

Best Value 2 pathfinder audit

Angus Council



Prepared for the Accounts Commission
May 2010

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 44 joint boards and committees (including police and fire and rescue services).

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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Commission findings



1. The Accounts Commission accepts this report from the Controller of Audit on Angus Council's performance of its statutory duties on Best Value and Community Planning. The Commission accepts the Controller of Audit's judgements that, in respect of these duties, the council needs to improve more quickly and that its prospects for future improvement are fair.

2. The Commission gratefully acknowledges the co-operation provided to the audit team by the elected members, chief executive and other officers of the council and its community planning partners, in particular for their constructive approach to being a pathfinder Best Value 2 area. The Commission also gratefully acknowledges that this report arises from work conducted in close co-operation with colleagues from other local government inspectorates.

3. The council's services are generally of a good quality and are well regarded by the local community. The council has stated a clear ambition for its area and is making progress with its partners towards local strategic outcomes.

4. We welcome the council's commitment to improvement. However, there is a gap between the council's improvement ambitions and its capacity to achieve them. Weaknesses in corporate processes mean that it is not able to demonstrate consistent and continuous improvement in its services. In general, progress against many of the recommendations made to the council in the 2004 Best Value audit has been disappointing. There are welcome signs that the pace is now picking up, and this now needs to progress as quickly as possible.

5. The council does not have a coherent corporate approach to identifying and prioritising improvement actions based on comprehensive performance data.

This inhibits its ability to make clear decisions on service improvement and demonstrate how and where it is improving. It needs to deliver on its commitment to develop systems to give good quality service performance information, so that it can move from incremental individual service-based improvements to demonstrating and managing consistent all-round improvement.

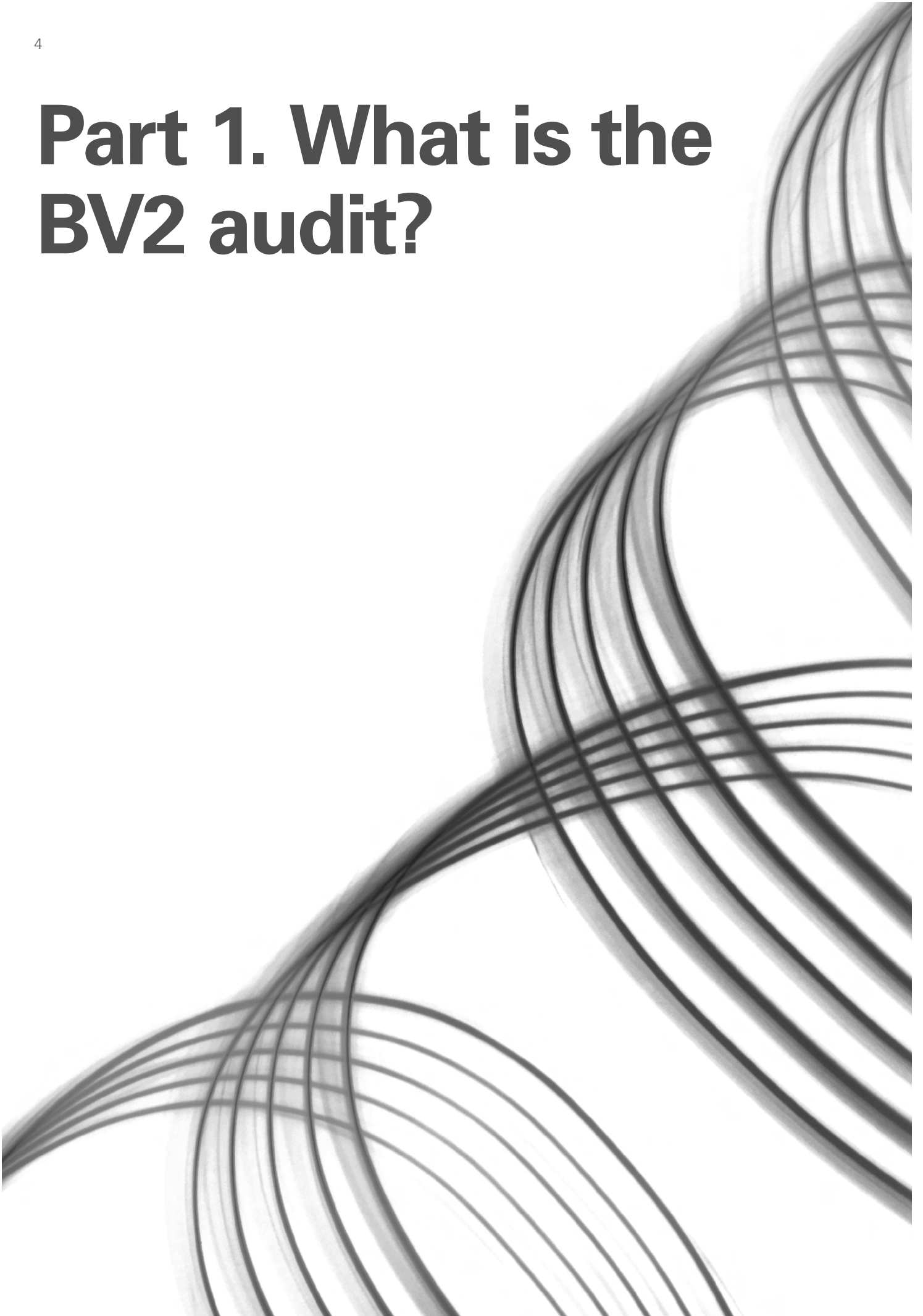
6. We welcome evidence of consultation, but more work needs to be done by the council on community engagement. There are weaknesses in the available information on service performance and citizen and customer satisfaction. These mean that elected members lack the necessary performance management data and robust options appraisal which would allow them to ensure that the council delivers value for money for local citizens. It is essential that the council properly develops this corporate capacity if it is to be able to sustain good services under the challenge of increasing budget pressures.

7. The requirements of effective scrutiny do not appear to be sufficiently well understood. This limits the council's ability to focus leadership on delivering key priorities. The lack of progress since 2004 on establishing independent scrutiny of the authority's performance is particularly disappointing. The newly-formed Scrutiny and Audit Subcommittee is chaired by the leader of the council, which cannot be regarded as good practice.

8. Elected members also need to develop their ability to work together in a constructive way to provide strong strategic leadership, and to challenge and hold officers to account. The council's political leadership and senior management need to work together to ensure that the information systems, processes and governance structures are in place to ensure robust and transparent challenge of officers by members.

9. The issues identified in this report will inform the Assurance and Improvement Plan for scrutiny of Angus Council over the next three years. Local audit and inspection teams will continue to monitor progress.

Part 1. What is the BV2 audit?



Best Value 2

1. The statutory duty of Best Value in local government was introduced in the Local Government in Scotland Act 2003. In response, the Accounts Commission consulted on, and implemented, the audit of Best Value and Community Planning. The Commission has now published a first phase of Best Value audit reports on all 32 councils in Scotland. Audit Scotland carries out Best Value audits on behalf of the Commission.

2. Best Value 2 (BV2) is the next phase of Best Value audit. Its approach has moved on significantly from the first phase, which provides a baseline for how Scottish councils are performing. But it is carried out and reported under the same legislative framework. In particular, BV2 audits are:

- more proportionate and risk based, that is, the audit activity in each local council will reflect more closely the particular issues faced by the council and its partners
- founded on a shared risk assessment process that involves colleagues from other local government inspectorates, particularly Her Majesty's Inspectorate of Education (HMIE), the Social Work Inspection Agency (SWIA), the Scottish Housing Regulator (SHR), the Care Commission and NHS Quality Improvement Scotland
- more focused on impact and outcomes
- designed to provide a more rounded view of partnership working in a local area, and the difference it is making.

3. BV2 is an important part of the wider scrutiny arrangements for councils in Scotland. The BV2 audit aims to be the vehicle for the scrutiny bodies in Scotland to conduct a single corporate assessment in councils. Audit Scotland is working closely

with other inspectorates to undertake a shared risk assessment process for all 32 councils. These allow us to decide the level and detail of scrutiny each council needs and what our audit should focus on. This will enable us to produce an Assurance and Improvement Plan (AIP) for each council. This plan sets out which inspectorates will scrutinise the council in the three years from April 2010, and when they will scrutinise the council.

4. After consulting on its proposals for BV2, the Accounts Commission asked Audit Scotland to develop the BV2 audits through a number of pathfinder audits. These will frame how the rest of the BV2 audits should develop.

5. The Accounts Commission chose five councils to act as 'pathfinder' audits to test various aspects of its proposed approach to BV2. The councils, which provide a mix of geography, size and urban/rural mix, are:

- Angus Council
- Dundee City Council
- East Ayrshire Council
- The Highland Council
- Scottish Borders Council.

6. The Accounts Commission is currently evaluating the BV2 pathfinder process and will be using the findings to refine the audit approach before rolling out BV2 later in 2010.

Shared risk assessment

7. In this pathfinder audit of Angus Council, we worked closely with inspectorates to undertake a shared risk assessment of the council in June and July 2009. This exercise ensured that our Best Value audit approach was proportionate and risk based, focusing on the areas where the audit process can have most effect. The council's own approach

to self-evaluation was an important part of this process. In early 2010, we revisited the shared risk assessment exercise as part of the roll out of the process to all 32 councils in Scotland. The AIP was completed in April 2010. This will reflect our work in partnership with other scrutiny bodies, the issues arising from this report, and other audit and inspection activity to be done by scrutiny bodies.

8. Based on our risk assessment, the Angus pathfinder focused on two main themes in order to make clear judgements on the council's pace and direction of change, and prospect for future improvement (which are explained further in Appendix 1):

- Leadership of the council's approach to improvement – including political and managerial structures, relationships, roles and skills.
- Performance management and improvement – to assess how effectively the council addresses poorer performing services and makes sure the changes it makes are improving outcomes for its communities.

9. These two themes informed our approach to auditing other strategic issues such as customer service and equalities and our assessment of the extent to which the council and its partners are able to demonstrate effective action to achieve locally agreed strategic outcomes.

About this audit report

10. The first Best Value report on Angus Council was published in September 2004. The Accounts Commission's findings were that Angus Council generally provides good services to the community and administers its affairs in a business-like manner. The Commission commended the council for the progress it had made in Community Planning and joint working with other public sector partners, noting that,

'the challenge for the council is to translate this high-level work into real improvements in the delivery of services at departmental level'.

