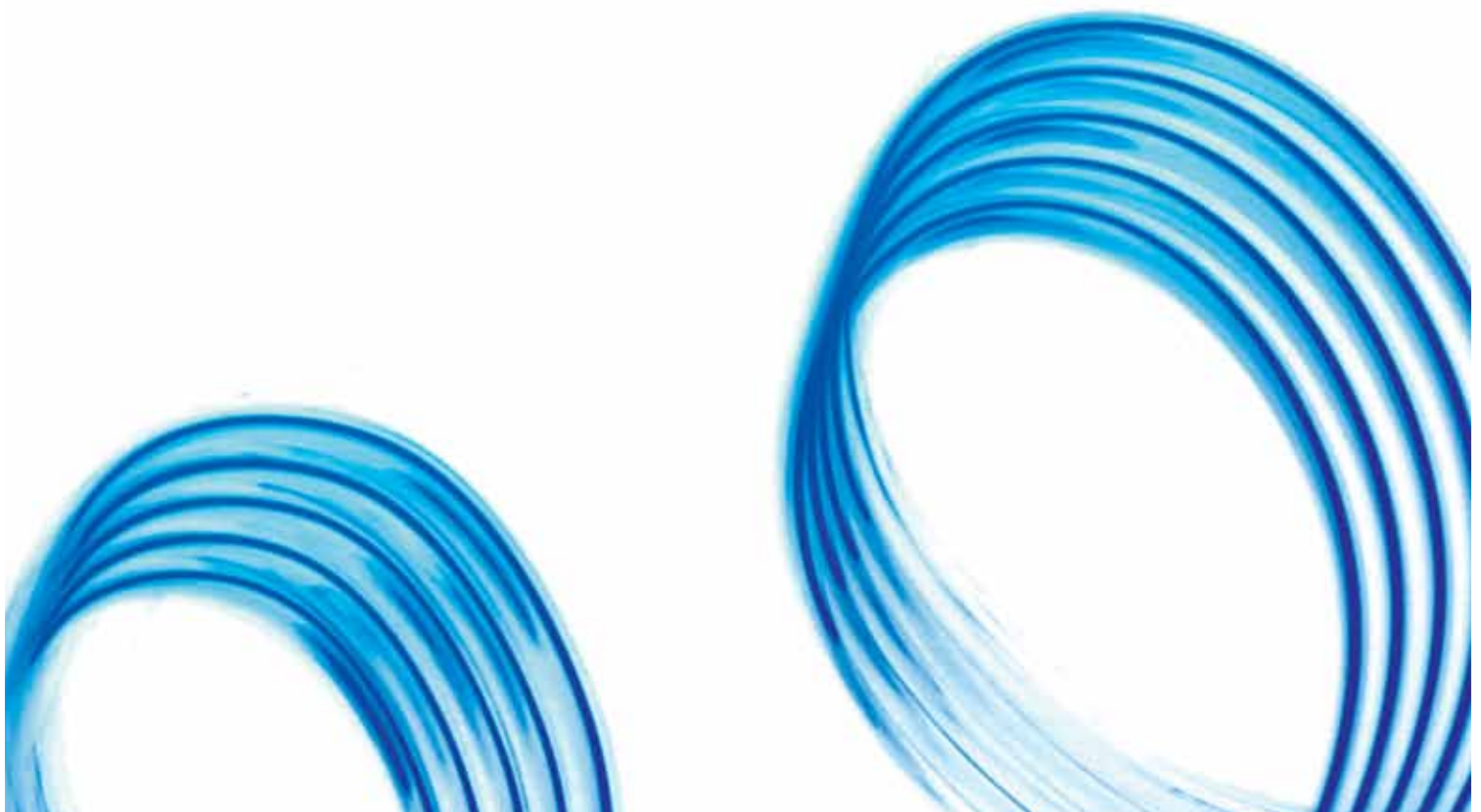


The Audit of Best Value and
Community Planning

Stirling Council



Prepared for the Accounts Commission
November 2011

The Accounts Commission

The Accounts Commission is a statutory, independent body which, through the audit process, requests 