

East Ayrshire Council

The Audit of Best Value and Community Planning

Prepared for the Accounts Commission

September 2006



Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Executive and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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Commission findings

1. The Commission accepts this report on the performance of East Ayrshire Council's statutory duty to secure Best Value and to initiate and to facilitate the Community Planning process. The Commission recognises that the report gives a broad picture of the council's performance based on the work of Audit Scotland and the findings of other scrutiny bodies such as Inspectorates and that it does not attempt a comprehensive review of all service delivery. We acknowledge the co-operation and assistance given to the audit process by members and officers of the council.
2. The Commission takes full account of the context in which East Ayrshire Council operates, in particular that the council area does not represent any natural or traditional community, stretching from the north to the south of the eastern side of the old county of Ayrshire, and that there are several areas of significant deprivation.
3. The council demonstrates a clear commitment to Best Value supported by effective leadership. There is evidence that the council does well in:
 - community planning and joint working
 - financial stewardship
 - managing risk
 - customer focus.
4. There are areas in which the council needs to make progress. In particular we draw attention to the following:
 - The council needs to ensure that its commitment to Best Value is translated into effective outcomes across all its services. The council has established systems and processes for Best Value, particularly in recent years, and additional benefit would be derived if they were consolidated and streamlined.
 - The council's commitment to scrutiny is welcome. However it needs to clarify and strengthen the roles of committees and member/officer groups engaged in scrutiny.
 - While there are good services in community care, housing, finance and education there is a need to focus on improvement in some weaker areas, particularly housing repairs.
5. East Ayrshire Council has shown a commitment to Best Value and Community Planning through its strategic vision and leadership and there is evidence that it can recognise areas for improvement and take action to address them. It now needs to move forward to embed continuous improvement

throughout its activities and systematise its processes for Best Value so that it can be demonstrated in improved outcomes across the board. We look forward to receiving an Improvement Plan from the council which has measurable targets based on outcomes which will allow it to deliver on its ambitions for the future.

The Audit of Best Value

This report is made by the Controller of Audit to the Accounts Commission under section 102(1) of the Local Government (Scotland) Act 1973. After considering it the Commission may do any or all of the following:

- direct the Controller to carry out further investigations
- hold a hearing
- state its findings.

The Local Government in Scotland Act 2003 introduced new statutory duties relating to Best Value and Community Planning. The scope of Best Value and Community Planning is very broad but in general terms a successful council will:

- work with its partners to identify a clear set of priorities that respond to the needs of the community in both the short and the longer term
- be organised to deliver those priorities
- meet and clearly demonstrate that it is meeting the community's needs
- operate in a way that drives continuous improvement in all its activities.

The challenge for local government is to find new ways of working across services and with other bodies to achieve the best results for citizens and service users. The key objectives of this audit were to:

- assess the extent to which East Ayrshire Council is meeting its duties under the Local Government in Scotland Act 2003
- agree planned improvements with the council that will be reviewed by the council's local external auditor over the next three years.

As Best Value and Community Planning encompass all the activities of a council it is not realistic to audit everything in depth, so we plan our detailed work in two ways:

- Where possible, we draw on the findings of other scrutiny processes, such as the work carried out by the council's external auditors and by inspectorates. These are incorporated into our report.
- We select certain aspects of the council's performance for detailed audit investigation. A wide range of sources, including the council's own assessment of its performance, reports issued by external audit and inspections, and national Statutory Performance Indicators, informs this selection.

The report reflects this selective approach, with detailed commentary on some areas and limited or no coverage in others. We have made some comparisons with other councils, but our overall approach has focused on performance trends and improvement within East Ayrshire Council. The report also reflects the picture available at the time our main audit work was conducted between March and April 2006.

We gratefully acknowledge the co-operation and assistance provided to the audit team by Councillor Andrew McIntyre, Leader of the Council; Fiona Lees, Chief Executive; Martin O'Rourke, Best Value and Performance Manager; and all other members and officers contacted during the audit.

Overall conclusions

East Ayrshire Council can demonstrate a clear commitment to Best Value. It is focused on meeting the diverse needs of its communities, and is enthusiastic and innovative in working with a range of partners through Community Planning. The council is characterised by strong and effective leadership from its senior management, which is developing a culture of continuous improvement throughout the organisation.

Progress has been made in performance management and other essential elements of Best Value, but further development is required, such as in linking service and budget planning and more balanced reporting on service performance.

The available evidence suggests there are good services in community care, housing, finance and education, although attainment levels remain a challenge in many schools. Statutory Performance Indicators (SPIs) could improve in a number of areas. The council also needs to ensure that it encourages a positive approach to challenging and discussing areas in need of improvement.

1. East Ayrshire Council was established in 1996 following the reorganisation of local government in Scotland, but it does not represent any natural or traditional community, stretching from the north to the south of the eastern side of the old county of Ayrshire. The council has faced a fundamental challenge since then in building a clear identity for the area and its citizens, and a significant amount has been achieved in this respect.
2. It is firmly committed to tackling the problems of unemployment, poverty and health that exist within a number of its communities. Through strong leadership from senior management, a positive attitude to change throughout the organisation, and effective working with its community planning partners, the council is becoming well placed to deliver on its long-term vision for the area.
3. The council is ambitious to achieve its core objectives. Over recent years it has demonstrated significant progress in addressing the best value agenda, driven by the chief executive and Corporate Management Team (CMT) and supported by good relationships between elected members and officers. It has also developed a positive culture within the organisation where there is a real desire to improve and staff are encouraged to be part of the improvement process. Recent changes to the role of the CMT and to departmental structures have been designed to bring about effective corporate working that delivers integrated services across departmental and service boundaries.
4. The council's commitment to Best Value and Community Planning provides a framework for everything the council does. In particular its emphasis on partnership working and providing joined up services is reflected in its adoption of the East Ayrshire community plan as its corporate planning tool. Its engagement with its partners and communities, such as the interaction between social work and general practitioners in the health service, has had a positive impact on the services it delivers.

5. Joint working is a key strength, evident in community planning and in integrated working between departments within the council. The council demonstrates innovation and it is making an impact on the community plan and strategic priorities through a range of projects. Evidence from customers, staff and community partners indicates significant levels of satisfaction with the council and its work.
6. Effective leadership is building a positive organisational culture in East Ayrshire. There is a strong focus on celebrating success and an enthusiasm to be the 'best in class', which contributes much to the council's achievements. However, an effective improvement culture needs a balance between positive thinking and consideration of how to address poorer results. As it works towards further development of best value, the council should continue to develop an open and transparent approach to challenge and discussion of weaker performing areas. Elected members have an important role to play in scrutinising performance at committees and relations between members and officers are good. Additional mechanisms to facilitate scrutiny have recently been established, but members could do more to hold officers to account and the council has recognised the need to strengthen its scrutiny arrangements to maximise challenge and improvement.
7. The council demonstrates good financial stewardship and is keen to maximise what it can deliver with the resources it has available. This is reflected in its approach to shared services and in generating efficiencies in line with the national agenda. It has identified ways in which it can improve this further; it should focus on linking resource allocation more closely to strategic priorities, and aligning business planning more closely with front line service standards and the budget process.
8. East Ayrshire has made good progress in developing systems for managing and monitoring its performance. It delivers services against a range of plans and uses performance information to monitor progress on service developments. It recognises that there is now a need for some consolidation and streamlining, including:
 - integrating service and budget planning processes
 - linking customer feedback to improvement and public performance reporting
 - improving management information on staffing resources and staff views
 - introducing personal development and appraisal for directors
 - increasing the use of comparative analysis
 - standardising performance reporting across the council by an annual consolidated system.
9. The council is customer focused and has a clear commitment to improving services. The evidence available suggests good services in community care, housing, finance and education, although attainment levels in schools remain a challenge for the council. There are areas of weaker performance, such as housing repairs and planning. Across the range of SPIs the council shows an

overall trend in improvement, with a ratio of improvement against decline marginally better than the national average. However, performance in around a quarter of the council's indicators is still among the lowest in Scotland.

10. The council's recent strategic self-assessment has identified key areas for improvement and it is preparing detailed action plans to address these. Central to its improvement agenda (outlined in part four of this report) is further development of the performance management system to provide clearer information on the cost and quality of services. This will support more effective scrutiny, better demonstrate the achievement of efficiencies and show more clearly the impact of best value in improving services for the people who use them.
11. East Ayrshire Council has established solid foundations for a modernised approach to local services, and its systems and processes should now be directed towards the delivery of demonstrable increases in service quality and standards.

Part 1: Does the council have clear strategic direction?

East Ayrshire Council has a clear strategic vision for its area that is firmly focused on delivering high quality, accessible services. It has been successful in delivering on many aspects of the improvement and modernising agenda. Major factors in this success are its organisational culture and its clear focus on priorities, although the council needs to continue to develop an open and transparent approach to challenge and discussion of weaker performing areas.

Context

12. East Ayrshire covers a land area of 490 square miles in west central Scotland, thirty miles southwest of Glasgow. The total population of the area is 120,000, with just under half the population living within the two main towns of Kilmarnock (44,000) and Cumnock (9,000).
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Exhibit 1

East Ayrshire Council



Source: East Ayrshire Council

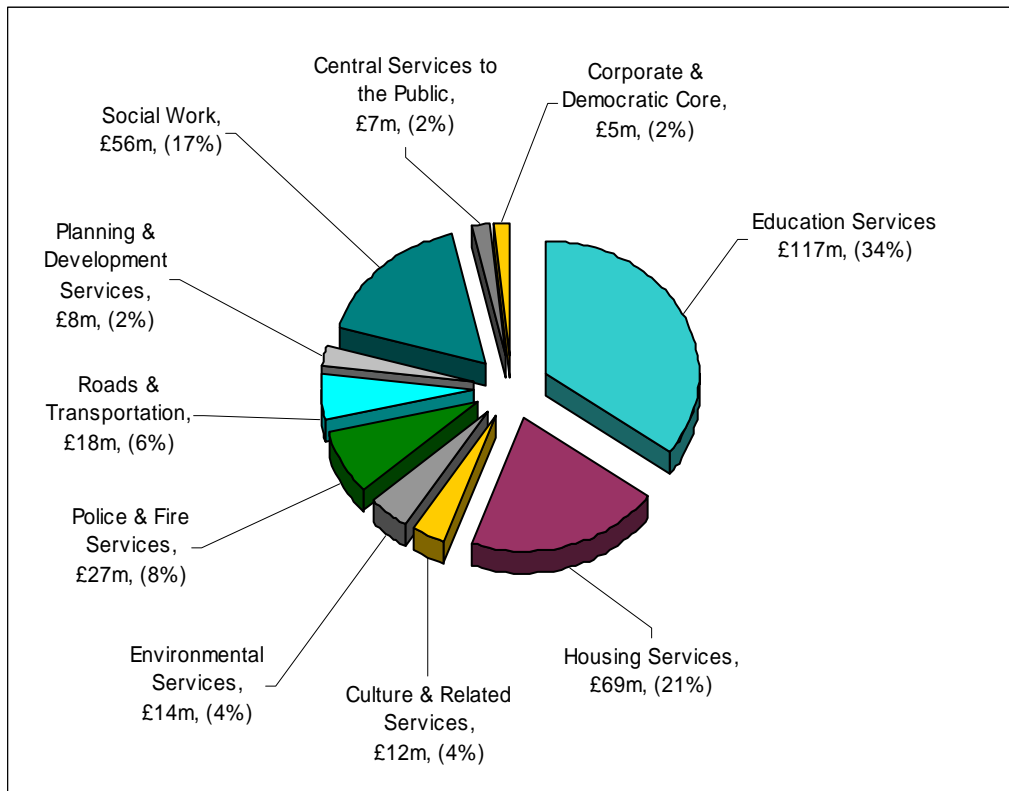
13. There are 21 main communities and settlements in a diverse geographical area, embracing both rural and urban areas. Established as a result of local government reorganisation in 1996, the area does not reflect any natural or traditional community, stretching as it does down the eastern length of the

county of Ayrshire. This presented the council with the challenge of establishing a clear identity for the authority and its citizens.

