

The Audit of Best Value and  
Community Planning

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# South Lanarkshire Council



Prepared for the Accounts Commission  
February 2009

# The Accounts Commission

The Accounts Commission is a statutory, independent body which, through the audit process, assists local authorities in Scotland to achieve the highest standards of financial stewardship and the economic, efficient and effective use of their resources. The Commission has four main responsibilities:

- securing the external audit, including the audit of Best Value and Community Planning
- following up issues of concern identified through the audit, to ensure satisfactory resolutions
- carrying out national performance studies to improve economy, efficiency and effectiveness in local government
- issuing an annual direction to local authorities which sets out the range of performance information they are required to publish.

The Commission secures the audit of 32 councils and 41 joint boards (including police and fire and rescue services). Local authorities spend over £18.9 billion of public funds a year.

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 Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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# 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 South Lanarkshire Council is meeting its duties under the Local Government in Scotland Act 2003
- agree planned improvements with the council. These 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 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 (SPIs), informs this selection.

The report reflects this selective approach, with detailed commentary on some areas and limited coverage in others. While we have made some comparisons with other councils, our overall approach has focused on performance trends and improvement within South Lanarkshire Council. The report also reflects the picture available at the time our main audit work was conducted between June and October 2008.

We gratefully acknowledge the co-operation and assistance provided to the audit team by Councillor Edward McAvoy, leader of the council; Archie Strang, chief executive; Helen Black, financial performance manager; and all other elected members and staff involved. We are also grateful to the representatives of community organisations and the council's community planning partners who agreed to participate in the audit.

# Commission findings



**1.** The Commission accepts this report on the performance of South Lanarkshire Council's statutory duty to secure Best Value and to initiate and 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 is pleased to accept the conclusions of the report that South Lanarkshire is a council that performs very well, that benefits from strong leadership and clear direction and that displays many of the characteristics of best value. We welcome the council's clear strategic direction and clear priorities, the strong performance of services and the high customer satisfaction. We note that the council has many elements of a culture of effective continuous improvement and provides leadership on community planning, with many examples of partnership working showing positive results.

**3.** Given the strong performance of the council in many areas the lack of scrutiny taking place in public is surprising and disappointing. For example, the arrangements for an audit committee fall well short of established best practice. Openness and transparency are cornerstones of good governance and the council needs to review and amend its arrangements to accord with best practice. The council also needs to review and determine the role it wants area committees to fulfil as this is currently unclear. We also note with concern the extent to which vacancies in senior posts have been filled by internal appointment. All recruitment to senior posts should be open to external competition in order to be able to demonstrate that the best candidate has been appointed.

**4.** The Commission considers that South Lanarkshire Council is well placed to enhance its current good performance by addressing the issues highlighted in the best value report as needing to improve. We look forward to receiving from the council an improvement plan with measurable and achievable outcomes.

# Overall conclusions





South Lanarkshire is a tightly managed council that performs very well and displays many of the characteristics of Best Value. The council benefits from strong leadership and clear direction, and is able to marshal its resources effectively to deliver on its established priorities.

Good service performance is underpinned by high levels of customer satisfaction and a well-managed workforce. Elected members set clear priorities and direction, and empower officers to deliver on these. The council has a consensus style of politics, but councillors could contribute more effectively in a range of areas including area committees, community planning, risk management and oversight of the continuing review programme. This would help the council to continue to build on its many strengths.

Some important aspects of Best Value remain underdeveloped. The way that business is conducted means that public scrutiny and challenge is limited. Greater transparency is required and the council needs to be more open to the expression of different views, and to understanding the concerns of its community planning partners.

- 1.** The council and its partners have a strong shared vision for the area. The council sets clear priorities and has a good record of delivering on these, in particular on improving the housing stock, social work facilities and the schools estate, and extensive physical regeneration. Elected members and officers provide clear and consistent leadership, based on a consensual approach involving all political parties.
- 2.** The council's approach is effective in ensuring a clear strategic direction. Decision-making is highly centralised with clear corporate priorities. However, very little scrutiny and challenge takes place in public forums. The council believes its consensus

style of politics has supported the delivery of its strategic objectives, but accountability and openness require to be improved. Well-established political structures are now in need of review. Area committees have limited opportunity to communicate diverse local needs into central decision-making, and their purpose is unclear. In November 2008, the council agreed to change the composition of its Executive Committee to better reflect its overall political make-up.

- 3.** The council provides leadership on community planning, and there are many good examples of effective partnership working showing positive results. The council works well with its main partners but should be more open to the views and concerns of its partners, including the voluntary, community and social economy sectors, and adopt a more inclusive approach. The council is developing a voluntary compact agreement to improve relationships. There is some good consultation with service users, but the arrangements for wider community engagement could be better coordinated and more effective.

- 4.** The council is managed well and has good arrangements to support service delivery and continuous improvement, including effective approaches to business planning and performance management. It manages finances, people, assets, ICT and risks effectively and has strong longer-term financial planning and asset management arrangements. The council's customer care arrangements are also good, and work is under way to develop an overall customer care strategy.

- 5.** The council has invested in mainstreaming equalities, has good strategies, systems and processes in place and is making good progress. Progress on sustainable development has been limited in recent years, and current efforts to reinvigorate this agenda within the council require to be maintained.

- 6.** Although the council has a procurement strategy and guidelines in place, these are not consistently applied and arrangements for procuring goods and services need to be better coordinated.

- 7.** The council has many elements of an effective continuous improvement culture. It conducts a wide range of service improvement activity that has resulted in efficiencies and other improvements. There is scope for the council to prioritise and coordinate this more effectively to ensure maximum impact. In November 2008, the council agreed to set up a team led by a head of service to address this.

- 8.** Elected members set clear priorities and direction, and officers are empowered to deliver on these. But councillors could contribute more effectively in a number of areas including community planning, scrutiny, risk management and oversight of the continuing review programme.

- 9.** The council has a strong culture of internal succession planning and all of the current Corporate Management Team (CMT) have been internal appointments. Senior recruitment should be open to external competition so that successful candidates are demonstrably the best equipped for their roles. This would also ensure that the benefits of new talent, ideas and experience were properly weighed up in the recruitment process.

- 10.** Services perform well overall and are getting better, and surveys indicate high customer satisfaction. Performance is strong in education, regeneration, social work, housing, and waste recycling. The council recognises that improvement is needed in criminal justice services and is taking action to increase investment in roads.

# Part 1. Does the council have clear strategic direction?



The council and its partners have a strong vision for the area. The council sets clear priorities and has a good record of delivering on these. Elected members and officers provide clear and consistent leadership, based on a consensual approach involving all political parties.

The council provides leadership on community planning, and there are many good examples of effective partnership working. However, the council should be more open to the views and concerns of its partners, adopting a more inclusive approach. A wide range of community engagement happens, but consistency could be improved.

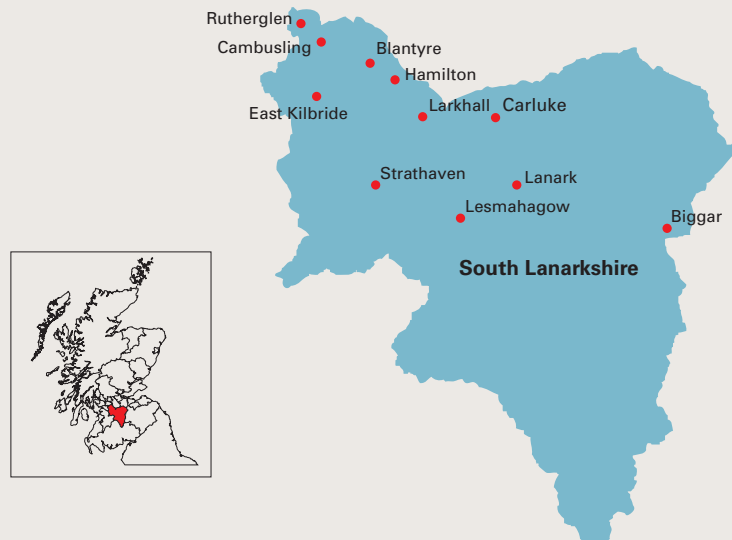
While the council's approach is effective in ensuring a clear strategic direction, very little scrutiny and challenge takes place in public forums. Accountability and openness require to be improved, and the council could be more responsive to diverse local needs. Senior recruitment should be more open to external competition.

### South Lanarkshire

**11.** South Lanarkshire is located in central Scotland and covers an area of 1,772 sq km, making it the 11th largest council area in Scotland. The area (Exhibit 1) has a diverse mix of urban, rural, and former mining environments; almost 80 per cent is classed as agricultural and 70 per cent of the population live in the major settlements in the north. South Lanarkshire borders Dumfries & Galloway, East Ayrshire, East Renfrewshire, Glasgow, North Lanarkshire, West Lothian, and Scottish Borders.

**12.** South Lanarkshire is divided into the four distinct areas of Cambuslang and Rutherglen, Clydesdale, East Kilbride, and Hamilton. The major towns include East Kilbride (population approximately 74,000), Hamilton (50,000), Rutherglen (32,000), Cambuslang (26,000),

### Exhibit 1 South Lanarkshire



Source: Audit Scotland

Blantyre (18,000), Larkhall (17,000) and Carluke (19,000). The area has good transport links, with 19 railway stations, and accounts for 4.2 per cent of the total local authority public road length in Scotland.

**13.** The population of over 307,000 is the fifth largest in Scotland. Projections to 2031 predict a population increase of 9.3 per cent. Within this, there is a projected drop of 3.4 per cent for the school age group, a 4.9 per cent increase for the working age group, and an increase of 36.3 per cent in the pensionable age group. Within the Glasgow and the Clyde Valley joint structure plan 2006, the council and its partners identified Cambuslang and Rutherglen, Carluke, East Kilbride, Hamilton West and Larkhall/Ferniegair as areas of urban renewal and community growth which could lead to even higher increases in the population.

**14.** The 2001 census showed that 1.1 per cent of South Lanarkshire's population is from an ethnic minority, below the Scottish figure of two per cent.

**15.** The main employment sectors in South Lanarkshire are public administration, education and health; finance and business; retail and

wholesale; and manufacturing. The average gross weekly earnings in 2007 were £436.20, which is lower than the Scottish figure of £441.50 and places South Lanarkshire 14th highest in Scotland.

**16.** The percentage of working age people who were classed as 'employment-deprived' in 2006 was 13.8 per cent. This is higher than the Scottish average of 12.9 per cent and puts South Lanarkshire ninth highest nationally. The total unemployment rate for those aged 16 and above is 4.7 per cent, which is lower than the Scottish average of 5.2 per cent. 13.8 per cent of the population is classed as 'income deprived', close to the Scottish average of 13.9 per cent. The proportion of primary and secondary school pupils who are entitled to free school meals is slightly below the Scottish average.

**17.** In 2006, South Lanarkshire had 56 data zones which were among the 15 per cent most deprived in Scotland. This is the fourth highest in the country and equates to 5.7 per cent of the national share. South Lanarkshire has an average homelessness rate of 1.73 per cent compared to the Scottish average of 2.46 per cent.

**18.** Life expectancy is close to the Scottish average for both men and women. The area is well below the Scottish average for health admissions for alcohol abuse and drug misuse.

#### South Lanarkshire Council

**19.** The council's gross expenditure in 2007/08 was over £979 million (Exhibit 2) and the expenditure per head of population was £3,164 compared with the Scottish average of £3,153, making it the 16th highest in Scotland. The band D council tax for 2008/09 was £1,101, compared to the Scottish average of £1,149, making it the ninth lowest in Scotland. The council has the third largest council housing stock in Scotland with over 26,000 properties and an average council house rent of £49.96, slightly below the Scottish average of £50.51.

**20.** The council has 13,126 full-time equivalent employees (FTEs), the fifth largest in Scotland. The number of FTE staff per 1,000 head of the population is 42.7 which is below the Scottish average of 44.7.

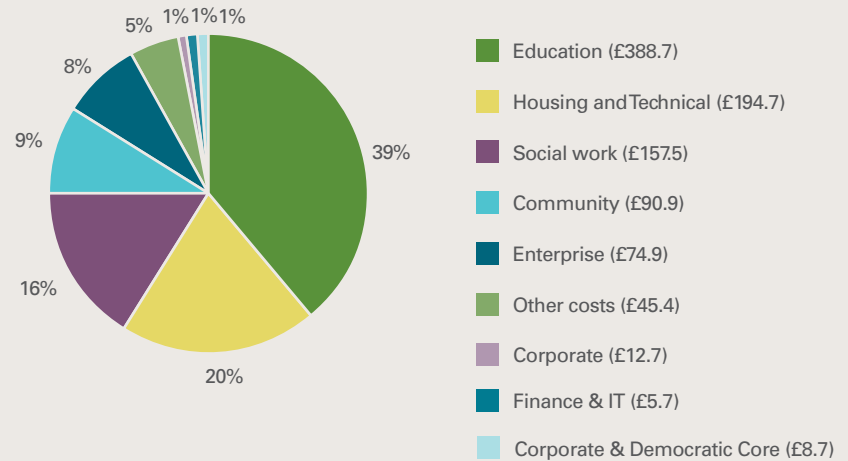
**21.** There are 67 councillors in 20 multi member wards. Following the May 2007 elections, 40 per cent of the elected members were new to the council. The political make-up is: Scottish Labour Party (31 members), Scottish National Party (23), Scottish Conservative and Unionist (8), Independent (3), Scottish Liberal Democrat (2). The council has a minority Labour administration.