11. The Commission did, however, find areas in which the council could improve. We have considered the council's progress against those improvement areas as a part of our audit. These included:

- Developing the themes of its community plan into tangible benefits for service users and the Angus community.
- Improving information provided to councillors to strengthen their role in scrutinising performance and ensuring that their policy objectives are being met.
- Implementing a corporate performance management system throughout the council, with more outcome-based measures that focus more on customer needs and impact.
- Improving corporate working, and moving away from departmentalism.
- Translating corporate plans into measurable objectives at service level.
- Increasing the pace of change to drive forward improvements under Best Value.
- Making a greater commitment to equal opportunities at all levels of the organisation.
- Ensuring that it considers the widest possible range of options for delivering services when reviewing services.

12. We carried out the BV2 audit in Angus between June and December 2009. The initial risk assessment and scoping phase took place during June and August, with the detailed audit work taking place in September and October 2009. We continued to work closely with colleagues from other inspectorates while undertaking the detailed audit work.

Acknowledgements

13. We gratefully acknowledge the co-operation and assistance provided to the audit team by David Sawers, chief executive; Hugh Robertson, assistant chief executive; and all 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.

14. We would particularly like to thank the council for the constructive approach it adopted to being a pathfinder BV2 audit.

Part 2. Summary performance assessment



Angus Council has a clear sense of direction and overall it provides good services which are well regarded by local people. But the council cannot demonstrate clearly that these are improving consistently or continuously and it cannot be confident that it knows where improvement is needed most. Its leadership of Community Planning is good. Steady progress is being made with partners towards most strategic outcomes, but there is a need to more clearly articulate the long-term improvement ambitions that they have for the local area. More could be done to engage communities strategically in Community Planning.

Overall, the council manages its finances and other resources well, but slow progress has been made in improving corporate processes to deliver Best Value since the last Best Value audit in 2004. Much of the infrastructure to support Best Value is, however, now in place, although important aspects have only recently been introduced. The council now needs to make sure that these arrangements are consistently driving service improvement. Its prospects for improvement are fair, but currently limited by its underdeveloped approach to performance management and the need to improve relations between political groupings, and address weaknesses in its approach to scrutiny and challenge.

15. Angus Council has a clear sense of direction, provides good leadership to partnership working in Angus and works well with its partners to address key local issues. Steady progress is being made in delivering the objectives of the Angus Community Plan and meeting the short-term targets set out in the Single Outcome Agreement (SOA). The council and its partners recognise the need to establish clearer outcome measures to enable robust monitoring of progress against long-term ambitions for the area. This

will help decision-makers to allocate increasingly scarce resources in the best way. While the council and its partners consult frequently and widely with local communities, the role of local people in strategic Community Planning is not clear. There is scope for strengthening how elected members are engaged in Community Planning.

16. Historically, the council has provided good services to the people of Angus, but there is evidence that this high level of performance has not been sustained. External inspectorate reports describe good performance in the key services of education and social work, but with some areas where improvement is required. National indicators, while generally positive, show some mixed and deteriorating performance, notably in aspects of housing and waste management. The council is not able to demonstrate that its services are improving consistently.

17. Overall, the council manages its resources well. It has, however, been slow to improve corporate arrangements to deliver Best Value since the first Best Value audit in 2004. Its pace of change is now quickening and it has in the last year started to address many of the weaknesses that were identified in the 2004 audit. A number of these improvements are relatively new and are not embedded; therefore their impact in securing better services has not yet been fully demonstrated. There is not yet a coherent corporate framework for delivering continuous improvement. The council still lacks an effective approach to managing performance based on high-quality performance information (including customer and citizen views and priorities) which is understood by stakeholders, including elected members and staff. This means that the council is not yet able to clearly articulate its priorities for improvement.

18. The quality and effectiveness of the political leadership of the council is compromised by poor relations between political groupings. Political leadership of improvement is further weakened by an ineffective approach to scrutiny and challenge.

19. Since the 2004 audit, the council has experienced considerable change which it believes explains the slow progress to establish and embed an effective approach to improvement. It introduced a new departmental and senior officer structure from 2005 to 2007 which has improved corporate working. Political control changed in 2007 after many years of administration by one party and the new administration needed to establish itself before addressing the council's policy direction and areas for improvement.

20. The council **needs to improve more quickly:**

- While leadership of Community Planning is good and progress is being made towards strategic outcomes, a clearer articulation of the long-term improvement ambitions for the area is needed.
- While most services perform well and overall levels of service satisfaction are high, there are aspects of mixed or deteriorating service performance. Satisfaction with Angus Council and its achievement of value for money has been falling.
- It does not do enough to engage strategically with local people and to understand and systematically act upon the views of customers.
- It lacks consistently good quality performance information. This makes it difficult for members, officers, the public and other stakeholders to have confidence that it knows which services are most in need of improvement. It also limits its ability to learn from its performance.

- It does not yet consistently or clearly use self-evaluation activities to help it to make sure all services are improving consistently.

21. Its prospects for future improvement are fair:

- While much of the infrastructure to support Best Value is now in place, important aspects have only recently been introduced.
- Its wide range of review activities is not prioritised well or linked adequately with its corporate objectives. The absence of this prioritisation is made more critical given that the council has a record of taking longer than intended to complete such review work.
- Poor political relationships and an ineffective approach to scrutiny and challenge compromise the ability of elected members to lead and engage in improvement.
- While it generally manages its employees well, important aspects of how it manages employees need to improve, including communications and staff performance appraisal and development.

Part 3. Areas for improvement



22. There are three main areas for improvement for the council.

- It needs to establish a more coherent corporate framework for improvement to enable it to better articulate its improvement priorities, based on:
 - clear programming and prioritisation of improvement actions
 - a more comprehensive approach to performance management, based on:
 - self-evaluation
 - good performance information, which includes the views of customers and local people and analysis of comments and complaints
 - training and support for members and officers on performance management
 - a clearer link between corporate priorities, resource management, priorities for improvement and review activity.
- It needs to improve governance arrangements by:
 - ensuring that all political groupings can work better together to improve outcomes for the people of Angus
 - establishing arrangements for more robust scrutiny and challenge.
- It needs to strengthen Community Planning activity to:
 - bring more clarity to the longer-term vision of Angus Community Planning Partnership (ACPP) by establishing outcome measures which reflect real long-term ambitions for the area
 - engage elected members and communities more actively in Community Planning and partnership working.

Part 4. Local context



Angus is a relatively sparsely populated area centred on seven main towns. Its population tends to be older, healthier and earn more than the Scottish average. Changing demographics, the urban and rural mix of the area, and the need to increase the diversity of the local economy all present challenges to public services.

Angus Council has gone through significant changes in political control, senior management and organisational structure since 2005.

Angus

23. Angus covers the tenth largest land area of all Scottish local authorities – 2,182sq km – and has a population density of 51 people per square kilometre, making it the 12th lowest densely populated council area in Scotland. The population is largely concentrated in the seven principal settlements of Montrose, Arbroath, Forfar, Kirriemuir, Brechin, Monifieth and Carnoustie. After modest growth in the early 1990s the population of the area has been decreasing and is currently at 110,310. This population change reflects a decline in employment in agriculture and the mixed fortunes of manufacturing and the oil industry in the local region. Latest population projections suggest a four per cent increase between 2008 and 2031.

24. Angus is part of the wider Dundee City Region and the Tayplan Strategic Development Plan area. The region covers the council areas of Angus, Dundee, Perth & Kinross and the north east part of Fife. Angus has a particularly close relationship with the City of Dundee, characterised in the *Dundee and Angus Structure Plan 2002–16* as ‘complementing each other, providing a range of urban and rural qualities’.

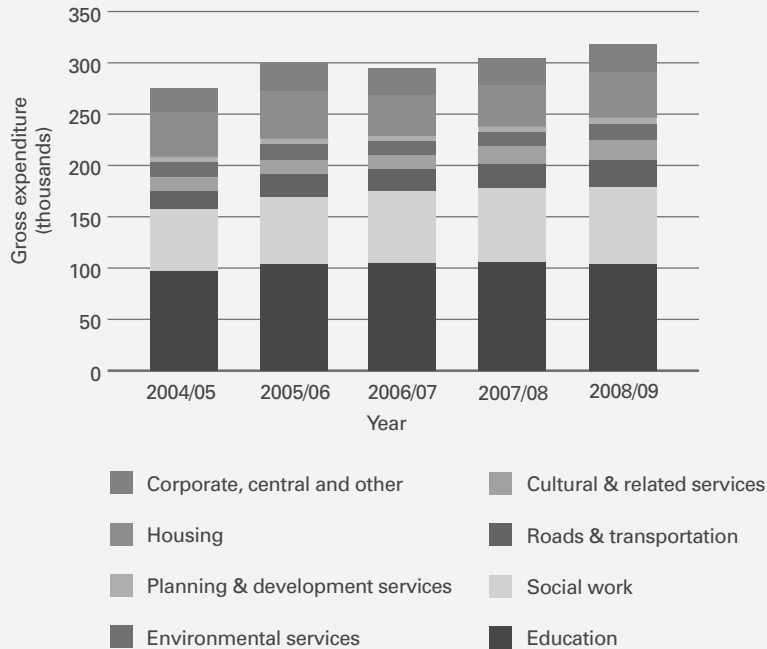
25. Angus has an older than average population, and this is projected to get even older. The population above working age is expected to rise by 30 per cent by 2031. Compared to Scotland as a whole, people tend to be healthier and suffer fewer hospital admissions as a result of alcohol and drugs misuse. Local citizens are more likely to be working, with higher than Scottish average earnings, although Angus falls below average for earnings by workplace, explained by high numbers of people commuting from Angus to Dundee and Aberdeen. The area has a significantly lower than average percentage of people living in the 15 per cent most deprived areas of Scotland, although some pockets of deprivation do exist. This is reflected in the area rating significantly better than the Scotland average on education, employment and prosperity indicators.

26. The percentage of households assessed as homeless is significantly lower than the Scotland average and the area has below average levels of crime. The area had a 0.8 per cent ethnic minority population in 2001 (much lower than the Scotland average of two per cent), but the area has become more diverse as a result of increased numbers of migrant workers, mainly from Eastern Europe (estimated to be 2,500 to 4,000, rising to more than 5,000 if seasonal workers are included).