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 45 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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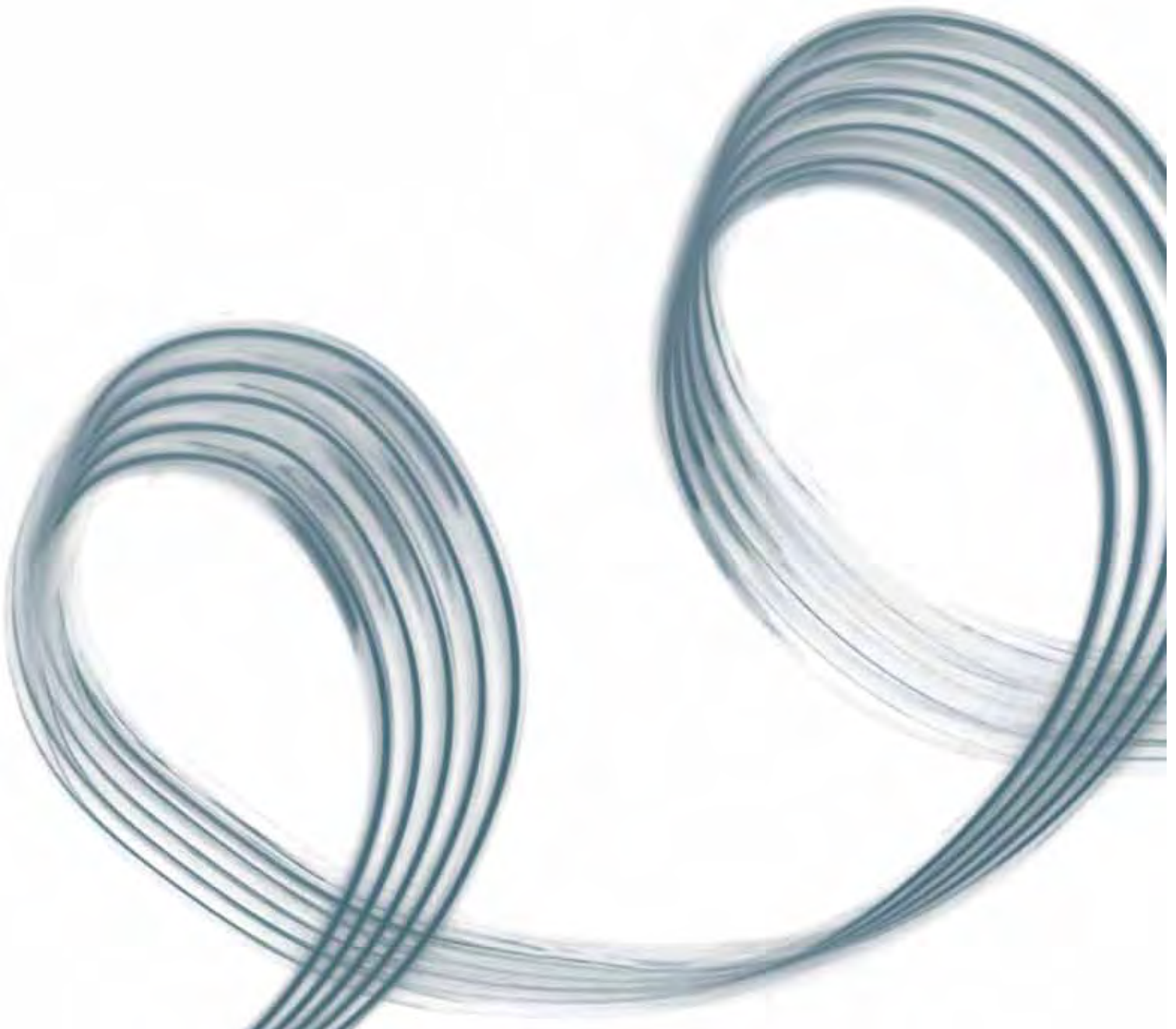
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Commission findings