#### Vision and priorities

The community plan and the council plan taken together present a strong and consistent vision. The council is clear about its priorities and has a good record of delivering on these. It needs to ensure it hears and understands the views and concerns of its partners and local communities, and that priorities are kept under review in consultation with partners.

#### Exhibit 2

Gross service expenditure 2007/08 (£ million)



Source: South Lanarkshire Council income and expenditure account for year end 31 March 2008

**22.** South Lanarkshire Council was formed in 1996 from six predecessor local authorities. The creation of a strong identity was an early priority for the council and political leaders and senior officers took a prominent role in promoting a unified vision for the new council. The first community plan was seen as an opportunity to bind the whole area together with a strong corporate vision – ‘to work together to improve the quality of life for all in South Lanarkshire by ensuring equal access to opportunities and to services that meet people’s needs’. This vision has been consistently adopted in community and council plans since 2000. The partnership’s aims are shown in Exhibit 3.

**23.** The council plan, *Connect*, links closely with the community plan, *Stronger Together*, and acknowledges it as the overarching plan. The council’s vision, values, objectives and priorities for the area are clearly articulated in *Connect* (Exhibit 4, page 12). There is broad agreement across members and officers that the council’s priorities are consistent with the needs of the area, the local context and the challenges the council faces in future.

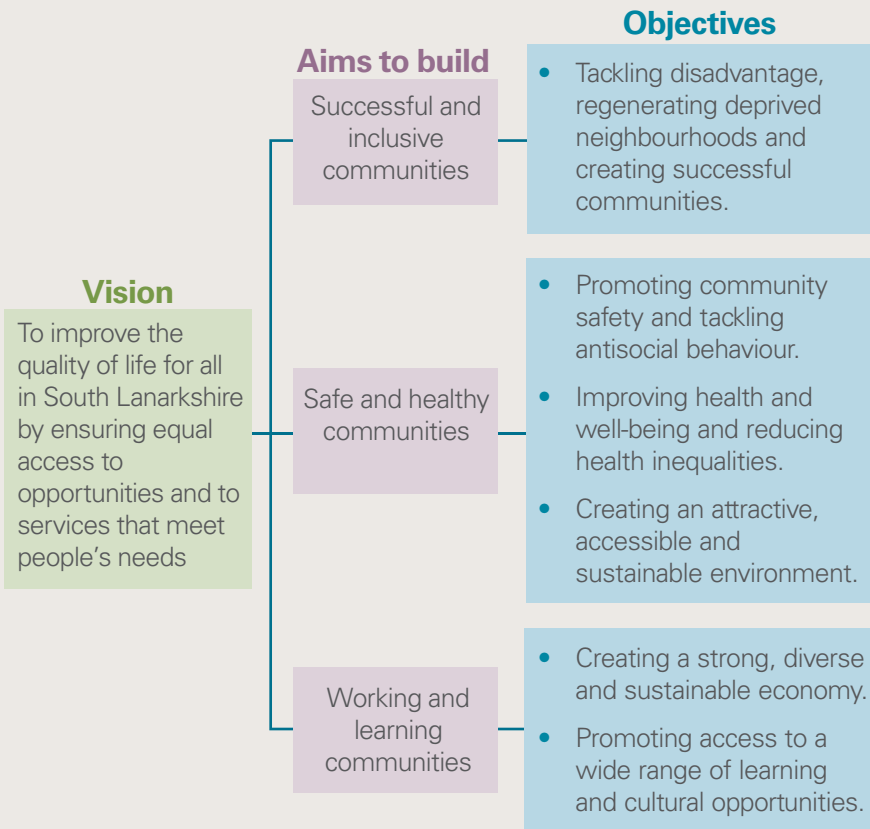
**24.** The council is clear about its priorities and has a good record of delivering these through targeted, well-resourced projects and initiatives, for example, improving the schools estate and the quality of council housing.

**25.** However, in identifying priorities the council needs to make sure that it remains open to the views and concerns of its partners and local communities, and can show how it is responding to these. In our survey of community planning partners only half of the respondents felt that they had played a full part in determining community planning priorities, and only 23 per cent agreed that communities were engaged in community planning. Although partners were advised on the priorities in *Connect* prior to its production in 2007, they were not consulted before these were selected.

**26.** Understanding of the area’s needs is underpinned by high-quality research by the council’s central research unit which produces a regular Economic Audit of South Lanarkshire that informs community planning and council plans and strategies. In June 2008, the unit produced the first full analysis of the health and social situation in South Lanarkshire. This document provides information on changing trends and identifies future challenges:

**Exhibit 3**

## Community plan – vision, aims and objectives



Source: *Stronger Together – South Lanarkshire Community Plan 2005–2015*

- ageing population and long-term health problems
- increase in mental and behavioural illness
- rising homelessness and increase in single households
- decrease in housing affordability
- vandalism and drug crime increasing
- a significant fear of crime.

**27.** The concordat between the Scottish Government and COSLA sets out the terms of a new relationship between the Scottish Government and local government. It underpins the funding to be provided to local government over the period 2008/09 to 2010/11. Central to the concordat is the Single Outcome Agreement (SOA) between each council and

the government. In some areas in 2008/09 SOAs were developed and approved by community planning partnerships (CPPs) and the intention is that all SOAs will be produced in this way for 2009/10. Following discussions with its community planning partners, South Lanarkshire decided to concentrate on a 'council-only' SOA for 2008/09 based on the outcomes and priorities identified in *Stronger Together* and *Connect*.

**28.** The council formed a cross-resource working group of officers in 2007 to develop the SOA and report regularly to the Executive Committee. The committee agreed to use the outcomes and priorities already identified in existing community and council plans, *Stronger Together* and *Connect*. This decision enabled the SOA to be prepared within the defined timescale, without further direct consultation with partners and other stakeholders. The 97 local

outcomes were linked to the 15 national outcomes and the SOA was approved by the Scottish Government in June 2008. The council and its partners are working to deliver and report on their outcome commitments made for 2008/09 and prepare a full CPP outcome agreement for 2009/10.

**Leadership**

Elected members and officers provide clear and consistent leadership. The consensual style of leadership results in shared priorities. However, a significant minority of members feel excluded from more detailed policy development and decision-making processes. The council invests in leadership development. Senior recruitment should be more open to external competition.

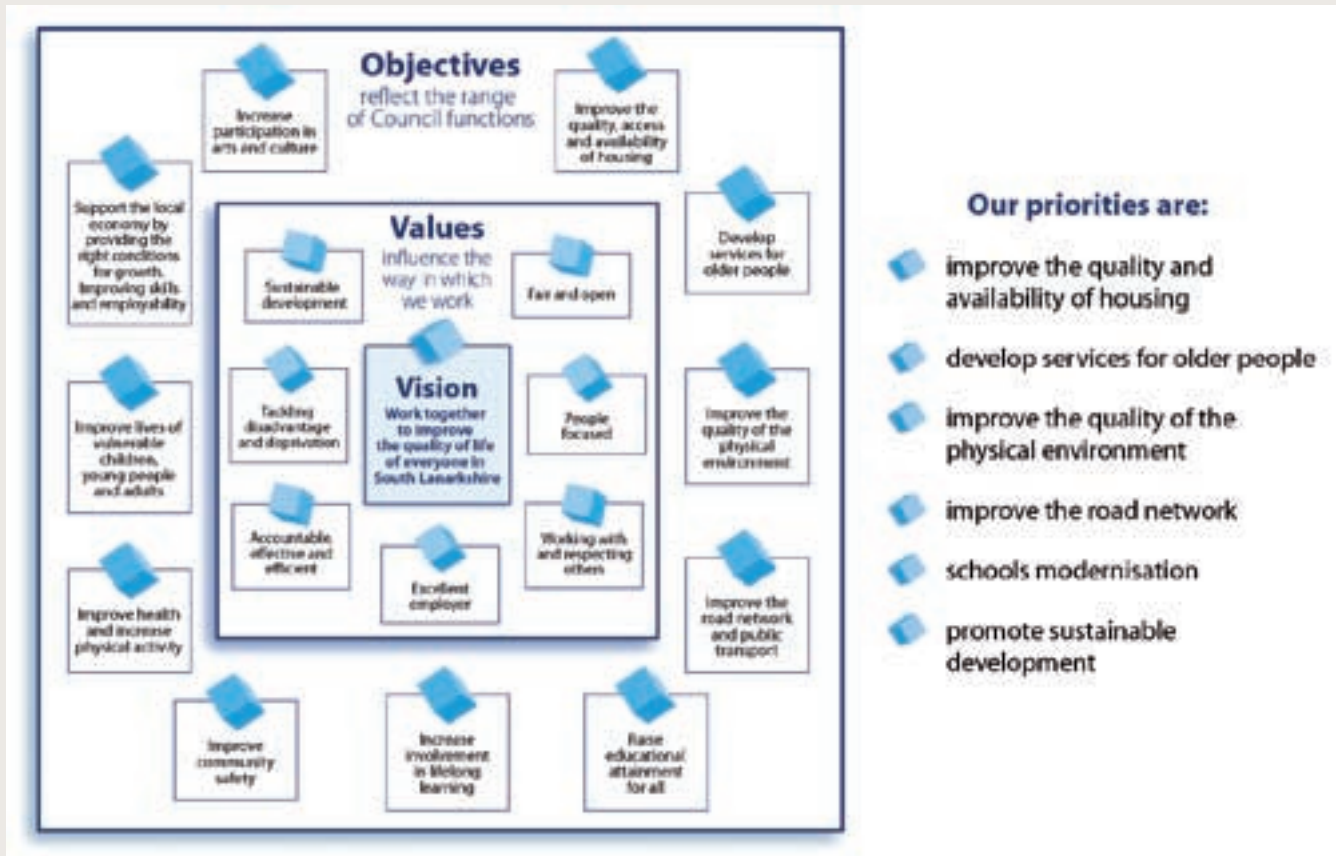
**29.** Members provide a clear strategic direction for the council and this can be seen in the way in which the council has prioritised and delivered on its commitments. The respective roles of members and officers are clearly defined and understood and there is an effective working relationship and a high level of mutual respect.

**30.** The council leader demonstrates a very strong commitment to the area and to the council. He provides clear strategic direction and a focus on improving services for the people of South Lanarkshire. The chief executive commands a high level of respect from members and officers and is committed to effective co-operative working.

**31.** Senior members of all parties and officers described the consensual style of leadership adopted in the council. Politically, this means reaching common positions before the formal stage of committee meetings. In practical terms, much discussion takes place between the members of the groups and between members and officers in advance of formal decisions being taken and very few political decisions require

## Exhibit 4

Council plan – vision, values and objectives 2007–2011



Source: South Lanarkshire Council Plan *Connect* 2007–11

a vote. This means that there is a broad consensus on priorities and direction. There is, however, a degree of dissatisfaction among some members, in particular some new members of the opposition groups, about limited opportunities for them to contribute meaningfully to debate and discussion.

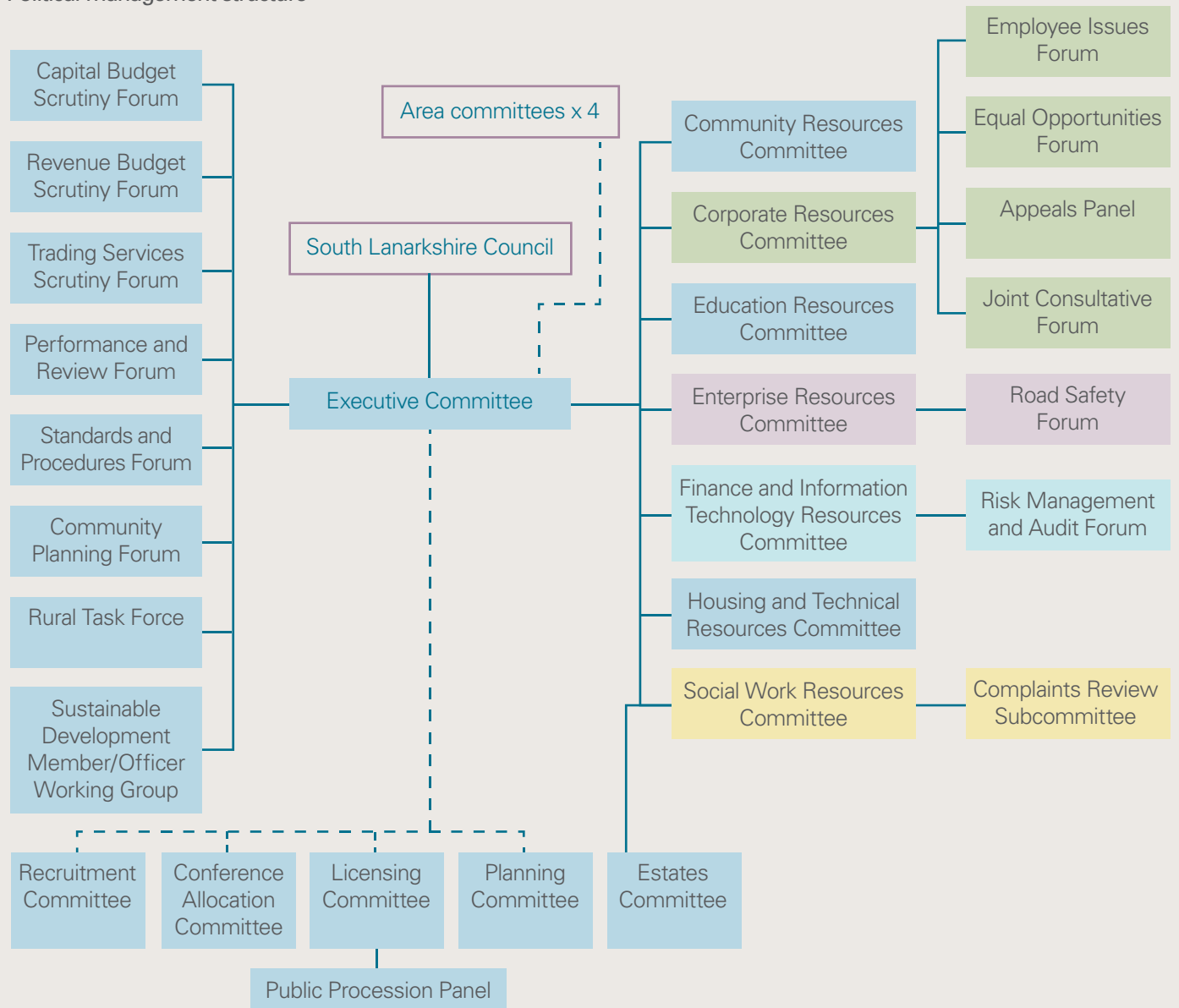
**32.** The CMT provides effective leadership for the organisation. CMT meetings are well organised, businesslike and have a strategic and performance focused agenda. These features are also found within resource management teams and good leadership has been highlighted in inspection reports by Her Majesty's Inspectorate for Education (HMIE) and the Social Work Inspection Agency (SWIA).

