

## **Item: 5**

**Policy and Resources Committee: 23 April 2019.**

**Local Government Benchmarking Framework.**

**Joint Report by Chief Executive and Executive Director of Corporate Services.**

### **1. Purpose of Report**

To advise of the Council's performance against the Local Government Benchmarking Framework indicators for 2017 to 2018, which fall under the remit of the Chief Executive's Service and Corporate Services.

### **2. Recommendations**

**The Committee is invited to scrutinise:**

#### **2.1.**

The performance of the Chief Executive's Service and Corporate Services against the Local Government Benchmarking Framework Indicators for 2017 to 2018, attached as Appendix 1 to this report.

### **3. Background**

#### **3.1.**

The Council has been reporting performance information in accordance with the requirements of the Local Government Benchmarking Framework since 2010 to 2011, which is a statutory function of Scottish local government.

#### **3.2.**

The Improvement Service co-ordinates and facilitates the Local Government Benchmarking Framework process. The Council reports some indicators directly to the Improvement Service. The data for other indicators is gathered by the Improvement Service from various sources to which all councils make annual returns.

#### **3.3.**

Local Government Benchmarking Framework data is published annually by the Improvement Service in its National Benchmarking Overview Report, although it is almost one year out-of-date at the time of publication. The 2017 to 2018 report was published on 6 February 2019.

## **4. Response to the Best Value Assurance Report 2017**

### **4.1.**

Although the Council has reported its performance in accordance with the Local Government Benchmarking Framework requirements for several years, primarily through its Annual Performance Report, it was agreed that, for 2019 onwards, this information should also be reported to service committees for scrutiny.

### **4.2.**

This commitment is part of the Council's response to recommendations in the Best Value Assurance Report, which was published in December 2017, and subsequently incorporated into the Council Delivery Plan 2018 to 2023.

## **5. Performance**

### **5.1.**

Appendix 1 sets out the Council's performance against the Local Government Benchmark indicators in 2017 to 2018 which fall under the remit of the Chief Executive's Service and Corporate Services. This includes comparisons with previous years' performance, the Scottish average, and other councils in Orkney's benchmarking 'family groups'. For some indicators, officers have also provided additional context where it is felt this would be beneficial to help explain the Council's performance.

### **5.2.**

For Children's Services, Adult Social Care Services and Housing Services indicators, similar councils are grouped by their level of deprivation. For these indicators Orkney's family group includes East Renfrewshire, East Dunbartonshire, Aberdeenshire, City of Edinburgh, Perth and Kinross, Aberdeen City, and Shetland.

### **5.3.**

For Corporate Services, Economic Development, Environmental Services and Culture and Leisure Services, similar councils are grouped by their population density. For these indicators Orkney's family group includes the Western Isles, Argyll and Bute, Shetland, Highland, Scottish Borders, Dumfries and Galloway and Aberdeenshire.

### **5.4.**

It should be noted that the monitoring periods for some of the indicators may differ. For example, most are for 2017 to 2018, but some maybe for 2015 to 2018 or 2014 to 2018. This is because all the indicators are calculated from national figures and are generated by different organisations for different purposes.

## **6. Corporate Governance**

This report relates to governance and procedural issues and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

## **7. Financial Implications**

### **7.1.**

All 32 Scottish councils pay an annual rate to the Improvement Service for participation in the Local Government Benchmarking Framework. For this, the Improvement Service provides councils with data services and co-ordination of family group activity.

### **7.2.**

The Council's rate for 2017 to 2018 was £2,032 and increased to £2,516 for 2018 to 2019. The increase in fee was agreed by the Society of Local Authority Chief Executives in October 2017 in order to maintain the current programme delivery, and to support the key improvements in relation to strengthening the relevance and credibility of the framework, and demonstrating use and impact of the framework. This funding level was agreed for a three-year period.

## **8. Legal Aspects**

Under the Local Government Act 1992 and Local Government in Scotland Act 2003, the Council has been directed by the Accounts Commission to report on information drawn from the Local Government Benchmarking Framework.

## **9. Contact Officers**

Alistair Buchan, Chief Executive, extension 2101, Email [chief.executive@orkney.gov.uk](mailto:chief.executive@orkney.gov.uk).