14. East Ayrshire's population has been declining and ageing in recent years. An overall decline of three per cent between 1993 and 2003 was characterised by a significant decline amongst the working age population, offset by an increase of 15 per cent amongst the 50-64 age group. These demographic shifts are forecast to become increasingly stark in future; the population is projected to increase within the 50 plus age band, but between 2003 and 2013 the working age population is projected to fall by seven per cent.
15. East Ayrshire suffers from relatively high unemployment. The decline of deep mining and traditional manufacturing industries has had a disproportionate effect in the area. At April 2006, the unemployment rate was the sixth highest in Scotland, at 4.1 per cent compared with the national average of 3.2 per cent. However, since the formation of the council in 1996, the East Ayrshire unemployment rate has fallen at a similar rate to the Scottish average, partly as a result of inward investment and job creation in indigenous companies.
16. One-in-five East Ayrshire residents live within the top 15 per cent most deprived areas in the country. The area has 14 per cent more deaths attributable to smoking than the national average; alcohol-related hospital admissions are 10 per cent higher than average; and infant mortality rates are 25 per cent higher. These statistics mask significant differences within the council area.
17. The council has 32 elected members; since the 2003 election the composition is Scottish Labour – 23, Scottish National Party – eight, and Scottish Conservative – one. The council appoints a provost, depute provost, leader and depute leader on an annual basis, and these positions are currently held by Labour Party members who form the administration.
18. The average band D council tax for 2006/07 is £1,170 (up 4.9 per cent on the previous year), close to the national average of £1,129. Within East Ayrshire half of all houses are in council tax band A, more than double the national average. There is also a higher than average proportion of houses rented from the council (31 per cent compared to 22 per cent) and a correspondingly lower than average owner occupied. The number of households in the area is expected to increase at a slower rate than the rest of Scotland.
19. East Ayrshire's gross expenditure in 2004/05 was £333.5 million. This equates to approximately £2,785 per person, the 16th highest in Scotland. The share of the gross expenditure for each service is shown in [Exhibit 2](#).

Exhibit 2

The council spent a total of £333.5 million on providing services in 2004/05



Source: East Ayrshire Council Audited Accounts 2004/05

Responding to the needs of East Ayrshire

East Ayrshire Council has a clear and ambitious strategic vision that is related to the needs of its area and has the support of its community partners. The council is committed to community planning, with strong leadership from its chief executive and clear plans that describe what it wants to achieve. There is scope to strengthen the links between the community plan and operational plans for its individual services.

20. The council has a clear and ambitious strategic vision for its area, as set out in the East Ayrshire community plan. This vision, that 'East Ayrshire will be a place with strong, vibrant communities where everyone has a good quality of life and access to opportunities, choices and high quality services which are sustainable, accessible and meet people's needs,' is supported by its 13 community planning partners.
21. A signal of the council's commitment to this shared vision is provided by its decision to adopt the community plan as its strategic plan, with no need for a separate corporate plan. It believes that this not only reinforces its commitment to partnership working but also gives other benefits, including clarity of purpose across the council and a common framework for coordinated action.

22. The community plan, first produced by the partnership in 2003, identifies six main priorities for making a difference to people's lives within East Ayrshire. In addressing these priorities, the council aims to apply four core values across its organisation ([Exhibit 3](#)).

Exhibit 3

The council has six priorities as set out in the community plan

Community plan priorities	Core values
<ul style="list-style-type: none">◆ Improving opportunities.◆ Eliminating poverty.◆ Improving health.◆ Improving community learning.◆ Improving the environment.◆ Improving community safety.	<ul style="list-style-type: none">◆ Quality local services.◆ Equality of opportunity and treatment.◆ Access to services on an equal basis.◆ Partnership working to deliver more effective, joined up services.

Source: East Ayrshire Council

23. The vision within the community plan spans a period up until 2015, but is subject to review every four years. Supported by the partnership's guiding principles, the six priorities within the plan are translated into strategic objectives as shown in [Exhibit 4](#) (page 13), and are monitored annually and subject to mid-term review to ensure they remain relevant to the needs of communities. For each priority area, the community planning partnership produces targeted four-year thematic action plans to show how these objectives will be delivered. It assigns lead officers to oversee the delivery of each plan and reports on performance annually. The connection between the thematic action plans and other elements of the corporate performance management system, such as operational service plans, could be strengthened to ensure that community planning objectives are fully integrated into mainstream service provision, and to be more explicit which parts of the council have responsibility for delivering the strategic objectives.

Leadership and culture

The elected members and senior managers provide strong and effective leadership that is focused on delivering improvements for East Ayrshire and on celebrating success. The council is building modern, accessible services through a dynamic approach and a positive culture, but it needs to ensure that constructive challenge and discussion of the things that need to get better are encouraged.

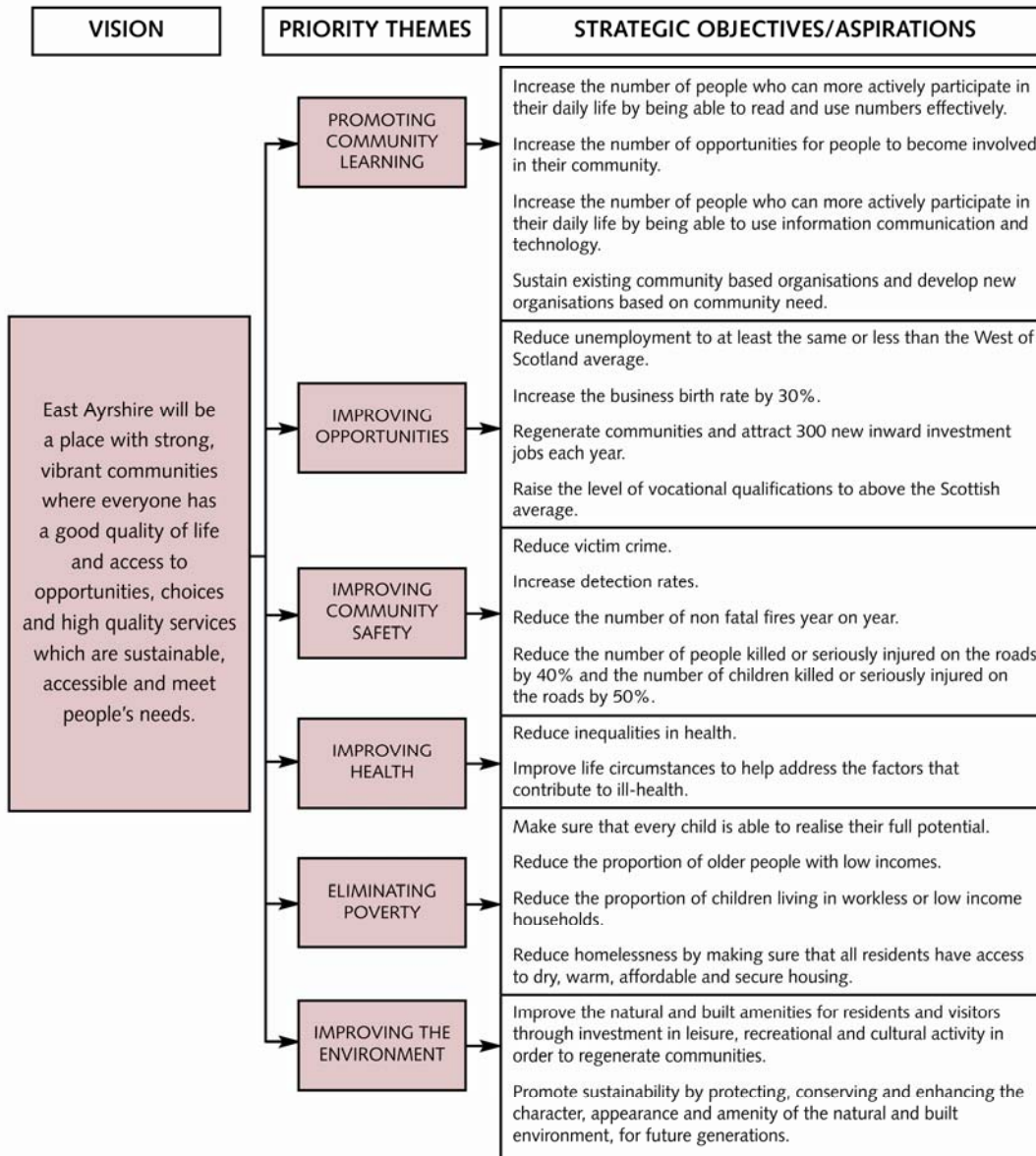
24. The council's focus on delivering its vision for East Ayrshire is underpinned by committed elected members and strong leadership at senior management level, features that are widely recognised by staff and community planning partners. This level of commitment is reflected throughout the organisation, in the delivery of innovative projects aligned to community plan themes and in staff awareness of the needs of communities when delivering services. Council staff and community

partners spoke positively about the council's 'can do' approach and staff are upbeat about working for the council and feel encouraged to contribute to developments.

25. Elected members are strongly committed to the strategic direction of the community plan and the shared vision with their partners. This is reflected in their decision to adopt the community plan to deliver their commitments to local communities. A small number of elected members have a strategic involvement in partnership forums, including the Community Health Partnership, the Community Safety Forum, the Community Planning Partnership and the Community Planning Partnership Board. The leader of the council chairs the Community Planning Core Partners Group. Elected members generally have limited involvement in the community planning partnership's day-to-day workings. However, the Policy and Resources Committee receives a wide range of community planning policy papers on a regular basis, and elected members of the council have the opportunity to scrutinise the progress of the community plan through various project reports and annual reviews. Members need to ensure that limited day-to-day involvement in the partnership does not prevent their proper engagement in the community planning process in future.

Exhibit 4

Community plan thematic objectives



Source: East Ayrshire Council

26. The chief executive and the CMT provide strong leadership, at both strategic and operational level. Since taking up post in April 2004, the chief executive has changed the focus of the CMT to deal with more corporate issues and those of most strategic importance. Issues that require a change in policy direction or have wider implications for the council are discussed by the CMT prior to committee consideration.
27. The chief executive has established an Extended Management Team (EMT) that meets quarterly and involves all chief officers. Its purpose is to improve lines of communication between the CMT and

other senior management and to ensure that all chief officers are involved in delivering the council's vision. The CMT, supported by the EMT, demonstrates effective leadership from the centre of the council on corporate development and the management of strategic direction and change.

28. Relations between members and officers in the council are good. Elected members provide overall broad strategic direction, but are content to leave a considerable degree of the council's business to senior management. Chairs of service committees work closely with officers in bringing issues to committee. Both members and officers are comfortable with these arrangements. There are mechanisms within the council that provide elected members with the opportunity to constructively challenge and scrutinise, but there is scope for more open and systematic scrutiny of officers and a more regular challenge on performance. This is an important element of the member's role in best value. The council recognises the need to build on the scrutiny arrangements currently in place, with particular emphasis on maximising challenge and strengthening scrutiny.
29. The council aims to be the 'best in class', and its culture is one of delivering its objectives and celebrating success. This positive culture is driven by strong managerial leadership and contributes much to the council's achievements. However, it is important in sustaining an effective improvement culture to remain open to challenge and to discussing areas in need of improvement. The council has a considerable degree of self-awareness, but there is room for improvement; for example, there are signs that members are much more aware of the positives than of the areas that need to improve. As it works towards the next level of development in best value, East Ayrshire will progress more effectively by continuing to develop an open and transparent approach to challenge and discussion of weaker performing areas.
30. Access to council services has been a key focus for the council's decentralisation strategy, 'Putting the Community First'. This strategy includes a commitment to ensure that every community has direct access to council services. East Ayrshire has been at the forefront of the drive to join up council services with other public services from a single point of delivery within local communities, and it is committed to further extending this model of integrated service provision. The commitment to co-located premises is having realisable benefits for customers, such as through the interaction between social work community care and general practitioners in the health service. The council is also working closely with the other two Ayrshire authorities in seeking to maximise efficiency in local government through sharing services and improving integrated working.
31. The Dalmellington area centre is an excellent example of integrated working. The award-winning centre provides residents of the Doon Valley with a single point of access to a very wide and comprehensive range of public services, including council, health and police. The facility also incorporates small-scale industrial starter units and a Business Technology and Training Centre. While co-location projects are not unique, this centre is designed to ensure daily interaction between

staff from each of the agencies in supporting users and there is evidence that this is providing both higher quality and more joined up services for customers.

Engaging with the community

The council has been successful in involving people in setting its strategic direction and keeping communities and individuals informed about its actions. It plans to build on its achievements by making engagement more systematic and more integral to driving improvements in service quality.

32. The council makes genuine attempts to engage with its customers and its communities to deliver services that meet their needs and aspirations. It consults on specific service issues and a range of broader methods is also used.
33. Community representatives work within the council's decision-making capacity through seven local area committees, which deal with issues affecting specific geographic locations. These committees include a 15-minute 'Open to Question' session at the start of each meeting to allow any members of the community to come along and put questions to members of the committee. These questions are referred to the appropriate service for a response, and the subject areas are collated and analysed for any trends.
34. Twelve community representatives, eight nominated from the two federations of community groups and four from the wider community, are involved in the community planning process as members of the Community Planning Board. The board shares information and endorses reports rather than determining future actions, although this is being considered as part of its four-year review. Two community representatives from the board are also members of the Community Planning Core Group, which is the main forum for setting the strategic direction of the partnership.
35. Communities are periodically consulted on a range of community planning issues, such as the development of the Regeneration Outcome Agreement. Community representatives report that community planning is making a difference to services and that there has been an increase in community activity. They also feel that community planning has given them more input to the government of their area, and access to appropriate facilities and technology to allow them to be effectively involved and represent their interests.
36. Although the council already demonstrates a strong commitment to engaging with the public, it can build further on this. For example, it is in the process of strengthening its overall approach to community engagement through the community planning partnership with the establishment of a Residents Panel. It will also ensure that consultation exercises are more systematic, building more effective links with service and operational planning, and giving a higher profile to responsiveness in the annual performance reviews of executive directors. Consultation findings are important elements in identifying areas for improvement.