- 1.** The Accounts Commission accepts this report from the Controller of Audit on Stirling Council's performance of its statutory duties on Best Value and Community Planning. The Commission notes that, in respect of these duties, the council's overall performance is good and that it has good prospects for future improvement.
- 2.** The Commission recognises that substantial progress has been made by the council since the first Best Value audit in 2005. It is very encouraged by the strong collaborative leadership in the council between members and officers, and across political groups. It welcomes the clarity of the council's vision and its good sense of self-awareness which provides a sound basis for further improvement.
- 3.** The Commission notes the council's good governance arrangements but would underline the importance of the council assuring itself that those in vital statutory positions, such as the chief financial officer and monitoring officer, are able to exercise sufficient influence within the organisation to discharge their statutory obligations.
- 4.** The Commission notes the positive progress made by the council in improving important aspects of how it manages its resources, notably in relation to its workforce, assets, and procurement. It would urge the council to maintain this momentum. In particular, the Commission notes the considerable scope for better engaging the council's workforce in developing its improvement agenda.
- 5.** While recognising the good progress made in partnership working, the Commission emphasises the need for the council to make working with its strategic partners more effective through rationalising partnership structures and joint working arrangements. This will help the council and its partners to be clearer on the outcomes that they are trying to achieve for the communities of Stirling. This is particularly the case in relation to economic inequalities and rural economic development.
- 6.** The Commission is encouraged by positive progress in the council's performance but notes the need for improvement in some services – particularly roads, waste management and aspects of social care.
- 7.** On behalf of the Commission, Audit Scotland will continue to work closely with other scrutiny bodies to deliver an annual shared risk assessment of Stirling Council and agree a schedule for audit and inspection work to assess continued progress. It will monitor progress on the key issues identified in these findings and report on them as part of the annual audit process.

Part 1. The Audit of Best Value



Best Value

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 first round of Best Value audit reports have been published on all 32 councils in Scotland.

2. This next phase of the Best Value audit is carried out and reported under the same legislative framework, but the approach has moved on significantly from the 32 baseline audits. In particular, the audits are:

- more proportionate and risk-based, reflecting more closely the particular issues faced by individual councils and their partners
- founded on a shared risk assessment process, conducted with colleagues from other local government inspectorates particularly Education Scotland, the Care Inspectorate and the Scottish Housing Regulator (SHR)
- more focused on impact and outcomes, and the difference the council and its partners are making for local communities
- designed to provide a more rounded view of partnership working in a local area, and the difference it is making.

Stirling Council Best Value audit scope

3. Best Value is an important part of the wider scrutiny arrangements in councils in Scotland. Audit Scotland works closely with other local government inspectorates, undertaking a shared risk assessment process for all 32 local authorities, to support the delivery of targeted, risk-based scrutiny. This process results in

each council receiving an Assurance and Improvement Plan (AIP) each year which sets out the scrutiny activity that the council can expect to take place over a rolling three-year period. The first AIPs, which were published in July 2010, covered the period from April 2010 – March 2013; the most current AIPs were published in May 2011 and cover the period April 2011 to March 2014.

4. The 2010–13 Stirling Council AIP identifies the need for a Best Value audit as a part of the required response to local scrutiny risks. This was largely in response to areas of uncertainty over the council's corporate arrangements, and some aspects of its service delivery, including the economy and environmental services. The 2011–14 AIP update noted that self-evaluation had improved in the council and that the number of areas of uncertainty had reduced. As such, the 2011–14 AIP recognised that the scope of this Best Value audit would be narrower than previously anticipated. The audit focused on specific aspects within three main areas of assessment:

- outcomes for communities
- service provision
- the council's corporate arrangements.

5. The audit scope included the two broad outcome themes of the economy and the environment from the council's strategic priorities. The audit aimed to give the council an independent external perspective on how it works with partners and manages the delivery of these outcomes, including how the partnership monitors and reports progress.

6. The economy features prominently in the council's strategic plan and the Single Outcome Agreement (SOA) and is an area of risk for all councils

in the current economic climate. The council's work in supporting the economy remained an area of uncertainty in the 2011–14 AIP.

7. The environment and sustainability were identified as areas of uncertainty in the 2010–13 AIP, and had been identified as areas of 'no significant concern' in the 2011–14 AIP. However, the Best Value audit included environment and sustainability within its scope to look more closely at the performance of services including roads, waste management, and planning; and to allow a fuller examination of how partnership working is applied in practice.

8. Significant areas within the council's corporate activities remained areas of uncertainty in the 2011–14 AIP. These areas are fundamental to Best Value and were given a strong focus in the audit. The corporate assessment considered how the council uses resources to deliver its priorities. This includes: how it achieves improvements and efficiencies; how well it works with its partners; performance management and scrutiny; and how well it fulfils its equal opportunities and sustainability duties.