Gillian Morrison, Executive Director of Corporate Services, extension 2103, Email [gillian.morrison@orkney.gov.uk](mailto:gillian.morrison@orkney.gov.uk).

Andrew Groundwater, Head of HR and Performance, extension 2253, Email [andrew.groundwater@orkney.gov.uk](mailto:andrew.groundwater@orkney.gov.uk).

## **10. Appendix**

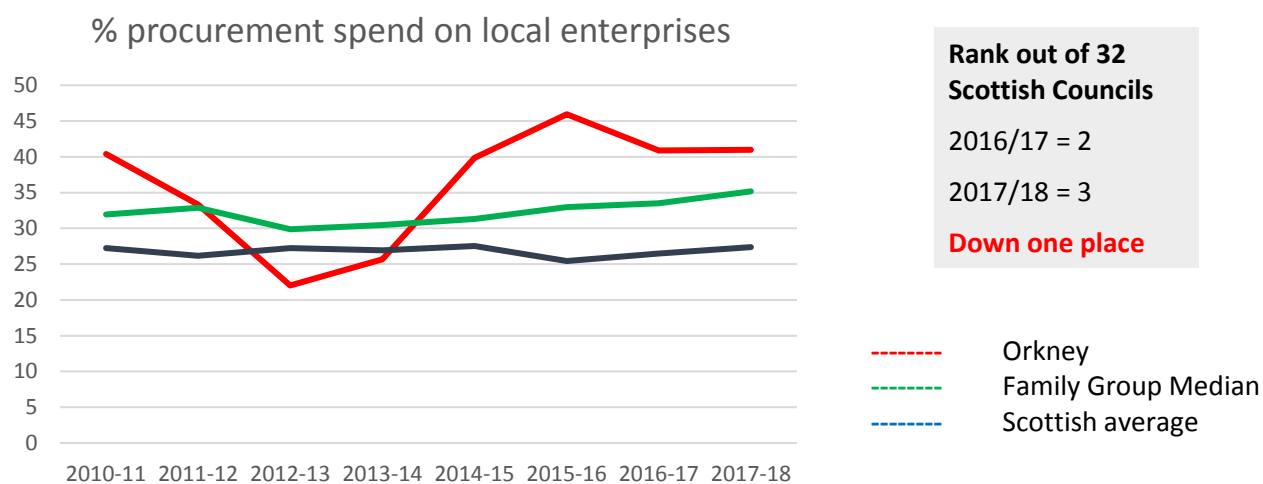
Appendix 1: Orkney Islands Council performance against Local Government Benchmark Framework indicators in 2017 to 2018.

## Local Government Benchmark Framework Indicators 2017/18

### ECONOMIC DEVELOPMENT

#### ECON4 – Percentage of procurement spent on local enterprises

In 2017/18, 40.96% of council procurement was spent on local enterprises, which is about the same as the 2016/17 figure of 40.91%, and more than 2017/18 Scottish average of 27.4%.