**33.** The current CMT is relatively new with seven of the eight members appointed to current posts since April 2005, although three of these were on the CMT in different roles prior to 2005. The chief executive has recognised the need to invest in some team-building activity. More generally, the council invests in high-profile leadership and management development programmes which contribute to the culture of corporate working. There is a good range of training provided for elected members which is well attended and appreciated by members.

**34.** There has been a high level of turnover of senior staff, which can be attributed to some structural reorganisation and retirement. The council has a strong culture of internal succession planning and there has been a pattern of

internal appointments to senior management positions, which the council believes has helped to sustain the implementation of its strategic objectives. All of the current CMT have been internal appointments. Only the chief executive and executive director social work posts having been subject to external advertisement. The council's policy states that 'all vacancies will be filled following advertisement', but does not stipulate the need for this to be external.

**35.** This approach to recruitment is not good practice for senior positions as the council cannot demonstrate that the best available candidate has been appointed.

**Exhibit 5****Political management structure**

Source: South Lanarkshire Council

### Political and management arrangements

Political management arrangements and management structures have been settled for many years and could now benefit from review to ensure that they remain fit for purpose. The Executive Committee has extensive powers and includes representatives of all political parties, but its decisions are subject to limited scrutiny and challenge in public. Decision-making is highly centralised, and area committees

have a limited role. While corporate priorities are clear, arrangements could be more responsive to diverse local needs.

**36.** The council's political management structures (Exhibit 5) are well established and, following a review in 2001, were amended in response to recommendations of the Leadership Advisory Panel. The remits of committees are clear and agendas contain a good mix of strategic and operational matters.

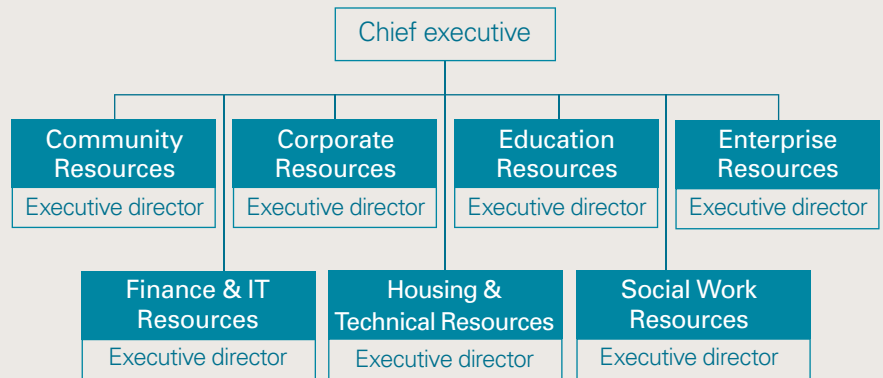
**37.** The Executive Committee has extensive powers delegated from council on a wide range of functions including policy, performance and partnership working. It also recommends a budget to the council. The Executive Committee was set up in 2002 with cross-party agreement. At the time of our on-site audit work it had 16 seats and included members of all political groups. The committee meets every four weeks and has a strategic agenda. The Executive Committee aims to provide leadership by consensus as all parties are

represented, but 29 per cent of the elected members who responded to our survey do not believe that the political structure provides for effective decision-making. Very limited public challenge takes place at the committee and its delegated powers mean it has limited accountability to the full council, which meets four times a year. In November 2008, the committee was increased from 16 to 24 members and now better reflects the political balance of the council.

**38.** In 2008, CIPFA published guidance, *Delivering Good Governance in Local Government*, which requires councils to be 'rigorous and transparent about how decisions are taken' and to 'develop and maintain an effective scrutiny function which encourages constructive challenge'. Current structures and practice in the council mean that public challenge is absent for many key decisions, and there is limited scrutiny of decision-making outwith the responsible committees. In 2001, the Leadership Advisory Panel recommended that the council introduce call-in powers, but the council has not done so, instead choosing to have all-party representation on the Executive Committee.

**39.** South Lanarkshire is a large and diverse council, with four quite distinct geographic areas; Hamilton, East Kilbride, Clydesdale and Rutherglen/Cambuslang. The community plan highlights the importance of meeting local needs, and *Connect* refers to responding 'to the diverse needs of communities and individuals'. The council has an excellent local information database, and the citizens' panel is organised to provide area-based responses to consultations. However, the process for balancing the council's corporate priorities such as schools and houses with other local needs is unclear and the council is managed in a highly centralised way.

**Exhibit 6**  
Management structure



Source: South Lanarkshire Council

**40.** The four area committees have limited remits and powers and make little contribution to the political management and direction of the council. Area committees meet every four weeks and meetings are well attended by local members. However, meetings are brief and business is limited to delegated matters such as local grants, some planning applications and information reports. They do not give much time to local services or partner activities and matters of particular local relevance.

**41.** The Standards and Procedures Forum is currently considering the role and structure of area committees. If the council is to continue with its commitment to area committees it needs to redefine their role so that they can reflect local area needs in corporate discussions of policy and priorities.

**42.** The council has a relatively flat management structure (Exhibit 6). The chief executive heads a CMT of seven executive directors, each of whom heads a department, which the council labels as 'resources', and there are 30 heads of service. The management structure mirrors the political management arrangements, and has been in place since 1997.

**43.** Joined-up working is well established within the council. *Connect* sets out where collective

work is required on corporate priorities and allocates shared responsibilities across council activities. The council's 'lead officer' approach to corporate tasks works well. The CMT coordinates internal joint working, and also acts as a clearing house for the Executive Committee, where cross-resource business is considered by the council. All executive directors attend and work well together at these meetings.

**44.** There are numerous cross-resource or corporate working groups which are reviewed regularly. The council's leadership and management development programmes emphasise joint working as an important principle of the organisation. The CMT subgroup on regeneration brings together colleagues from four resources, and coordinates a complex programme of activities. The 2004 HMIE report commended the council on internal joint working.

**45.** Many resources have 'in resource' support functions covering finance, IT, personnel and legal services alongside those services provided corporately. Officers are happy that these arrangements are effective and do not consider that they lead to duplication or inefficiency. They cite the access to specialist and dedicated support as being beneficial to the delivery of services. This view is not universally shared



among elected members and there is some evidence of inconsistency, for example, in implementing personnel policies and on some financial reporting arrangements.

**46.** The council has not reviewed either political management arrangements or management structures since 2002 and there is limited appetite for doing so among senior members or officers. However, given concerns over the absence of challenge surrounding Executive Committee decision-making, the limited role for area committees and the length of time since management structures were last reviewed, the council should take the opportunity to review these.

### Accountability, openness and scrutiny

The council has established procedures and policies which aim to support good governance. Improvements are required to enhance accountability arrangements to ensure that decision-making takes place in an open and transparent environment. Very little scrutiny takes place in open discussion and scrutiny forums do not meet in public. The membership and conduct of the Risk Management and Audit Forum does not meet good practice guidance.

**47.** The council has established procedures and policies which aim to support good governance and accountability, including codes of conduct for chief officers and councillors, procedures for gifts and hospitality and a whistle-blowing policy. These procedures are regularly reviewed and updated where applicable. Council committee agendas and reports are readily accessible to the public.

**48.** The council carries out a significant amount of public performance reporting using its website and through publications delivered to the homes of all households in

South Lanarkshire, for example, the *South Lanarkshire Reporter*, and *South Lanarkshire View*. Much of the material in these focuses on achievements and new initiatives; there is scope to reflect a more balanced picture of the council and in particular include areas where performance is not so good. Similarly, the CPP published a review report in 2007, *Making a Difference*, which gave many examples of positive progress, but said little about those areas where progress had been more limited.

**49.** The council's Risk Management and Audit Forum is a subcommittee of the Finance and Information Technology Resources Committee. The forum's membership is drawn from its parent committee and it meets in private. Both the committee and the forum are chaired by the same member. These features are not in line with the good practice guidance set out by CIPFA in *Audit Committee Principles in Local Authorities in Scotland*. Agendas, minutes and reports for this forum and the other scrutiny forums are not available to members of the public and meetings are held in private. The council needs to review this approach to bring it into line with the Best Value principles of transparency and openness.

**50.** The council has a range of other forums to scrutinise performance; these include the Executive Committee and the resource committees, all of which receive regular and detailed performance information. Members also sit on forums covering standards and procedures, performance and review, trading services and the capital and revenue budgets. The CMT and resource management teams also consider performance reports on a regular basis.

**51.** Members and officers advised us that a significant amount of scrutiny takes place, but that it happens in advance of committee meetings between members and between members and officers. This means

that questions have been dealt with before the formal meetings take place. Because of this, very little scrutiny takes place in open forums and it is difficult for the council to demonstrate that scrutiny actually takes place and that it is robust. Though we observed constructive challenge in management meetings, we saw very little in committee meetings.

**52.** The quality of reporting is good and the reports provide information which is sufficiently detailed to inform scrutiny of performance. However, a significant proportion of new members do not feel that they get the information they require to fulfil their role, or that it is timely. In our survey of members, 63 per cent of those who responded agreed that they receive the information they need for this scrutiny. However, a significant minority (35 per cent of new members and 39 per cent of opposition members) disagreed. Similarly, 66 per cent of all members agreed that they receive all the information they needed to fulfil their role, but again 35 per cent of new members and 35 per cent of opposition members disagreed. The council should therefore consider how it might address this concern among a significant minority of members.

### Community planning and partnership working

Partnership working is long established in South Lanarkshire and there are many positive examples of joint working. The council leads community planning, but the partnership is uneven. There is scope to promote a more integrated and inclusive approach involving all partners, including the voluntary, community and social economy sectors. Performance reporting by the theme partnerships is variable.

**53.** South Lanarkshire became a community planning pathfinder area in 1998 and the South Lanarkshire CPP was formed in 2000, with the first

community plan, *Stronger Together*, produced that year. The CPP is made up of the council, NHS Lanarkshire, NHS Greater Glasgow, Strathclyde Police, Strathclyde Fire and Rescue, Strathclyde Partnership for Transport, the Chamber of Commerce, South Lanarkshire Youth Council, and community and voluntary sector organisations. Partnership working is well established, and there is a strong commitment to joint working from the main partners and evidence of positive results.

**54.** The Partnership Board is supported by an officer coordination group and there are seven theme partnerships, which report to the coordination group and the board (Exhibit 7). Within the council there is a Community Planning Forum (CPF) of nine elected members with a remit to 'take an overview of the community plan activities undertaken by the council'. In October 2007, the forum agreed that the theme partnerships should regularly report their performance to the CPF.

**55.** Most partners agree that the council leads community planning activity effectively but there is some scope for improvement. Most partners consider senior council

officers to be supportive. There are examples of elected members leading and contributing to some individual partnership groups, but only half of those partners surveyed agreed that elected members provide strong leadership in the partnership overall. While partners are clear about the priorities they want to achieve, they are less confident about a clear plan of action to deliver on them. Partners have expressed concerns about the extent to which all participants were able to play a full part in determining the priorities in the community plan, and also expressed uncertainty around how well the board and theme partnerships work together.

**56.** Overall, partners agree that the council works well with its partners, that the CPP is successful and that working relationships have improved through community planning. However, some partners are concerned about how resources are focused and whether all partners have committed sufficient resources to take community planning forward. Most partners agree that there is scope for better targeting of resources. The CPP conducted internal reviews in 2003 and 2006. The 2006 improvement plan was produced by officers from the council and the main partner

agencies, although not all theme partnership members were consulted. It identified eight themes and 28 improvement actions. Progress was reported in June 2008, and action has been taken on most of these themes.

