

Item: 4

Monitoring and Audit Committee: 17 February 2022.

Statutory Performance Information – 2021 Direction.

Report by Executive Director of Education, Leisure and Housing.

1. Purpose of Report

To present the Direction on Statutory Performance Information, published by the Accounts Commission on 22 December 2021.

2. Recommendations

The Committee is invited to note:

2.1.

The Accounts Commission's Statutory Performance Information Direction 2021, attached as Appendix 1 to this report.

3. Background

3.1.

The Accounts Commission has a statutory power to define the performance information that councils must publish for performance comparison and benchmarking purposes.

3.2.

The Accounts Commission makes use of the Direction to complement its powers of auditing Best Value, particularly in relation to public performance reporting.

4. Statutory Performance Information Direction 2021

4.1.

The Accounts Commission's 2021 Direction on Statutory Performance Information was published on 22 December 2021 and is attached as Appendix 1 to this report.

4.2.

The Direction covers three financial years:

- 2022/23.
- 2023/24.
- 2024/25.

4.3.

Rather than prescribing in detail the information that councils should publish, the Commission encourage councils themselves to improve such reporting in a way that reflects local context. In recognising the benefits of councils reporting benchmarking information to the public, the Commission is continuing its interest in the further development of the Local Government Benchmarking Framework project.

4.4.

The 2021 Direction has a similar overall shape to its predecessor, published in December 2018, but includes the following revisions:

- Underlining the importance of service reviews and self-assessments of performance.
- Reflecting the Commission's ambitions with co-ordinated scrutiny of local government, including reference to the assessments of other scrutiny and inspection bodies
- Underlining the importance of empowering communities and ensuring accessibility to the performance information reported publicly.
- Reflecting the Commission's ambitions with the integrated audit, including reference to the annual audit's role in assessing performance against the Best Value duty.

4.5.

While the Commission does not use the revised Direction to require reporting in specific areas, it is expected that issues such as recovery from the COVID-19 pandemic and the climate emergency will feature in the local outcomes agreed between councils, their partners and their communities.

5. 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.

6. Financial Implications

There are no immediate financial implications arising from this report. The Accounts Commission expects councils to achieve high standards of financial stewardship and value for money in how they use their resources to provide services. The use of performance information and SPI Direction is intended to support this, including the use of benchmarking information with other authorities.

7. Legal Aspects

7.1.

The Accounts Commission for Scotland will review evidence of the Council's compliance with its statutory obligation to make arrangements which secure Best Value.

7.2.

Section 13 of the Local Government in Scotland Act 2003 places a duty on the Council to report to the public on the performance of its functions.

7.3.

In terms Section 1 of the Local Government Act 1992 the Accounts Commission for Scotland must give directions as it thinks fit to relevant bodies, including local authorities, to publish such information relating to their activities as will, in the Commission's opinion, facilitate the making of appropriate comparisons (by reference to the criteria of cost, economy, efficiency and effectiveness and of securing best value) between the standards of performance achieved by different relevant bodies.

8. Contact Officers

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9. Appendix

Appendix 1: Statutory Performance Information – 2021 Direction.

Local Government Act 1992

**The Publication of Information (Standards of Performance) Direction 2021 Statutory
Performance Indicators**

December 2021

FOREWORD

Our [Strategy 2021-26](#) recognises that the next five years will, amongst other priorities, see Scotland build on its recovery from the Covid-19 pandemic and work towards addressing the climate emergency. We want our work to amplify these important areas in our role of reporting on the performance of local government and supporting it to improve.

Accordingly, we have revised our Statutory Performance Information Direction which sets out our requirements on councils to report their performance to their citizens and communities.

The Accounts Commission has a statutory power to define the performance information that councils must publish for performance comparison and benchmarking purposes. While this power pre-dates our responsibilities in relation to Best Value, we use the Direction to complement and add value to our powers of auditing Best Value, particularly in relation to public performance reporting.

Rather than prescribing in detail the information that councils should publish, we use this power to encourage councils themselves to improve such reporting in a way that reflects their local context. In recognising the benefits of councils reporting benchmarking information to the public, we also continue our interest in the further development of the Local Government Benchmarking Framework (LGBF) project.