37. As part of the four-year review of the community plan, the council is working with communities to determine whether there would be any advantage in establishing local community or neighbourhood plans. A development of this nature may have the potential to increase community engagement and make the community planning process more responsive to localised needs and aspirations.

Accountability

The council produces well-presented and readable performance reports, but like many councils, it needs to be more balanced in what it reports to the public.

38. The council makes information about its achievements and performance available to staff and the public through a range of readable and informative publications. This includes *Headlines*, the council's public magazine and *Eastwords*, the staff magazine. East Ayrshire also has a very good website that has a wide range of information, including SPIs and a range of committee reports, including those from local committees and community councils.
39. An annual council-wide performance report *Delivering our Promises* is distributed to all households as part of an edition of the council magazine *Headlines*. This performance report is linked to the community plan priorities, and highlights achievements and progress. The 2005 edition contained detailed and accessible information about educational attainment and financial performance.
40. There are areas where the council can develop its performance reporting in line with statutory guidance by including:
- more coverage of service standards and performance
 - more about areas of performance that need to improve, and more trend and comparative information
 - customer satisfaction information and performance against customer first commitments
 - the issues arising from EFQM assessments and best value review exercises.
41. The council's website is an effective communication tool, although performance information could be more accessible. Much of the material available at service level, while relating in some way to performance (eg Educational and Social Services Standards & Quality Report), is in the form of traditional departmental publications.
42. The annual Directors' Performance Review process generates more comprehensive performance information. The reports produced for the chief executive by these reviews are not designed for reporting performance to elected members or the public, but the material they contain is an important source of information for these audiences. The council recognises this issue and plans to make relevant information from the reviews more widely accessible in future.

43. Each community planning theme group submits very good annual performance reports to the Policy and Resources committee. These highlight significant achievements as well as some information on what has not been so successful. More detailed reports on progress against theme group action plans are also submitted to the committee as background papers. These have a consistent format, attempt to describe outcomes as well as output information and include future targets, although on some occasions these are not quantified or are difficult to measure. eg '*Quadruple no. of cycling trips*' against action to '*construct 18km of cycle routes*'. The links between these performance reports and the council's other performance information could be improved.

44. The council is currently reviewing its existing performance reporting arrangements, including public reporting, to reflect statutory guidance and it plans to develop its current arrangements in consultation with service users to ensure that performance information meets their needs. There is significant scope for the council to respond to the broad statutory guidance that has been in place since February 2005, particularly with regard to reporting about particular services and to specific audiences.

Part 2: Is the council organised to deliver continuous improvement?

East Ayrshire Council has been enthusiastic in establishing systems and processes for best value, including scrutiny, performance management and customer care. It has sound management of its finances and can demonstrate significant levels of customer and employee satisfaction.

The pace of development has increased since 2004, and it would now benefit from consolidation and streamlining of the systems in place. Better links between key procedures, wider use of benchmarking, and more crosscutting reviews would all help to ensure that the council's management arrangements result in improved performance and best value at customer level.

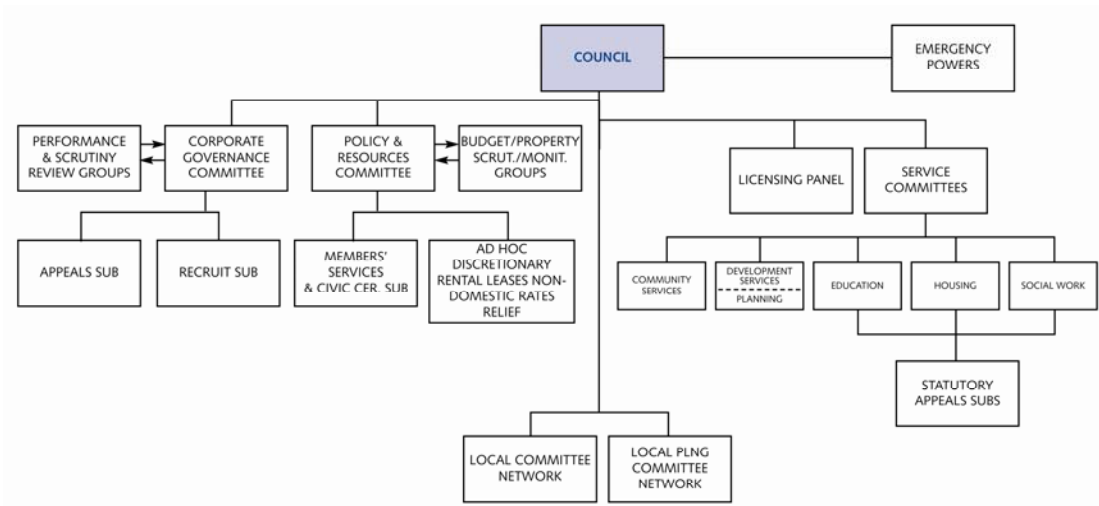
Decision-making and scrutiny

The council has a range of structures for decision-making and the scrutiny of council business. The effectiveness of some of these structures can be improved to provide greater challenge and more focus on increasing service quality. The council is actively preparing for changes it expects following the 2007 local authority elections.

45. Council business is conducted through a traditional committee system, with service committees expected to provide the main element of scrutiny for policy implementation and service performance. The Policy and Resources Committee, which includes all service committee Chairs, provides a corporate monitoring and review role over the council's work and post implementation scrutiny of corporate policies. The council's committee structure is outlined in [Exhibit 5](#).
46. The SNP forms the Opposition. While there is significant political debate in the council, the Administration and Opposition groups work together in a mature and sensible way. Officers and elected members of the council work well together and there is a high degree of trust from members and responsiveness by officers. However, information for members in committee papers could be improved in some cases. Elected members would value the presentation of information that is more consistently presented in an effective and easily understandable manner. Improvement plans at service level in some departments have identified this issue for action, and there is an important role for the CMT to play in ensuring minimum standards for committee processes.

Exhibit 5

East Ayrshire committee structure



Source: East Ayrshire Council

47. As well as the scrutiny work of service committees and the Policy and Resources Committee, the Corporate Governance Committee is responsible for scrutinising policy decisions, coordinating reports from scrutiny groups and, where appropriate, making recommendations to the council. These two formal committees have a number of less formal member/officer groups focusing on specific issues as outlined below:

- **The Budget Scrutiny Group:** continually reviews and monitors the budgets of departments and trading operations, making recommendations on its findings to the appropriate service committees and to the policy and resources committee.
- **The Risk and Audit Scrutiny Group:** provides a mechanism for the scrutiny of control and risk issues, including monitoring and review of the implementation of external audit recommendations.
- **The Performance Review Group:** meets periodically to analyse the council's Best Value Review arrangements to ensure consistency, efficiency, continued relevance and the delivery of improvements.
- **The Chairs' Monitoring Group:** assesses the implementation of the council's conditions of services and other employment matters, including levels of absenteeism and overtime working, single status issues and staffing levels.

48. Of these, the Risk and Audit Scrutiny Group and Performance Review Group have been in place for only a year and are still developing, so there is scope for them to improve their ability to challenge on

relevant issues. The council recognises this and has identified in its improvement plan the need to strengthen the degree of challenge for services from all its existing scrutiny mechanisms.

49. The council also recognises the need for elected member development. There is some member training, but this could be done in a more systematic manner. It has not been formally monitored or recorded, and members have not received formal training on some key issues such as equalities. To improve the situation, the council has established an elected member Training Forum. This is addressing personal development for members in a more systematic way by looking at all the key competencies that councillors need and how these can be developed as part of the council's preparations for the outcome of the next elections in 2007.
50. The introduction of proportional representation and multi-member wards is expected to require changes in political and management structures and the council is starting to plan for this.

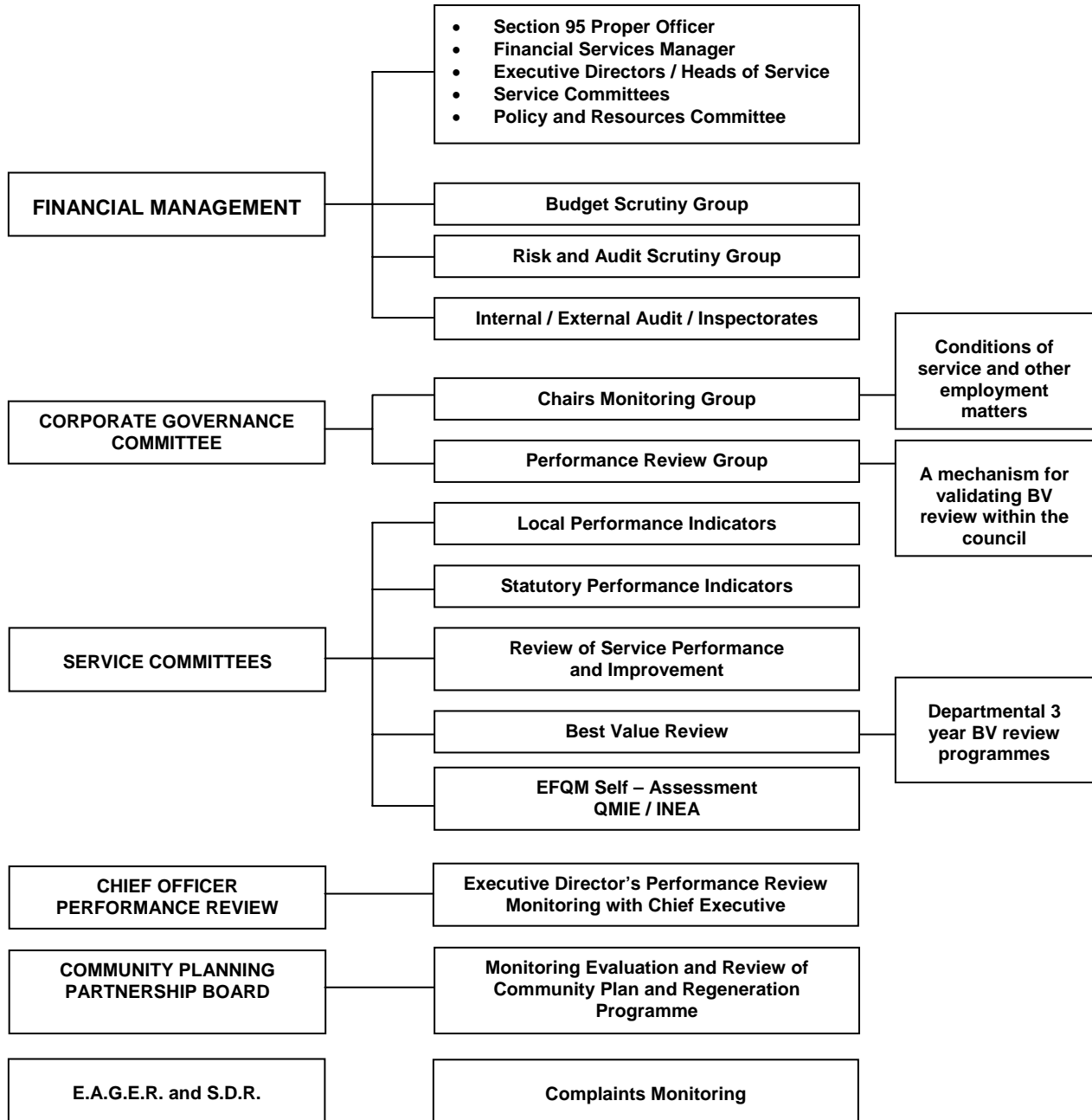
Performance management

The council's system for measuring and monitoring its business is based on many sound elements of performance management. The council recognises the need to consolidate and streamline its approach, and this should result in more consistent links between the different parts of the system and improved scrutiny of performance by members.

51. East Ayrshire Council has put considerable energy into building a performance management framework which covers many of the essential elements required for best value, including diagnosis, measurement, comparison, review, reporting and action planning. The EFQM Business Excellence Model is an important tool for the council in identifying areas for improvement and has been in place since 1997. It is used to generate annual EFQM continuous improvement plans that are used to inform best value reviews.
52. The council's own summary of its performance management framework ([Exhibit 6](#)) illustrates the wide range of procedures it contains. This reflects the amount of activity that has been applied to this area, particularly since the chief executive took up the appointment in April 2004 and identified performance improvement as a personal priority. The council recognises that there is now a need for some consolidation and streamlining to ensure the efficiency and effectiveness of the system and the consistency of links between the various elements.

Exhibit 6

Summary of performance management framework



Source: Summary of Performance Management Framework, East Ayrshire Council

53. Service planning is a key process in best value and in performance management. For East Ayrshire, this involves the production of plans at individual business unit level. There are 21 units across the four directorates. The council has allowed flexibility in the approach taken by business units and as a result the plans vary in format, content and timescale.