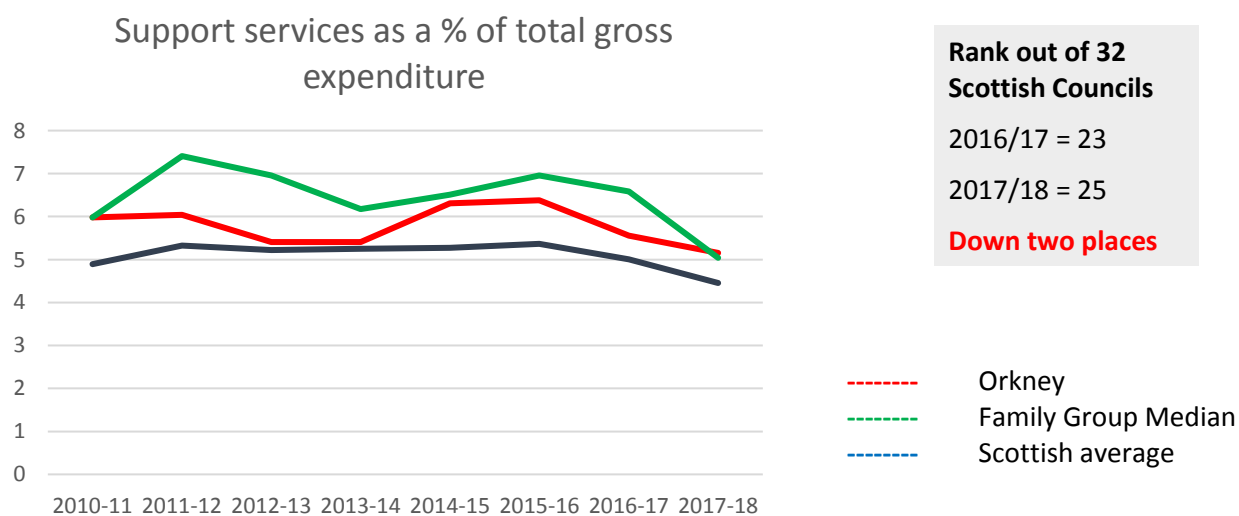


### CORPORATE SERVICES

#### CORP1 – Support services as a percentage of total gross expenditure

In 2017/18, 5.15% of the council's total gross expenditure was spent on support services, which is less than the 2016/17 figure of 5.55%, and more than the 2017/18 Scottish average of 4.45%.

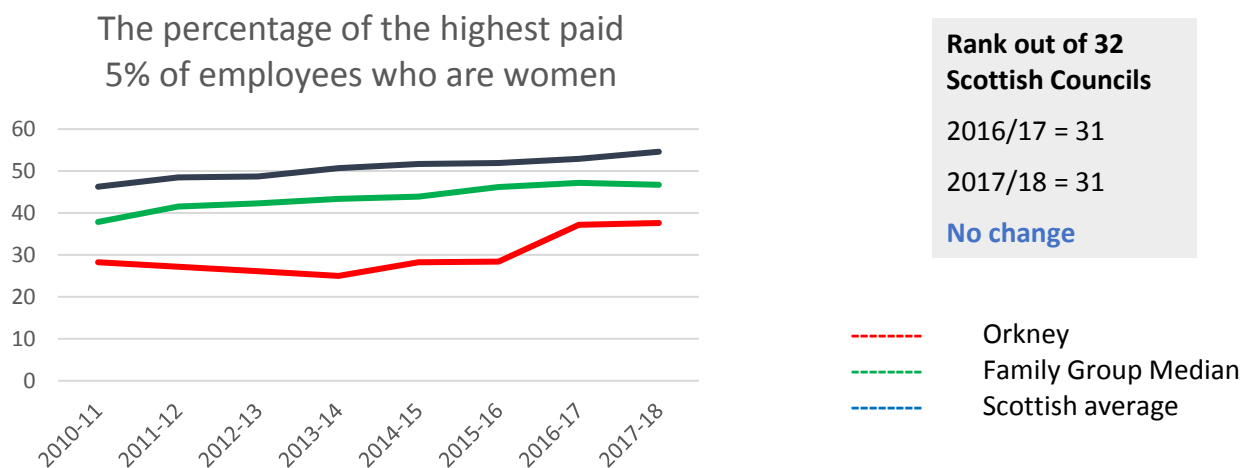
The percentage of total Council spend directed towards Support Services has dropped this year supporting the Council's desire to prioritise funding for frontline services wherever possible.



### CORP3b – Percentage of the highest paid 5% employees who are women

In 2017/18, 37.61% of the highest paid 5% council employees were women, which is slightly more than the 2016/17 figure of 37.17%, but less than the 2017/18 Scottish average of 54.6%.