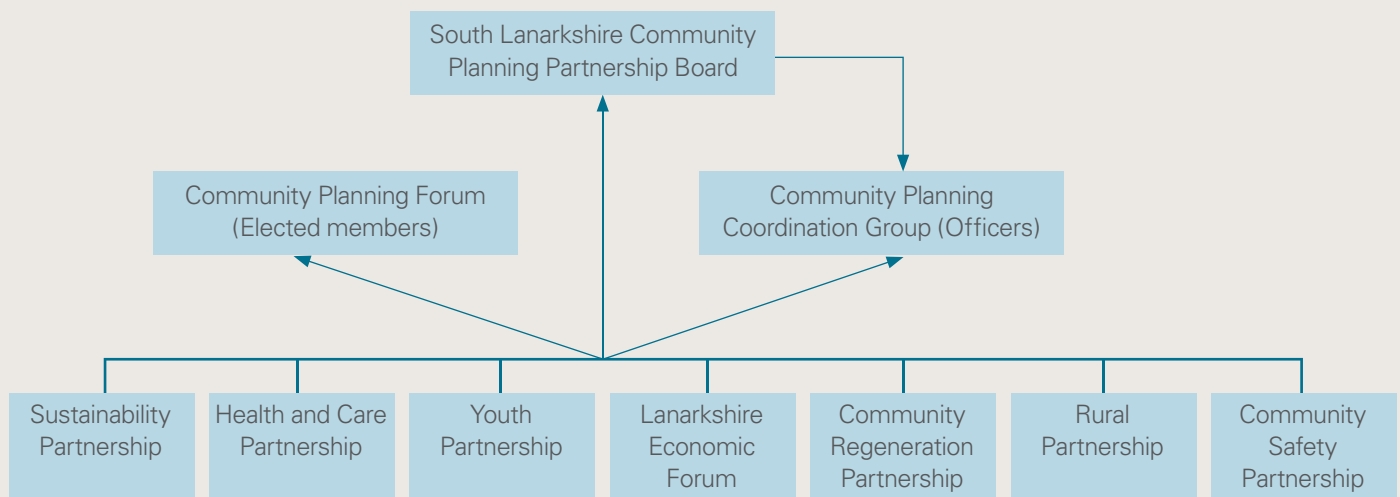
**57.** Partners are concerned that the CPP in South Lanarkshire is uneven. It could be strengthened by the council taking a more inclusive approach with partners beyond the main agencies, for example with the voluntary, community and social economy sectors. There is scope for more scrutiny, discussion and open debate about important issues at partnership meetings. The council could generate a more integrated approach to community planning by encouraging all partners to share responsibility. Through improved communication and involvement, the council could also help to ensure that all partners, elected members and stakeholders share the joint agenda and are equally informed about the work of the partners and the partnership.

**58.** The community plan was revised in 2005, covering the period to 2015. The plan aims to build:

- successful and inclusive communities

**Exhibit 7**

South Lanarkshire Community Planning Partnership structure



Source: Audit Scotland

- safe and healthy communities
- working and learning communities.

**59.** Each aim is supported by objectives with a set of 95 improvement actions for implementation over a ten-year period. While they are relevant and wide-ranging, the improvement actions are not sufficiently SMART and it is therefore difficult to monitor progress meaningfully.

**60.** In May 2006, the CPP approved a suite of 28 key performance indicators (KPIs) to review progress on the aims and objectives from 2000 to 2006. The results showed improvement in 22, deterioration in two and data not available in four. A similar report in 2008 showed improvement in 19 between 2000 and 2007, deterioration in six, no change in one and data not available in two.

**61.** The seven theme partnerships are responsible for developing plans and delivering the improvement actions. These partnerships are: Rural, Community Regeneration, Health and Care, Youth, Sustainability, Community Safety and Lanarkshire Economic Forum. Some of these have existed for seven years or more and have delivered evident improvement, for example the Health and Care, and Community Regeneration Partnerships. Others, like the Sustainability Partnership and the Lanarkshire Economic Forum, are under review or are being re-established and their impact is less apparent.

**62.** Each theme partnership has its own reporting and monitoring arrangements. During 2007 and 2008, the council had been developing a reporting system to link with the council's new performance management framework and the SOA. This remains work in progress, and interim arrangements have been put in place from March 2008. The council is working to ensure that performance reporting by the theme

## Exhibit 8

### Community safety partnership

The Community Safety Partnership (CSP) is responsible for tackling crime, disorder, vandalism, antisocial behaviour and the fear of crime. It also works to improve personal safety in the home, on the road and in the local community. The partnership involves Strathclyde Police, Strathclyde Fire and Rescue, local NHS boards, council resources and other local agencies.

Tackling antisocial behaviour is one of the main priorities in South Lanarkshire, and good progress is being made. The 'Safer Streets' initiative in Hamilton reduced serious assaults by 83 per cent by tackling alcohol related violence and disorder. The 'Better Blantyre' intensive policing initiative has also shown success with a reduction in assaults and an increase in crime detection. The CSP also gives priority to MARIM (Multi Agency Racist Incident Monitoring) and action on violence against women.

The council has recently agreed to support the Strathclyde community policing initiative to employ an extra 70 police officers in the council area. Liaison with the police has also been streamlined with Housing and Technical Resources taking the lead for the council on community safety and public reassurance.

Source: Audit Scotland

partnerships is sufficiently robust to satisfy its requirements.

**63.** There are many positive examples of partnership working across the CPP. NHS Lanarkshire and social work have forged a strong working relationship in the Health and Care Partnership with benefits to service users and Enterprise Resources play an important role in the Community Regeneration and Rural Partnerships.

**64.** Strathclyde Police, Housing and Community Resources are making progress on antisocial behaviour and community safety ([Exhibit 8](#)). Housing and Technical Resources are responsible for the management of antisocial behaviour and work in partnership with Strathclyde Police and community wardens to agree priority areas. An independent evaluation reported that the community warden scheme was successful and there was a high level of confidence in the wardens from within the community. At present the council is reviewing its antisocial behaviour strategy to ensure alignment with the national antisocial behaviour strategy.

## Community engagement

The council uses a wide range of consultation techniques, including a citizens' panel and service user surveys. Use of an established community engagement framework is evident in the community planning theme partnerships, neighbourhood management arrangements and through tenant participation, but it is inconsistent across the council and CPP. The council and partners should review the management of community engagement, build on existing good practice and improve overall consistency.

**65.** The council and CPP use a wide range of consultation and engagement techniques. The community plan takes a broad view of community engagement and the council plan is committed to 'listen to and consult with people'.

**66.** A citizens' panel was established in 1998 with 2,000 members. It is managed by the council, NHS Greater Glasgow & Clyde, NHS Lanarkshire and the South Lanarkshire

Community Safety Partnership and the membership of the panel is refreshed regularly. The panel is surveyed four times each year, completes a quality of life survey every two years, and produces an annual newsletter. In addition, council services consult service users and client groups regularly, for example recent consultation on the local plan achieved almost 18,000 responses.

**67.** The council has a consultation strategy, a best practice working group and a steering group to oversee consultation quality standards. Despite this, members and officers have expressed concerns at the quantity and quality of responses to consultations. Given the costs involved, a relatively small number

of responses and a limited number of comments have been received. It is not clear how the council plans to address this issue.

**68.** In 2004, the CPP published the *Community Engagement Framework* (CEF) which sets out principles, tools and techniques, a six-stage engagement process and a 'wheel of participation' (*Exhibit 9*). The wheel details the various stages of engagement which can be used when working with communities. It moves from no input from the community, through consultation and participation to community empowerment, where communities make their own decisions on the issues which affect them. Most community engagement in South Lanarkshire is clustered at

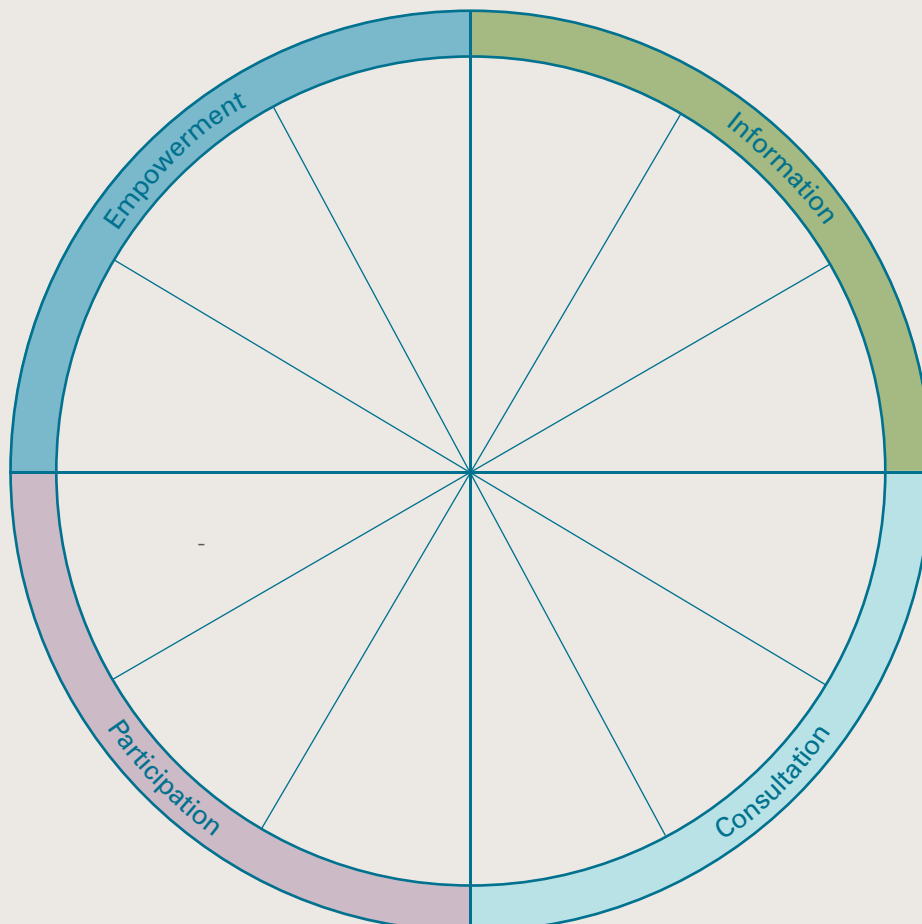
the 'information' and 'consultation' stages of the wheel.

**69.** The community plan was revised in 2005 following extensive consultation based on the CEF. The community regeneration, youth and rural theme partnerships use the CEF principles and techniques at community conferences, focus groups and 'open minds' events to encourage involvement, and obtain views on local needs and priorities. Other council resources and CPPs use engagement techniques in activities such as 'Lanarkshire Links' in social work, and NHS public partnership forums.

**70.** Housing and Technical Resources have identified neighbourhood

## Exhibit 9

### Community Engagement Framework – wheel of participation



planning areas where special regeneration work is needed. In the two pilot areas there is evidence of increasing involvement at all four stages of community engagement, with local management boards and capacity building complementing physical regeneration. The *Tenant Participation Strategy 2006-09*, local tenants and residents forums and the central liaison group also provide a framework for involvement in decision-making and input to the development of housing policy.

**71.** However, community engagement is inconsistent across the council and CPP. Not all partners adhere to the principles set out in the CEF and there is limited awareness of the national standards for community engagement published in 2005.

**72.** Though there are many good arrangements in place, there is an absence of overall leadership, coordination and quality control of community engagement in South Lanarkshire. The council and partners should therefore review the management of community engagement, consider how best to build on existing good practice, and improve the consistency of engagement across all services and partnerships.

# Part 2. Is the council organised to deliver continuous improvement?



The council has good arrangements to support service delivery and continuous improvement, including effective approaches to business planning and performance management. Surveys of customers show high satisfaction. It also manages its finances, people, assets, ICT and risks effectively, with longer-term financial planning and asset management particularly strong. The council's customer care arrangements and approach to equal opportunities are also good. The approach to sustainable development has recently been revitalised and needs to be sustained.

The procurement of goods and services needs to be better coordinated and further work is required to develop a forward-looking workforce strategy.

The council has a thorough and wide-ranging improvement agenda, though there is scope for it to prioritise and coordinate this more effectively to ensure maximum impact. Elected members should be more involved in this and in the management of wider business risks.

### Business planning

The council has an integrated set of plans and a sound approach to business planning which is linked effectively to the financial strategy.

**73.** The council has an integrated hierarchy of plans from the community plan and council plan, through resource and service plans down to individual performance development and review plans (Exhibit 10). The 'golden thread' that links them together also brings in other plans and strategies from the community planning themes, and the revenue and capital budget processes.

**74.** Following a review in 2006, the council revised the style and content of resource plans to better

suit the information and monitoring needs of elected members and senior managers. The resource plans have improved. They are now more closely linked to *Connect* and are more consistent across all resource areas. Each plan has clear objectives which are mostly well specified and they include measures to improve performance reporting. However, reporting on previous years' achievements could be more balanced.

### Managing performance

The council's performance management and reporting arrangements are sound and are improving.

**75.** Elected members receive regular performance reports which contain an appropriate level of detail and highlight areas of good and poor performance. The CMT and resource management teams also consider good-quality performance reports on a regular basis. These reports include an analysis of the council's performance compared with relevant benchmarking information and highlight areas where improvement is needed. In addition, the chief executive meets with each director on a quarterly basis to discuss service performance and set objectives for the next quarter.