27. This context provides challenges for Angus Council and its partners in the ACPP in supporting a growing population which is getting older, while sustaining a diverse economy that benefits from Angus’s role in the Dundee City Region and drawing on its own strengths in engineering, tourism and agriculture.

Exhibit 1

Angus Council: Gross expenditure 2005 to 2009



Source: Angus Council Annual Reports: 2005 to 2009

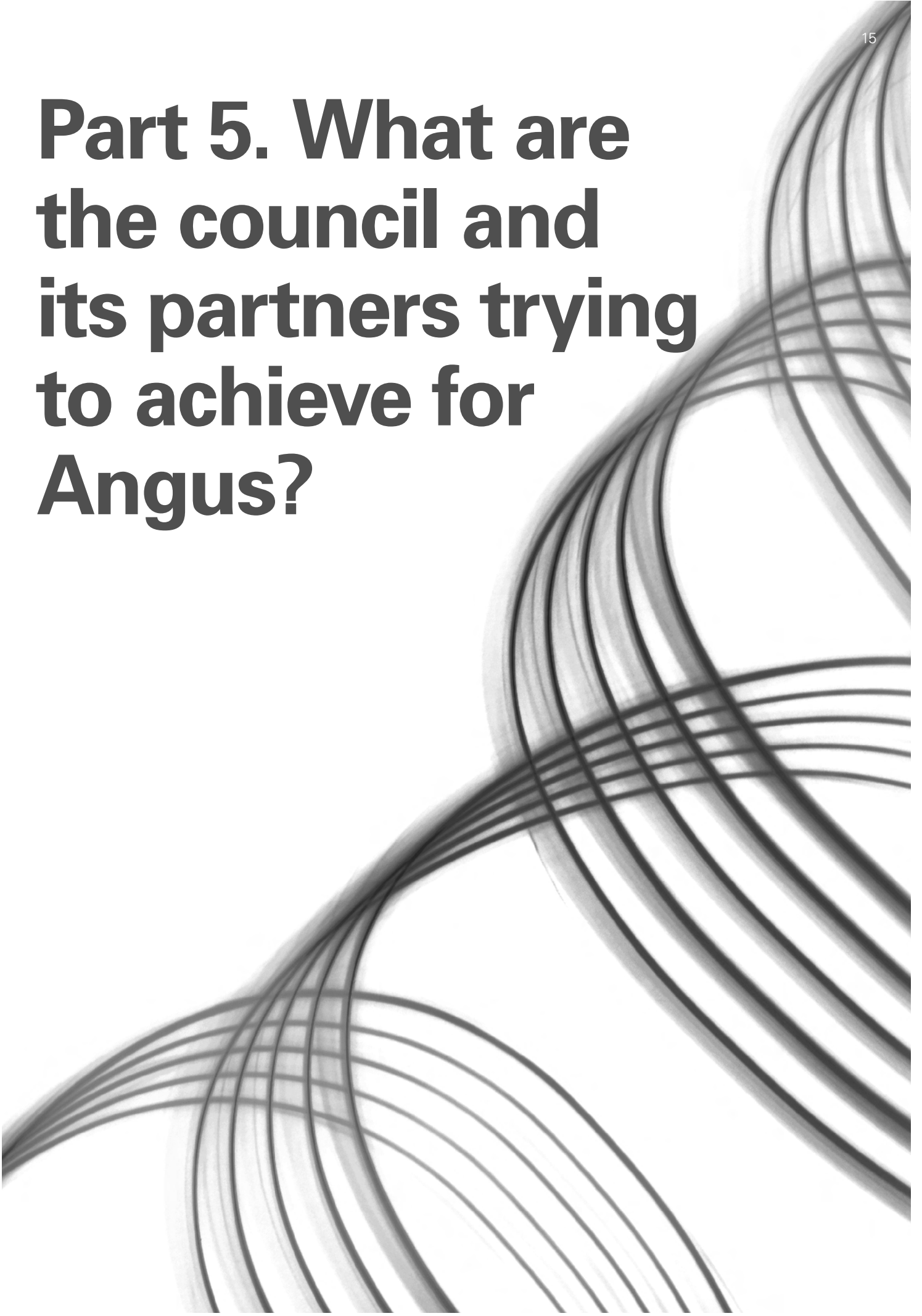
The council

28. Angus shares local authority boundaries with Aberdeenshire, Perth & Kinross and Dundee City. There are eight electoral wards and the council has 29 members: 15 Angus Alliance (made up of independent, Conservative, Labour and Liberal Democrat members), 13 Scottish National Party (SNP) and one non-aligned independent. The May 2007 election saw control of the council transfer from the SNP, which had been in power since the inception of Angus Council in 1996, to the Angus Alliance. Thirteen of the 29 members elected in 2007 (nine of whom are in the Angus Alliance) were new to local government. This change has thrown up challenges for the council, both in terms of the need to develop the skills of such a high proportion of new members, and in the need for all political groups to adjust to their new roles.

29. During 2006/07, the chief executive, who was appointed in 2005, led a major restructuring exercise, reducing 12 departments to six: chief executive's, corporate services, education, infrastructure services, neighbourhood services, and social work and health. At June 2009, the council had 5,697 employees (4,697 full-time equivalent). This represents 42.6 staff per 1,000 population, which is the 12th lowest number of staff among Scotland's 32 councils.

30. The council's net estimated revenue expenditure for 2009/10 is £261.5 million. This is expenditure per capita of £2,401, which is the 13th lowest in Scotland. Band D Council Tax for 2009/10 is £1,072, the sixth lowest in Scotland. Exhibit 1 shows gross expenditure and spend by service since 2004.

Part 5. What are the council and its partners trying to achieve for Angus?



The council and its partners have a vision for the area which reflects the local context. They have recently further improved how they work together. They are working on identifying and clarifying the outcome measures needed across the themes of the community plan to help demonstrate progress against longer-term improvements that they are trying to achieve for the local area.

ACPP has community engagement as one of its priorities. It consults widely with citizens and communities, but it is not able to demonstrate how communities engage strategically in Community Planning.

What are the council’s and its partners’ key objectives?

31. The council and its partners in ACPP have a strategic vision for the area which clearly reflects the local context.

32. They have maintained a clear strategic direction throughout the period of the community plan (2000–10) and have achieved good strategic alignment between the themes of the current community plan and the council’s own corporate plan (Exhibit 2). The new community

plan, covering the period 2007–12, has similar themes to the previous plan but also defines six ‘priority outcome areas’.

How focused are they on the key challenges for the area?

33. The themes of the community plan reflect the area’s context well. The partnership is clear about the relationships between the community plan, SOA and corporate plan, and the ‘priority outcome areas’ identified in the plan help to set out the priorities of the partnership more clearly. The community plan acts as a vision document, and while the SOA helps to give further definition to this vision, its outcome targets are mainly short term and not prioritised. Given the challenging times facing Community Planning Partnerships, ACPP could be clearer in setting out its longer-term improvement ambitions across all of its vision. The partnership is, however, working hard at this and its thematic partnership groups are committed to further refining outcomes. Some of the more recent plans, such as the *Integrated Plan for Children and Young People of Angus (2009–12)*, the *Economic Development Strategy (2008–11)* and *Community Safety and Antisocial Behaviour Strategy (2009–12)* are specific and challenging about what they are trying to achieve

and have better action plans with outcome-based targets.

34. The partners have also improved the way that they drive and monitor progress. The newly formed SOA Implementation Group is being robust in monitoring and challenging those charged with delivering the SOA. As ACPP develops clearer long-term objectives, this will help provide a firmer basis for assessing how stretching and ambitious its plans are. The council also leads an annual review of the effectiveness of ACPP which indicates a willingness of the partnership to critically appraise how it does things. More systematic review – with, for example, a clearer link to progress against outcomes and what this means for the way the partnership works – would allow the partnership to be clearer about what it needs to do to improve how it works. This would also provide assurance that it is being sufficiently challenging when setting its shared objectives. Some of this is being done through an ‘annual planning day’ involving partners. Involving other stakeholders, such as local communities, would further improve the quality of such review activity.

35. The partnership has well-developed processes for joint planning of finance, workforce and

Exhibit 2

Community Planning themes and priorities in Angus

Community Plan 2000–10 themes	Community Plan 2007–12 themed partnership groups	Council Corporate Plan 2007–12	Community Plan 2007–12 ‘priority outcome areas’
The economy	The economy	Economic potential	Demographics
Lifelong learning	Lifelong learning	Learning for all ages and abilities	Sustainability
Healthy and safe communities	Healthy, safe and caring communities:	Safe and caring communities and healthy lifestyles	New business growth
Caring communities	• Health improvement	Environment and quality of life	Engaging communities
The environment	• Community safety	High-quality customer-centred services	Young people
	• Drugs and alcohol		Alcohol
	• Health & community care		
	• Children’s services		
	The environment		

Source: Angus Community Planning Partnership

physical assets and it recognises the importance of these processes at this time of tightening public resources. There are also good examples of partners working well together at local level, such as council, police and health services sharing accommodation in various locations.

How focused are they on things that matter to local people?

36. Community engagement is one of ACPP's key priority areas in the community plan and ACPP has had a long-standing commitment to engage better with communities. The council, its partners and thematic partnership groups have a good record of undertaking a wide range of consultative activities. Most of these are 'one-off' activities in relation to specific initiatives being taken forward by partners, and the council website includes a 'have your say' database setting out a range of such activities. This commitment has been supported by extensive training for partners in engaging with people. There are also examples of more systematic engagement with communities such as parent forums in education, but these types of engagement are not used consistently across the partnership.