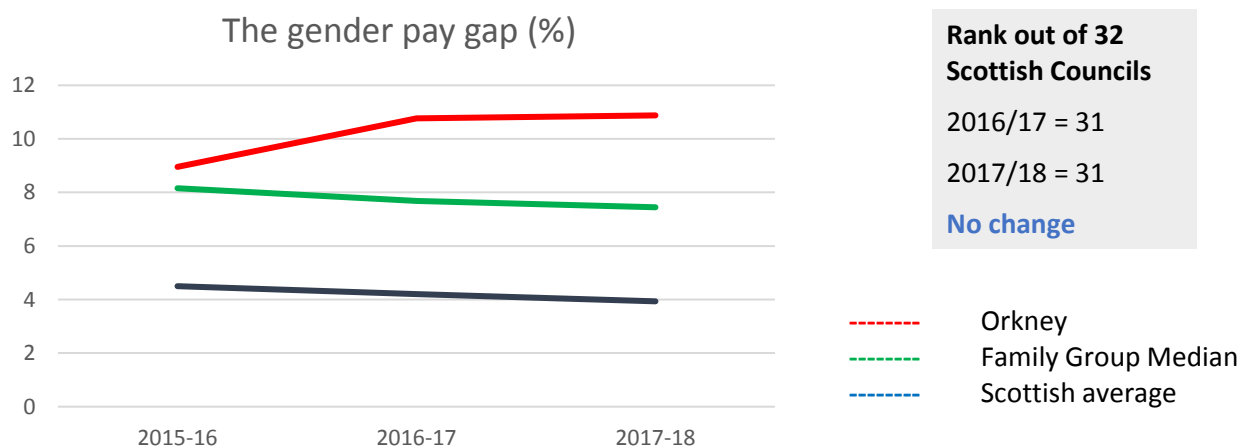
As a Harbour Authority, Orkney Islands Council provides Marine Services, which with its largely male workforce adversely impacts on the gender balance within the highest paid 5% of staff in comparison to councils that do not provide such a service.



### CORP3c – The gender pay gap (%)

In 2017/18, the council's gender pay gap was 10.88%, which is more than the 2016/17 figure of 10.76%, and the 2017/18 Scottish average of 3.93%.

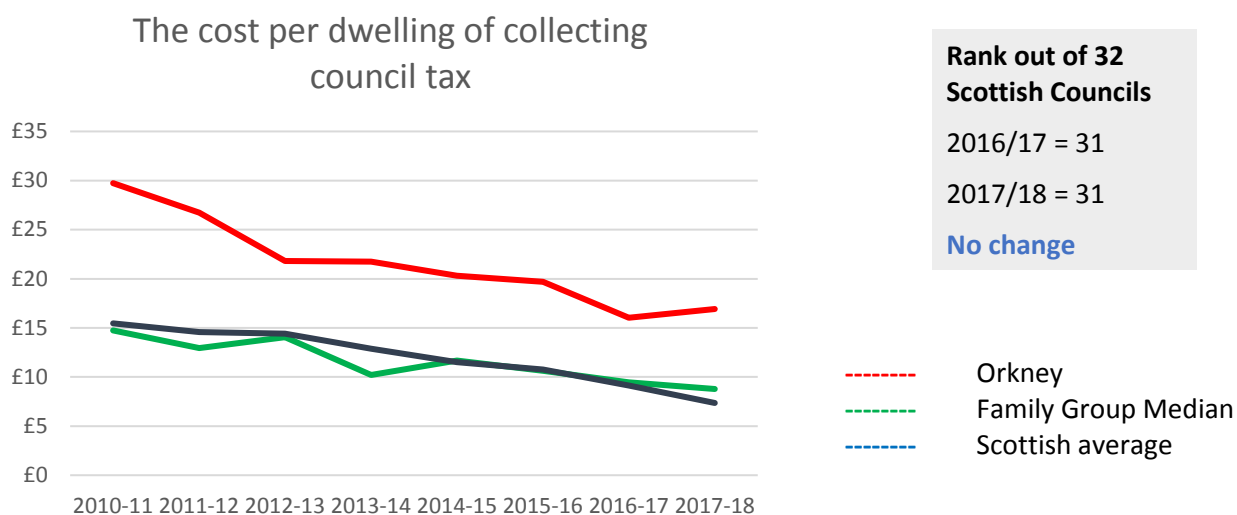
The gender pay gap indicator is a measurement of average female pay versus average male pay within the organisation and the figures show that the Council has more male staff at higher rates of pay proportionately than female. This is partly due to the fact Orkney Islands Council does not contract out many areas of frontline service such as care, cleaning and catering, which traditionally have largely female workforces, when compared to other Councils which do contract out these areas of work.



### CORP4 – The cost per dwelling of collecting council tax

In 2017/18, the cost per dwelling of collecting council tax in Orkney was £16.93, which is more than the 2016/17 figure of £16.03, and the 2017/8 Scottish average of £7.35.

