows key trends across the period to be identified. Over the 5 years, the headline findings for Scotland as a whole are that councils have achieved substantial improvements in efficiency and productivity while service output and outcomes have been maintained and improved. This achievement against increasing budget pressures and growing demand provides clear evidence of Local Governments progressive ambitions for its communities. In the last 12 months, while this trend has continued across the majority of services, there is evidence that the ongoing budget constraints are beginning to impact upon some service areas.
3. Across this period, local government grants have reduced in real terms which mean councils have had to reduce their spending in real terms. Spending has been reduced by over 5% across all service areas (excluding social care), and, in some cases, services have seen reductions of 15% to 27%.
4. The benchmarking data shows that councils have protected priority areas such as education and social care, and have actively shifted resources to accommodate the care and support needs of an ageing population. Spend on social care has seen a 2.7% cash increase during this period. Due to demographic pressures and the provision of universal free personal care, Social Care has seen a policy led consolidation around people with the highest personal care needs which may have implications for the more preventative elements of our social care system.
5. The education budget has also been protected to some extent (cash reduction of 0.4%), but what is striking is the additional 10,000 pre-school places and 20,000 primary places delivered within this budget. At the same time, all the available measures of educational outcome improved, including the performance of children from the most deprived areas of Scotland.
6. This has meant that some services have not been able to be prioritised and have faced budget reductions. But despite these budget reductions, across these areas we are seeing consistent improvements in performance, e.g. in Culture & Leisure, despite a 15% real cut in council spending, attendances at leisure facilities, libraries and museums grew by more than 20% and the cost to councils per attendance reduced by 30%.
7. With further challenging budgets anticipated from 2016/17 onwards, it should not be assumed that the improvements will simply continue. Many efficiency and productivity gains have been taken already and further gains will be much harder to achieve. Given that, it is important that the LGBF is refined and improved so that it can monitor the impact and trends on levels of service, uptake and use of services, customer satisfaction with services, and outcomes for individuals and communities. Robust and honest reporting will be essential to informing and empowering the public.
8. Continuous development of the framework is a priority and all 32 councils continue to commit to this sector-led approach and are actively involved in setting out the vision and ambition for the framework

going forward. There are 3 key priorities in terms of the ongoing development of the framework including:

- I. Improving the information available to ensure robust, meaningful and timely benchmarks
- II. Organising the benchmarking data to support transformational change
- III. Extending the benchmarking approach into the partnership domain

Robust, meaningful and timely benchmarks

9. We continue to work with data partners including the Scottish Government to ensure the benchmarks are meaningful and robust. The board continues to place priority on outcome benchmarks for preschool and school provision in Scotland. This involves developing a standardised and comparable approach to better understanding the development of children as they progress through pre-school and primary school in line with the development of the National Improvement Framework for Education. The board is also committed to strengthening the benchmark measures for senior phase education which reflect the whole range of measured achievement, building on the Curriculum for Excellence and aligning with other measurement frameworks, e.g. INSIGHT.
10. Stronger measures to support improvements in outcomes for older people are also required to reflect the complex changing landscape of Health and Social Care integration. We continue to work with Social Work Scotland, Health and Social Care Chief Officers, and the new Health and Social Care Improvement body to agree benchmarking measures which will usefully support this reform. This will draw upon the core suite of Health and Social Care integration measures as relevant data becomes available.
11. There remain some data timeliness issues (e.g. national statistics on Looked after Children and new educational attainment indicators), and we continue to work with Scottish Government and other data owners to harmonise data development and publication schedules as a matter of priority.

Supporting Transformational Change

12. Councils are changing the way they deliver services in light of major reform and budget pressures. If the framework is to remain useful, the challenge is to keep up with the speed of change taking place and provide a framework which captures and supports this transformation. For example the significant restructuring and service integration within many authorities may mean a blurring of service categories (e.g. parks/street cleaning/waste management/roads). Where existing framework measures reflect the more traditional service by service structures these will no longer fit to provide meaningful benchmarks. Other transformation agendas around shared services and the increasing use of arms-length external organisations will have implications for how the benchmarking framework develops going forward. There are challenges here in relation to data sources which are often organised around traditional service categories, for example the LFR. We will continue to work with Scottish Government and other data partners on how we can capture these changes to keep up with the pace of transformation.

Extending the benchmarking approach to the partner arena

13. The next step for the LGBF will be the extension of this approach into the partner arena to support the Community Empowerment and Health and Social Care reform agenda, and in particular the role of more partnership focused frameworks. New duties put the emphasis on public services to collectively demonstrate they are improving the lives of local communities and reducing inequalities, for example through the requirement for each Community Planning Partnership to produce Local Outcome Improvement Plans. Accordingly, performance management, and the associated frameworks, should focus on how we demonstrate our commitment and progress to improving the outcomes for

communities. Getting partner data out to local communities in a meaningful and accessible way will play an important role.

14. This will draw on parallel development activity underway to develop an outcomes profile for Community Planning Partnerships. This profile will help partnerships compare how similar types of communities fare across Scotland (controlling for income, rurality and demography) and will provide opportunities to identify and learn about those interventions which are making a positive difference in similar types of communities.
15. Both the LGBF and the above strand of work are overseen by SOLACE and we will look to see how they come together to support transformation and strengthen public accountability. The principles and learning available from Local Governments achievements in benchmarking will be invaluable in supporting partnerships in their efforts. How the LGBF itself should be refined to feed into this agenda will also be important. There are for example evident gaps to be addressed in relation to measures which demonstrate progress in the transfer of assets to the community and gap reduction in inequality.
16. There is recognition that Local Government has worked hard to develop this approach and to build buy in, and the Local Government and Regeneration Committee's continuing support has been extremely influential here. While significant progress has already been made, there is an on-going commitment within Local Government to continue to strengthen the framework and share the learning from this approach to support transformation and the wider partnership reform agendas.
17. None of the foregoing diminishes the ongoing core functions of benchmarking which continue to be pursued by local government. The LGBF provides a relevant and useful framework of high level can-openers to provide robust and comparable data which poses the right questions – it doesn't provide answers. It is what councils do with the information that matters. There are four inter-related elements to this:
 - The benchmarking feeds in to local performance, self-assessment and reporting structures and is part of a wide range of improvement tools. It is important to emphasise that there are a range of different approaches and different methodologies developed by individual councils to reflect local service structures and local priorities which will be illustrated in the submissions the Committee has received from individual authorities.
 - Through a programme of Family Group activity where 'similar' councils come together to drill into the high level measures to understand the reasons why performance differs and share best practice. We are currently working with a small group of councils to examine how this learning is being used within councils to drive improvements and target savings. We would be pleased to share examples from this exercise with the Committee.
 - The LGBF supports scrutiny by local politicians and meaningful local reporting. There has been a significant commitment to make the benchmarking information more accessible to all citizens and users of council services through an online public reporting tool and via councils own local approaches to public performance reporting (PPR). The focus here is to go beyond simply promoting awareness of the benchmarking data, and to help councils to disaggregate and interpret the benchmarking data to identify the communities they need to work with to ensure focussed engagement activity.

- How councils use the benchmarking framework to drive improvement, support performance management and strengthen public accountability is subject to further scrutiny from the Accounts Commission, the details of which are set out within the statutory direction.

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