37. The council and its partners are less able to demonstrate a strategic and systematic role for communities in Community Planning. They have stated a commitment to develop local Community Planning and to develop 'local community plans', but there is still work to do to realise this commitment. The council has recently revised its support arrangements for local Community Planning based on four teams of council officers located within the neighbourhood services department and comprising staff who have a 'community facing' role. An action plan includes commitments to developing team work plans and local Community Planning profiles containing information and intelligence to act as the basis for local planning targets. The action plan is ambitious

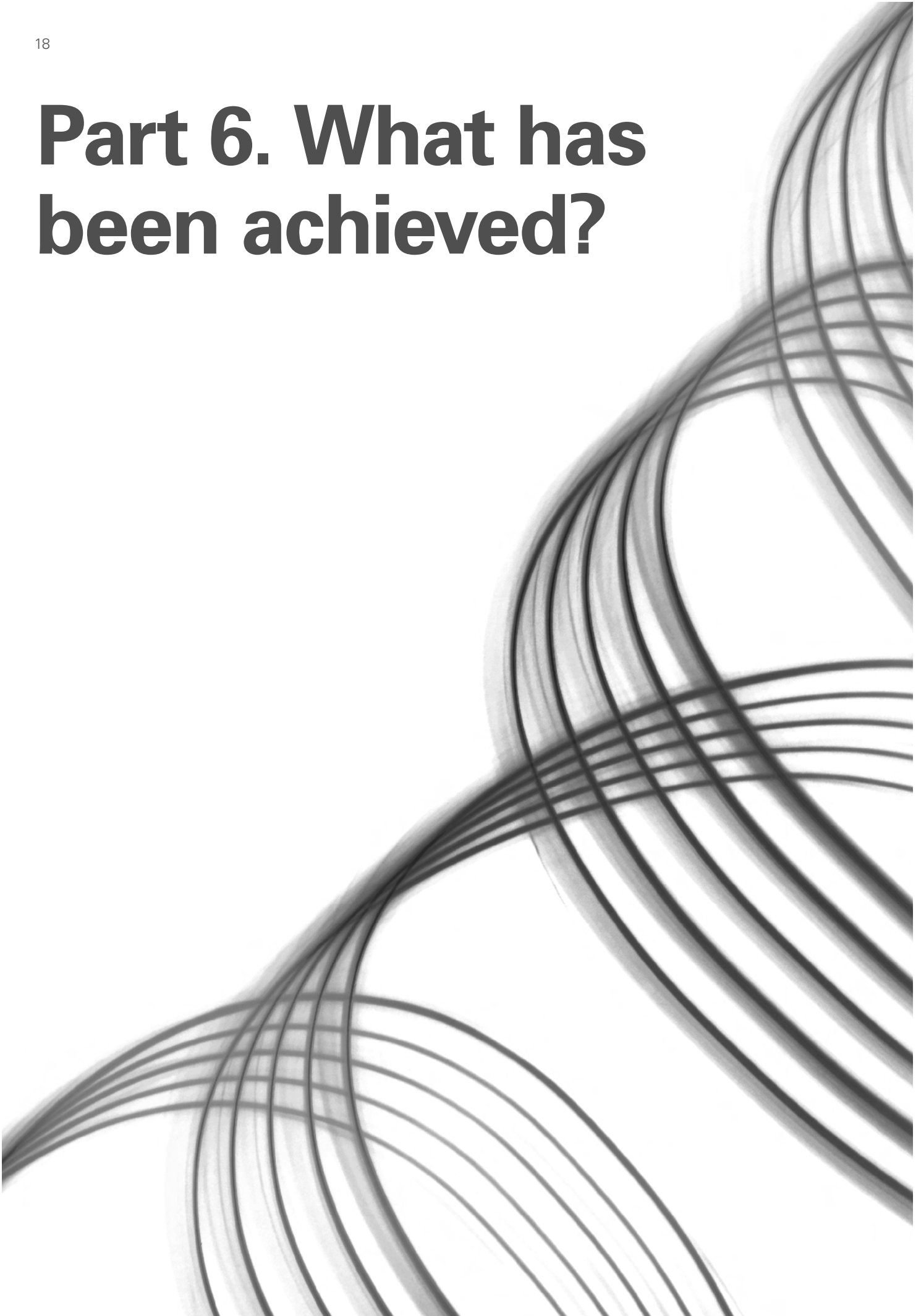
and challenging, and the council is at an early stage of implementing it.

38. Seven local area partnerships have been established which are made up of local people, community groups and representation from community planning partners. These partnerships, which allow communities to bring together their own priorities, vary in their activities and effectiveness. In its 2008 inspection of the 'learning community' surrounding Arbroath Academy, HMIE praised Arbroath Area Partnership as a highly effective partnership which is a good example of a range of interests pulling together to secure improvements in the town. By contrast, the 2009 HMIE inspection of the learning community surrounding Forfar Academy highlighted the need for a shared vision, aims and priorities for working with local communities; and the need for further developing the influence of communities on wider decision-making. This inconsistent picture at local level indicates a lack of clarity about the strategic role for communities in partnership working in Angus, which is also reflected in the lack of any clear or direct role for local area partnerships in ACPP.

39. In addition to local area partnerships, there are 26 community councils. The council has good financial and officer support arrangements in place for community councils, but the strength of relationship between them, local area partnerships and the council varies between areas. The role of local area partnerships and community councils in Community Planning and wider partnership working is not clear to many stakeholders nor consistently understood. The 2009 citizen survey, carried out between the council and its partners, reflects this, with 67 per cent of people being aware of community councils but only 24 per cent being aware of local area partnerships.

40. An annual community engagement impact assessment was first reported in October 2008. This exercise is essentially a drawing together of all engagement activities undertaken by partners and shows how engagement has positively affected decisions taken by the partners. While the exercise clearly demonstrates an abundance of such activities and helps demonstrate ACPP's commitment to engaging with service users, its effectiveness would be enhanced if it also set out the impact of partners' decisions on communities.

Part 6. What has been achieved?



The council and its partners can show steady progress in most aspects of the key themes of the community plan. The council has contributed to this progress by providing generally good services which historically have performed well compared to other Scottish councils, although there is some evidence of a levelling off of this performance in recent years. The council is unable to demonstrate consistent improvement across all of its services. Levels of satisfaction with council services are good, but residents' satisfaction with the council as a whole, and the extent to which it provides value for money, has fallen in recent years.

The council has a track record of good financial management and generally manages its resources well, but the link between its resource management and its corporate priorities and direction is not always clear. It has made progress in improving its approach to procurement and its management of assets, information and risk. Overall, the council manages its employees well, but there is scope for improvement in some important areas.

The council is committed to addressing sustainability issues, but could do more corporately in its approach to equalities. Evidence of impact in both of these areas is limited.

What progress has been made in addressing the key challenges for Angus?

41. Limitations in performance information mean that it is difficult to gauge the effectiveness of the partnership in addressing the challenges for the area since the first community plan in 2000. Reports of performance since 2008 against the SOA, however, provide some evidence of positive progress in all of the community plan theme areas.

Exhibit 3

The economy and employability in Angus

The council and its partners clearly recognise the importance of the local economy to the quality of life in Angus. It is a key theme of the community plan and the SOA. The Angus Economic Development Partnership's strategy for the area contains good analysis of the Angus economy and the challenges it faces, and its action plan is a good driver for improvement. It is, however, too soon in the strategy to see its impact.

An important part of the strategy relates to employability, although this does not feature explicitly in the action plan that accompanies the strategy. Angus Council and its partners in ACPP have a multi-faceted approach to employability. In response to the Scottish Government establishing the Fairer Scotland Fund to tackle poverty and deprivation across Scotland, ACPP has created a Fairer Scotland Group (FSG) to manage the fund by monitoring progress and recommending expenditure. Initiatives funded by the FSG include:

- The Towards Employment Team, which aims to provide key worker support to those who require employability-related assistance, has seen 47 of 190 registered clients entering employment in the year to August 2009.
- The Angus Volunteer Academy, which is unique to Angus, in which participants engage in a variety of volunteering opportunities and receive personal development support and training. Over the last year, 116 people have completed the Volunteer Academy, with a 160 per cent increase in referrals from partners. Aspirations among participants for progressing into employment and further learning have been increased. Most participants are accessing volunteering and employment beyond Volunteer Academy.

In a further development, the Angus Employability Partnership has also recently been established. Its role is to 'facilitate, support and coordinate the provision of employability services in Angus'.

Source: Audit Scotland

42. The available SOA data, and analysis of other national and local performance data, provide the following insights on policy themes:

- **The economy:** many key economic indicators compare relatively well with other areas in Scotland. Levels of qualifications and median wages of Angus residents are higher and unemployment is lower than Scottish averages. Jobs in the tourism sector have increased, as has the number of visitors to the top four attractions in the area. The number of VAT registered businesses increased at a higher rate than Scotland as a whole from 2004 to 2008. However, these figures mask some less favourable results. Median wage levels for

jobs located within Angus are significantly lower than the Scottish and UK averages and, while the partners have prioritised the aim of 'less young people need to leave Angus in order to access suitable employment', the ratio of total jobs to working age population remains below the Scottish average. Some important indicators have remained static or have worsened, even before the impact of the recession: these include the number of people on unemployment-related benefits and incapacity benefits. The partnership has not yet made progress in achieving its aim of reducing the number of children living in households that depend on out-of-work benefits. Exhibit 3 sets out some progress in relation

to employability under the wider theme of the Economy.

- **Lifelong learning:** there has been good progress in learning for young people and adults; all SOA targets were met or exceeded in 2008/09. Levels of academic qualifications among the Angus population continue to be above average, although performance against comparable council areas, as defined by HMIE, is more mixed. Since 2005, there has been a sharper decrease than the national average in the proportion of the working age population with no qualifications. The number of people of working age with qualifications at NVQ level 1 (SCQF level 4) or above increased in 2008/09. Enrolments at Angus College have increased and more school leavers are going into employment, education or training; the number of school leavers going on to further education is notably above the Scottish average.
- **Healthy and caring communities:** there is evidence of progress across most health targets, with improved life expectancy for men and women at birth and age 65; and reduced low weight births. There has been some good progress in tackling health inequalities for children, including a reduction in 2008 in the number of obese under 12-year-olds. More people are using leisure and outdoor facilities, with encouraging progress reported in young people being active. However, levels of smoking among adults have remained unchanged, in contrast to a decreasing trend across Scotland as a whole. Levels of smoking in pregnant women have decreased slightly.
- There has been some good progress in tackling crime, fire safety and road safety in Angus. The recent *Best Value Audit and Inspection of Tayside Police and Tayside Joint Police*

Exhibit 4

Community safety in Angus: Approach and activities

The council and its partners identify community safety as an important part of their vision that, 'Angus will be a place where a first class quality of life for all can be enjoyed, in vibrant towns and pleasant villages set in an attractive and productive countryside'.

The Angus Community Safety Partnership's *Community Safety and Antisocial Behaviour Strategy 2009–12* has three strategic aims:

- Early intervention and prevention.
- Enforcement and support.
- Community engagement.