9. There are a number of areas we did not focus on during the audit as other inspection work has recently taken place or is scheduled. This was to minimise any overlap or duplication of scrutiny activity. This report includes the conclusions from such inspection work where appropriate. Recent or planned inspection work and performance judgements which we have drawn on as part of the scoping and reporting of the Best Value audit include:

- Stirling provides a high-quality education service. Her Majesty's Inspectorate of Education (HMIE)¹ has noted that attainment levels are being maintained and a number of improvement initiatives

¹ Education Scotland, created in July 2011, brings together the resources and functions of Her Majesty's Inspectorate of Education, Learning and Teaching Scotland, the National Continuous Professional Development Team and the Scottish Government's Positive Behaviour Team.

are under way. As a result these areas were not a focus for the Best Value audit.

- During 2010/11, the Social Work Inspection Agency (SWIA)² carried out an inspection of social work services in prisons which included services provided at Cornton Vale. SWIA also conducted a follow-through social work inspection in September 2010 following a performance inspection in 2009. This noted improved leadership and progress against the recommendations for vulnerable client groups. In 2012/13, the Care Inspectorate plan to carry out an Initial Scrutiny Level Assessment (ISLA).
- A joint inspection of services to protect children and young people was carried out by HMIE and the Care Commission in March 2010. This identified areas of concern and evaluated a number of areas of practice as weak. The follow-through child protection inspection published in August 2011 noted that the council had taken effective action against all the improvement areas.
- The SHR inspection of the council's housing management function graded its housing management, asset management and repairs service as 'C' or 'fair' in March 2010. The 2011–14 AIP identifies further planned inspection work including a SHR review of progress made since the 2010 inspection, and a review of the council's self-assessment of progress towards the 2012 homelessness target.

About this audit report

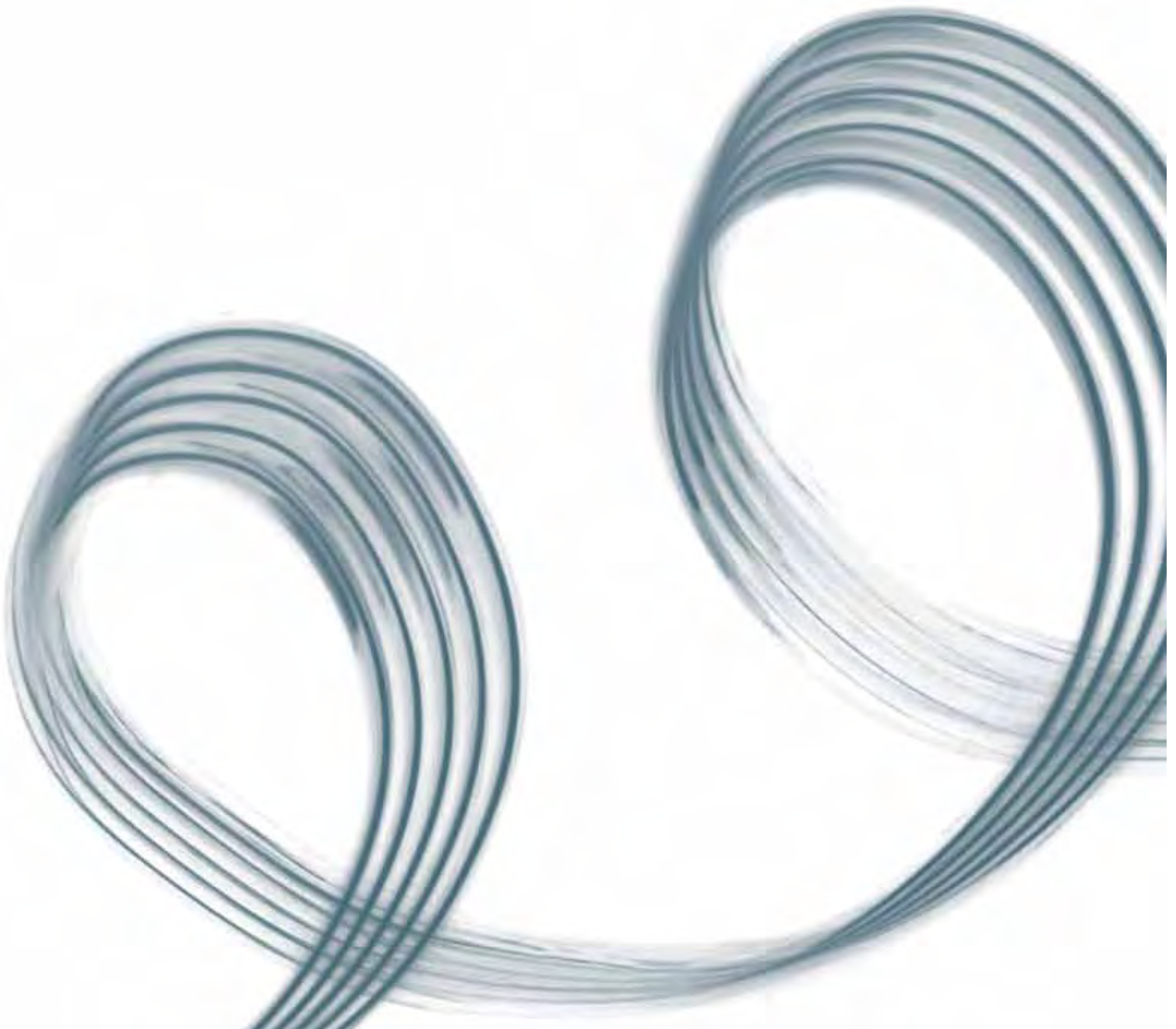
10. The first Best Value report on Stirling Council was published in March 2005. The Accounts Commission found that, at that time, the council performed well against the Best Value and Community Planning criteria and had a clear vision for the area. Areas for improvement included scrutiny, resource management, and performance reporting. The report also identified the need for the council to sustain improvement.