**76.** The council carried out a review of its performance management and reporting arrangements in 2006 and

### Exhibit 10 Hierarchy of plans

<b>Community plan</b>	Vision, aims, objectives for community. To set context for the work of the council and other partners. Key performance measures. Ten-year view, with interim updates.
<b>Council plan</b>	Vision, values, objectives and priorities for the council includes council responsibilities under community plan. Key performance measures and milestones for council. Four-year view, updated every two years.
<b>Resource plan</b>	Objectives and priorities for the resource. Includes resource responsibilities from community and council plans. Key performance measures and milestones for resource. One-year view, updated annually.
<b>Service plan</b>	Objectives and priorities for the service. Includes service responsibilities from community, council and resource plans. Key performance measures and milestones for service. One-year view, updated annually.
<b>PDR plan</b>	Objectives and priorities for individuals. Includes individuals, responsibilities relating to service plan and upwards as appropriate. One-year view, updated six-monthly.

Source: South Lanarkshire Council

worked with consultants to identify areas where improvements could be made. This led to changes in the structure of resource plans and the format of performance reports.

**77.** Work is continuing to improve the measures reported. The council has developed an 'ideal basket' of targets and indicators for each resource area and these are monitored by the resource management teams. The 'ideal basket' contains a good mix of indicators which include statutory, local and council priority indicators. In addition, the council has introduced quarterly progress reports on individual resource plans to inform discussions between the chief executive and executive directors. Resource committees will also receive quarterly updates for quarter two and quarter four and the Executive Committee will receive half-yearly reports on progress made against the objectives contained in the council plan. The Executive Committee will also continue to receive an annual report covering Statutory Performance Indicators (SPIs).

**78.** The council has recently purchased a performance management software package, to support the performance management framework. This has been piloted by the Housing and Technical Resource and is to be rolled out across the council during 2009.

### Continuous improvement

The council has many elements of an effective continuous improvement culture. It conducts a wide range of service improvement activity that has resulted in efficiencies and other improvements. There is scope for the council to prioritise and coordinate this more effectively to ensure maximum impact. It would also benefit from being more open to some form of external challenge.

**79.** The council uses a wide range of methods to review how it operates and improves services. Between 1998 and 2007, the council carried out

86 best value reviews, ranging from 21 reviews in Community Resources to eight reviews in Finance and IT. The current three-year programme, which is updated annually, contains 34 reviews. The approach to reviews has evolved over time with earlier reviews concentrating on operational services and later reviews then considering more strategic cross-cutting issues.

**80.** The council has reported efficiency savings of £73 million between 1999/2000 and 2006/07 and aims to make efficiency savings of £11.9 million per year to 2011/12. There is evidence of a significant amount of senior management focus on improvement; elected members have played a limited role until recently when they have become more active. Best Value reviews may benefit from more external challenge and the council could consider introducing some form of peer review, both from within and outside the council.

**81.** The council has also used other tools to assess services, for example; benchmarking, 'lean thinking' reviews and the Kaizen Blitz approach. The council also uses a Business Change team in IT services to examine systems and processes.

**82.** The council actively pursues accreditation and awards. Chartermarks have been awarded, or are being sought in Consumer and Trading Standards, Bereavement Services, Licensing, District Court, Registration Services, the Corporate Learning and Development Centre, Road Safety Education, New Media, the Q&A offices, Older People's Day Care, Older People's Residential Services and Social Work Reception Services. Various council cultural and leisure facilities have 'Quest' external quality accreditation and several services have achieved the ISO9001 quality standard.

**83.** Though an extensive range of continuous improvement is under way, it does not currently form a strategic and coordinated change

programme. For example, there are a range of groups and forums involved in improvement work including a Performance and Review Forum (involving elected members), a Best Value Officer Group and Continuous Improvement Group. In June 2008, the chief executive instigated a mapping exercise to identify what improvement activity was taking place and develop an improvement plan. Using the results of this exercise in November 2008 the council agreed to set up a Corporate Improvement Unit to help ensure that improvement work is prioritised and coordinated more effectively.

### Managing people

The council manages its people well. It has an effective approach to training and development and staff communication. Absence rates and staff turnover are low and staff feel well informed. The council has a comprehensive range of personnel policies, but still needs to develop a forward-looking workforce strategy. It needs to review its approach to staff surveys.

**84.** The council has a total staffing establishment of 13,493 FTEs which is fifth highest of Scottish local authorities. There are 43.86 employees per 1,000 head of population, ranking the council 14th in Scotland.

**85.** The council has a good track record on people management; it was the first council in Scotland to be awarded Investors in People (IiP) status in 2003 and has retained this accreditation. It has also gained a silver SHAW (Scotland's Health at Work) award for the entire organisation in 2007. Single Status was dealt with early and agreement was reached in 2003.

**86.** The council has carried out five in-house staff surveys since 1997. Previous surveys sampled 20 per cent of the work force, though the most recent survey in 2006 covered all employees. The response rate was



low at 15 per cent overall and it varied considerably between different parts of the council. From the evidence they provide, the surveys suggest that employee satisfaction overall is high with particular improvements in recent years in the views of former manual and craft employees. Staff surveys are important tools of good management and the council needs to address any weaknesses of the recent survey methodology and to improve future response rates.

**87.** Our workshops with managers and front-line staff suggested that employees feel well informed. The council uses a range of communication methods to engage with staff including; the council intranet, cascaded team briefings and a monthly magazine, *The Works*, which is issued to all employees. The magazine is also used to publicise the winners of monthly awards for employees nominated as 'having gone the extra mile' by colleagues, partners or members of the public. The council also holds an annual employee recognition awards ceremony to mark individual and team achievements. Achievements are also recognised on a monthly basis at the CMT.

**88.** Sickness absence levels in the council are generally low. In 2007/08, the absence rate for APT&C staff was 4.9 per cent, the third best in Scotland. The absence rates for teachers is 3.5 per cent, which is among the best in Scotland and craft workers are in the second highest quartile and better than the Scottish average. Staff turnover is very low and has been below five per cent in the last three years; this is below the rate of 7.8 per cent in local government and 11.5 per cent nationally. The council has a constructive and effective working relationship with the trade unions, supported by a formal partnership agreement.

**89.** There is a well-established personal development review (PDR) process in place which links with resource and service plans. In 2006, the staff survey indicated that over 80 per cent of employees stated that they had reviewed their learning and development needs in the preceding year.

**90.** The council has developed a comprehensive approach to training and spends around £4.8 million annually on training and development. Members and employees consider the training to be good and the council operates a high-profile 'competency initiative' which includes programmes covering leadership development, management development, front-line manager and practical supervision. The benefit of the investment in training can be seen in the 2008 customer survey where 94.3 per cent of respondents rated staff friendliness as 'excellent' or 'good' and 87.9 per cent of the respondents rated the knowledge of council staff as being 'excellent' or 'good'.

**91.** The council has a comprehensive set of human resources (HR) policies in place and monitors workforce issues closely. Committees receive regular, comprehensive reports covering HR issues. However, the council is in the early stages of developing workforce planning and has recently developed a wider people strategy called *Connecting through people*. It has recognised that it needs to better ensure that personnel policies and initiatives reflect the council's values and support the delivery of *Connect*. The council has carried out an analysis of the population and the workforce and service areas are being tasked with identifying potential 'hotspots' to inform decisions on how the council will ensure it has a workforce to meet future service demands. *Connecting through people* represents a helpful starting point, but does not currently represent a comprehensive workforce strategy for the future.

## Managing finance

The council demonstrates strong financial stewardship and has a comprehensive medium to longer-term financial strategy which considers financial pressures and is reviewed and updated regularly. There is a sound process in place to link the council's budget setting arrangements with its priorities and to direct expenditure into priority areas.

**92.** Financial management and budgetary control are well established. The financial strategy is aligned to resource plans annually and there are regular checks to ensure the affordability of delivering council priorities. The strategy sets the council's approach to generating efficiency savings for investment in council priorities.

**93.** The council has a medium to longer-term financial strategy in place which is reviewed and approved by the Executive Committee. The financial strategy considers key financial pressures, in particular increasing fuel and energy costs, costs of landfill as well as potential changes in the financial settlement.

**94.** Each resource committee monitors financial budgets against actual costs on a regular basis. In addition, the financial position is reported to the Executive Committee before being scrutinised through a Budget Scrutiny Group which meets every eight weeks. Budget papers are detailed and highlight significant areas of under or over spend to members.

**95.** As part of the annual budget setting process each resource is required to review forecast spend and identify efficiency savings of 2.25 per cent. These are supported by a detailed savings plan and the savings are considered by the Executive Committee. The income from savings is used to fund strategic priorities.

**96.** The council has invested significantly in upgrading and replacing its schools estate with a Public Private Partnership (PPP) programme which involves the renovation and replacement of 18 secondary schools and upgrading or replacing 124 primary schools under the schools modernisation programme. This significant level of capital spend is built into the council's three-year capital programme.

**97.** In 2007/08, the council generated a small general fund surplus of £0.18 million. This outturn position was in line with the budget monitoring reports produced during the financial year. The council's cumulative general fund balance is £4.013 million and this is retained as a contingency fund to cover unforeseen financial pressures. In addition to the general fund reserve the council holds a number of other reserves, for example, Repairs and Renewals, Capital Fund and an Insurance Fund. Cumulative reserves as at 31 March 2008 totalled £45.923 million. This is in line with the council's reserve policy which is part of the overall financial strategy.

### Managing assets

The council has a sound framework for managing and maintaining its physical assets, and asset plans are linked to corporate objectives. The corporate asset management plan is supported by detailed resource asset management plans and a robust reporting structure.

**98.** The asset management plan follows the six-stage asset management model recommended by CIPFA and includes an assessment of the council's current assets and an option appraisal for future use of assets and the potential generation of capital receipts. The plan uses two main benchmarks covering the efficiency of space usage and the condition and suitability of the asset. The council is meeting its targets on these.

**99.** The council has developed a comprehensive reporting structure in order to manage the asset planning process effectively. Each resource has established an asset management review group. These groups link into a cross-resource working group which reports to the CMT and ultimately the Executive Committee.

**100.** Within the council, property bulletins are used to advertise property that is surplus to requirements to determine whether other resources require the asset before disposal. These internal bulletins are to be extended to community planning partners by March 2009.

**101.** The council maintains an asset register which records all assets, but it has recognised the limited reporting ability of the current system. The council is looking at how this can be remedied.

### Managing risk

The council has a sound risk management framework which includes a risk management strategy, corporate and resource level risk registers and a dedicated risk management team. The council needs to continue to embed its risk management arrangements, in particular by ensuring members are more fully involved in the risk management process.

**102.** The council's arrangements for managing risk are set out in a clear risk management strategy which is reviewed on a regular basis by officers. There is a dedicated risk management team which is responsible for ensuring all appropriate staff can use the risk management software, are trained in risk management and that risk registers are reviewed and updated on a regular basis to reflect risks at the corporate and resource level.

**103.** In addition, the council makes good use of a dedicated electronic risk management software tool 'Fig Tree'. This allows risk registers to be updated electronically, risks to be scored for impact and likelihood, and captures mitigating controls. Risks with the highest scores are reflected in the corporate risk register, which is presented to the CMT on an annual basis for approval.

**104.** The council needs to ensure that members are more aware of the risk management process and have the opportunity to contribute to the corporate risk register, and monitor the risks recorded. In particular, members of the Risk Management and Audit Forum should consider the corporate risk register and the actions being taken to mitigate these risks, as a minimum on an annual basis. Members should also focus beyond insurance risk and more on the wider business risks facing the council.

### Managing procurement

Though the council has a procurement strategy and guidelines, these are not applied consistently and procurement of goods and services is not well coordinated.

**105.** The council set up a strategic procurement team within Finance and IT Resources in 2005. The team consists of five members of staff, all of whom are members of the Chartered Institute of Purchasing and Supply. The team was tasked with developing a strategic approach to procurement and to identify cash and efficiency savings by arranging council wide contracts. In 2006, the council agreed a comprehensive procurement strategy and procurement guidelines.

**106.** The council's scheme of delegation clearly sets out delegated authority for spending and is supported by standing orders. The standing order covering contracts is due to be reviewed in 2008/09.

**107.** On an annual basis, resources are required to identify cash savings equivalent to 2.5 per cent of their budgets, including 0.25 per cent through procurement savings. The planned procurement savings for 2007/08 was £1.259 million, but the annual efficiency statement reported that the actual procurement efficiencies achieved were £1.106 million.

**108.** The council uses a central contracts register, but this is not regularly kept up to date and does not record all council contracts. Individual resources continue to procure goods and services at a local level and as a result efficiencies and economies of scale are not being realised.

**109.** The council is participating in the Scotland Excel project and is in the process of introducing e-procurement. e-procurement is planned to be implemented first within the Finance and IT Resources before being rolled out across the council within the next three years. The council will need to review its procurement strategy and arrangements as e-procurement is rolled out.

### Managing ICT

The council uses information communication technology (ICT) effectively to help deliver services and support improvement.

**110.** The council's 2007–11 ICT strategy is a well structured and comprehensive plan which clearly sets out the role which ICT plays in the council's approach to service delivery and improvement. The end customer features prominently in the strategy and this gives a positive indication that ICT is used to support core services. ICT developments have, for example, supported the customer service centre, 'Q&A' offices, information points, the provision of online payments and library catalogue reservation services.

**111.** The council uses a 'mixed economy' for its ICT services. Following best value reviews and

options appraisal the council has entered into managed service contracts with partners for the procurement, management and disposal of desktop PCs, storage and servers, bulk printing and communications hardware and support.

**112.** The council uses its ICT facilities to support the Efficient Government and Shared Services agendas using its data centre. The facility provides the infrastructure for the council's main systems but also provides services for other organisations including; Strathclyde Fire and Rescue, South Lanarkshire Leisure, Lanarkshire Valuation Joint Board, the University of the West of Scotland and the Scottish Government's National Infrastructure. The data centre will be used by all Scottish councils to deliver card management for the entitlement cards, citizen access and a land and property gazetteer.

