

REPORT TO: Policy and Performance Review Committee

MEETING DATE: 12 December 2024

BY: Executive Director for Council Resources

SUBJECT: Review of Performance Reporting and Indicators

1 PURPOSE

- 1.1 To provide committee with the opportunity to review our current approach to performance reporting and to seek approval to amend the current Council Key Performance Indicators and reporting format.
- 1.2 To support a review of the approach to Council Plan performance reporting to PPRC, and to ensure reports comply with any statutory requirements as fully as possible and to follow good public performance reporting practices.

2 RECOMMENDATIONS

Members are requested to review and approve the following recommendations:

- 2.1 Continue reporting on the current set of indicators and reporting format for 2024/25.
- 2.2 Review performance indicators and reporting format in line with any changes to Council Plan priorities and New SPI Direction and guidance once released.
- 2.3 Report back to PPRC in 2025 with options on reporting format and review of indicators.

3 BACKGROUND

- 3.1 Section 1 of the Local Government in Scotland Act 2003 places a statutory duty on local authorities to deliver Best Value and to make arrangements for public performance reporting (PPR) on the performance of services.

3.2 Furthermore, The Accounts Commission has a statutory duty, under the Local Government Act 1992, to direct councils to publish information that will:

- enable comparisons of performance between councils and over time, and
- show how well they are improving local outcomes with community planning partners in their area.

3.3 The Commission last published their Statutory Performance Information Direction in 2021. The Direction sets out the requirements on councils to report their performance to their citizens and communities. The current guidance below is about to expire and only applies up to the current reporting year 2024/25.

3.4 The current Direction is not prescriptive in detail as to what information councils should publish. It is to the responsibility of councils to improve public performance reporting in a way that reflects local context and priorities.

3.5 There are currently two parts to statutory performance reporting within this guidance and these are:

Statutory Performance Indicator 1 (SPI1): Improving Local Services & 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.

Statutory Performance Indicator 2 (SPI2): 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.

3.6 Other requirements include having a balance in reporting areas of improvement that have been achieved and not achieved. The reporting should be undertaken in a timely manner. There should be easy access to performance information for all citizens and communities, with such information presented in an accessible style.

Current Compliance

3.7 In terms of compliance to SPI1, the Council monitors how well it delivers its services using a range of performance indicators. This is outlined in more detail within the Council's Improvement to Excellence Framework.

Performance information is reported to Elected Members on a quarterly or annual basis. Where relevant, these indicators have targets and commentary that help to provide context and assessment of how well the Council is performing.

- 3.8 Comparisons with other areas in Scotland are also available for many indicators through the Improvement Service Local Government Benchmarking Framework (LGBF). As part of our benchmarking of performance, we provide PPRC with a full LGBF Annual Report with over 100 indicators along with analysis and commentary.
- 3.9 The Council adopted a revised Continuous Improvement Framework (Improvement to Excellence) in May 2023. A key part of the framework is the adoption of a suite of Top 50 Council Plan Indicators as the key indicators that monitor progress in achieving the Council's strategic goals and key commitments.
- 3.10 The current quarterly performance indicator report and Top 50 report were also refreshed during 2023 to align with the themes of the 2022 – 2027 Council Plan. This included thematic areas around recovery and renewal, and the climate emergency. Performance indicators have also been refined and amended on an ongoing basis to ensure that they align with the priorities of the East Lothian Council Plan. New indicators on Health & Social Care performance have been developed and are now reported to PPRC.
- 3.11 Given the financial and other challenges the Council faces, it has been approved to focus on delivering a smaller number of priorities. This translates into three interlinked, complementary priorities which are aligned to the Council Plan's overarching and long-term thematic objectives:
 - Ensure the financial sustainability of the Council through the delivery of approved savings and transforming the way we deliver services.
 - Target resources on statutory services and focus on the highest risks and those most in need.
 - Deliver key infrastructure, economic development and environmentally sustainable projects within available council resources and maximising external funding.
- 3.12 It is important the indicators being monitored continue to reflect strategic priority areas within the current financial challenges. Any future revisions of the Council Plan priorities and / or changes to the Direction may require further alignment of the reporting indicators and format.
- 3.13 Within East Lothian Council, we are committed to continuous improvement, knowing ourselves well and being clear on where we need to improve. We strive to report on our outcomes and ensure performance information is publicly accessible and easy to understand. Good practice would indicate that information is provided via multiple channels and formats and is made available online. We provide committee papers and minutes online on the Council website. Our current web based external reporting tool (performance portal) provides the reported quarterly and annual performance indicator

information in a more infographic style of reporting. These areas are linked to the Council's website within the Performance section.

New Statutory Performance Information Direction

- 3.14 A consultation is underway on the New Direction from the Accounts Commission with a planned release in December 2024. This Guidance will take effect from April 2025 onwards. For this reason, it has not been possible to undertake a full review of the performance indicators.
- 3.15 The most significant proposed change is to replace the two broad 'indicators' stated in previous versions – "Improving local services and local outcomes" and "Demonstrating Best Value" – with four, more specific 'themes' which the Commission believes councils' performance information reporting should cover. Those proposed themes are:
- 1) **Using resources effectively to address strategic priorities** – recognising that each council has its own strategic priorities, based on local needs and appropriate data, which should guide decisions about the use of resources.
 - 2) **Working with partners and communities to achieve shared outcomes** – addressing community planning in accordance with our statutory duty, and acknowledging the shared responsibility for local outcome improvement plans.
 - 3) **Ensuring financial sustainability and budget transparency** – setting out our expectations for published financial and budget information including (notably) specifying the information councils should provide in relation to this theme.
 - 4) **Using data and assessments to support improvement** – embedding self- and external assessments within continuous improvement processes, with decision making informed by this evidence, data analysis and service user engagement.
- 3.16 There is an expectation that councils continue to use benchmarking data such as Local Government Benchmarking Framework (LGBF) for continuous improvement.
- 3.17 Reporting should be at least quarterly intervals. There should be publication of annual performance reports within three to six months after the end of the respective year.
- 3.18 It is also proposed by Accounts Commission to provide more guidance and good practice examples of performance reporting alongside the Direction when it is released.
- 3.19 Given the significant developments and potential for change in the new Statutory Performance Information Direction, it has not been possible to undertake a full review of the performance indicators for the December 2024 PPRC committee. It is therefore planned to review the Councils performance indicators and reporting format in line with the new Direction and Guidance

along with any changes to Council Plan priorities early in 2025 and report recommendations back to PPRC by June 2025.

4 POLICY IMPLICATIONS

4.1 No policy implications at this stage.

5 INTEGRATED IMPACT ASSESSMENT

5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

6.1 Financial – none.

6.2 Personnel – none.

6.3 Other – none.

7 BACKGROUND PAPERS

7.1 Current Direction - [The Publication of Information \(Standards of Performance\) Direction 2021 Statutory Performance Indicators](#)

7.2 Performance Portal [East Lothian Council Performance Portal](#)

7.3 Improvement to Excellence Framework 2023 - [Performance Framework](#)

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