54. The exercise to consolidate and streamline the performance management system in the council is an opportunity to address a number of issues in the arrangements for service planning. These include:
- improving the degree to which success measures and targets are embedded
 - making explicit links to financial and other resource dimensions
 - clarifying connections between service planning and performance on community plan actions
 - increasing the analysis of comparative information so that the potential for improvement is clear in the planning process.
55. These improvements would also contribute to strengthening scrutiny by members and ensuring that strategic analysis is translated into service delivery and improvement, although developments in performance reporting are also needed. Currently, each service determines what, how and when it reports to committee and to the public. Most performance reporting is based mainly on SPIs, and it would benefit from more comparisons with other councils together with a narrative exploring areas where improvement can be achieved. Members receive considerable amounts of information about performance from a variety of sources, but it would be better if this was consolidated into simpler reports, based on meaningful groups of service activity cross-referenced to policy objectives.
56. The developments in performance management introduced by the chief executive following her appointment in 2004 included the Directors' Performance Review system. In effect, this brings together all the improvement actions required within the service responsibilities of each executive director. It provides a good summary of the key issues and priorities that need to be addressed, a reporting system to monitor progress and a means through which the chief executive can control and navigate the performance of the council. It is essentially a tool used by the CEO and CMT, although executive directors do use the system to engage with their senior managers on performance. There is scope for this approach to be developed and improved, for example through more reference to what is known about customer concerns, and through better links with service planning. The review system also offers a good route to improved reporting to elected members and raw material for developments in Public Performance Reporting (PPR).
57. Until recently, there was no systematic assessment of competence for senior management. An additional element could be built into the directors' review system that would monitor personal performance development around key leadership and management skills and competencies. Integration of these factors with the consideration of service performance would make direct links between department results and the contributions of individual directors. A performance appraisal scheme has recently been launched by the council for the chief executive, with a view to rolling this out to chief officers.

58. The council is planning further developments in its performance management arrangements. The chief executive has highlighted a number of specific priority areas, including:
- integrating service and budget planning processes
 - linking customer feedback to improvement and public performance reporting
 - improving management information on staffing resources and staff views
 - introducing personal development and appraisal for directors
 - increasing the use of comparative analysis.
 - standardising performance reporting across the council through an annual consolidated system.

Review and challenge

A regular programme of best value reviews is carried out in line with corporate guidance, and in some cases these include independent challenge. The council would benefit from adopting more crosscutting or thematic reviews, and more extensive use of benchmarking across the organisation.

59. The council carries out a programme of best value reviews covering all service areas. Its reviews are systematic and follow corporate guidance that is clear and detailed. Some reviews have also involved 'critical friends' to provide objective challenge within the review process; for example, the leisure services review completed in February 2006 involved two external consultants.
60. The council designs its programme of reviews around existing service structures, although it has carried out some thematic reviews. Given the council's focus on community planning and integrated working, the review programme would benefit from being more influenced by community plan priorities or cross-cutting themes, as well as areas in need of improved performance, the views of customers, financial pressures and other external influences. Similarly, the option appraisal criteria in the review guidance could be further developed to relate more clearly to community plan priorities.
61. The standard of the reviews varies and the current corporate monitoring of the rigour of the challenge and option appraisal processes prior to reporting to CMT or committee could be strengthened. In some cases reviews involve significant amounts of staff input, and it is important to ensure that the improvements resulting from reviews are proportionate to that investment.
62. Reviews result in recommendations for improvements to the quality of existing services and a large number result in bids for additional resources. Under best value, fundamental review is an effective tool to drive efficiency or to free up resources for priority activities. The council aims to generate significant annual efficiencies and there is scope for review processes to make a greater contribution across the board in helping deliver against council targets and corporate priorities.

63. All reviews attempt to compare services using benchmarking information but with differing degrees of effectiveness. There is limited evidence of systematic benchmarking taking place outwith the formal review process. Where it does take place, the findings from benchmarking are not always reflected in actions in service improvement plans.
64. There is evidence of other comparison taking place but this tends to centre around SPIs or statutory returns with limited groupings, for example, the other Ayrshire councils or East Ayrshire's family group. The council intends to increase the amount of benchmarking analysis included in the Directors' Performance Review system and there is scope to extend this further to improve services in East Ayrshire. The council clearly recognises this issue, as many EFQM assessments in departments identify the lack of benchmarking information as an area for improvement.

Managing risk

The council recognises the increasing importance of managing risk. It can demonstrate positive progress in its approach, and its work to improve data and consistency across departments will build on this further.

65. The council has taken positive steps to improve its risk management arrangements. This is demonstrated through a broadening in its risk management priorities from insurance risks to business risks, such as single status and community planning. It has supported this by establishing departmental registers and a corporate risk register. Risk management has been driven through the creation of a risk management strategy and through ownership by the council's CMT, where the corporate register is monitored and discussed regularly. The development of audit trails to explain changes in the risk register should continue to improve arrangements.
66. Previous work by the council's external auditor identified that departmental risks registers varied in quality and format, which makes risk management more difficult. The council recognises that there is a need for greater clarity and clearer reporting arrangements to ensure that risks identified at departmental level are escalated to the corporate register. It also plans to demonstrate to members how the corporate risks identified are linked to actions to monitor and minimise risks. Risk management arrangements will be further strengthened by the planned introduction of an electronic risk management database to record risks, mitigating controls and responsible officers.

Using resources effectively

Managing finance

The council demonstrates effective financial stewardship. There is scope to improve the way that resources are aligned to the community plan and other priorities. A recently launched review is expected to address these issues.

67. The council has improved its financial management across the organisation during the last few years, and local auditors have consistently issued clear audit certificates on its annual accounts. It has adopted a three-year budget setting process to improve its approach to financial planning for services. This also includes business plans to cost its trading operations over a three-year period. Policy and spending priorities are reviewed on an annual basis and updated where required.
68. The council's financial planning approach follows an incremental process of change based on previous year's expenditure, with a fundamental review at the start of each three-year cycle. The council has established capital planning mechanisms in accordance with the prudential code, including Prudential Indicators, a Capital Plan and a Capital Monitoring Group.
69. East Ayrshire is working towards the integration of its financial and service planning processes. This exercise will be underpinned by a fundamental review of the council's spending, which will look at its share of central government funding, spending comparisons with other councils, and the scope for redistribution of existing resources towards council priorities and front line services. The review is expected to last some 18 months, informing the next four budget cycles.
70. There is a sound budgetary control system in place. Within the overall framework of three-year budgeting, departments prepare annual bids based on community plan priorities. This process is overseen by the CMT and elected members. Budgetary monitoring reports are submitted to the Budget Scrutiny Group five times during the year, providing information on current spending, anticipated under or over-spends, and recommended action where needed. Budget monitoring is also carried out by service committees and within departments.
71. The council also demonstrates effective financial stewardship of its financial support to organisations that deliver services on its behalf. This is highlighted in Audit Scotland's recent *Following the Public Pound* report, where East Ayrshire was assessed as being among the councils with the highest level of compliance with the COSLA/Accounts Commission Code of Guidance on funding external partners.

Managing people

The council demonstrates a clear commitment to a positive and supportive culture for its employees, although action has been needed recently to strengthen performance review and development arrangements for staff. The council implements strategies to monitor and control staffing numbers and skills, but needs to develop a more robust approach to longer-term corporate-wide workforce planning.

72. The council demonstrates a clear commitment towards its employees and has developed a positive and supportive working culture. This is reflected in its range of work-life balance initiatives including career break opportunities, home-working, flexible working and support for learning activities such as participation in evening classes; an Employee Excellence Award initiative with a high corporate profile; senior commitment to Health and Safety by the CEO chairing the corporate Health & Safety Strategy Group; a well produced staff magazine; Scotland's Health at Work (SHAW) Gold Award achieved in 2003; and the council's piloting of the Health and Safety Executive's Stress Management Standard and implementation of initiatives to address absence due to stress.
73. A recent independent staff survey has shown a high level of morale among staff. Almost 77 per cent expressed satisfaction with their employer, although only 47.3 per cent of respondents reported routine use of the General Employee Review system 'EAGER' and 57.7 per cent believe that they could perform better at work if they had access to more relevant training and development. The council has responded constructively to the survey results by establishing focus groups to develop action plans on training and development, values and visions of the organisation, employee communications, first-line management and supervision.
74. The EAGER system appraises individual performance development well, but it would benefit from additional elements that monitor the competencies of staff, particularly the leadership and managerial qualities of senior managers. These are now being planned. An approach for appraisal of the chief executive has recently been launched, within which a level of external challenge will be provided through The Society of Local Authority Chief Executives (SoLACE). The council also runs a management development programme to support future senior staff.
75. During 2004/05, average staff absence within the council was below the national average for 'craft employees' (4.5 per cent compared to the national average of 5.9 per cent) and teachers (3.3 per cent compared to the national average of 3.7 per cent). Staff absence among chief officers and other APT&C staff was 6.1 per cent, above the national average of 5.5 per cent, but this was influenced by some long-term absenteeism. The council reports an improving trend in all staffing groups for 2005/06, with craft employee absence reducing to 4.2 per cent, teachers' absence down to 2.9 per cent, and that for chief officers and other APT&C staff down to 5.5 per cent.
76. The council has a number of formal arrangements in place which monitor and control staffing issues across the organisation, including:

- a Vacancy Review Group, which provides challenge to proposals to recruit to vacant posts
- CMT reviews of absence, staffing numbers and costs that are reported to appropriate committees
- an agreed redeployment policy.

77. Workforce planning and employee management are undertaken mainly at departmental level. However, departmental assessments. However do not offer an organisation-wide view of the capacity, structure and skills mix required to meet longer-term objectives and how to achieve this. As such, the council should consider developing a structured approach to corporate wide workforce planning and management that builds on the systems and reporting mechanisms already in place.

Procurement

The council is developing and improving its procurement arrangements, including more effective use of e-procurement and more disciplined consortia purchasing.

78. In 2004, the council approved a corporate procurement strategy and established a dedicated procurement unit to better coordinate procurement across the organisation and generate better value from its expenditure on goods and services.
79. To improve its effectiveness, the procurement unit is currently working towards more centralised and consolidated procurement. This is supported by a corporate Procurement Working Group, led by the deputy chief executive, which takes a strategic view on procurement initiatives and provides a mechanism for identifying and resolving potential procurement problems. The council has made progress in centralising and consolidating procurement; it needs to further improve its information about expenditure across all areas of the organisation if it is to become more effective in achieving cost reductions. The council has recognised this within its improvement plan.
80. The council has appointed a procurement officer with a specific remit to implement a council-wide electronic procurement solution and a scoping and readiness assessment. The assessment recommended that the council implement the 'eProcurement Scotl@nd' service for an initial set of services and selected suppliers, followed by a phased roll-out to other services and parts of the council. This proposal is in line with the recommendations of the *McClelland Report* recently published by the Scottish Executive.
81. The council is a member of the Authorities Buying Consortium (ABC) but purchasing through this accounts for only 15 to 20 per cent of its procurement expenditure. The council recognises there is scope to increase the level of expenditure directed through ABC and other joint purchasing arrangements, where these will achieve best value.

82. The council also engages in joint procurement with its partners, for example, through partnership centres in Dalmellington and Drongan; through its area waste strategy with North and South Ayrshire Councils; and in joint commissioning between social work and the health service.

Asset management

Asset management is an area that the council needs to continue to develop further and this is recognised in its improvement plans.

83. The council inherited a limited asset base when it was created, but has taken little action to address its asset management requirements in a strategic manner. Local external auditors have highlighted the issue for some time, but the council only agreed a strategy for asset management in 2005. The strategy is consistent with CIPFA best practice guidance. Its initial focus has been on office accommodation; in due course the strategy is expected to ensure that all council assets are directed towards council objectives, as described in best value guidance.
84. The council has an action plan to support its strategy, and many of the targets have mid-2007 implementation dates. This is ambitious and a significant effort will be needed to achieve it. The main emphasis, recently, has been on establishing an effective management information system for asset management and the council recognises the need for this to be properly maintained if it is to be a useful management tool.

Information technology

East Ayrshire Council has invested well in information and communications technologies, exploiting new developments to support change and customer service. It has an excellent website and is advanced in electronic service delivery.

85. Information and Communications Technology (ICT) has been an area of significant investment by East Ayrshire Council, as it did not inherit established systems on its creation in 1996. The council is seeking improved value for money from its ICT investments and reductions in on going costs through the use of the Internet for voice calls and radio signals for data calls. The council is also using information technology innovatively to improve the services provided through local offices, with the introduction of the Customer Contact Gateway (CCG) and the Distributed Contact Centre (DCC) initiatives and through its website.
86. The CCG developed using the Scottish Executive's Modernising Government Fund and launched in September 2005, allows local office staff to deal more effectively with customer enquiries at the first point of contact by providing them with direct access to data held in the councils core systems such as rents, benefits and council tax. The CCG, which has processed some 25,000 transactions to date, is still being developed to further extend the services and benefits available to customers and staff.