**113.** The 2008/09 Finance & IT Resource Plan indicates that the performance of IT Services in relation to installation, fault resolution, satisfaction with ICT training and service plan delivery is exceeding targets. Further customer indicators covering the IT services were introduced in 2008 which should help provide a more comprehensive assessment of performance.

### Managing competitiveness

The council has effective arrangements in place to demonstrate that its trading and commercial operations are competitive.

**114.** The council has five established significant trading operations (STOs); property services, roads contracting, grounds maintenance, fleet services and facilities management. [Exhibit 11 \(overleaf\)](#) shows the review activity which has taken place or is ongoing. The reviews have included benchmarking and some options appraisal work to consider alternative service delivery arrangements. Between 2002 and 2004, property

services and roads contracting underwent options appraisal which resulted in ten-year service level agreements. The agreements include breakpoints allowing the council to review and assess performance at that time and consider whether the agreements should continue.

**115.** All of the STOs met their financial targets for 2007/08 and met their obligation to break-even over a three-year basis. The performance of the STOs is monitored closely and detailed financial monitoring reports are presented to the council's Trading Services Forum on a quarterly basis. Each operation uses benchmarking to assess competitiveness and this, along with other performance and financial information is presented to the CMT and the relevant forums and committees. The benchmarking includes comparisons with external service providers and with other councils through professional organisations including the Society of Chief Officers of Transportation in Scotland (SCOTS) road group and the Association of Public Service Excellence (APSE). In addition, the council is a member of the Central and East of Scotland benchmarking club.

**116.** The council also reviews the efficiency of other service areas which might be considered commercial, but which are not categorised as STOs. Trade waste services (including five recycling/civic amenity sites) have been contracted out to the private sector since 2001 and a review of refuse collection is ongoing. The council has also reviewed its approach to car parking (2004), building design services (2005) and graphic design services.

## Exhibit 11

### Reviews of significant trading operations (STOs)

Significant Trading Operation	Date of review	Other testing
Property Services	2001/02	90% of capital work and 25% of revenue work is subject to market testing. Ongoing reviews on gas and solid fuel servicing, life cycle maintenance and housing investment programme delivery.
Roads Maintenance	2001/02	Reviews of client/contractor relationship (2007) and winter maintenance (2008). Approximately 30% annual programme jobs market tested and significant private input to the roads investment programme.
Grounds Maintenance and street cleaning	2008	Review ongoing.
Facilities Management	1998/99	Range of reviews between 1997 and 2004. Secured contracts for the PPP schools (though an internal audit report in June 2006 suggests more market testing could be carried out).
Fleet Services	2006	Council trying to encourage market testing and outsourcing in the Clydesdale area. Passenger transport services review ongoing.

Source: Audit Scotland

## Equal opportunities

The council has invested in mainstreaming equalities; it has good strategies, systems and processes in place and is making good progress. The council now needs to develop more outcome-focused indicators to ensure this activity is having the intended impact.

**117.** The promotion of equality of opportunity features prominently in the council's strategic plans. 'Equality of opportunity and access to services' is a guiding principle in the community plan and equal opportunities also feature in *Connect*.

**118.** The council has a comprehensive set of clearly articulated strategies and policies in place. The 2003 equality strategy has been complemented by the introduction of a Race Equality Scheme (2005-08), Disability Equality Scheme (2006-09), Gender Equality Scheme (2007-10) and in July 2008 the council agreed a new overarching Equality & Diversity Policy & Strategy. The schemes and strategies are thorough, clear and have SMART action plans, have been developed in consultation with the relevant stakeholders, and are the subject of annual update reports.

**119.** The council's record of consultation on equality issues is strong and well established. In particular, the council has long-established links with a Better Government for Older People Forum, the Lanarkshire Ethnic Minority Action Group (LEMAG), the South Lanarkshire Disability Partnership, a Black and Minority Ethnic Forum (in conjunction with North Lanarkshire Council), a Disabled Employee Forum and a Working Parents and Carers Employee Forum.

**120.** Sound governance arrangements for equal opportunities are in place and the roles and responsibilities of stakeholders are clear. An Equal Opportunities Forum of elected members meets regularly, is well attended and receives regular reports on policy development, implementation and performance. An Equality and Diversity Working Group of officers also meets regularly. This is also well attended, receives regular reports on policy development, implementation and performance and also shares good practice. The executive director of Corporate Resources has corporate responsibility for equalities issues and each executive director is responsible for equality issues in their service areas. The council has an employee development and diversity manager and each resource has a diversity champion and diversity liaison officers who have clearly defined roles.

**121.** The reporting arrangements are good. Annual reports are produced for each of the equality schemes and all services report regularly to the Equal Opportunities Forum and the CMT. An equality impact paragraph is a standing part of all committee reports.

**122.** The council has invested in supporting the equalities agenda. Considerable guidance and support is available and the take-up is good. Equality training is provided for members, managers and front-line staff with over 1,100 attendances at a wide range of training events in 2007. A range of toolkits have

been developed and the toolkit on equality impact assessments is to be shared with the council's CPPs. The council has produced booklets to raise awareness, including one to assist property developers integrate disability issues into the design process. Equality issues also form a standing feature in the council's staff magazine.

**123.** In order to obtain more detailed information about the make-up of the area, the council included equality questions as part of the 2008 customer survey. The council now has a detailed analysis of customer satisfaction, broken down by age, gender, ethnicity and disability and plans to use this information to inform policy development.

**124.** The council is working to mainstream equalities and is making good progress. Equalities feature in resource plans and all resources report to the Equal Opportunities Forum on the progress of mainstreaming. The council was on schedule to complete over 300 equality impact assessments by November 2008 and all new policies are assessed. Equal opportunity responsibilities are a core competence for employees and have been incorporated into the council's personal development and review process. Equality issues are also built in to service level agreements with external service providers and form part of corporate procurement guidance.

**125.** The council can demonstrate good performance on equalities issues. The proportion of women employees who are in the top two and five per cent earnings category is higher than the national average and improving. The council is ranked sixth in Scotland in terms of the proportion of public buildings which are suitable and accessible for disabled people. In 2007/08, 79 per cent of buildings were accessible and the council predicts that this will improve further as a result of the schools modernisation programme and other plans that are in place.

**126.** Reports to the Equal Opportunities Forum demonstrate the progress being made on the equality scheme action plans and the wide range of initiatives, for example, women only swimming sessions in Blantyre for Muslim women, improved access for people with a disability in town centre plans and 'taster days' for people to try out non-traditional work roles.

**127.** The council recognises that it needs to develop more outcome focused equality indicators so that it can better evaluate the impact of its investment. Equality scheme update reports could refer more clearly to the original commitments made as well as achievements to ensure that progress can be measured more effectively.

### Sustainable development

The council's progress on sustainable development has been limited in recent years. Recent efforts at re-energising this agenda need to be maintained to ensure that sustainable development is mainstreamed effectively into policy development and service delivery.

**128.** Sustainable development is a priority in the community plan, *Connect*, resource plans and in the rural strategy. The council has promoted sustainability for some time but progress has faltered in recent years. Although the council agreed a Local Agenda 21 strategy in 2000, it only agreed a sustainable development strategy in September 2007, having started a review in 2005. The strategy is clear and contains objectives, actions and targets, many of which are SMART.

**129.** The council signed the climate change declaration in January 2007 and agreed a carbon management plan in June 2008 which targets a five per cent reduction in emissions by 2011. The council recognises that the sustainable development strategy 'is only the first step in the process of improvement and change'.

**130.** The council has increased its efforts on the sustainable development agenda in recent years, with a particular focus on environmental issues. Progress is being made on economic and social sustainability, but the sustainability partnership concentrates on the council's ecological footprint and climate change.

**131.** The council has allocated resources to supporting sustainable development and appointed a sustainable development officer in 2006 and officers responsible for carbon management and environmental assessments in 2007. A sustainable development member officer working group was established in March 2008.

**132.** Aspects of the council's approach to equalities are now being applied in efforts to mainstream sustainable development. Thirty-one per cent of the council's identified policies have or are being subjected to an environmental impact assessment, but the council has yet to set a date by which it will have reviewed the remainder. A sustainable development toolkit is being developed and the council plans to provide training for 400 employees by 2011.

**133.** The council can demonstrate its commitment through a range of projects, initiatives and services:

- All schools are involved in the eco schools project and Muiredge Primary school is one of only 13 in Scotland with 'permanent green flag' status. In addition, 28 schools have green flags, 50 silver flags and 76 bronze flags.
- 15 secondary schools are involved in eco footprint projects.
- 35.4 per cent of domestic waste was recycled in 2006/07 and this has increased to 36.9 per cent in 2007/08.

**134.** The council now needs to maintain this recent increase in momentum to ensure that sustainable development is mainstreamed effectively into policy development and service delivery.

### Customer care

The council can demonstrate that customers are generally very satisfied with the services they receive and the way in which enquiries are handled. There is some variation in relative satisfaction levels between the four main council areas. The council has an effective complaints system, which customers rate highly. Further work is required to develop an overall customer service strategy.

**135.** In April 2008, the council received a report on customer satisfaction carried out by an independent market research company. The survey form was issued to all households and had a response rate of 7.1 per cent. The survey shows that residents express high levels of satisfaction with services and the way in which enquiries are handled. Respondents rated the following as 'excellent' or 'good':

- overall services provided by the council – 86.5 per cent
- friendliness of council staff – 94.3 per cent
- ease of getting in touch with the council – 90.8 per cent
- knowledge of council staff – 87.9 per cent
- overall service provided by the council – 86.5 per cent
- interest in getting your feedback on council services – 70.2 per cent.

**136.** The council uses nine 'one-stop shops' called 'Q & A' offices which deal with around 300,000 enquiries each year and where over 80 per cent of enquiries are dealt with at the first point of contact.

**137.** The council has four dedicated customer service phone lines including the Customer Services Centre (CSC), and lines for housing repairs, out-of-hours emergencies and land services. The CSC handles around 90,000 calls each year, 60 per cent of which are dealt with at the first point of contact. It deals with general enquiries and is available beyond core hours covering environmental health, consumer and trading standards, roads and lighting, planning and building standards, registration and licensing.

**138.** The council has a range of corporate and resource-based customer standards which set out what customers can expect by way of service delivery and response. These standards are comprehensive and have a high profile in the council with support from a cross-resource officer working group and regular reports go to the CMT. The council also commissions mystery shopper exercises to test performance against standards. Recent reports show improvement as well as identifying areas of underperformance.

**139.** The council has an effective and comprehensive complaints procedure which deals with 91 per cent of complaints within the specified time frames. Complaints are analysed and monitored regularly at the resource and CMT levels. A customer survey about the complaints system was carried out in 2008 and results show that: 100 per cent of customers found the complaints process easy to use; 100 per cent felt they were treated fairly and sensitively; 60 per cent were advised of timescales; 50 per cent found timescales acceptable and 45 per cent had the process explained to them. These results are impressive, but also highlight where further improvement is required.

**140.** The council's website has scored highly in independent assessments carried out by the Society of Information Technology Management (SOCITM) and is supported by a cross-resource officer group. Recent figures show increased usage by customers and the council has an action plan to further develop the profile and capability of the website.

**141.** While no obvious imbalance in service provision is evident, customer satisfaction across the four geographic areas varies. The 2008 Customer Satisfaction Survey showed overall satisfaction with council services at 86.5 per cent, with many other ratings above 90 per cent. However, the area analysis shows that satisfaction with 'council spending to improve your local area' varies from 59.9 per cent of respondents rating the council as 'excellent' or 'good' in Rutherglen and Cambuslang down to 29.2 per cent in Clydesdale. Variations are also apparent in 'planning new developments in your area' which varies from 41 per cent to 62 per cent. The council needs to review these variations to understand what is behind them and consider how best to respond.

**142.** The council is now developing a corporate customer services strategy to help clarify its overall approach to customer service, to further improve performance and ensure that its resources are used efficiently and effectively.

# Part 3. Is the council delivering better public services?



South Lanarkshire Council's services perform well overall and are getting better. The council has 30 SPIs in the top quartile against the Scottish average of 21. The rate of improvement to decline of the SPIs was the joint highest in Scotland for the three years to 2007, before levelling out to the Scottish average in the three years to 2008.

Performance is strong in education, regeneration, social work, housing and waste recycling and customer satisfaction is high.

There are some areas where improvement is needed, including criminal justice services and the condition of roads, where the council is now responding with a significant investment of resources.

### Service performance

**143.** Each year, local authorities are required to report and publish information about their performance using SPIs. Audit Scotland collates the information received from all councils and publishes on its website a compendium of all SPIs and council profiles. The council profiles contain 82 measures taken from the SPIs. While these do not give a comprehensive picture of performance across all services, they do allow some comparisons to be made between councils and over time.

**144.** The council's SPIs indicate that, overall, services are performing above the average for all Scottish councils and are improving. South Lanarkshire is performing well across a range of services including adult social work, benefits administration, corporate management, development services, housing, protective services and roads and lighting. Some of the indicators in children's services and cultural and community services show poorer performance.