11. We carried out the Best Value audit in Stirling between February 2011 and August 2011. The scoping work started in February 2011 and the team undertook its main on-site activity at the council in April 2011.

12. We gratefully acknowledge the co-operation and assistance provided to the audit team by the Chief Executive, Bob Jack, the Leader of the Council, Councillor Graham Houston, the council's partners that were interviewed as part of the audit, and all other elected members and staff involved.

² The Care Inspectorate is an independent body established in April 2011 to scrutinise and improve care, social work and child protection services. It includes the functions formerly undertaken by the Social Work Inspection Agency, and the Care Commission.

Part 2. Overall conclusions



13. The council has set a clear vision for the area that recognises the local context. Political leadership is strong and elected members work well together across parties. The council's governance and scrutiny arrangements are effective and support cross-party working. The chief executive and Council Management Team (CMT) provide strong leadership of the council's improvement activity including the change programme.

14. The council has actively promoted partnership working across the Forth Valley area in areas including child protection, asset management, and its shared service initiative with Clackmannanshire Council. However, it must strengthen the community planning arrangements within the Stirling area itself if it is to better demonstrate improved outcomes. It has a plan in place to improve the governance and performance management of the Stirling Community Planning Partnership (CPP), but this has not yet been fully implemented.

15. The council has made good progress with the improvement areas identified at the time of the initial Best Value audit in 2005. It has put in place effective scrutiny arrangements and has improved performance management and public reporting. The council recognises that it needs to develop its performance management framework further to cover its strategic objectives and local outcome priorities. It has also improved its budget planning process and this now takes a medium-term perspective and has strong involvement from elected members. Workforce planning practice has improved in specific areas but is not well developed across the organisation. The council's resource management practice has improved in areas including asset management and procurement, and the council continues to develop a more strategic approach in these areas.

16. The council has implemented some significant service improvements since the first Best Value audit including: its schools estate programme to improve schools and education facilities, constructing park and ride facilities, regeneration in Raploch, its community safety initiatives, and improving leisure provision. It is also making good progress in reshaping services for older people to give more emphasis to care at home. The Care Inspectorate noted in the August 2011 joint interim follow-through child protection inspection that the council is taking effective action in all of the agreed areas of improvement. The council has invested in its roads maintenance activity and roads condition has improved slightly compared to the national average, but overall condition remains poor. The SHR evaluated the council's housing management service as 'fair' in 2010. The council has an action plan in place for its housing service and SHR will provide updates of progress in 2011/12.

17. Following a change of political administration in 2008 a full review of the council's management structure was initiated. This was completed in 2009 following the appointment of the current chief executive. The council has also made progress with a significant change programme to realise efficiencies and has reached a major shared services agreement with Clackmannanshire Council to jointly manage education and social work services between these councils.