87. The DCC provides better management of customer telephone calls by allowing them to contact the council via a single telephone number. As a result of the CCG being in place, calls to this single number can be dealt with at any local office. This allows customers the most convenient way of contacting the council either by phone or in person.
88. The council has made excellent progress in terms of electronic service delivery, and it fully complies with Scottish Executive requirements in the provision of information, one-way transactions and two-way transactions for the 46 National Priority Services.
89. The council's website, which is rated by SOCITM to be among the best in Scotland, provides the public with a wide range of useful information and also allows them to access services online. At the time of this audit it is one of only three Scottish council websites with transactional capability, and one of only two councils to provide customers with secure access to enable them to carry out online transactions. So far 115 customers have signed up to a secure customer account. The council is committed to further increasing the range of services provided via the website.

Customer care

East Ayrshire Council is clearly committed to improving customer service and is expanding new approaches to service access through local offices, multi-agency premises and the Internet. Feedback from customers needs to be more closely linked to service improvements at department level.

90. The council has set out clear customer service standards in its recently introduced Customer First Service Commitment. This has been widely promoted and features in staff induction and training programmes, and the council plans to monitor performance regularly against its service standards.
91. In conjunction with community planning partners, the council is putting in place mechanisms for obtaining customer feedback on services, including residents' surveys, first conducted in 2005, and a biannual residents' panel. The 2005 survey revealed 72 per cent of customers are very or fairly satisfied with their 'treatment' by community planning partners. Services with the highest levels of satisfaction include street lighting, recycling and refuse collection. Services with the highest levels of dissatisfaction include: dog fouling, youth clubs/groups/services and parks/play parks/open spaces were among the. This information provides an opportunity for joint action to tackle key issues.
92. The council is also gathering data from departmental satisfaction surveys and customer contact data with a view to developing measurable targets for customer service. Departments need to ensure this information is integrated in to their performance frameworks and that trends are monitored corporately to identify any council-wide improvements.
93. To provide easy access to services, the council has established a network of 19 local offices across its key communities for handling customer enquiries and processing payments. Some of these offices,

including Dalmellington, Drongan, Rankinston, and North West Kilmarnock (when completed), provide a single point of access to services from a range of public agencies. To ensure local offices continue to meet the needs of customers, the council monitors their performance annually through customer surveys. Responses to the surveys are extremely positive, with the latest survey in November 2005 showing over 98 per cent satisfaction in relation to helpfulness, knowledge and speed of service as well as for the location and cleanliness of offices. The council recognises the need to continually review levels of provision through local offices in light of usage, budgetary pressures and the availability of services either nearby or through alternative means. A recent review has led to closure of one local office and the introduction of part time hours in others. The public's response to this was reflected in the customer survey, with satisfaction on opening hours dropping from 96 per cent in 2004 to 88 per cent in 2005. The council considered this to be an acceptable result given when balanced against the other benefits achieved by the review.

94. Complaints are an important source of customer feedback. The council has a clear and accessible complaints procedure from which reports are submitted quarterly to corporate management team and annually to corporate governance committee. However, the council's ability to use complaints reports as an effective scrutiny/improvement tool is limited by the fact that complaints that challenge the council's policy decisions and low-level complaints dealt with immediately are not recorded or reported. Elected members' ability to assess complaints would be enhanced by the annual report on complaints containing information on trends, themes, the type of action taken and type of improvements introduced. More generally, complaints handling at department level needs to be used more clearly to inform service improvements. The council is committed to reviewing these arrangements within the Customer First Service programme.

Equal opportunities

The council is committed to providing equality of opportunity for staff and service users. The introduction of more effective monitoring systems will improve its ability to demonstrate the impact of its actions on equality issues.

95. East Ayrshire Council is committed to providing equality of opportunity and services that are accessible for all its communities. Its commitment is stated at the highest policy level, where the desire 'to strive for a society based on equality and equal opportunities' is one of the council's core values and is included in the community plan.
96. Equality of opportunity is an important feature of the council's Customer First Service Commitment. This identifies the range of ways in which it can provide access to information and services for people with particular needs, including people with visual and hearing impairment and those that need interpretation and translation services.

97. The council's approach to equal opportunities is informed by its Equalities Strategy. To ensure the actions that flow from the strategy remain relevant, it has established consultation arrangements with a range of equalities groups, including an Ethnic Minorities Forum, a Disability Forum and a Women's Forum. These groups are also consulted about key issues in relation to community planning.
98. The council recognises the importance of the role that its employees play in supporting individuals and groups within diverse communities and in responding to the particular needs and requirements of minority groups. It is committed to continuing personal development for its employees in relation to diversity and equalities issues. Diversity and equalities training is delivered to staff at all levels and is specifically included in training for corporate induction, discipline and grievance, selection and recruitment, customer care and other courses. The council's Management Development Programme, which is accredited through the Institute of Leadership and Management, contains specific modules on the management of diversity and equality in the workplace.
99. In May 2004, the council introduced an equal opportunities code for training events to ensure that training and development staff always challenge racist, sexist or other discriminatory behaviour by course participants, and are seen to demonstrate appropriate behaviour themselves.
100. Like other Scottish councils, East Ayrshire is in the process of implementing the single status agreement to harmonise the employment terms and conditions of former APT&C staff and manual workers. At May 2006, the council was continuing to working closely with the trade unions with a view to agreeing and implementing single status in September 2006. In relation to equal pay claims, the council has offered 1,587 employees compensation and at April 2006, 1,542 offers had been accepted, representing an acceptance rate of 97 per cent.
101. At the end of 2004/05, only 26.6 per cent of East Ayrshire Council's public service buildings were suitable and accessible to disabled people, compared with a national average of 37.4 per cent. The council's data for 2005/06 show that this increased to 41 per cent over the year. The council is committed to improving its performance on this and its other duties under the Disability Discrimination Act 1995 (DDA). Access for disabled people is monitored and regularly discussed at the CMT, but there is scope for more action on this issue. The council's Asset Management arrangements have been under-developed for some time, although a new strategy was agreed in 2005. Work is under way to address these issues and develop a more substantial response to the need to improve access for disabled people.
102. The council has taken a number of positive steps to promote race equality:
- Through the Race Equality Partnership with North and South Ayrshire Councils, it carried out a needs assessment survey of Black and Minority Ethnic (BME) communities in 2005 with support from the Commission for Racial Equality and the Scottish Executive.

- Within its Adult Literacy and Numeracy plan it has targeted support to individuals from BME communities, particularly Asian women, to improve both their native language literacy skills as well as their English language.
- The council uses 'Chloe', its virtual website assistant, to enhance online communication in minority languages. Chloe communicates details in Cantonese about KULOC, a Chinese Community Association with more than 200 members that provides support and assistance to improve the lives of Chinese people throughout the area.

103. An Ethnic Minorities Forum has been established by the council, which includes members and officers of the council, members of ethnic minority communities and community planning representatives in East Ayrshire. This forum allows for an exchange of views and helps the council to monitor its performance in promoting race equality.

104. In line with its legislative duty, the council has adopted a Race Equality Scheme (RES) for 2005-08. Councils are required to monitor the impact of their main areas of their service delivery and publish the results annually. The council has clear monitoring information only in relation to staff recruitment; other monitoring is devolved to services. Although services provide annual updates to service committees on whether they have met their statutory duty, these are not supported by clear monitoring information on impact.

105. East Ayrshire demonstrates clear policy commitments and examples of positive action on equal opportunities but, in common with many councils, it recognises that these issues are not yet mainstreamed across the organisation. They are not embedded in business planning processes or the performance management system, and they are not explicitly considered within best value reviews. Because the Equalities Strategy operates at a high level, it does not have a clear action plan and the monitoring framework is limited. The council needs to be more systematic in identifying, collecting, monitoring and reporting relevant information about equal opportunities outcomes for its residents and about compliance with its legislative duties. The council has recently established an Equalities Strategy Group, chaired by the chief executive, to identify what it needs to do in order to meet its new duties in relation to disability and gender.

Sustainable development

The council can demonstrate a commitment to the principles of sustainable development and it is active in a range of projects that have made progress in distinct areas. It is implementing plans for a council-wide strategy that will improve the approach to sustainability throughout the organisation.

106. Building sustainability is one of the guiding principles in the East Ayrshire community plan, and improving the environment is one of the six thematic action plans. The vision is that 'East Ayrshire will be a place with strong, vibrant communities where everyone has a good quality of life and access to

opportunities, choices and high quality services which are sustainable, accessible and meet people's needs.'

107. The council has a range of plans and strategies that contribute towards achieving its vision for sustainability in the broadest sense. In putting these into place it can point to a number of achievements:

- Energy management is high on the council's agenda in terms of both promoting sustainable development and delivering efficiency savings. A task force has been set up to discuss best practice and progress is monitored regularly by the CMT. Savings of around £244,000 were realised during 2005/06 and these are projected to increase in future years. In its improvement plans the council has identified the need to increase staff awareness and further implement a 'spend to save' programme in order to generate further energy efficiencies.
- The council recycled 18.7 per cent of municipal waste during 2004/05, marginally above the Scottish average of 17.6 per cent. It has now fully implemented its kerbside recycling service and the council's latest data indicate that its recycling rate has grown to around 33 per cent in 2005/06, above the government's target of 25 per cent.
- Over the last few years the council has made significant capital investment in flood prevention schemes to protect Crookedholm, Riccarton and Galston. This scheme has had a positive impact on the community and enhanced the environment.

108. The council is working with partners towards a clear vision of sustainability. It can demonstrate a number of successful projects across core services. The council has included action on sustainability in its improvement plan, highlighting the need to implement a sustainable development strategy and to better coordinate its approach to achieve better outcomes across all its services.

Exhibit 7

Food for life project – a contribution to sustainable development

Started in August 2004, the Food for Life Project aims to increase the 'vocabulary of food' by exposing children to wider range of food, influence diet and make health improvements. It has now been extended to 11 primary schools (of East Ayrshire's 46 primary and nine secondary schools). The council has introduced a number of curriculum initiatives to encourage the project eg health week and food tasting for parents and pupils. In addition, it is sourcing local organic produce for school meals.

The project has resulted in more than 90 per cent of food prepared for school meals being unprocessed and around 50 per cent being organic. In addition, 70 per cent of food for school meals is produced locally. This not only generates economic regeneration within the local economy, guaranteeing income for 40 weeks per year to local suppliers, but has also generated greater environmental sustainability; with the average distance food is travelling from source being reduced from 400 miles to 30 miles.

This project has been delivered for only an additional 20p per meal or an additional £30,000 per year for the 11 schools currently involved. Its success is demonstrated by an increase from 58 per cent to 68 per cent in the uptake of school meals in the pilot schools, in contrast to the national picture of falling school meal uptake. In addition, it not only brings a number of health benefits for children from areas suffering deprivation and health inequalities, but anecdotal evidence also suggests that it is having a positive impact on pupil behaviour. The success of this project has been highlighted by The Sustainable Development Commission and being the only Scottish winner in the Guardian Public Awards 2005.

Source: East Ayrshire Council

Joint working

Joint working is a clear strength of the council. It can point to examples of where joint working has clearly improved services for communities. The council also demonstrates effective cross-departmental working to deliver services focused on customers and communities.

109. The strength of the council's commitment to community planning has been described earlier in this report. It works with its partners to deliver the joint plans it has developed for each of its six community planning priorities. Partners report that the council is very well organised and structured with excellent support from the Community Planning Unit. The council recognises the need to be receptive to other partners' ideas and suggestions and respectful of differing agendas.

110. Communities can see tangible benefits as a result of community planning activity. These include public service co-location projects, such as the excellent Dalmellington area office, and other initiatives such as the Community Health Improvement Partnership (CHIP) van, outlined in [Exhibit 8](#).

Exhibit 8

CHIP van

East Ayrshire's CHIP adopts an effective approach to promoting the healthy living message. The CHIP van, a mobile healthy living centre, is targeted on 28 of the most deprived areas of East Ayrshire. The project's philosophy of 'Help Yourself to Health' is put into practice by providing a range of community focused services: a first point of contact for advice, information and sign-posting; referral to and from specialist health services and lifestyle agencies; and other practical services, such as, dietary advice, blood pressure and height and weight checks, full health MOTs, cooking skills, smoking cessation and physical activity sessions. The CHIP van also has full Internet access and a consultation room that can be closed off for one-to-one appointments.

The service is delivered by staff that have specialist knowledge in community development, exercise adherence, counselling and health improvement. The rural nature of the area makes the CHIP van the ideal 'vehicle' to promote health and wellbeing across East Ayrshire.

Source: East Ayrshire Council

111. Another dimension of joint working is that between council departments. A key strength of East Ayrshire Council is the extent to which service departments capitalise on opportunities to work together to design and deliver seamless services for customers. Effective joint working between departments is influenced by the role of the CMT and the council can point to many examples of projects, initiatives and ongoing services being delivered by departments working together. For example education and leisure services have developed a number of joint initiatives aimed at increasing physical activity among children and improving future health prospects ([Exhibit 9](#)).