In publishing this 2021 Direction, we have reviewed councils' response to the previous Direction which we published in 2018. In summary, we found that councils have responded well to the Direction (albeit with variation between councils), thereby presenting a strong case for maintaining the Commission's strategy of encouraging council-led improvement. This Direction has a similar overall shape to its predecessor, but includes the following revisions:

- Underlining the importance of service reviews and self-assessments of performance.
- Reflecting the Commission's ambitions with coordinated scrutiny of local government, including reference to the assessments of other scrutiny and inspection bodies
- Underlining the importance of empowering communities and ensuring accessibility to the performance information reported publicly.
- Reflecting the Commission's ambitions with the integrated audit, including reference to the annual audit's role in assessing performance against the Best Value duty.

While we do not use the revised Direction to require reporting in specific areas, we expect that issues such as recovery from the Covid-19 pandemic and the climate emergency will feature in the local outcomes agreed between councils, their partners and their communities.

For the avoidance of doubt, the Commission applies this Direction only to councils, and not to joint committees, joint boards or health and social care integration joint boards.

The Commission hopes our new approach will be welcomed and responded to positively by councils and their partners.

Tim McKay
Interim Deputy Chair of the Accounts Commission for Scotland
December 2021

**LOCAL GOVERNMENT ACT 1992
THE PUBLICATION OF INFORMATION
(STANDARDS OF PERFORMANCE) DIRECTION 2021**

1. This Direction is given by the Accounts Commission for Scotland (“the Commission”) under section 1(1)(a) of the Local Government Act 1992, which requires the Commission to direct relevant bodies to publish such information relating to their activities in any financial year or other specified period as will, in the Commission’s opinion:

“facilitate the making of appropriate comparisons (by reference to the criteria of cost, economy, efficiency and effectiveness and of securing best value in accordance with section 1 of the Local Government in Scotland Act 2003) between –

- i. the standards of performance achieved by different relevant bodies in that financial year or other period; and*
- ii. the standards of performance achieved by such bodies in different financial years or, as the case may be, other periods”*

Such information is also to facilitate the drawing of conclusions about the discharge of those bodies' functions under the Community Empowerment (Scotland) Act 2015 (in essence, carrying out community planning for the “improvement in the achievement of outcomes”).

2. This Direction is given to all local authorities, as defined by the Local Government (Scotland) Act 1973, and amended by the Local Government etc. (Scotland) Act 1994.

3. Each of the bodies referred to in paragraph 2 shall, in accordance with section 13 of the Local Government in Scotland Act 2003 and associated regulations and guidance from Scottish Ministers, publish the information specified in the schedule to this Direction for all those activities which are carried out by the body.

4. The periods for which the information in the schedule must be published are the financial years ending 31st March 2023, 2024 and 2025.

5. In the schedule, the term ‘Best Value’ shall be interpreted in accordance with the definition and requirements of Part 1 of the Local Government in Scotland Act 2003. This includes reference to the [Best Value: revised statutory guidance 2020](#) and the Best Value themes of:

1. Vision and leadership
2. Governance and accountability
3. Effective use of resources
4. Partnerships and collaborative working
5. Working with communities
6. Sustainability
7. Fairness and equality

Schedule

Each council will report a range of information covered by the following two indicators (including in combination if desired):

Statutory Performance Indicator 1: Improving local services and local outcomes

- Its performance in improving local public services, both provided by itself and in conjunction with its partners and communities.
- Progress against the desired outcomes agreed with its partners and communities.

The Commission expects the council to report such information to allow comparison (i) over time and (ii) with other similar bodies (thus drawing upon information published by the Local Government Benchmarking Framework and from other benchmarking activities).

The Commission expects the council to, in agreeing its outcomes with its partners and communities, report on how it has engaged with, responded to and helped to empower its communities, including those who require greater support.

Statutory Performance Indicator 2: Demonstrating Best Value

- Its assessment of how it is performing against its duty of Best Value, including self-assessments and service review activity, and how it has responded to this assessment.
- Audit assessments (including those in the annual audit) of its performance against its Best Value duty, and how it has responded to these assessments.
- Assessments from other scrutiny and inspection bodies, and how it has responded to these assessments.

In satisfying the requirements set out in this schedule, the Commission expects the council to take cognisance of [current statutory guidance on Best Value requirements](#), and in particular to ensure:

- Balance in reporting areas of improvement that have been achieved and not achieved.
- This is undertaken in a timely manner.
- Easy access to its performance information for all of its citizens and communities, with such information presented in an accessible style.