18. The council has effective corporate working arrangements with the chief executive, assistant chief executives, and heads of service working collaboratively to deliver council-wide issues such as efficiencies, performance management and improvement. The council is self-aware and has a strong focus on improvement. It is aware that it needs to continue to promote this corporate working throughout the organisation. It is engaging with service managers and applying its

leadership development programme more widely as part of this.

Performance assessment

19. The Best Value audit provides two overall judgements on council performance. One assesses how well the council is performing and the other covers the council's prospects for improvement. Descriptions for each judgement can be found at [Appendix 1](#).

20. The council's overall performance is good:

- Satisfaction with council services is good and improving and the council engages well with service users. Many services are performing well and improving, including education, adult learning, waste recycling and sports and leisure provision. The council performs less well in relation to the condition of local roads and waste management costs. Some important areas require further improvement, including child protection services where the council is now making effective progress with the improvement actions identified through the critical 2010 joint inspection.
- The council is not currently able to clearly demonstrate its progress in delivering the local outcome priorities for Stirling. However, available information indicates that resident satisfaction is good and improving, and outcomes are generally good and improving in the areas of education, overall levels of health, and the quality of the environment. The council does not clearly demonstrate the impact of its activities in sustaining rural areas and addressing economic inequality.
- The council has made good progress in the improvement areas arising from the 2005 Best Value audit. Performance management has improved since the initial Best Value audit, but the council needs

to improve the way it monitors and reports its progress against the local outcome priorities. It has also improved its workforce planning, procurement and asset management arrangements, and must now continue to apply this more consistently across the organisation.

21. The council has good prospects for future improvement:

- The council has strong corporate and political leadership and elected members work well together across political parties. Scrutiny and governance arrangements in the council are effective. The current council management structure has been in place since late 2009. The council has more work to embed the corporate culture throughout the organisation.
- The council actively engages in partnership working at a number of levels, including the wider Forth Valley area, and its agreement with Clackmannanshire Council to jointly manage education and social work services. The council has identified the need to improve the management and reporting arrangements for the Stirling CPP. It should also continue to work with its partners to review and simplify partnership working to ensure the best use of the resources deployed.
- The council underwent a significant restructure in 2009, and efficiencies are a focus of its ongoing change management programme. It is making good initial progress with its budget workstreams to achieve efficiency savings, and as of May 2011 it reported that approximately 80 per cent of the £6.9 million efficiency savings to be delivered through these workstreams for 2011/12 were on track. There is strong involvement in, and commitment to, change from the senior managers. The change

programme is communicated to staff, but there is not a consistent understanding of change across the organisation as a whole. The council is committed to self-evaluation and has identified a number of improvements through the Public Service Improvement Framework (PSIF) and is now applying this more widely across council services.

- The council has improved its budget planning process, and elected members are effectively involved in setting the council's priorities and budget planning. The council is aware of the improvements that it needs to make and has good management arrangements in place to deliver the change agenda. The council has improved performance management for its services, but has more work to improve the way it demonstrates progress against wider outcomes, and value for money.