The Partnership consists of representation from Angus Council (housing, environmental and consumer protection, chief executive's), Tayside Police, and Tayside Fire and Rescue. It is supported by a Joint Service Team with resources from council and police. In addition, a Community Safety Tactical Tasking and Coordinating Group addresses key issues of community safety and antisocial behaviour (ASB). An Antisocial Behaviour Tasking Group addresses the operational impact of ASB problems.

Some examples of initiatives undertaken by the partnership are:

- **Fire Academy:** targets young people who have a history of fire setting behaviour. A total of 22 young people, who had previously committed 37 offences, have attended.
- **Safe as Houses:** Tayside Police, Angus Care and Repair, Tayside Fire and Rescue and Angus Council have formed a partnership to provide a safety and security initiative for the older, disabled and vulnerable people of Angus.
- **Migrant Workers roadshows:** various events throughout Angus attended by partners.
- **Friday Nite Project:** two projects in Arbroath and Kirriemuir to support young people. Per quarter, 175 young people attended and of those, 76 per cent stated that their alcohol consumption had reduced or stopped.

Source: Audit Scotland

Board, published in November 2009, reports that Tayside Police has a strong record of working with partners and that crime has reduced. There have been decreases in recorded motor vehicle crime, racist crime, vandalism and the overall recorded crime rate. However, there has been an increase in recorded domestic housebreaking and in violent crime, although these increases may in part be linked to improved recording arrangements. Casualties and deaths from fires have both decreased. Public

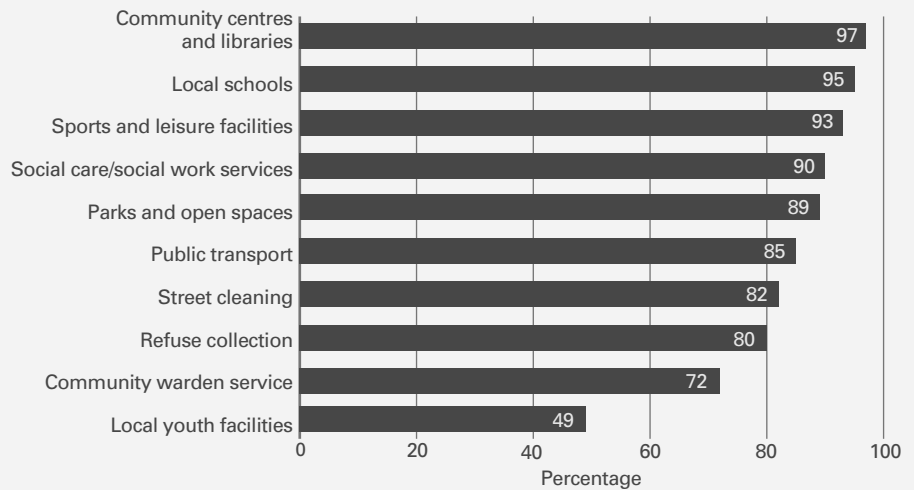
perceptions of crime have improved markedly since 2007: a community safety survey conducted by the community planning partners in 2009 showed that 21 per cent more Angus residents feel fairly or very safe when walking out alone after dark than in 2007; during the day, 70 per cent feel very safe, a 27 per cent increase since 2007. Fewer people are worried about fire-raising and youth crime, about people drinking or using drugs, and about vandalism. Exhibit 4 summarises the work of the

community safety partnership with reference to some examples of initiatives.

- Environment and quality of life:** in the 2009 community safety survey, 94 per cent of respondents rated their neighbourhood as a good place to live. Recent years have seen more waste being recycled and less going to landfill. The cleanliness index for Angus has also shown a general upward direction, albeit with a slight deterioration in the past year. The community safety survey reflects this, showing that littering remains an area of concern for local residents, especially within urban areas. Over a third of respondents felt worried about rubbish lying around in their area, although this has decreased since 2007, and a similar number reported that they had been affected by this in the last year.
- The partnership does not report progress explicitly against its **priority outcome areas** of demographics, sustainability, new business growth, engaging communities, young people and alcohol. There are, however, indications of progress on some of these, with increased VAT business registrations, a fall in the number of alcohol-related acute hospital admissions (although with a slight rise for young people), fewer young people being accommodated in residential units and an increase in respite care places for children with special needs. Young people are taking part in more sport and recreation. The partnership is committed to considering the effect of demographic change on housing. More homes are being built and of these, more are affordable housing, although more people were assessed as homeless in 2008/09 compared with the previous two years.

Exhibit 5

Angus Council: Findings from citizen survey 2009 – satisfaction with services



Source: Angus Citizen Survey 2009: Final Report

How good are the council's services and are they improving?

43. Historically, Angus Council's services have performed broadly well. Recent education and social work inspections have led to largely positive performance assessments, although there are areas for improvement such as those relating to educational attainment. Beyond these inspected services, the amount of good quality performance information to help judge how well the council's services are performing is limited largely to information about management processes and Statutory Performance Indicators (SPIs). In the absence of good quality service performance information, it is difficult for the council to demonstrate that its services are improving consistently.

44. The council's 2009 citizen survey, carried out with partners, indicates that people are satisfied with many council services (Exhibit 5), but as this survey is the first time since 2004 that the council has sought residents' views across all of its services, and it has not consulted its citizens' panel since 2007, no longer-term trend information about citizen satisfaction with services is available.

45. Customer satisfaction information at service level is also limited, with notable exceptions in social work and health, planning and customer information from the council's ACCESS service, which aims to provide information at the first point of contact for all services. We have used this information along with that of the Scottish Household Survey (SHS) and the 2009 citizen survey to present a summary of people's perception of the council and its services. The information available shows a picture of historically high levels of satisfaction with the council as a whole, albeit with signs of some deterioration in recent years.

46. Exhibit 6 (overleaf) maps trends in SHS data on the extent to which Angus citizens believe the council 'provides high-quality services' and 'does the best it can with the money available' between 2002 and 2008. It shows that in 2002, compared to other local authorities, Angus Council was considered by local citizens to provide high-quality services and deliver good value for money. By 2008, while still above the Scottish average, overall satisfaction with services had deteriorated by nine per cent (moving the council from sixth to 17th place out of 32 councils nationally). Local residents' view

of the extent to which the council provides value for money had dropped by 13 per cent over this period, ranking Angus 24th of all Scottish councils against this measure. More encouragingly, the council's 2009 citizens survey indicates that 64 per cent of respondents agreed that the council provides good quality services and 55 per cent agreed that it provides value for money services. There is, however, no trend or comparative information within which to consider these figures.

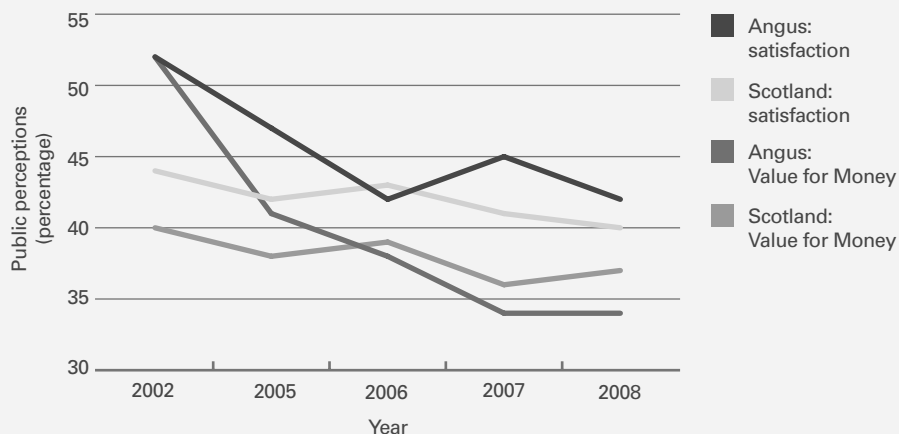
47. The council does not carry out council-wide analysis of complaints but it is working on this. The number of complaints against the council received by the Scottish Public Services Ombudsman which proceeded to investigation reporting and the number upheld have all been consistently below the national average. Between 2003 and 2006 there were no reports at all for the council. In 2007/08, four complaints received by the Ombudsman proceeded to investigation with two not upheld, one partially upheld and one fully upheld. In 2008/09, one complaint proceeded to investigation and this was fully upheld.

48. The council's overall performance as indicated by SPIs over a number of years is one of broadly static performance since the last Best Value audit in 2004. SPIs also indicate some areas of mixed performance, and some evidence of deterioration, such as aspects of housing and of services for the homeless, and the level of complaints about refuse collection.

49. In 2003/04, the council had 23 indicators in the upper quartile of performance and 17 in the lower quartile. Since then, as shown in Exhibit 7, there has been a picture of broadly static performance relative to other councils. By 2007/08, there were 18 indicators in the upper quartile and 15 in the lower quartile.

Exhibit 6

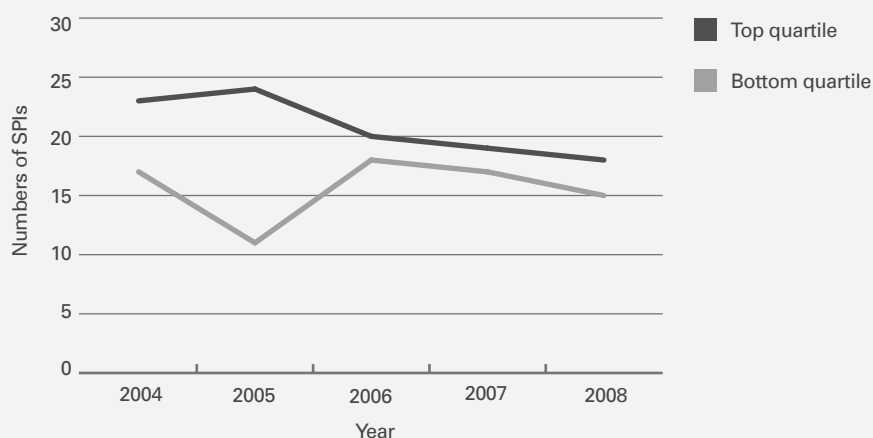
Angus Council: Public perceptions of service quality and value for money 2002–08



Source: Scottish Household Survey 2008

Exhibit 7

Angus Council: Numbers of SPIs in top and bottom quartiles as ranked against all Scottish councils



Source: Audit Scotland

50. The SPI data indicates that there has been an overall deterioration in the rate of improvement in Angus compared to other councils. Between 2005/06 and 2007/08, the council achieved an SPI improvement ratio over three years of 0.77.¹ This was the lowest of all Scottish councils. Nationally the ratio improved by 1.7. More positively, results for 2008/09

indicate a degree of improvement: 40 (53 per cent) of the council's SPIs improved, five (seven per cent) maintained performance at the same level as the previous year, but 28 (37 per cent) deteriorated in performance. This represents a better improvement ratio over three years of 1.3, but still within a longer-term context of a levelling

¹ The ratio of performance improvement to decline is the number of SPIs improving by more than five per cent to the number of SPIs declining by more than five per cent, measured from 2005/06 to 2007/08. In the case of Angus, 20 SPIs improved between 2005/06 and 2007/08, but 26 SPIs declined over the same period.

off of performance improvement for the council as a whole against a historically more positive picture.