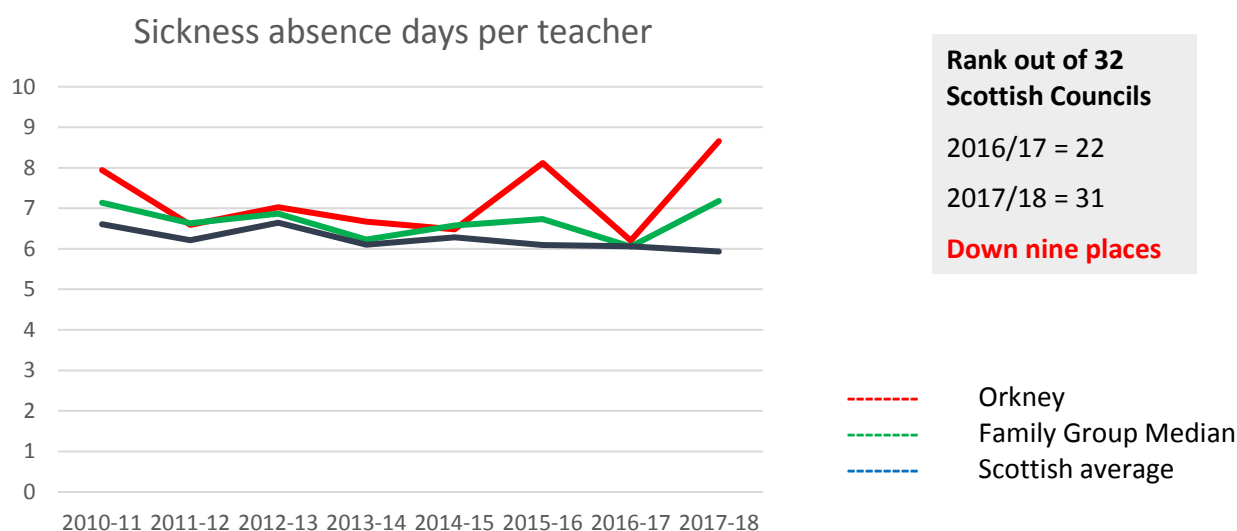
Orkney's council tax collection costs have decreased year-on-year since 2013/14, and although there was a slight rise in 2017/18 the figure is still considerably less than it was in 2012/13.



### CORP6a – Sickness absence days per teacher

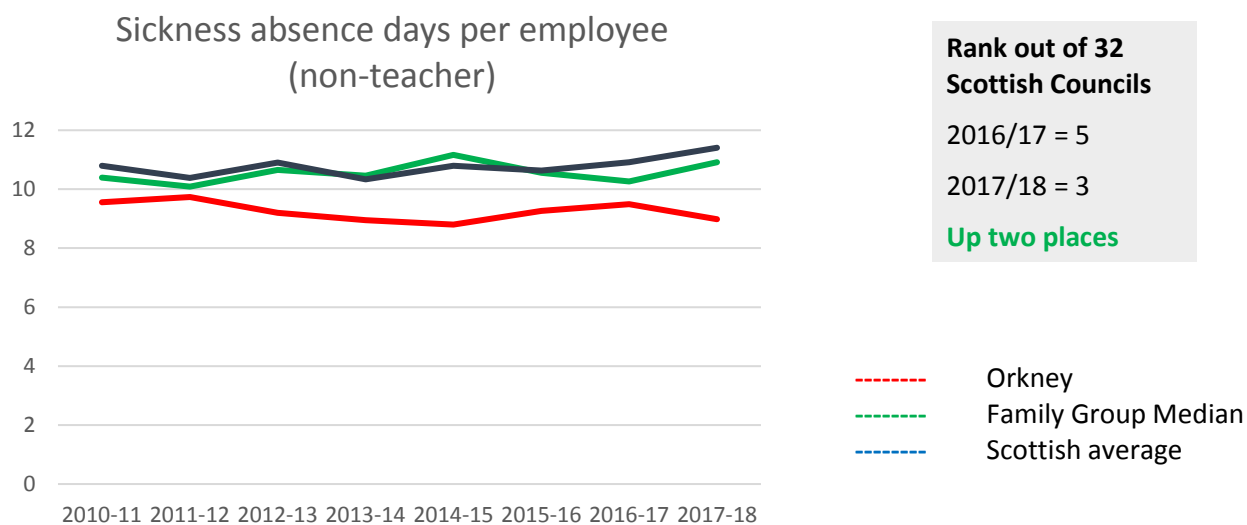
In 2017/18, an average of 8.66 days per teacher were lost due to sickness absence in Orkney, which is more than the 2016/17 figure of 6.2 days, and the 2017/18 Scottish average of 5.93 days.