Exhibit 9

The Activity Motivation Initiative – partnership action for healthy lifestyles

East Ayrshire Council's Activity Motivation Initiative, launched in 2003, takes an innovative approach to providing physical activity for primary school children, contributing to Health Promoting Schools and the Hungry for Success Initiative.

A joint project between education and leisure services, ten full-time 'Motivators' – experts in the fields of dance, health, play, learning disabilities and sport – provide activities after school, during weekends and holidays. The project is delivered in conjunction with two other leisure/sports development projects, the Recreation Partnership Project and Leisure United (projects funded by the Community Regeneration Fund and NHS Ayrshire and Arran). Independent evaluation by Glasgow Caledonian University found that the Activity Motivation Initiative has had a positive effect on participation rates for both boys and girls, helping to address concerns regarding low levels of physical activity among girls, and with an average of 14.7 hours of physical activity per week, children participating in the initiative were more than twice as active as the national target.

Source: East Ayrshire Council

112. Her Majesty's Inspectorate of Education (HMIE) has also highlighted the council's good collaborative working practices, commending both the education service generally and community support on integrated joint working in Learning Partnerships aimed of improving attainment.
113. Officers identify the council's approach of empowering staff through devolved decision-making and encouraging innovation as key factors in the council's success in joint working. In addition, the CMT is effective in identifying and following up on opportunities for integrating work. The council is building on its successes in joint working in a number of areas, including greater use of joint procurement to achieve efficiency savings.

Part 3: How do services perform?

The council is customer focused and has a clear commitment to improve services. The evidence available suggests good services in community care, housing, finance and education, although attainment levels in schools remain a challenge for the council. There are areas of weaker performance such as housing repairs and planning. Across the range of SPIs the council shows an overall trend of improvement, with a ratio of improvement against decline marginally better than the national average. However, performance in around a quarter of the council's indicators is still among the lowest in Scotland and in need of improvement.

The council demonstrates that it is responsive to identified weaknesses in performance with the range of (often innovative) initiatives it has in place and its development of improvement plans.

Statutory performance indicators

The council's performance shows an overall trend of improvement in recent years across the range of SPIs, but performance in around a quarter of the council's indicators is still among the lowest in Scotland and in need of improvement.

114. Audit Scotland publishes SPIs for each Scottish local authority. These do not give a comprehensive picture across all services or activities, but they give an indication of comparative performance across a range of services and the council uses the SPIs as the basis for reporting its performance to members.
115. For the SPIs where trend information exists, the council's performance improved by at least five per cent on 16 indicators over the two years between 2002/03 and 2004/05, while 11 indicators worsened by at least five per cent. This represents an overall trend of improvement marginally above the Scottish average ([Exhibit 10](#)).
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Exhibit 10

SPIs: Performance change between 2002/03 and 2004/05

	Measures that worsened by ...			Measure that improved by ...		
	> 15%	10–14%	5–9%	5–9%	10–14%	>15%
East Ayrshire	6	3	2	3	1	12
Scotland average	6	2	4	3	2	9

Source: Audit Scotland SPIs

116. However, performance in around a quarter of the indicators is still among the lowest in Scotland. Against the latest set of 79 SPIs reported in 2004/05, East Ayrshire was ranked in the upper quartile (eight or above out of 32 councils) on 19 measures, and in the lower quartile (25 or below) on 21.

Exhibit 11

2004/05 SPIs compared with Scottish councils: Number in each quartile by service area

	Upper quartile	Middle quartiles	Lower quartile	Unreliable
Adult Social Work	4	8	3	0
Benefits Administration	1	2	0	0
Children's Services	2	6	1	0
Corporate Management	3	4	4	0
Cultural and Community Services	3	2	4	0
Development Services	0	4	2	0
Housing	4	2	1	0
Protective Services	1	4	3	0
Roads & Lighting	0	4	1	0
Waste Management	1	3	2	0
<i>Total:</i>	<i>19</i>	<i>39</i>	<i>21</i>	<i>0</i>
<i>Percentage</i>	<i>24</i>	<i>49</i>	<i>27</i>	<i>0</i>

Source: Audit Scotland Statutory Performance Indicators

117. The areas in which the 2004/05 SPIs suggest the council is performing well include:

- numbers of qualified staff working in care homes and residential homes for children
- processing new benefits claims
- re-letting empty houses
- managing rent arrears
- flexible home care
- cost of collecting council tax
- response to supervision orders for children.

118. The areas in which the 2004/05 SPIs suggest the council is performing relatively poorly include:

- occupancy levels in primary schools
- refuse collection costs
- borrowing from libraries
- building warrants and completion certificates
- pest control services
- single rooms and en-suite facilities in residential care homes.

Educational and social services

119. In 2000, education and social work services were brought together into a single directorate to produce a streamlined structure with a reduced number of departmental heads. Since the creation of this

service there have been a number of reviews that have further refined and refocused the work and structures of its various business units.

Education

The education service has received positive inspection reports in the past for its schools and community learning and development services and it has demonstrated a positive response to recommendations for improvement. However, the service faces significant challenges in raising attainment levels, improving its school estate and managing its excess school capacity; it is responding to these issues in a positive and innovative way.

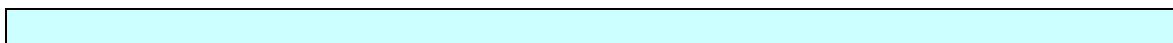
120. East Ayrshire Council delivers education services to around 20,000 children and young people through nine secondary schools, 46 primary schools, four special schools, 12 nursery schools, and with 14 partners for early-years provision. In delivering these services it employs around 1,185 full time equivalent (FTE) teaching staff and 563 FTE other staff (including early-years workers, family workers, classroom assistants and SEN auxiliaries). The service includes education, community learning and development and onsite services, which include catering, cleaning and janitorial services.

121. Service delivery for children and young people is focused on multi-agency Learning Partnerships. These are based on nine clusters of pre-school, primary, secondary and special schools, and also involve community support, social services, onsite services, Ayrshire and Arran Health Board and Neighbourhood Services. Wider community learning is coordinated through the East Ayrshire Community Learning Partnership, which involves the voluntary sector, the local FE Colleges and Community Services among others. In March 2006, an external evaluation found that the partnerships have been successful in achieving their aim; the Children's Services Plan was being delivered effectively at a local level by engaging all partners through collaborative teams, with a positive impact on children and a range of improvements in terms of health, social and educational results.

122. In May 2006, HMIE reported that attainment in reading, writing and mathematics and performance on rates of exclusions from school require improvement. It said that the council had demonstrated improvement in some areas of attainment; against many attainment measures it performs better than comparator authorities, but below the national average. HMIE has also reported that the council is aware of where performance is relatively weak and is giving a high priority to raising attainment in these areas. This includes finding new and innovative approaches to address the problem, such as 20:20 Vision, [Exhibit 12](#).

Exhibit 12

20:20 vision – challenge and change in Cumnock & Doon Valley



20:20 Vision is a new project aimed at the Cumnock and Doon Valley Learning Partnerships to target the lowest achieving 20 per cent of children and young people. This new project aims to close the gap of education, health and social inequalities, and ultimately raise attainment and achievement by engaging directly with families. The initiatives include a one-door approach to community facilities and secondary schools through extending opening (52 weeks per year and after hours), local vocational courses, and health and learning drop in centres. Three additional staff, a lifestyle development officer and two community link workers, will be managed within Education and Leisure to take forward the targeted work in the Cumnock and Doon Valley areas.

Source: East Ayrshire Council

123. HMIE has reported positively on both the quality of the council's education services and its community learning and development (CLD) services. HMIE's most recent report on education published in May 2006, following a pilot of a revised model for inspections, recognised there are still key challenges for the council to address including improving attainment, reducing exclusions in schools and improving the provision for looked after and accommodated young people. However, it highlighted a range of strengths across its quality indicators, as shown in [Exhibit 13](#). HMIE has also highlighted the council's strong capacity for improvement, and this is supported by its report on CLD in December 2004, which noted that the service had responded positively to the recommendations of the previous inspection in 2002.
124. HMIE reports have consistently highlighted the poor condition of the council's school estate and community facilities. To address this, the council has developed a schools estate strategy that includes an agreed £77 million capital programme under public private partnership to replace four primary schools, two secondary schools and one special school, with new purpose built facilities, and to refurbish one further primary school along with some community facilities. This project also aims to help address under-occupancy in primary schools. This work is scheduled to begin later in 2006.

Exhibit 13

Pilot inspection of the education functions of East Ayrshire Council (May 2006)

Overview of HMIE findings:

The following were judged to be *Very Good*:

- Impact on individual learners
- Impact on parents and families
- Impact on staff
- Impact on the wider community
- Vision, values and aims
- Leadership and direction
- Leadership of people and partnership
- Leadership of change and improvement

The following were judged to be *Good*:

- Continuous improvement in performance

No aspects were judged to be *Fair*.

No aspects were judged to be *Unsatisfactory*.

Source: HMIE Pilot Inspection of the Education Functions of East Ayrshire Council (May 2006)

125. Although it faces challenges in relation to the poor school estate and attainment, the education service demonstrates that it is working to improve performance. In addition to focusing on the lowest attaining children and young people described above, the service can demonstrate other innovative approaches, for example the Creative Minds strategy highlighted in [Exhibit 14](#).

126. The service provides a good source of staff information through *ESSential*, the education and social services staff newsletter. This usefully summarises committee reports and committee decisions with contact details for staff and also includes success stories eg awards, projects, initiatives, pupils' and teachers' achievements, and staff news.

Exhibit 14

Creative Minds arts and education strategy – an example of innovative strategy

Education's arts and education strategy, Creative Minds, includes a number of initiatives aimed at increasing cultural opportunities for children. These include:

- Cultural Coordinator Pilot Programme to promote cultural activity to complement children's educational experience.
- Dance Motivator Initiative – a programme funded to the end of 2006 providing dance workshops in schools. A recent national report placed East Ayrshire Council third regarding the frequency of physical activity in primary schools.
- Youth Music Initiative has resulted in increased access to instrumental music provision in primary schools amongst other initiatives to increase musical activity.
- Arts across the curriculum has been piloted in the Doon Learning Partnership to increase motivation to learn through the expressive arts.
- Arts summer schools had over 600 pupils attending a range of music, dance and art activities.

In addition, the council was awarded a National Music Council Diploma of Merit recognising the quality and range of initiatives and access to music opportunities through the Education service.

Source: East Ayrshire Council

Social work

Social work services demonstrate a strong commitment to improvement for service users and work effectively with partners to deliver this. It needs to support its improvement plans with more robust performance management.

127. Responding to the increasing demand for social work services is a priority area for East Ayrshire Council. This is reflected in its budget allocations over the next three years, with an increase from £40.5 million in 2005/06 to £47.1 million in 2008/09.

128. The social work service comprises three business units: children and families, community care and criminal justice. The council has recognised the need to review and reshape the service to respond to the changing demands of the population as well as changes in legislation, national policy, standards and community expectations. Reviews in key areas have resulted in key strategies for delivering a mix of quality improvements and greater efficiencies. These have included among others, community meals, older people's residential services, sheltered housing and looked after children.

129. The service's future plans for development are being updated to reflect the recommendations in the Scottish Executive's 21st Century Social Work Review *Changing Lives* which will refocus improvement priorities and build on others already embedded, such as a commitment to person centred planning.

The plans also include activities to address the limitations the service has recognised in its performance information and management systems, and to respond to specific challenges it faces. This includes training employees who wish to obtain a professional qualification in social care in response to recruitment and retention difficulties for qualified social work staff.

130. There is a good deal of effective joint working in place in the service. Much of this has resulted from the East Ayrshire Joint Future Partnership that promotes joined up delivery between health and social care services and good joint working with the other Ayrshire councils. Outcomes of this include:

- the close working and better understanding which has evolved from co-location of services
- the structuring of community care field work to fit around GP practices, so that units are attached to practices, some of which are co-located eg Dalmellington
- a well developed and embedded shared assessment process across the three Ayrshire Councils and NHS Ayrshire and Arran that includes pilot systems to share information on assessments electronically between local social work and health services
- nine learning partnerships across East Ayrshire, being developed between the health service and educational and social service staff, to coordinate work with children and young people.

Children and families

The council can demonstrate that it is improving the quality of support for children and young people. The educational attainment of it's looked after children needs to improve.

131. The council has improved its support of children and young people in residential care in a number of ways including:

- increasing the proportion of qualified residential care staff from 49.7 to 67.8 per cent, well above the national average of 49 per cent
- the Young Person's Forum, which gives children and young people a platform to discuss issues with the residential management
- (in partnership with Leisure and Recreation) encouraging healthy lifestyles through a programme of activities tailored to the individual needs of the accommodated young person.