### Exhibit 12 Council SPI profile 2007/08

	Upper quartile	Middle quartiles	Lower quartile
Adult Social Work	4	13	3
Benefits Administration	2	0	0
Education & Children's Services	1	4	3
Corporate Management	5	6	1
Cultural & Community Learning	2	4	4
Development Services	2	0	0
Housing	7	3	1
Protective Services	4	2	0
Roads & Lighting	1	3	0
Waste Management	2	3	1
<b>Total</b>	<b>30</b>	<b>38</b>	<b>13</b>
<b>Scottish Average</b>	<b>21</b>	<b>47</b>	<b>14</b>

Note: One measure was indicated as 'no service' and no measures were classed as having unreliable data.

Source: Audit Scotland

### Exhibit 13 Performance change between 2005/06 and 2007/08

	Measures that worsened by:			Measures that improved by:		
	> 15%	10 14%	5 9%	5 9%	10 14%	>15%
Scotland	10	3	4	6	5	18
South Lanarkshire	7	6	4	7	9	13

Source: Audit Scotland

**145.** Exhibit 12 summarises the council's 2007/08 SPI profile and shows that there were 30 SPIs in the top quartile and 13 in the bottom quartile, which was better than the Scottish average. In 2007/08, the council ranked in the top three in nine SPIs.

**146.** Between 2004/05 and 2006/07, the council's improvement ratio was 3.71 which was the joint highest and over twice the Scottish average. Between 2005/06 and 2007/08, this

rate of improvement levelled off. Performance worsened in 17 SPIs and improved in 29, meaning that the improvement ratio over the most recent three-year period is the same as the Scottish average of 1.7 (Exhibit 13).

**147.** In 2005/06, the council had a ranking of 25th or below in seven indicators. The council has shown significant improvement (of over five per cent) since 2005/06 in three of these SPIs. Four, however, remained in the bottom quartile. These are: the



average hours per week taken to complete community service orders, the percentage of children made the subject of a supervision order who were seen by a supervising officer within 15 days, the number of times learning centre access points were used per 1,000 population and the number of refuse collection complaints per 1,000 households.

**148.** Our audit focused on performance in a selection of the council's services. We concentrated on services closely aligned to the council's main challenges in relation to its context, and service areas which support its key priority of regeneration. For example, successful regeneration is, in part, dependent on a well-trained workforce (education and lifelong learning), a good transport infrastructure (roads and transport) and an attractive environment (housing, refuse and cleansing).

## Regeneration

The council and its partners have an effective framework and a consistent approach to supporting regeneration of the area and considerable progress has been made in physical and environmental regeneration. Regeneration programmes are coordinated effectively but challenges remain in overcoming severe deprivation in some areas.

**149.** The council and its partners have an effective planning framework to support the regeneration of the area. Regeneration is a major cross-cutting theme for the council and its partners and the community plan captures the importance of regeneration across all six main themes. *Connect* concentrates on the physical environment with improvements to town centres, homes, schools, community and care facilities, and the road network.

**150.** The council and its partners approach regeneration in a consistent and complementary way. The Community Regeneration Statement

(CRS) produced in 2003 for the CPP helped to coordinate and integrate existing activities and provided an action plan for the future. The CRS was updated in 2007, reflecting progress, highlighting future challenges and reaffirming the original action points as continuing priorities.

**151.** The range of physical and environmental improvements being made is impressive. It includes an extensive schools modernisation programme; housing improvements; new social care and community facilities; refurbished sports and leisure provision; town centre renewal; and recent approval for a major programme of roads improvement.

**152.** Social regeneration includes the work of the rural partnership; support for the youth council; neighbourhood management planning in targeted housing areas and community regeneration in four key locations. Economic regeneration includes the *Routes to Inclusion* employment programme, and support for new and existing businesses. All these activities demonstrate positive outcomes, although unemployment, skills shortages and poor business growth remain challenging. Community Planning partners also contribute to regeneration activity. For example, NHS Lanarkshire works closely with the council on Joint Health Improvement Plans that include numerous health, care, and physical activity programmes.

**153.** There are established structures within the council and the CPP which coordinate regeneration activity. An officers' group supports the CPP and coordinates partners' involvement in cross-cutting activities. The council's CMT performs a strategic role in support of the council's Executive Committee which approves cross-resource programmes. A CMT subgroup deals with the coordination of area based regeneration activities.

**154.** The council is satisfied that progress is being made, although it accepts that there is more to do.

A presentation to the Community Planning Forum by officers from Enterprise and Housing and Technical Resources in June 2008 highlighted continuing challenges in tackling 'the problems of poverty and deprivation, housing and environment, unemployment, poor health and crime'. The council needs to decide how to make best use of its resources to help close the deprivation gap and demonstrate impact on these long-term issues.

**155.** Success in tackling the most severe deprivation has been limited. The number of data zones in the worst 15 per cent of the Scottish Index of Multiple Deprivation reduced by ten to 56 between 2004 and 2006, a significant improvement compared to most other councils. However, the number of data zones in the worst five per cent increased from eight to 13 over the same period. More than half of other council areas also saw an increase in this category, but this polarisation of deprivation is of concern for the council. Neighbourhood management plans are in place in only eight of the 14 designated neighbourhoods, and the council should consider opportunities to roll out neighbourhood management planning more quickly following the successful pilot in Whitehill.

**156.** The council adopts a broad approach to regeneration and funds are most heavily invested in physical regeneration. As the capital investment programmes progress, the council needs to keep the balance of resources across all aspects of regeneration under review and is showing that it is doing so in some areas. For example, in prioritising the Fairer Scotland Fund programme, the council has maintained spend on revenue programmes and reduced expenditure on capital programmes. The council also invests around £1.5 million each year on employability programmes involving around 2,000 people and has achieved positive outcomes.

**157.** The strength of the voluntary sector is an indicator of regeneration and community engagement in an area. The voluntary sector in South Lanarkshire estimates that more than 60 community and voluntary groups have disbanded in recent years. It is important that sufficient capacity is maintained and the council is developing a Compact with the voluntary sector to aid ongoing relations.

**158.** In the past, social regeneration was supported in part by ring-fenced funds, although this is changing through the local government concordat. The Fairer Scotland Fund allocation for the next three years results in a 40 per cent reduction in grant support for South Lanarkshire and European funding is also reducing. The council should therefore review how regeneration will be supported in future, and how mainstream resources can be targeted more effectively on regeneration, particularly in the priority housing, community and rural areas.

## Education

The council's education service performs well and rated highly in the 2008 customer survey. Good progress is being made on improving the schools estate through an ambitious development programme covering all primary and secondary schools between 2007 and 2016. Attainment levels are in line with or exceed those of comparator authorities.

**159.** Education Resources is responsible for educating 46,000 children and young people in 124 primary schools, 19 secondary schools and nine special schools and 22 supported classes. Pre-school education is provided through 77 early years establishments including two nursery schools, 60 nursery classes in schools and 15 community nurseries and in partnership with over 50 external providers.

**160.** In 2004, HMIE published a report on the council's education services and assessed ten quality indicators as 'very good' and one as 'good'. A follow-up inspection in 2006 concluded that the council 'continued to maintain a clear and strong vision for improving its educational services', noting that the 'key challenge for officers and staff in schools would be to maintain high standards in attainment and make improvements where necessary'. While the council had been largely successful in delivering such improvements 'some aspects of attainment had decreased slightly'. However, the report concluded that 'the council had made very good progress overall in maintaining high standards and implementing improvements where necessary' and 'continued to reach higher levels of performance in comparison to other authorities which had similar degrees of relatively high deprivation'.

**161.** The council's performance on both attainment and quality improvement in primary school inspections is positive with many indicators showing improving performance at a level which is above, or in line with, comparator authorities and national averages. This performance is largely sustained in secondary schools with attainment by the end of S2 in reading, writing and mathematics remaining above or well above the national and comparator averages. HMIE reported that performance on pupil attainment had been 'good' or 'very good' between 2003 and 2005, and between 2006/07 and 2007/08 performance exceeded comparator authority averages in all of the categories used for reporting pupil attainment in national examinations.

**162.** The 2008 customer survey found that education was one of the services rated most highly by residents with 88.8 per cent of the respondents describing the service as 'excellent' or 'good'.

**163.** Education Resources has adopted HMIE's self-evaluation framework services to undertake a programme of internal performance monitoring based upon the same criteria used during an inspection. The framework supports the production of KPIs which are reported to members and the most recent KPIs highlight the continued and improving levels of performance. The 2006/07 KPIs showed that attainment in reading, writing and mathematics within primary and secondary schools was at its highest level for three years.

**164.** Pupil attendance rates are improving and are in line with national averages. Exclusions in both primary and secondary schools are reducing and continue to be at, or below, national average levels. The 2007/08 SPIs continue to show that the level of sickness absence among teachers is stable and within the upper quartile of highest performing councils.

**165.** The condition of school buildings presents a challenge to councils across Scotland. The modernisation of schools is one of the council's six priorities and the council has an ambitious programme to upgrade its schools estate. The programme represents an investment of £850 million on primary schools and £319 million on secondary schools.

**166.** The council is making good progress on its modernisation programme. One hundred and twenty-four primary schools are scheduled to be rebuilt or refurbished by 2016, financed from within the council's existing resources. The secondary schools programme will see 17 schools being rebuilt with a further two being refurbished and is due to be completed in 2009. Eleven new secondary schools have opened since August 2007 and 7,000 pupils are learning in newly built schools. This programme is being delivered in conjunction with an external partner and represents the biggest education PPP in the UK.

## Social work

The social work services provided by the council are generally good and have received positive inspection reports by SWIA and HMIE. The council has made significant capital investment in older people's facilities, children's homes and integrated community facilities. Improvements are needed in some areas of the criminal justice service.

**167.** The council has made a significant capital investment in social work facilities since 2000. This investment of over £84 million has covered a range of new facilities and refurbishment projects including day care centres, the refurbishment of residential homes for older people and integrated community facilities.

**168.** In 2006, the SWIA reported that 'Social work resources in South Lanarkshire are achieving good outcomes for most people who use services. This has been achieved within the level of spending provided for under grant-aided expenditure (GAE). Considerable capital investment in residential homes, day provision and local offices has resulted in high-quality buildings and refurbishment, making a positive impact on both the people who use services and staff alike'. The report also said that: 'Almost all people who use (the) services agreed that they had been treated with dignity and respect when in contact with Social Work Resources. Most felt that Social Work Resources had made them feel safer and more independent.'

**169.** The inspection evaluated ten areas and rated two as 'very good', seven as 'good' and one as 'adequate' (Exhibit 14).

**170.** In a follow-up report in 2007, SWIA reported positive progress on 13 of the 15 recommendations from the initial report, but noted that improvements were still needed to the timeliness of reports submitted to the Reporter and shortening waiting times.

## Exhibit 14

### Social Work Inspection Agency evaluation

Area for evaluation	Rating
Key outcomes for people who use services	Good
Impact on adults, carers, children and families who use services	Good
Impact on staff	Good
Impact on the community	Good
Delivery of key processes	Adequate
Planning and service development, planning and performance management	Good
Management and support of staff	Very good
Resources and capacity building	Good
Strategic leadership	Good
Capacity for improvement	Very good

Source: SWIA Performance Inspection Report 2006

**171.** The council's customer satisfaction survey published in April 2008 showed that 80.7 per cent of respondents rate the service as 'excellent' or 'good' and the council has been awarded chartermarks for day care services for older people and for reception services.

**172.** SWIA's 2007 follow-up report considered the progress that the council had made on improving the educational achievement and attainment of looked after children. The report noted that: 'Social Work and Education Resources had made significant efforts in improving educational attainment of looked after children and young people. This included the funding of five additional posts – home link workers, seconded teachers and an educational psychologist, working on literacy, supporting looked after children and young people excluded or on the verge of exclusion, homework and exam preparation. These efforts were borne out by a striking improvement in attainment figures.' (Exhibit 15, overleaf). The council noted, however, that further improvement was needed

in the attainment of children looked after at home and to reduce the rate of school exclusion.

**173.** HMIE published a positive report on services to protect children and young people in September 2008. Of the 18 areas evaluated, nine were rated as 'very good', five as 'good' and four as 'satisfactory'. None were considered 'weak' or 'unsatisfactory'. The report described key strengths in how well children were protected and their needs met, including a consistent and trusting relationship between staff and children, very effective support programmes in pre-school centres, schools and the community to help keep children safe and the ownership of a shared vision, values and aims by staff at all levels. The council is developing an action plan to address the recommendations in the report which highlighted, for example, the need to improve the focus of quality assurance and self-evaluation, attendance at key meetings, and the council's approach to developing alternative care plans when intervention had proven ineffective or where the level of risk had increased.

## Exhibit 15

### Qualifications gained by looked after children

Qualification gained	2004/05		2005/06	
	Looked after at home	Looked after and accommodated	Looked after at home	Looked after and accommodated
One qualification at SCQF level 3	34%	44%	47%	75%
SCQF level 3 in Maths and English	20%	28%	21%	35%

Source: SWIA Performance Inspection Follow-up Report, 2007

**174.** The 2007/08 SPIs show good to steady performance on services for adults and older people, with four indicators among the best performing in Scotland and 12 indicators on the middle range. One indicator, relating to the percentage of residential care places occupied by older people that are in single rooms, was in the bottom quartile. Most of the SPIs for adult care for 2007/08 have improved with an increase in the provision of home care services, which is in line with the council's objective of supporting people in the community.

**175.** In summer 2008, media reports highlighted concerns about the quality of service being provided by some home care providers commissioned by the council. The Care Commission is currently examining these matters in their inspections of Care at Home support services and will report when this work has been completed. Concerns were also raised about the effectiveness of the procurement arrangements for contracting care packages. A review by the external auditor found that procurement procedures had been followed and that monitoring arrangements were in place following the award of contracts.