Reducing the rate of sickness absence among our teaching staff is a priority for the Education Service, and the senior management together with Human Resources are leading a review of the reasons behind the higher rates reported and putting in place management actions to address this.



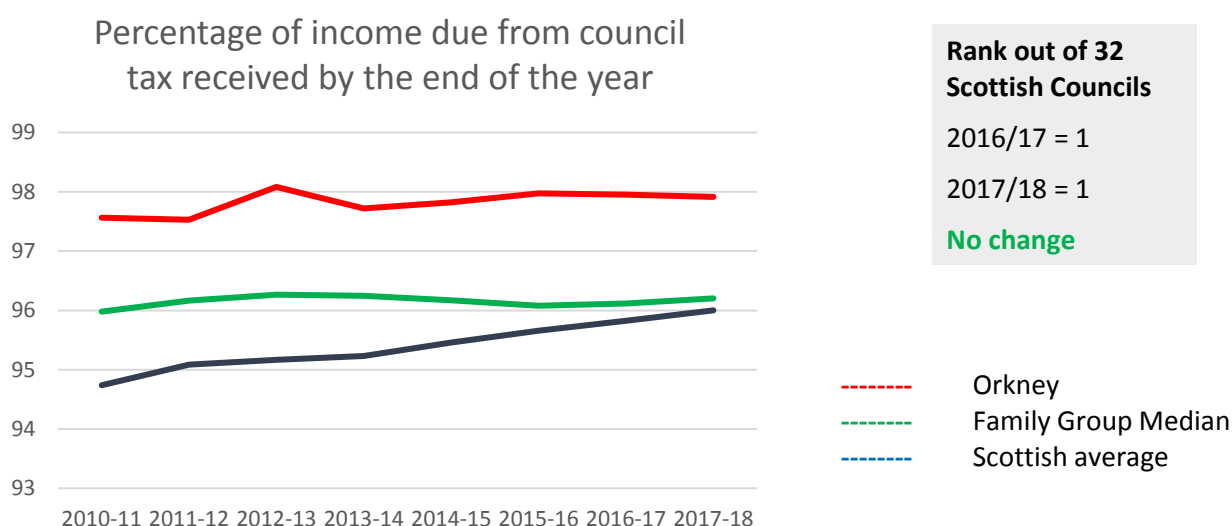
**CORP6b – Sickness absence days per employee (non-teacher)**

In 2017/18, an average of 8.98 days per council employee were lost due to sickness absence, which is less than the 2016/17 figure of 9.49 days, and the 2017/18 Scottish average of 11.41 days.



**CORP7 – Percentage of income due from council tax received by the end of the year**

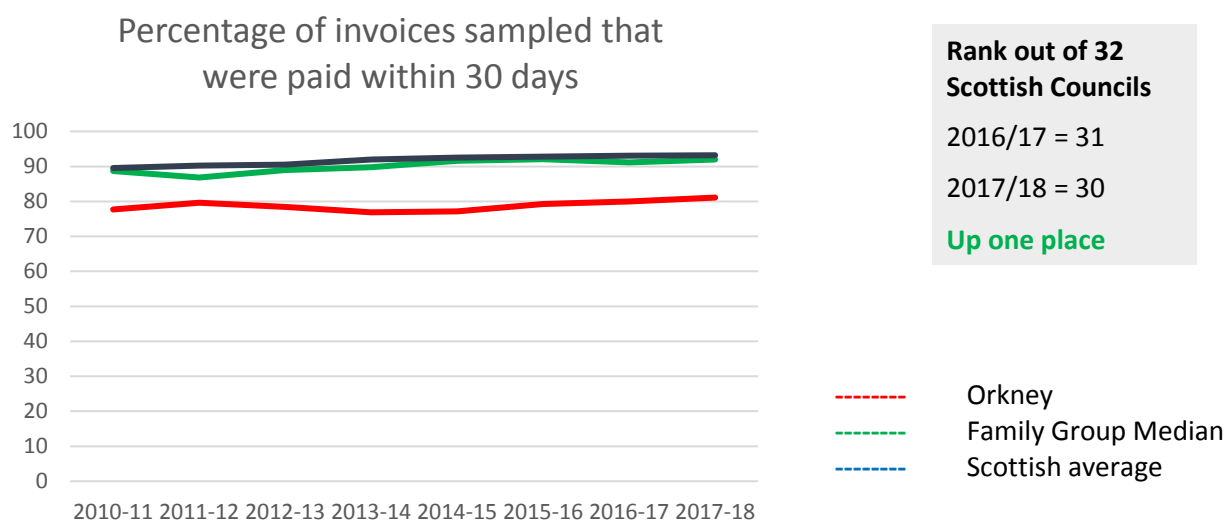
In 2017/18, 97.92% of income due from council tax in Orkney was successfully collected, which is about the same as the 2016/17 figure of 97.95%, and higher than the 2017/18 Scottish average of 96%.