132. Effective joint working with education and health services has improved the transitional arrangements from school to adult services for young people with additional needs and their families. This includes a transition team co-located within a special needs school to carry out life planning with young people for their future needs, that encompasses their aspirations, choices and support needs.

133. Corresponding with overall education attainment, attainment levels of looked after children are significantly lower than the national average. Small numbers mean that individual results will have a major impact on reported outcomes, but this represents an area in need of improvement.

Community care

The council provides a high level of community care services and it is meeting its commitment to shift the balance from institutional care to community based care to support people to stay in their own homes. It is also changing the way in which it provides community care services to improve standards and respond to growing demand.

134. Community care services generally perform well. SPIs show an overall increase in the numbers of people receiving home care and in the number of hours provided. The main increases are in services provided to the most vulnerable service users; those receiving services at weekends, evenings and overnight. This reflects the council's commitment to shifting the balance of care from institutional to community based care and supporting people to stay in their own homes.

135. In 2004/05, the council carried out 117.8 community care assessments per 1,000 population, well above the national average of 72.5. It also provided services to 143.2 clients per 1,000 population, again well above the national average of 81.9.

136. Similarly, 76.4 per cent of home care clients received personal care in 2004/05. This was up from 70 per cent in the previous year and well above the national average of 61.8 per cent. In addition, 61 per cent received care at weekends, up from 54.1 per cent and well above the national average of 53.5, and 34.3 per cent received care in the evenings/overnight, up from 29.7 per cent and above the national average of 27.2 per cent.

137. The council faces some key challenges for providing services in line with national standards. These include tackling relatively low levels of privacy within its residential accommodation and dealing with the predicted rises in population. Between 2005 and 2015, the number of people over 65 is predicted to increase by 19 per cent, and the number of people over 85 by 29 per cent. The council has recently decided to focus in future on delivering services to people in their own homes by purchasing care home provision, primarily 24 hour nursing care, from the independent sector. This will be supported by sheltered housing provision, an enhanced mobile overnight service, new resource centres for older people in Kilmarnock, Auchinleck and Galston and the reinvestment of capital and revenue expenditure from current residential facilities into the new reconfigured service.

Exhibit 15

Person centred plans

East Ayrshire Council has established 'person centred plans' as a means of including people with learning disabilities and their families in identifying how and where they would wish to live, spend their time and receive support. Individuals can choose how they wish information about themselves to be collated, who they want to provide this information and in which format it should be conveyed. Formats have included videos, jigsaws and booklets in a range of styles including photographs and symbols. The concluded plans detail actions, timescales and named individuals to carry them through. These are then reviewed to ensure they have been adhered to and completed. The aim is to ensure that any person who wishes one, will be able to access a person centred plan, although the main focus to date has been for people subject to the hospital retraction programme, young people in transition, people attending day services and those who are experiencing significant life events. To date 150 Person Centred Plans have been completed in East Ayrshire. The council is also working with Carers' Scotland and the East Ayrshire Carers' Centre to pilot person centred carers' assessments.

Source: East Ayrshire Council

Criminal justice

The council is taking forward criminal justice services in partnership with North and South Ayrshire Councils. This reflects the national agenda for sharing services and also allows it to respond more effectively to the demands on the service.

138. Criminal justice services are delivered in partnership with the North and South Ayrshire Councils, through a Criminal Justice Joint Committee, a joint management committee and a Criminal Justice Partnership Manager. This is in line with the developing national agenda for sharing criminal justice services to make better use of resources through economies of scale and to provide flexibility in service delivery.
139. East Ayrshire's performance in criminal justice services was mixed during 2004/05:
- The council allocated 81 per cent of the 890 criminal justice reports requested by courts to social work staff within two working days, roughly comparable with the national average of 82.4 per cent. However, it submitted 98.6 per cent of reports to court on time, above the national average of 96.5 per cent.
 - Supervising officers saw 81.2 per cent of the 239 new probationers within one week, a significant improvement from 65.7 per cent in the previous year and well above the national average of 63.5 per cent. However, 26.1 per cent of people breached their probation order compared with the average of 19.0 per cent.

- The average time taken to complete community service orders went down by 16 per cent in spite of a 12 per cent increase in the number of orders issued during the year.

Neighbourhood services

Neighbourhood services comprises four key areas: housing, leisure, protective services and building and works.

Housing

The council is delivering improved housing services that are generally valued by tenants, but customer satisfaction with housing repairs is low. The council is taking appropriate action to improve the quality of its houses in line with the Scottish Housing Quality Standard (SHQS) and recognises that it will require careful management to deliver its plans.

140. The council has a stock of around 14,700 houses. The service employs 194 staff, equating to about 13.2 staff per 1,000 houses, slightly below the average for Scottish councils of 16.8 staff per 1,000 houses. Local authority housing and homelessness services are inspected by Communities Scotland and East Ayrshire Council has been included in the programme of inspections for 2006/07.

141. The council is committed to delivering significant improvements in housing quality for its tenants in line with the government's SHQS. A recent independent housing stock appraisal for achieving the SHQS indicated a 'strong financial incentive to transfer' and that retaining ownership of its houses would only be feasible 'if managed very carefully' with significant improvement. The council has taken the decision to retain ownership and has put in place a number of actions to meet its targets including:

- increasing its housing investment programme from £12.4 to £13.66 million (against an identified requirement of £13.3 million over ten years)
- directing 100 per cent of receipts from Right To Buy sales into improvements
- funding improvements from land sale receipts realised through new affordable housing developments in conjunction with Communities Scotland and local Registered Social Landlords (RSLs) that also support its Local Housing Strategy priorities.

142. Satisfaction levels from the latest tenants' survey in April 2004 indicate that the council's delivery of housing services is generally meeting the needs of tenants. The service performs well against the majority of SPIs. Between 2002/03 and 2004/05, the council demonstrated significant performance improvements in the percentage of empty houses re-let within four weeks, the rent loss from empty houses, the level of current tenant arrears and the proportion of tenants with long-term rent arrears. In particular, over the last two years it has reduced the proportion of its tenants with long term rent arrears from 4.8 to 0.9 per cent, and it is now the second best performing council against this indicator.

143. In contrast, the council's performance in carrying out repairs is reflected in low levels of satisfaction from tenants. Only 57 per cent are satisfied with the repairs service; 53 per cent satisfied with the time taken to carry out the repair and only 62 per cent are satisfied with the quality of the repair done. This situation is also reflected in performance when carrying out emergency housing repairs within target timescales. During 2004/05, East Ayrshire dealt with 87 per cent of emergency housing repairs within the 24-hour target, which is relatively low compared with other councils. The council recognises that the repairs service is an area for significant improvement and through a review exercise is committed to taking action on performance and tenant satisfaction issues.
144. The council's performance in carrying out its statutory duty for households assessed as homeless or potentially homeless, places it among the best performing councils in Scotland. However, this does not necessarily result in a successful outcome for a significant number of these households. During 2004/05, the council had one of the highest proportions of cases being reassessed as homeless within 12 months (20 per cent compared to a Scottish average of 12 per cent). This is something the service recognises that it needs to tackle in providing more sustainable outcomes for homeless households and it is working with other local social landlords and focusing on tenancy sustainability through the Tenancy Support Team. The council's data for 2005/06 indicate improved results, with the proportion of cases being reassessed within 12 months more than halved, to nine per cent.
145. During 2004/05, the council completed just over half (56 per cent) of council house sales within the national 26-week target, well below the Scottish average (72 per cent). Its performance has been influenced by a number of factors, including a change in its information technology system and a doubling in application rates. During 2004/05, the council sold 518 houses, the sixth highest of any Scottish council. The council has increased staff resources to improve the situation. The council's performance improved marginally to 62 per cent during 2005/06, and its data for the first quarter of 2006/07 shows a more significant improvement to 90 per cent.

Building and works

Building and works is going through a programme of change and, while it can demonstrate improved financial stability, performance on activities such as housing repairs are in need of improvement.

146. The building and works department provides a range of services including: capital works; installation of social work aids and adaptations; commercial and domestic gas servicing; maintenance and repairs of housing, schools and public buildings; and a 24-hour emergency response service. Building and works is a 'significant' trading operation and it functions within a client/contractor model, although through reconfiguration it is now managed within the same directorate as housing.
147. The department has improved from a particularly low level of performance over the last few years. The council's commitment to making building and works an efficient and effective modern service has

had a positive impact. Improved financial stewardship resulted in increasing operating surpluses in each of the four years since 1999/2000. In 2004 and 2005 the service was successful in winning contracts for council buildings maintenance through competitive tendering.

148. Much of this progress has been made through improvements in IT systems to produce detailed job costing information. The service is now progressing further initiatives, including a vehicle tracking and a data transfer system. A number of these initiatives, such as an appointment system for repairs, are being developed in close consultation with stakeholders.

149. The council recognises that, although building and works is now a more stable and viable operation financially, there are significant areas, such as housing repairs, where it needs to improve its performance. Future improvements, outlined in its business plan, are based around reviewing its structure, including the current client/contractor arrangements, benchmarking, carrying out a best value review and developing its performance management framework.

Leisure

Leisure services can demonstrate a very strong commitment to joint working with other council services and with partners, and enthusiasm for innovation to deliver services to customers with changing needs and expectations.

150. Leisure services comprise: community recreation; Dean Castle Country Park and the ranger service; leisure development, with responsibility for promoting sports and play; libraries, registration and information services; museums arts and theatre; and outdoor amenities, with responsibility for maintenance of facilities such as cemeteries and golf courses.

151. SPIs show good performance for library book requests, library stock turn over and use of indoor facilities; but, compared with other councils, poorer performance in terms of use of learning centres, proportion of the population borrowing from libraries, and use of pools. In general, the trends are improving with the exception of library borrowers.

152. The leisure service is responsive to these performance problems and is modernising its services to reflect changing customer preferences; for example, libraries now supply e-books, librarians have computer training to assist beginners to use technology, baby book events are organised to bring parents and babies into libraries, museums are providing customer-specific exhibitions to attract young people and address customer feedback, and the theatre is involving customers in its audience programme development.

Exhibit 16

Recreation partnership project

Funded by East Ayrshire Council's Leisure Development service, the Community Regeneration Fund and NHS Ayrshire & Arran, the Recreation Partnership Project engages children and young people, including those with additional support needs, in health-related activities. They are provided with a range of opportunities to become more active more often, both at school and in the community. Services are designed to increase children and young people's knowledge, understanding and awareness of a range of factors that contribute to a healthy lifestyle. The project delivers the health and learning disability elements of the Activity Motivation Initiative.

The Recreation Partnership Project responds to East Ayrshire's Community Plan; contributing to the Improving Health Action Plan through increased physical activity and improved diet and the Eliminating Poverty Action Plan through the provision of 'SHOUT' smart cards to all primary school aged children. The project also responds to the recommendations in 'Let's Make Scotland More Active: A Strategy for Physical Activity'.

Monitoring and evaluation of outcomes provides evidence on the project's impact on the health and well-being of East Ayrshire's children and young people.

Source: East Ayrshire Council

153. In recent years, attendances at swimming pools in East Ayrshire have been declining and they remain relatively low compared with other councils. This has been influenced in part by the closure of the Cumnock outdoor pool in the summer of 2004/05 and the closure of Loudoun Academy pool for refurbishment in August 2004. However, in contributing to the community plan aim of improving health the council can demonstrate that people are taking part in a range of other leisure opportunities: the council's support for the new indoor pool in Cumnock has resulted in high attendances at indoor leisure facilities compared with other councils; the CATCH walking project has attracted around 3,500 people in regular walks; over 6,800 older people have attended active living classes delivered through the CHIP van programme; New Sporting Futures has attracted over 6,000 attendances in a range of sporting and physical activities; and the Activity Motivation Initiative for 5 to 12-year-olds has over 10,000 children participating in school based active recreation and health awareness sessions and over 11,000 participating in community based sessions. An evaluation by Glasgow Caledonian University Ayrshire has reported that the council is providing the third highest frequency of physical activity in primary schools compared with other councils.

Protective services

Within protective services there are some areas of good performance, such as in special uplifts and food hygiene, although SPIs also show a number of areas, such as the cost of refuse collection, where performance can be improved. The service could develop more systematic ways to identify performance improvements eg through benchmarking and reviews.

154. Protective services includes: cleansing services, refuse collection, recycling, street cleaning, environmental health, food safety, pollution control, public health, dog warden and pest control services; licensing and community safety; and trading standards.