**176.** SWIA carried out a joint inspection of Criminal Justice Services in North and South Lanarkshire in 2005. The report was published in the spring of 2006 and while it noted examples of excellent individual practice, it found that overall standards in important areas of work needed to be raised significantly.

The areas requiring improvement included; setting clear priorities for service improvement and service development, focusing on key areas of practice, making sure staff had the appropriate qualities and skills for the job, and improving planning and quality assurance processes. The report also noted that managers had already identified many of these problems and were taking steps to address them. The areas highlighted for further improvement included case recording, enforcement and compliance, community service and through-care and quality assurance. SWIA carried out a follow-up in October 2007 and noted progress in all of these areas.

**177.** Despite this progress, SPIs covering the proportion of new probationers seen by a supervising officer within one week and the average hours per week taken to complete community service orders remained among the poorest performing in Scotland and worsened between 2005/06 and 2007/08.

### Housing

The council is making good progress towards achieving the Scottish Housing Quality Standard and capital programmes are contributing to the regeneration of several areas within South Lanarkshire. Overall performance is good and customer satisfaction is high, though the council needs to continue to respond to demands for affordable homes and homelessness.

**178.** South Lanarkshire Council is Scotland's third largest local authority landlord with over 26,000 houses. Overall performance on housing SPIs is good and seven out of 11 housing SPIs were in the top quartile in 2007/08. The council's 2008 customer survey showed that 64.8 per cent of respondents rated housing services as 'excellent' or 'good'.

**179.** The council has not been the subject of an inspection by the Scottish Housing Regulator. In order to try to identify any potential issues in advance of any future inspection, the council has reviewed other inspection reports as well as inviting the Housing Quality Network to carry out an inspection of housing services later in 2008.

**180.** The council's strategic housing role is focused around the local housing strategy which was reviewed in July 2007 and received a 'very good' rating by Communities Scotland. The demand for affordable rented accommodation exceeds supply in some areas of South Lanarkshire. In order to address this, the council has completed over 1,000 new affordable rented houses, including 500 through a New Housing Partnership scheme. This has helped to reduce pressure on the housing waiting list but this area will continue to require attention.

**181.** The council has been involved in several successful housing regeneration schemes replacing unpopular housing with modern homes. This regeneration work

has been carried out with public and private sector partners. The regeneration schemes completed to date have been very successful with high levels of resident satisfaction, though the council is aware that work is still required in other areas of South Lanarkshire.

**182.** The 'Home Happening' housing investment programme has been very successful; 99 per cent of tenants have been satisfied with the level of service and the quality of work. The 2007/08 local performance indicators show 3,000 kitchens and bathrooms were completed during the year and 60 per cent of homes now reach the Scottish Quality Housing Standard. Funding arrangements need to be kept under review as economic conditions may result in a fall in house and land sale income which is used to help fund the investment programme.

**183.** Tenant participation arrangements are strong and tenants are consulted through tenants groups and area forums which feed into the central liaison group which is involved in policy decisions. Residents are consulted on housing regeneration programmes. A 2007 survey reported that 99 per cent of tenants were satisfied or very satisfied with the information and service they had received. In September 2008, the council agreed a new housing allocations policy which will take effect from June 2009. The development of the policy has taken longer than originally planned, but it has been supported by an extensive consultation process.

**184.** The SPIs show strong performance at the operational level. In 2007/08, the service was ranked third in Scotland for the percentage of council house sales completed within 26 weeks with 96.7 per cent of sales completed within this timescale. SPI performance measures relating to re-letting houses and collection of rental income was in the top quartile in 2007/08 and has been consistently above the Scottish average over the previous three years.

**185.** Housing also administers benefits and collects council tax. SPIs show that the council was ranked first in Scotland in 2007/08 for benefits cost and processing times. The council also participated in the National Fraud Initiative (NFI) and was commended for achieving high yields from benefits investigation exercises in 2004/05 and 2006/07. There has been year-on-year improvements in council tax collection, with a 95.2 per cent in year collection rate achieved for 2007/08. The cost of council tax collection was £13.22 which is lower than the Scottish average of £14.33.

**186.** Performance on housing repairs due to be completed within 24 hours has been improving and the 98.4 per cent reported for 2006/07 was above the 93.9 per cent Scottish average. Local indicators show that satisfaction with the repairs service was 90.3 per cent for 2007/8 against the 90 per cent target. The property maintenance service was judged to be the best performing building maintenance section by the APSE in 2006 and was again shortlisted in 2007. The council is currently reviewing the housing repairs policy and services and tenants have been involved through the central liaison group.

**187.** Homelessness is an issue for the council. The average time between presentation and completion of duty by the council has improved since 2005/06 and was 21.6 weeks in 2007/08, which is below the Scottish average of 22.6 weeks. However, 6.7 per cent of homeless cases were reassessed within one year and this was and remains among the worse performing quartile of councils in 2007/08, though this has improved since 2005/06.

**188.** The council has reduced the costs for bed and breakfast accommodation from £1.7 million to £0.5 million. However, the increasing volume of homeless applications and the increasing number of applications from homeless households with children is putting pressure on available housing. The council is

working with the Scottish Housing Regulator, Shelter and the YMCA to address homeless issues and there are signs of improvement. The Housing and Technical Resources Committee agreed in May 2008 to restructure and expand the homelessness services in order to help address the issues.

## Roads

The council performs well in terms of lighting repairs but, despite increasing year-on-year investment, the condition of the roads has shown limited improvement. As a consequence, the council has recently prioritised roads improvement and is responding with an investment programme of £126 million to 2016.

**189.** The council ranked first in Scotland in 2007/08 for street light repairs where 99.7 per cent of faults were dealt with within seven days, well above the Scottish average of 93.8 per cent. Over 97 per cent of traffic light repairs were completed within 48 hours, which is above the Scottish average of 93.6 per cent. This strong performance is reflected in the 2008 customer satisfaction survey where 80.9 per cent of respondents rated the service as 'excellent' or 'good'.

**190.** The same survey also gives a clear message about the condition of the roads in South Lanarkshire where only 24.2 per cent of respondents rated the maintenance of roads and pavements as 'excellent' or 'good'. The survey also showed significant variations across the area, ranging from satisfaction levels of 34.7 per cent in Rutherglen and Cambuslang down to as low as 13 per cent in the Clydesdale area. The 2006/07 SPIs show that 51.4 per cent of the network should be considered for maintenance treatment and this represents a deterioration since 2004/05. The 2007/08 SPI for carriageway condition is not comparable with previous years, but shows the council in the third quartile.

**191.** The council estimates that the roads network is its highest valued asset at over £2.5 billion. Despite additional investment of £42.7 million in roads since 1999 and expenditure routinely being over the GAE allocation, the council recognised that this was not having sufficient impact. On the basis of the 2006/07 National Roads Condition (SCOTS) survey, the council noted, 'It is clear that an unacceptably high percentage of roads in the council area are in the Red and Amber categories' and that 'at best 33 per cent of B class roads are in poor condition requiring either immediate or short term action. At worst 60 per cent of unclassified network requires attention. The council-wide position across all categories is that 57 per cent of the total road network is in the Red and Amber categories.'

**192.** The council prioritised the improvement of roads as a key objective in the *Connect* for 2007–11. In April 2008, the council agreed a significant investment programme of £126 million from 2008 to 2016. The programme has been prioritised on the basis of a detailed analysis across the four main areas and the first year's work programme is almost complete. The proposed expenditure split will follow budget arrangements which reflect the Roads Conditions Needs Assessment survey ([Exhibit 16](#)).

**193.** The council plans to fund the investment programme through a combination of prudential borrowing and asset sales. With 29 per cent of this investment dependent on asset sales, the council will need to assure itself that the funding plans remain sustainable given the recent economic downturn. A number of the anticipated asset sales are currently progressing.

**194.** The council uses a mixed economy to maintain the roads with approximately 30 per cent of the jobs in the annual programme being carried out by external contractors. Between 37 per cent and 47 per cent of the investment programme

### Exhibit 16

#### Roads investment plan 2008–2016

Clydesdale	35%	£44.10 million
East Kilbride	26%	£32.76 million
Hamilton	26%	£32.76 million
Rutherglen	13%	£16.68 million
	100%	£126.00 million

Source: South Lanarkshire Council

is scheduled to be delivered through a long-term partnership contract with the private sector.

**195.** The roads STO performs well and delivered a surplus of £1.36 million in 2007/08 and £1.99 million over a three-year period. Customer surveys carried out after re-surfacing work show satisfaction levels of 90 per cent and quality audits on workmanship average at 95 per cent.

#### Refuse, waste disposal and street cleaning

The council's refuse collection, waste disposal and street cleaning services are effective. It has high levels of recycling and now faces the challenge of further increasing recycling rates.

**196.** Waste recycling features strongly in the community plan and *Connect*. South Lanarkshire was among the top performing councils in 2007/08 and 36.9 per cent of municipal waste was recycled, an improvement of over ten per cent compared to performance in 2005/06 and above the Scottish average of 31.7 per cent. The council has had a multi bin scheme in operation since 2002 and 88.1 per cent of respondents to the 2008 customer survey rated the council as 'excellent' or 'good' on recycling.

**197.** Customers have a positive view of the refuse collection service and 84.8 per cent rated the service as 'excellent' or 'good'. This is slightly at odds with the SPI covering the

number of complaints received per thousand households where South Lanarkshire is among the poorest performing councils. However, the council has a rigorous system for recording complaints and this may go some way to explaining this. The council performs well on the cost per property of collecting and disposing of waste with the net cost below comparator authorities. This is notable given the high rate of recycling.

**198.** The council still faces challenges to meet national recycling targets. It expects to reach the 40 per cent target by 2010, but its ability to meet the 50 per cent target by 2013 is less clear as only four per cent of residents are not aware of the recycling arrangements and the total amount of waste being generated continues to rise. The council is part of the Glasgow and Clyde Valley Area group and had been working with North Lanarkshire Council to develop proposals for a Lanarkshire-wide waste management solution. The Scottish Environmental Protection Agency (SEPA) consulted on the partnership's proposals over the course of summer 2007 but a final decision about the future management of residual waste has yet to be made.

**199.** Street cleaning services perform well but customer satisfaction remains low compared to other council services. The Local Environmental and Audit Management System (LEAMS) street cleanliness index for 2007/08 was

74, which is among the highest in Scotland. The council has achieved its 2007/08 targets for dealing with fly tipping, dog fouling, graffiti and abandoned vehicles.

**200.** This service was rated less highly with 58.6 per cent of respondents to the 2008 customer survey describing it as 'excellent' or 'good'. Customer perceptions of the cleanliness of the town centres are mixed. Improvements were noted in Rutherglen, Biggar and Strathaven, but some deterioration in East Kilbride and Lanark. The council is currently carrying out a joint review of its grounds maintenance and street cleaning services.

# Part 4. What needs to improve?





South Lanarkshire is a tightly managed council which displays many of the characteristics of Best Value and strong service performance. Some important aspects remain underdeveloped and need to be addressed, however, if the council is to deliver Best Value across all of its activities.

Much of the council's existing improvement agenda relates to how council business is organised and conducted. The council needs to make sure that it is open to alternative views and ideas. This means balancing the strengths that clear vision, direction and priorities bring with a more transparent and inclusive approaches. More robust scrutiny needs to take place in public. It also needs to balance strong internal succession arrangements with opportunities to bring in new talent and ideas.

**201.** Continuous improvement in public services and local governance lie at the heart of the Best Value and Community Planning policy framework. 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.

**202.** The council has many elements of an effective continuous improvement culture. It conducts a wide range of service improvement activity that has resulted in efficiencies and other improvement, though there is scope for the council to prioritise and coordinate this more effectively to ensure maximum impact.

**203.** Service performance is strong and the council knows where service improvement is needed. The council needs to assure itself that its way of conducting business does not constrain it from challenging the way

### Improvement agenda for South Lanarkshire Council

- Make scrutiny and decision-making more open and transparent by implementing good practice guidance and by having scrutiny forums in public.
- Determine the future role for area committees.
- Ensure elected members are more fully engaged in community planning, risk management and the continuing review programme.
- Make community planning more inclusive by involving more partners beyond main public sector agencies.
- Improve the reporting of the impact of community planning by developing more effective outcome measures.
- Fully implement the Community Engagement Framework.
- Develop a forward looking workforce planning strategy and advertise senior management posts externally.
- Review staff survey arrangements to improve the return rate.
- Fully implement the procurement strategy and guidelines across the council.
- Improve the balance of Public Performance Reporting.
- Improve the condition of the roads and service performance in criminal justice services.
- Address the imbalance of customer satisfaction across the four main geographic areas.
- Review the continuous improvement activity taking place to ensure that it is being prioritised and coordinated effectively.
- Ensure that the recent efforts on sustainable development are maintained and tangible progress is achieved.

that it operates and making further improvement. In particular, it needs to review political and management structures, the way in which scrutiny takes place, and the extent to which constructive challenge is valued and encouraged in public forums.

**204.** The improvement agenda sets out a number of priority actions designed to help focus the council on areas for improvement and is broadly consistent with the council's existing improvement agenda. These actions are intended to assist the council in identifying where it should focus its initial investment. This improvement plan is designed to build on the momentum that already exists and will provide the basis for review and monitoring by the council's external auditor over the coming years.

# South Lanarkshire Council

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