51. Assessing the performance of the council's services against its corporate objectives confirms a general theme of good services with some aspects of mixed performance:

High-quality customer-centred services

- The first Best Value audit in 2004 concluded that the council needed to improve its customer focus. The council has made good progress in this. Its 'ACCESS' programme is well developed: people can contact the council through seven custom-made ACCESS offices, an ACCESSLine call centre, or the internet. A recent survey of ACCESSLine customers found that 99 per cent rated the service as 'good' or 'very good' and in 2008/09 the number of enquiries dealt with at first point of contact increased by 21 per cent. The 2009 citizen survey shows that over three-quarters of those who contacted the council to either seek information or to seek a service were either 'fairly' or 'very' satisfied with the council's response.
- Some changes have only recently been put in place, such as a commitment in March 2009 to develop an overarching customer services strategy which is being led by the deputy chief executive. The council has a good record of one-off service-specific customer consultation activities, but not on a longer-term more systematic basis. A customer services manager has recently been appointed who supports a Customer Services Board chaired by the deputy chief executive. The council has made other commitments, including developing a corporate approach to analysing complaints; and developing service standards and targets. The 2009 citizen survey shows that less than half of those who had contacted the council

to make a complaint were either 'fairly' or 'very' satisfied that the council responded reasonably to their complaint. The council does not yet make enough systematic use of complaints or other customer information to identify ways of improving.

Economic potential

- There is little useful evidence of the impact of the council's activities to develop the economic potential of Angus, although the evidence that is available does suggest that the council can demonstrate that it is supporting local businesses. In April 2008, the council assumed responsibility for delivering former Scottish Enterprise Business Gateway contracts. The council helped 215 business start-ups and 15 growth pipeline companies (companies with growth of more than £400,000 in turnover in three years). However, the council is slow to pay invoices, including to local businesses. Only 76.3 per cent of invoices were paid within 30 days in 2008/09, a percentage which has declined in each of the last four years.
- The council identifies its transport network as an important means of supporting the economy. The 2009 Roads Conditions Survey commissioned by the Society of Chief Officers for Transportation in Scotland indicates that Angus is performing well. It has improved the condition of its classified roads since 2005, currently being third best performer in a group of eight comparator councils for road conditions. Conversely, roads and pavement maintenance had the poorest satisfaction figures across all council services in the 2007 SHS survey, and a poorer level of satisfaction (59 per cent) compared to almost all other council services in the 2009 citizen survey.
- The council's planning and building control services have improved their performance in recent years

with customer information most recently reported in June 2009 showing good satisfaction with both services. SPIs indicate that planning processing times have improved over the past four years albeit with a dip in performance in 2007/08. The Scottish Government's verification audit of the building control function in June 2008 gave a very positive assessment of the quality of the service.

Learning for all ages and abilities

- Angus's education department has a good record. A 2007 HMIE inspection of the education functions of the council reported performance, particularly as shown in attainment outcomes, as generally and consistently good but with room for improvement. Inspections of education provided in Angus over the past three years indicate a consistently good level of performance. In follow-through inspections, all establishments had made appropriate progress on all of the main points for action.
- There are, however, still challenges: while in a majority of attainment measures, Angus performance equalled or exceeded national averages, the council's performance was below comparator averages in a majority (11 out of 16) of attainment measures. It was only in S4 English at level 3 that the council performed better than both the average of its comparator councils and the national average. Across the council, there is much room for pupils' improvement in SQA testing.
- The educational achievement of looked-after children has improved significantly over four years and is above the Scottish average.
- A recent HMIE inspection of education psychology services gave a positive assessment, with 17 of 19 quality indicators assessed as 'good' or 'very good'. However, the

impact on the wider community was assessed as 'satisfactory' and stakeholder engagement was assessed as 'weak'.

- An HMIE inspection of the community learning and development (CLD) function in the Forfar area in 2005 gave a positive picture and highlighted a number of strengths. A follow-up inspection in 2006 reported either good or very good progress in response to the original recommendations, including improved community capacity building. Two recent HMIE inspections of the learning communities surrounding Arbroath Academy in 2008 and Forfar Academy in 2009 were generally positive. In the case of Arbroath, services show improvements in areas such as community safety, employability, health and raising achievement. In Forfar, strengths include effective use of accredited youth awards and effective targeted engagement with older people. Both inspections identified performance management across the work of partners as an area needing improvement.
- The council identifies adult learning as a priority in its corporate objective of learning for all ages. SPLs indicate an increase over the past four years in the number of people using learning access points, and the council's Working for Families team helped 61 people into education or training in 2008/09.

Safe and caring communities and healthy lifestyles

- For some time there has been a positive picture across social care services, and this continues. In its initial scrutiny level assessment inspection in 2009, which took place at the same time as our audit, SWIA gave Angus Council an assessment of level one which indicates low risk, good performance and good

improvement work. Similarly, a joint inspection during 2008/09 of services to protect children found that these services were improving well. The inspection of criminal justice social work services in 2005 gave a positive assessment of the council's contribution to the Tayside Criminal Justice Partnership.

- The council and its partners are undertaking two major pieces of work to address demographic changes: firstly in shifting the balance of care options for older people and secondly in a redesign of older people's services. These will see the development of more supported accommodation over the next 20 years, a shift in the care of individuals to promote independence and choice, and an increased use of new technologies. ACPP has also undertaken joint workforce planning to improve public sector skills, developed, for example, through a 'health and social care academy'.
- In 2007, the SHS reported relatively high local satisfaction with social care services, which at 51 per cent was significantly above the Scottish average of 31 per cent. The council's more recent customer satisfaction survey for social work services found good levels of satisfaction among service users across various aspects of the service such as customer care and satisfaction with service received. Eighty-eight per cent express overall satisfaction with the service they receive and 83 per cent believe that the service meets their needs. Lower levels of overall satisfaction were recorded in only two of seven service areas – learning disability services (49 per cent) and physical disability services (38 per cent).
- SPLs suggest that over four years, the council's protective

services have improved their performance on food safety and hygiene inspections, responding to domestic noise complaints, and the inspection of trading premises. However, the trading standards service's performance in dealing with consumer complaints, and in completing premises inspections, has deteriorated significantly and is below the Scottish average.

- The council's cultural and leisure services demonstrate good performance overall. However, it has had mixed success in recent years in increasing numbers of people using leisure facilities, with SPLs indicating fluctuating numbers using swimming pools but increased numbers using indoor leisure facilities. SPLs over four years for libraries also show mixed aspects of performance; for example over three years, more people visited libraries, but in line with national trends, fewer people borrowed books.
- SPLs for the council's housing service demonstrate mixed performance. For the past four years, arrears management performance – including the amount owed and the amount collected – has either deteriorated or showed limited improvement and performance is below the Scottish average. SPLs relating to void management have been mixed, although the council has consistently performed well against national averages for council house repairs.

Environment and quality of life

- The council has made good progress against its recycling and waste management targets. There are increasing complaints about refuse collection, but the service has consistently cost less than the national average. In its recent best value review of waste management, the council recognised that it needs to work hard to develop the service, and

that achieving current and likely future targets on a basis which is affordable and acceptable to the public will be very difficult.

- The partners also recognise the need to maintain Angus as a good place to live and work, particularly given its mix of rural and urban environments and its closeness to Dundee. To this end, the Angus Economic Strategy identifies the need to expand the economic base of Angus. The council has been active in promoting this, for example by leading trade missions to China, establishing links such as through the golf market. It also led the marketing of golfing tourism in the area, with the Carnoustie Country golf package estimated to bring £1 million income to Angus each year.

How effectively is the council using its resources (money, people and assets)?

52. Generally, the council manages its resources well and has sound management arrangements in place to do this. It has consistently exceeded the notional annual targets set by the Scottish Government for finding efficiencies through a wide-ranging programme of efficiency reviews and corporate and service reviews. It has strong financial planning processes and procedures and firm and effective budgetary control. In 2008, the council further strengthened its service planning process by further integrating service planning and budgeting processes.

53. The council's recent service review activity has been comprehensive and backed up by good guidance. This includes advice on option appraisal. The approach to service review could, however, be improved: it is not clear how reviews are prioritised, the time and resources needed to deliver them, and how they relate to each other and to the council's corporate improvement priorities. Some recent reviews, such as services for older people

and waste management, have taken much longer than originally envisaged. Therefore, while the council is financially healthy, it has scope to be more systematic and strategic in its approach to securing efficiencies. This is essential given the need to achieve better value for money in the increasingly challenging financial environment facing Angus and other Scottish councils.

54. The council generally manages its employees well. It is one of only six councils in Scotland to have corporate Investors in People accreditation and has recently agreed a new People Strategy for improving its arrangements for managing and supporting its staff. The new strategy includes a commitment to develop corporate workforce planning (in addition to the workforce planning work already being taken forward by ACPP). A comprehensive staff survey was undertaken in June 2009, the first since 2002. This showed that in spite of considerable changes within the council, most staff are generally satisfied with working for it. This is reflected in low employee turnover and sickness absence figures which are below the national average, although the latter has seen some minor deterioration in the past three years.

55. The largely positive staff survey did, however, indicate some challenges, much of which the council has committed itself to addressing in an action plan. The survey indicated that some aspects of people management are not consistent across council departments. Take-up of, and satisfaction with, the staff performance appraisal and development scheme is generally good but patchy in some departments. There were substantial differences in staff attitudes in different parts of the council, with positive results in social work and health department and far less positive results in neighbourhood services. While the council uses a range of methods of staff communication including a staff magazine *Angus Matters* and cascade

briefings, the survey indicates that corporate messages are not always communicated consistently across departments. The survey also suggested that although almost three-quarters of staff are encouraged to contribute to improvement, only half of the employees who responded agreed that there is a clear strategy for improving performance. To help address this, the council has made significant investment in training middle managers in understanding and managing their business.