155. Of the eight relevant SPIs for protective services, its performance in responding to consumer complaints, noise complaints and high priority pest control is relatively poor compared with other councils. The service would benefit from greater use of benchmarking as a systematic way of identifying better practice. Of particular note:

- In 2004/05, the council recycled 18.4 per cent of waste compared with the Scottish average figure of 17.6 per cent, primarily due to the introduction of its three-bin system. This is having a positive impact on recycling but it has also led to a doubling of customer complaints and the highest net refuse collection costs per premise in Scotland during 2004/05. To address this, the service's improvement plan for 2005/06 has identified the need to improve operating efficiency in refuse collection and to alleviate the causes of complaints.
- The council carries out a relatively high number of special uplifts and its performance in carrying them out within five working days is among the best in Scotland.
- During 2004/05, all high priority food hygiene inspections were carried out on time, an improvement on the previous year. In addition, it inspected 97.9 per cent of relevant premises within the year and the council's data shows an improvement to 99.3 per cent of inspections during 2005/06.
- In its latest report (November 2001), the Food Standards Agency found a 'solid base of effective performance', motivated staff with good arrangements for staff training, demonstrable commitment to continuous improvement by food law enforcement staff, and 'good level of food law enforcement overall'.

Planning and development services

156. The planning and development service is responsible for delivering economic development, physical environment planning, development planning and building standards, roads maintenance and transportation planning and property and technical services.

157. Central to the service's work is the physical and economic regeneration of the area in response to the challenges faced by the significant decline in traditional industries, the changing population profile, changing expectations and the impact of the M77 upgrade between Glasgow and Kilmarnock.

158. SPIs and service information show a mixed picture of performance across the department.

Economic development

Economic development and regeneration is a high priority for East Ayrshire given the decline of traditional industries. Indications are that the council's interventions in supporting business are having a positive impact.

159. The economic development service supports regeneration initiatives, business development in the area, and asset management together with other professional, technical and management support for the council's portfolio of properties.

160. The service has played an important role in developing a number of positive initiatives, including:

- the development of business parks, such as the recently opened Moorfield business park, developed in partnership with a private sector developer and the European Regional Development Fund (ERDF)
- promoting environmental improvement initiatives, for example, it supported the Muirkirk Enterprise Group in the acquisition and development of a new enterprise centre
- encouraging new housing development and demolition of buildings for environmental improvement through community ownership schemes
- the 'Working for Families' Initiative to help disadvantaged parents with dependent children access flexible childcare as well as training and employment
- East Ayrshire Woodlands initiative, which demonstrates a good example of joint working and social, economic and environmental sustainable development.

161. The service also provides business units. During 2004/05, 88 per cent of its business units were occupied, above its target of 85 per cent and above the occupancy rates in the previous five years.

162. In conjunction with the Business Gateway the council demonstrated improvement in the number of jobs supported as shown in [Exhibit 17](#).

Exhibit 17

Business support

	2003/04	2004/05
Jobs supported	576	918
Companies supported with funding	24	26
Funds levered in loan packages	£860,938	£1,402,600

Source: Executive Director's Annual Performance Review, East Ayrshire Council

Planning development and building standards

The council's performance in dealing with planning applications and building warrants is below average. The action taken to tackle this is resulting in some performance improvement contrary to national trends.

163. The main activities of the service are developing planning policy, including the local plan and Ayrshire structure plan, supporting environmental improvement work, processing planning applications and undertaking building standards requirements. The service is also responsible for the area's Open Cast Coal Subject Plan, which received a Scottish Executive Quality Award and a Royal Town Planning Institute UK award.
164. Performance of the service does not compare favourably against SPI data ([Exhibit 18](#)), but there are signs of improvement and the service can show that it is identifying poor performance and trying to tackle the underlying causes.
165. The number of planning applications dealt with within two months is below the national average as reported in SPIs. It is also below the national planning targets, although few councils reach these. However, performance in dealing with applications overall shows an improvement, which is contrary to the national trend. The factors influencing the council's performance are consistent with those experienced by other councils: a significant rise in the number of planning and building control applications; a rise in the number of incomplete applications received following changes to the Building Standards legislation; and difficulties in recruiting and retaining qualified staff in planning and building control. The council is taking the following action to address these challenges:
- Consulting with private sector architects in order to manage difficulties being experienced in applications not meeting current legislation.
 - Introducing new systems and software to support building standards.
 - Revising staffing structures and increasing the staff complement.

- Improving career development, implementing 'grow your own' schemes and introducing more flexible working to respond to the national issue concerning recruitment and retention in the planning profession.
- Working to improve accessibility to the service through development of web based information and a planning application portal.

Exhibit 18

Performance and processing planning applications

	East Ayrshire			Scotland Average		
	2004/05	2003/04	2002/03	2004/05	2003/04	2002/03
per cent of householder applications dealt with within two months	75.6	72.9	71	78.3	80.6	83.4
per cent of non-householder applications dealt with within two months	40.1	39.5	43.3	46.9	49.2	53.1
per cent of all applications dealt with within two months	57.7	55.3	55.8	62.2	64.2	66.9

Source: Audit Scotland Statutory Performance Indicators

Roads and transportation

The council has had an impact in improving road safety and transport in the area, but a relatively high proportion of roads in East Ayrshire are in need of repair.

166. This service is responsible for all roads and transportation activity ranging from preparation of the local transport strategy and design of roads schemes, to provision of fleet management and road maintenance services.

167. Performance within the service is mixed:

- Of the 1,107km road network, data for 2004/05 shows that 49.2 per cent should be considered for maintenance treatment. This is above the Scottish average of 41.9 per cent, but it represents an improvement from 53.8 per cent in 2003/04. The council reports that the level has reduced further in 2005/06 to 42.7 per cent.
- During 2004/05, the council repaired 87.3 per cent of traffic lights in less than 48 hours. This is significantly lower than the national average of 94.4 per cent although it is an improvement from 80.1 per cent in the previous year.
- During 2004/05, the council repaired 95.6 per cent of streetlights in fewer than seven days, better than the national average of 94 per cent.
- In 2004/05, the service dealt with 1,244 public utility notices. The council should carry out inspections of 30 per cent of these but it was unable to keep to this target. However in 2005/06,

1,369 public utility notices were dealt with and the service inspected 565 of these (41 per cent), representing an improved position for the year. Public utility works are an area of concern for the service and will be subject to review.

168. There has been a significant reduction in road casualty figures in East Ayrshire. These are not entirely attributable to the council's actions, but they are a good indicator of the success of strategies implemented by the council. [Exhibit 19](#) shows targets set by the Scottish Executive for 2010 have been well surpassed.

Exhibit 19

Road casualty figures

	1994-98 average	2005	EAC (% change between 2005 and 1994-98 average)	National target (% reduction for 2010)
Number of fatal and seriously injured	140	54	-61	-40
Number of children killed or seriously injured	28	7	-75	-50
Slight casualty rate (per 100m vehicles per km)	43	27	-37	-10

Source: East Ayrshire Council

169. A range of activities by the council contributed to this including:

- traffic calming measures on busy through routes
- pedestrian safety and access measures, widened footpaths and improved crossing facilities
- encouragement of cycling and walking for the journey to school
- greater use of 20mph speed limits
- road safety training for the most vulnerable road users, and areas of deprivation
- close liaison with Strathclyde Police on initiatives in Kilmarnock town centre.

170. There are also a number of examples of good projects through which the service contributes to community plan objectives. For example, the Hopper Bus Service scheme has been important in providing better access to transport. In addition, the service received a Scottish Transport Award for the Kilmarnock Town Centre Action Plan, which included integrated improvements in bus and rail interchange, pedestrian access and safety, traffic management and controlled parking.

171. The council's recent resident survey indicated that around a quarter of respondents rated the condition of roads in urban areas to be poor and around a third rated rural roads as poor. In response to this public feedback, among other factors, the service has brought forward a planned best value

review to assess areas identified for improvement, such as how best to improve management of public utilities work.

Finance services

The council has made significant improvements in its financial services for customers, which perform very well compared to other councils.

172. East Ayrshire's finance services perform very well against the range of SPIs. In particular, it has made good progress on benefits administration, having:

- significantly improved processing times for new benefits claims and is in the upper quartile for this indicator when compared with other councils
- halved the time it takes to process a change of circumstances for benefits when compared with a couple of years ago and is currently doing this in less than half the national average
- achieved annual reductions in benefits administration costs, which combined with the significant improvement in processing times demonstrates exceptionally good performance
- consistently performed at a high level in calculating benefits cases and comparable with other councils
- significantly improved the percentage of benefits overpayments it recovers, and has consistently performed above the national average level.

Exhibit 20

Performance and benefit process

	East Ayrshire Council			Scottish Average		
	2004/05	2003/04	2002/03	2004/05	2003/04	2002/03
Processing new claims (days)	27	40	59	42	47	49
Processing changes of circumstances (days)	4.5	9.2	12.4	10.7	12.3	14.8
Per cent of cases which were calculated correctly for benefits	97.4	96.0	96.4	96.6	96.3	96.1
Per cent of recoverable overpayments that were recovered	76.3	58.1	56.7	39.2	44.6	46.5

Source: Audit Scotland Statutory Performance Indicators

173. The council's performance in this area compares well with other councils and surpasses the Department for Work and Pensions national targets for benefits processing. The council has also generated £400,000 of efficiency savings as a result of a best value review.

Part 4: What needs to improve?

The council's focus on improvement is driving a wide range of review and service development activity across the organisation. It has identified those key areas where it needs to get better and has demonstrated responsiveness to areas of improvement identified through external scrutiny. It now needs to programme effective action for its plans and strengthen its ability to demonstrate the outcomes that improvement activity and modernisation will have for service users. Overall, the council is well placed to deliver on its improvement agenda.

Developing an improvement culture

174. Continuous improvement in public services and local governance lie at the heart of the Best Value and Community Planning policy framework. Local authorities must develop an improvement culture across all service areas. Elected members and officers must focus on key policy objectives and the needs of service users and communities, driven by a desire to achieve the highest possible standards in service delivery. This requires a culture where areas in need of improvement are identified and openly discussed and in which service performance is constructively challenged.
175. The council demonstrates a clear commitment to best value supported by effective leadership for taking this agenda forward. It can also demonstrate its ability to improve performance within its challenging context of relatively severe deprivation as well as a track record in making strategic shifts in service delivery, such as its decision to outsource community care services and entering into a public private partnership for developing its school estate.
176. East Ayrshire is working with a number of detailed improvement action plans, including those in its strategic and its departmental self-assessments. Its strategic self-assessment, prepared in response to Best Value legislation and the audit process, demonstrates a good understanding of its areas for improvement. A draft Improvement Plan, agreed by the council's Policy and Resources Committee in January 2006, contains many of the areas for improvement identified during our audit, including: asset management; scrutiny; trading and competitiveness; performance management; spending review/budget profile; alignment of political and management structures; sustainability and procurement. Detailed project briefs will underpin each of these.
177. In addition to a good understanding of areas for improvement, the council also demonstrates responsiveness in tackling identified improvements. This has been highlighted by HMIE through its inspection process and by its key partners who report its positive drive for change. The council has shown a high degree of responsiveness during the course of this audit through the development of more detailed actions to support the improvement areas identified through its strategic

self-assessment. It will be important for the council to progress these actions within its overall strategy for improvement and with clear links to increased quality in standards experienced by service users.

The improvement agenda for East Ayrshire Council

178. The improvement agenda addresses the improvement issues identified in this report and those arising from the council's recent strategic self-assessment. This agenda will assist the council in building on the work that is already under way to ensure it can meet the challenge of continuous improvement. This agenda should coordinate the improvement plans already in place throughout the council. The council's local external auditor will review and monitor progress as part of the annual audit process.

High priority

- Effective use of resources: ensure maximum efficiency across council services, maintain accurate information on activity costs and redistribute resources in line with community plan priorities. Address recommendations arising from the current spending review.
- Performance management: consolidate the various elements currently used for managing performance to provide a more consistent and streamlined system, including; clearer links between service plans and community plan priorities, customer feedback and resources; and better utilisation and development of the Director's Performance Review process.
- Public performance reporting: improve public performance reporting throughout the council in line with statutory guidance.
- Equal opportunities: improve the accessibility of buildings for people with physical disabilities in line with statutory requirements and mainstream equal opportunities requirements more effectively into the council's operational planning and performance management framework, ensuring that impacts are monitored.
- Political and management structures: review these in the context of the 2007 local authority elections and prepare appropriate member development programmes.
- Asset management: effectively implement the Corporate Asset Management Strategy and maintain system in accordance with good practice.
- Procurement: achieve efficiencies through the application of modern procurement/purchasing methods, including e-procurement and more effective use of consortia arrangements.

Medium priority

- Housing repairs: improve response times and the quality of work carried out to address customer dissatisfaction.
- Sustainability: better mainstream sustainable development across council services to achieve improved outcomes.
- Challenge and review: increase the deployment of the best value review programme around cross-cutting priorities and implement more systematic use of benchmarking and other comparative analyses.

- Scrutiny: develop more systematic scrutiny arrangements to maximise member challenge of performance and decisions made.
- Human resource management: develop the staff appraisal system around core competencies and develop a more robust approach to longer-term corporate-wide workforce planning.
- Trading and competitiveness: effectively use review, benchmarking and option appraisal to improve competitiveness.
- Risk management: further strengthen the effectiveness of controls for identifying risks and reporting on actions taken in response.

East Ayrshire Council

The Audit of Best Value and Community Planning



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