## CORP8 – Percentage of invoices sampled that were paid within 30 days

In 2017/18, 81.1% of invoices to the council were paid within 30 days, which is higher than the 2016/17 figure of 79.99%, but less than the 2017/18 Scottish average of 93.19%.

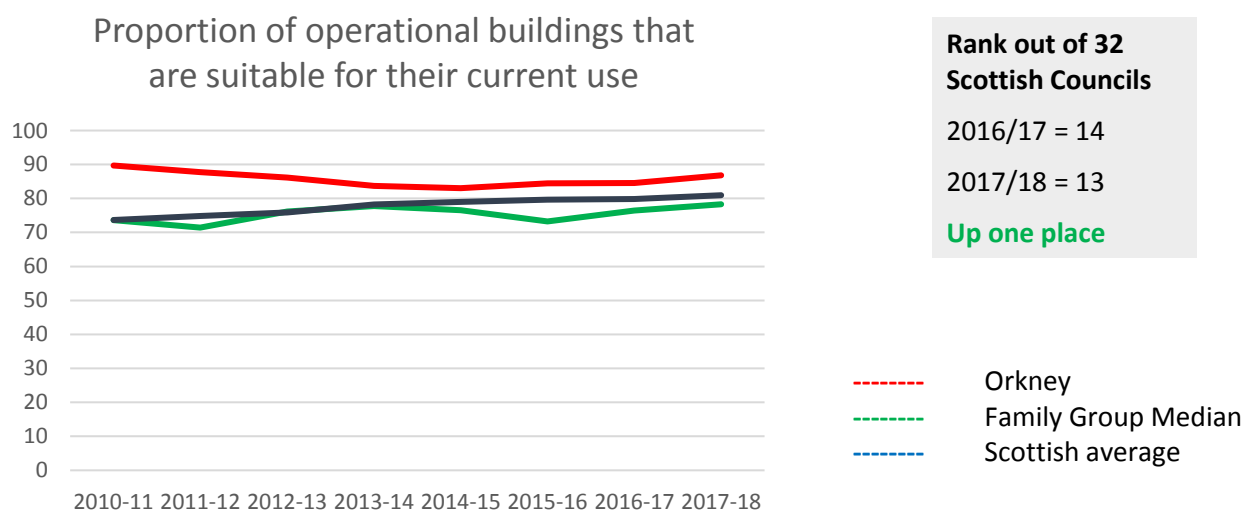
Invoice payment within 30 days will be improved by the introduction of electronic purchase ordering which is scheduled to be rolled out in 2019.



## CORPORATE ASSETS

### CORP-ASSET1 – Percentage of operational buildings that are suitable for their current use

In 2017/18, 86.77% of council buildings in Orkney were found to be suitable for their current use, which is better than the 2016/17 figure of 84.57%, and the 2017/18 Scottish average of 80.96%.





**CORP-ASSET2 – Percentage of internal floor area of operational buildings in satisfactory condition**

In 2017/18, 96.2% of the internal floor area of the council’s operational buildings was in satisfactory condition, which is about the same as the 2016/17 figure of 96.04%, and better than the 2017/18 Scottish average of 86.31%.