56. There is also room for improvement in how the council engages with its staff. For example, in the staff survey, less than a third (31 per cent) of employees agreed with the statement that 'the council is open with its employees'.

57. The council's approach to asset management is sound but has room for improvement. A revised corporate asset management plan was put in place in 2008 and there are prominent examples of shared accommodation with police and health sectors, and ongoing discussions in the Community Planning Partnership about further opportunities of this kind. The council does recognise, however, that there is room for more effectively integrating the corporate asset management plan with its corporate priorities and with financial planning and budgeting. This is being taken forward.

58. Similarly, the council has made recent progress in developing its approach to risk management. A revised strategy approved in March 2009 is designed to build upon the current corporate and departmental risk register system to further embed risk management within the council. This approval was, however, well overdue, having originally been scheduled for August 2007.

59. The council has made significant progress towards implementing the McClelland Report's recommendations on procurement. It has established a dedicated

Procurement Team and Procurement Improvement Group, and is working in partnership with Dundee and Perth & Kinross Councils in the Tayside Procurement Consortium (TPC). The council reported in July 2009 that the procurement team delivered savings in excess of £230,000 in its first full year and TPC was on track to deliver in excess of £2 million savings across the three councils over three years.

60. The council has only very recently addressed the need for a strategic approach to information management. At the time of our audit, the council was finalising a draft corporate Information and Communication Technology (ICT) strategy and governance framework, as well as concluding a review of the IT service. The ICT strategy and governance framework being put in place (and presented to committee in February 2010) followed an internal audit review of IT governance and strategy which reported in May 2009. This highlighted areas where improvements should be made.

What progress has the council made in promoting equalities?

61. Within council services there are some good examples of improving arrangements and outcomes for minority or disadvantaged groups. Social work and health and various aspects of the education service have received good reports for equalities from inspections. A joint employment unit (with Dundee and Perth & Kinross Councils) which is unique in Scotland helps meet the employment needs of people with disabilities or health problems. The council has improved physical access for disabled people, particularly in town centres, and more of its own buildings are accessible than in most other councils. The children's services partnership has a good focus on deprivation and disadvantage and the educational achievement of looked-after children is high compared with other areas (2007/08 data) and continued to rise in 2008/09. The council has responded to the rural nature of the county by

providing significant subsidies to public transport and through a taxi-on-demand service. In social work, direct payments and equitable access to services, for example community meals, are promoting equality of opportunity.

62. Given the substantial effect on the Angus population of the relatively large numbers of migrant workers, the council and its partners have worked well together to engage with migrant workers. This work includes roadshows highlighting people's rights, awareness sessions and home safety visits (led by the fire and rescue service). The council and its partners accept, however, that the impact of this work is not yet clear.

63. The council's corporate approach to equal opportunities is, however, limited in its scope and impact. It has an equal opportunities policy and the required statutory schemes for race, gender and disability but these are not supporting the explicit inclusion of equalities and diversity in the council's business and there are no specific policies in relation to age, religion or sexual orientation. The equal opportunities policy has not been updated since 2001 and there are few public reports of progress against the statutory schemes. It aims to introduce a Single Equality Scheme following implementation of new equalities legislation.

64. While all committee reports refer to any impact on equalities, this rarely contains information of substance and many equality impact assessments are not comprehensive. The council does not have sufficient information about the diversity of the population of Angus to inform a more comprehensive approach to ensuring that it is delivering services in an equitable manner and effectively addressing equalities issues. For example, the council does not routinely analyse or use other diversity data, such as on deprivation. This makes it difficult for the council to consider equality impacts.

What progress has the council made in promoting sustainability?

65. The council has a good record of working towards sustainability. An internal working group has been in place since 1996 and an environmental strategy plan was published in 1999. Carbon management is a significant strand: the council signed the Scottish Climate Change Declaration in February 2007 and is working hard on its commitments. The council worked with the Carbon Trust to develop its Carbon Management Programme, which was approved in March 2008. The first annual progress report shows that the council and its partners are involved in various management activities and projects in communities.

66. Sustainability features prominently in the community plan. It is one of its priority outcome areas and is defined in terms of community, economic and environmental sustainability. The economic development strategy is also based around sustainability. At partnership level, environmental sustainability is the responsibility of Angus Rural and Environment Partnership (AREP), formed in 2008. AREP's progress report in 2010 will be a useful reference point in demonstrating progress by the council and its partners in this complex and wide-ranging theme. In line with the rest of ACPP, AREP is committed to improving its approach to measuring and reporting impact, the approach to which is currently limited.

Part 7. What are the council's prospects for future improvement?



Progress has been slow in improving corporate processes to deliver Best Value as recommended in the 2004 Best Value audit report, but the pace of change has increased recently. Following a period of substantial change to the leadership and strategic management of the council, many of the arrangements essential to Best Value are now in place, but many of these changes are very new. The council has a good record of working in partnership with others, but there is scope for further strengthening elected member engagement in Community Planning.

The council's self-awareness is improving and the pace of change is increasing but it still lacks an effective corporate approach to performance management and a coherent approach to improvement. Progress in this is critical if the council is to meet future challenges in a climate of financial pressures. Weaknesses in political governance, particularly in poor member relations and in the council's approach to scrutiny, need to be addressed to avoid hindering future improvement.

How aware is the council of where it needs to improve and how committed is it to change?

67. The council's self-awareness is improving: it is developing its approach to self-evaluation, with some good service-level approaches in social work and health and education services, and is considering rolling out the 'Angus Improvement Model' across the council. This self-assessment quality improvement tool is based on the Public Service Improvement Framework and has recently been piloted in the council's housing division and chief executive's department. Like many other councils, the development and implementation of self-evaluation tools is still at an early stage corporately.

68. While the council is committed to improvement, as demonstrated by the review activity and quality awards won by the council's services, its framework for improvement is not yet coherent enough to guide its plans and actions effectively. A new 'corporate improvement plan' focuses on business processes. The 'corporate plan management action plan' is a list of actions drawn from service plans. Neither document is set against agreed outcomes, service performance or stakeholder views. The documents do not prioritise where improvement is needed, although the Angus Improvement Model has the potential to help the council to identify clearer improvement priorities. The lack of such a comprehensive corporate framework also makes it difficult for the council to show that it uses organisational learning to transfer good practice from one service to another.

69. This also makes it difficult for the council to articulate its approach to improvement, engage staff and others in the improvement process, and demonstrate how it is making progress corporately in improving services and outcomes.

Does the council have the support of its partners to deliver improved outcomes for local people?

70. The council takes a strong lead in the Community Planning process and has a good record of working in partnership with others. This good record has been commended in recent service inspections for CLD, Education Authority (INEA), services for older people and services to protect children and young people. Partners hold the council's lead of the Community Planning process in good regard but identify that there is potential for elected members to be more involved in Community Planning. A review of the partnership in 2009 proposed strengthening their involvement in the thematic working of the partnership. A pilot exercise in two local areas also led to a

commitment to get elected members more involved in Community Planning at local level. What this means in practice is not yet apparent, although the local community planning officer teams recently appointed by the council have a remit to engage local elected members when taking forward their work.

71. The third sector has good representation on the Community Planning Partnership and its relations with other community planning partners are good and constructive. Although no formal Compact (ie, a framework of principles setting out the relationship between sectors) exists between the partnership and the sector, the council has a formal policy in place which sets out its relationship with the voluntary sector. Both sides are committed to ensuring that the strategic profile of the voluntary sector on the Community Planning Partnership continues to develop.

Does the council have the leadership capacity and organisational capability to deliver the improvements that are needed?

72. In the first Best Value audit in 2004, the Accounts Commission recognised and welcomed the council's 'commitment to the need for change and development'. The report noted that the council's leadership had taken a 'cautious, evolutionary approach to change', but that there was now 'scope to pick up the pace at which Best Value is implemented'. We have found that its pace of change since that time has until very recently been slow.

73. The council has seen important changes in its leadership since 2004. The 2007 election saw a change of political control from the SNP administration, which had been in power since the inception of Angus Council, to a political coalition called the Angus Alliance. A new chief executive was appointed in 2005 and a significant corporate management restructure began in 2006 and was

completed during 2007/08, resulting in a reduction in departments from 12 to six. Between 2005 and 2007, four of the council's departments moved to a new headquarters on the edge of Forfar.

74. The new political administration was relatively inexperienced when it came into power, but it is working hard to develop its strategic outlook and its role in improvement activity. For example, administration leaders play a full role in planning and budgeting, working with officers on the Policy and Budget Strategy Group. Officers also help opposition members in preparing an alternative budget. Twenty-six of the 29 elected members have a personal development plan and over 1,000 hours of training was undertaken in the year after the 2007 election.

75. Relations between the administration and the opposition are not good. There are instances of discordant and antagonistic council meetings and standing orders are sometimes used in a way that inhibits open, transparent and inclusive democratic debate. While there is no evidence that this has had a direct bearing on the quality of services the council provides, it is difficult to see how the council is meeting its obligations in the *Code of Conduct for Councillors*, particularly in relation to leadership and respect. The Standards Commission has also been referred a number of complaints about members' conduct. The Accounts Commission overview report on the audits of Best Value and Community Planning 2004 to 2009 states that, 'the councils where we found effective political leadership were able to work together for the good of the area as a whole. The Commission recognises that politics is an integral and important part of local government and that elected members are accountable to the people who voted for them... the best performing councils are able to identify when to set aside political differences and work on a more consensual basis for the good of

the community'. This is currently not always the case in Angus and compromises the council's ability to demonstrate its community leadership role in focusing clearly on the things that it needs to improve.

76. There has been a long-running political dispute about representation on quasi-judicial committees. Consequently, at the time of our audit, five of the 13 seats on the Development Standards Committee were vacant, while three of the Civic Licensing Committee's 13 seats were vacant. (Since our audit, a further two seats on Development Standards and one seat on Civic Licensing have been filled). As these committees are quasi-judicial in nature, they would benefit from having full representation of elected members. There is a risk, therefore, that their effectiveness is being compromised.

77. The chief executive and the Chief Officers Management Team (COMT) are well regarded by elected members and partners. They have shown clear commitment and leadership in delivering the recent changes to the council's strategic management arrangements set out in this report. Both administration and opposition members speak of good relations with officers, both formally (in the form of senior officers meeting political groups) and in relation to operational contacts.

78. Rationalising the departmental structure has improved corporate working. Some COMT members are responsible for different corporate improvement activities. For example, the director of social work and health is responsible for the customer services strategy. Improvement, however, is not consistent across services, although the council is putting in place the Angus Improvement Model to help this. The staff survey and our audit work indicates that while three-quarters of staff feel that they are encouraged to contribute to improvement activity, many are not sufficiently aware of how they contribute to the council's

overall approach to improvement, and departments could work closer together in delivering common objectives. This suggests that there is still more to do to set out and communicate the council's approach to improving performance to ensure consistent 'buy in' and commitment throughout the council.

79. The council's approach to scrutiny is weak. CIPFA's Audit Committee principles recommend independent scrutiny of the authority's financial and non-financial performance. The newly formed Scrutiny and Audit Subcommittee is chaired by the leader of the council; this compromises the independence of the scrutiny function. The remit of the new subcommittee is substantial, incorporating both scrutiny and audit functions, but it is too soon to judge how it manages such a substantial workload. Further, the relative scrutiny roles of service committees and the Scrutiny and Audit Subcommittee are not fully understood by elected members, although the council is trying to address this. Our observation of committee meetings suggests that many substantial items of business are approved with little public discussion or debate. Overall, scrutiny is compromised by the lack of information on outcomes and reliable data on the performance of services for elected members to consider.

80. The state of political relations and the weakness of the council's approach to scrutiny means that the political leadership's contribution to improvement is less effective than it should be. Most significantly, it is difficult to see how current political governance ensures robust, open and transparent challenge between members and officers. It is important that the political and managerial leadership of the council work together to address these weaknesses.

How effectively do the council's management arrangements improve services and secure better use of resources?

81. In the first Best Value audit in 2004, the Accounts Commission identified improvements that were required for the council to demonstrate Best Value. These included:

- implementing a corporate performance management system throughout the council, with more outcome-based measures that focus more on customer needs and impacts
- translating corporate plans into measurable objectives at service level
- developing the themes of its community plan into tangible benefits for service users and the Angus community.

82. In May 2009, the local auditor set out progress against the council's Best Value improvement plan and noted that the council considers this plan to be discharged and largely completed. However, the report also highlighted a number of significant areas, mainly involving the improvement agenda at corporate level, where the council acknowledged that further work is needed.

83. The council believes that the considerable managerial and political changes experienced by the council between 2005 and 2007 has been an important contributory factor in its slow progress with developing these Best Value arrangements, much of which the council has addressed during 2009.

84. While these changes may explain the slow progress, some important actions remain incomplete (such as developing performance management, including service standards). Also, some actions are so recent (such as staff and citizen

surveys) that it is difficult to judge their effectiveness. There is a challenging agenda to ensure that these Best Value arrangements become embedded within the organisation.

85. In particular, the council's approach to performance management remains inadequate. Its performance reporting and monitoring remains too dependent on process-based information, such as the progress of specific projects, and SPIs divorced from local outcomes. It should rather take into account information on customer views and other service user data; value for money; how well the council is achieving service standards; and delivering wider outcomes.

86. The council has set out a commitment to improving its performance management, particularly by enriching the quality of information that it uses to gauge performance. However, this commitment has been in place for a considerable period, so there needs to be a clear timetable to ensure that this is realised as fully and as quickly as possible. This would also help provide more rounded public performance reporting to external stakeholders, which, although comprehensive in its current approach, is limited in sharing information with stakeholders on areas of improvement.

87. In the absence of an effective approach to performance management, it is difficult for the council to demonstrate that its services are achieving Best Value on a consistent and corporate basis. Fully developing performance management – an essential element of Best Value – would help the council in setting out a coherent approach to improvement and support the council and its partners in tackling the future challenges of delivering services and improving the quality of life in Angus in a tightening financial climate.

Appendix 1.

Judgement descriptions

This table sets out the framework for constructing the two new BV2 judgements. It is expected that councils will not display all aspects of any given performance level (eg, improving outcomes, or the quality of local services). Councils are more likely to demonstrate a mixture of performance levels across the various dimensions of performance that are being assessed. The BV2 judgement will be arrived at by determining an overall summary performance of these different aspects of performance.

Judgement descriptions – pace and direction of change

Pace and direction of change	Not improving adequately	Needs to improve more quickly	Improving well	Improving strongly
Improving outcomes and addressing complex cross-cutting issues with partners	The council has a poor track record in delivering improved outcomes for the area with its partners, and addressing key cross-cutting issues such as community safety, health improvement, equalities and sustainability.	Progress towards key strategic outcomes is mixed, with improved progress required in a number of important outcome areas. Systematic evidence of the impact of partnership working is not available.	Consistent progress is being made towards the majority of key strategic outcomes. However, some improvements are still required in a number of outcome areas and there is scope to further align partnership working with key strategic priorities.	The council is able to consistently demonstrate considerable success in delivering complex cross-cutting strategic local issues and improving outcomes with partners. Consistent progress is being made towards almost all key strategic outcomes. Limited improvements are required.
The quality of local service	The overall quality of council services is consistently below the national average. Many services, including one or more key services (education, social work or housing) require significant or urgent improvement.	Overall service performance is mixed. While some services are performing well, several services, or significant aspects of services, require important improvements to be achieved.	Many council services are performing consistently well and demonstrating continuous improvement. While some further improvements are required, all key services are performing well.	Most council services are recognised as performing at the highest level. All key services can demonstrate strong and consistent improvement.
The views of citizens and service users	Overall satisfaction with the council and its services is consistently below the national average. Overall satisfaction trends are static or falling. Arrangements for consulting with local people and users of services are patchy and underdeveloped and the council cannot demonstrate that consultation is influencing decision-making and service improvement.	Overall satisfaction with the council and its services is mixed, with a significant number of services, or important aspects of services, below the national average. Overall satisfaction trends are improving slowly. The council has introduced arrangements for consulting with local people and users of services but these are not applied consistently throughout the organisation. While there are some examples of this 'making a difference' within departments, systematic evidence of impact is not yet available.	Overall satisfaction with the council and its services is generally above the national average, with overall satisfaction trends that are improving well. Arrangements for consulting with local people and users of services are well developed. There is good evidence that consultation and engagement is taken seriously across the organisation with good systematic evidence available on its impact.	Overall satisfaction with the council and its services is consistently above the national average for most aspects of performance, with overall satisfaction trends that are improving quickly. The council has comprehensive and well-coordinated arrangements for consulting with local people and users of services and is able to demonstrate that their views are influencing strategic priorities and shaping service improvements.
The council's progress in delivering improvement agenda (including Value for Money (VFM))	There is limited evidence that the council knows where improvements are required and is able to secure improvement in service performance. It cannot demonstrate improvement in VFM.	While some services are improving, the pace of change has been slow and the council has been unable to systematically transfer service improvements from one service to another and secure systematic improvements in VFM.	The council knows where improvements are required and can demonstrate a systematic and effective approach to securing improvements across all services (including VFM). Improvements are implemented quickly, and with little slippage.	The council is able to demonstrate that it is effectively managing performance improvements in line with its strategic priorities, across services, and in partnership with others, and it can demonstrate systematic and significant improvement in VFM.

Judgement descriptions – prospect for future improvement

Prospect for future improvement	Poor prospects of future improvement	Fair prospects of future improvement	Well placed to deliver future improvement	Strongly placed to deliver future improvement
Leadership capacity and organisational commitment to change	The council does not have the leadership and management arrangements needed to deliver on its ambitions. Governance is weak and developing its political and managerial ability to tackle the council's problems is a key priority for the council.	The council needs to improve its leadership and managerial impact to deliver on its ambitions. There are some weaknesses in the governance arrangements and it is unable to demonstrate that it currently has the organisational commitment and capacity to secure change and improved outcomes.	The council has effective political and managerial leadership supported by good governance arrangements. It is committed to continuous improvement, focused on what matters to local people, and is securing improved outcomes.	The council has highly effective political and managerial leadership supported by strong and effective governance arrangements. It has ambitious plans for the area and a strong focus on continuous improvement. It has the organisational commitment and capacity to secure change and improved outcomes.
Partnership working	The council has not yet established a shared vision for the area with its partners, supported by sound governance arrangements and the resources needed to deliver key priorities.	While the council has established a shared vision for the area with its partners, there is not a consistent sense of ownership from the partnership's leaders, and improvements are needed in governance and resource alignment.	Leaders of the partnership articulate a clear and consistent shared vision and sense of purpose for the partnership and the improvements it is trying to achieve for the area, and effective governance and resource alignment arrangements are in place.	Leaders of the partnership actively promote and communicate the shared vision and sense of purpose of the partnership and the improvements it is trying to achieve for the area. They can demonstrate – and are committed to ensuring – that the shared vision for the area impacts on their own organisation and partnership activity.
Staff understanding of and commitment to improvement	There is very limited staff understanding of and commitment to continuous improvement and the council's improvement agenda.	Staff understanding of and commitment to continuous improvement and the council's improvement agenda is underdeveloped.	There is widespread staff understanding of and commitment to continuous improvement and the council's improvement agenda.	There is very strong staff understanding of and commitment to continuous improvement and the council's improvement agenda.
Effectiveness of resource planning and performance management (including member scrutiny)	The council lacks awareness of where it needs to make improvements and is not able to secure improvement in service performance as a consequence of ineffective performance management arrangements and weak scrutiny and challenge. Resources are not used to best effect.	While the council is aware of where it needs to make improvements, it lacks a systematic approach to securing improvement. Scrutiny and challenge is patchy. The council lacks a systematic process for directing resources to key priority areas and securing improved VFM.	The council is aware of where it needs to make improvements, and has a systematic approach to securing improvement. Scrutiny and challenge is well developed. It has a systematic process for directing resources to key priority areas and securing improved VFM, but cannot yet demonstrate consistently improved outcomes.	The council is aware of where it needs to make improvements, and has a systematic approach to securing improvement. Scrutiny and challenge is highly effective. The council has a systematic process for directing resources to key priority areas and can demonstrate consistently improved outcomes.

Angus Council

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Audit Scotland, 110 George Street, Edinburgh EH2 4LH
T: 0845 146 1010 E: info@audit-scotland.gov.uk
www.audit-scotland.gov.uk

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