Areas for improvement

22. The main areas for improvement for the council identified through this audit are to:

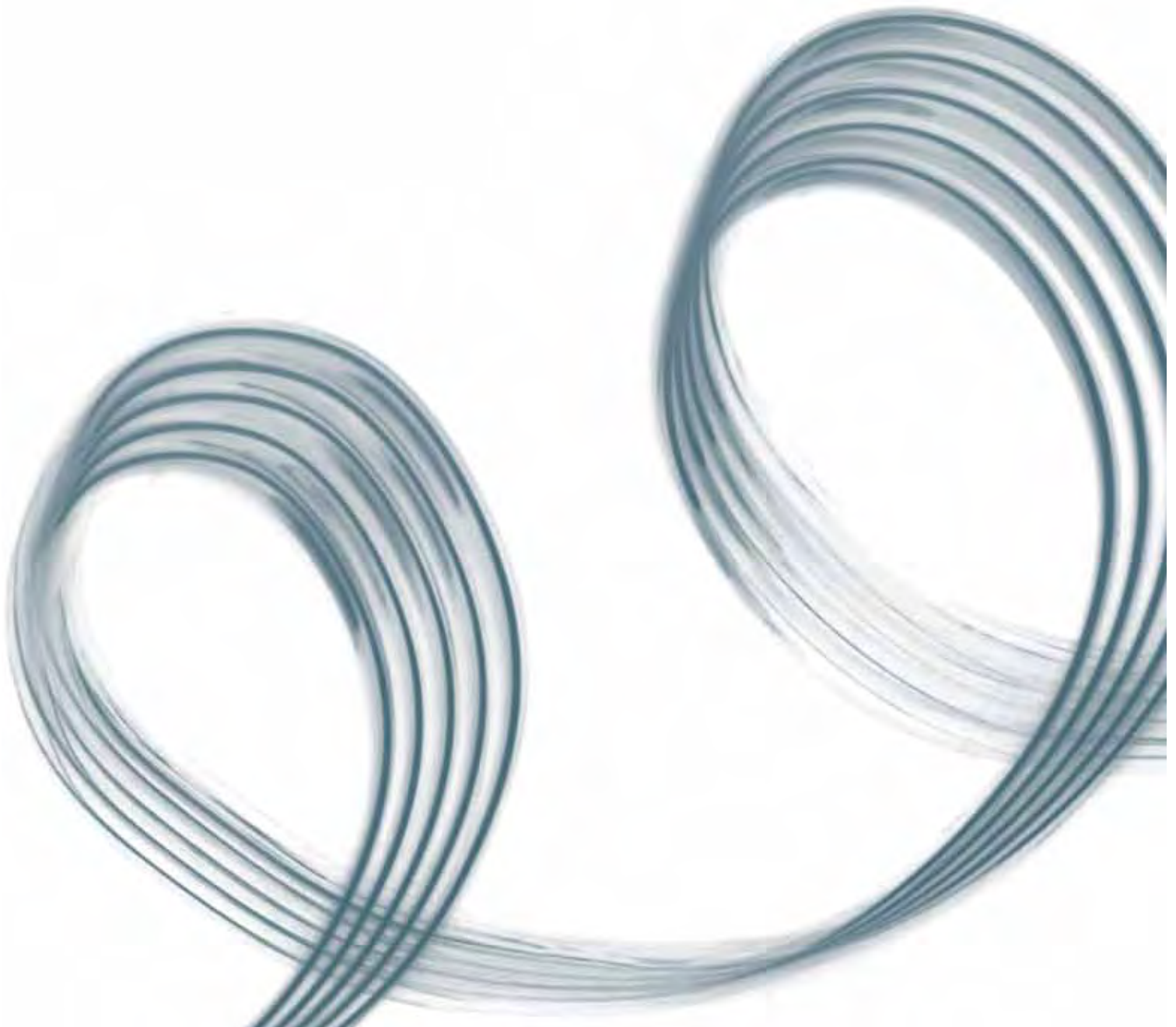
- strengthen partnership working including streamlining its partnership structures, and improving the management and reporting arrangements for the Stirling CPP. The council should also demonstrate the impact of its activities in areas important to its vision of addressing economic inequalities, and supporting rural communities
- continue to develop performance management throughout the organisation to include reporting against outcomes, and service quality and value for money indicators
- develop a more strategic approach to people management, asset management and procurement,

building on the progress already made in these areas

- strengthen the leadership and direction of the council's approach to equalities and better demonstrate the impact of its activities in this area
- develop stronger corporate working throughout the organisation below CMT level. Consult regularly with staff to monitor the impact of the change programme and other improvement activity and take action as required.

23. The council will need to consider how these are prioritised in view of its ongoing improvement programme which includes actions resulting from service inspections, and its PSIF activity.

Part 3. Local context



Stirling

24. The Stirling Council area covers some 2,187 square km. It is the ninth largest council in Scotland by land area, and with a population of 88,740 (2009), it is the 11th least densely populated. Stirling shares borders with seven other local authorities: Perth & Kinross; Argyll & Bute; West Dunbartonshire; East Dunbartonshire; North Lanarkshire; Falkirk; and Clackmannanshire. Stirling is a relatively affluent area that has low crime, good levels of resident satisfaction and its residents have generally good health. Educational attainment is better than the national average.

25. The population projections for Stirling mirror the national average for Scotland with an estimated increase of 6.8 per cent between 2008 and 2033. It will, though, have an increasingly older population with the number of people of pensionable age predicted to increase by almost a third in this period.

26. Over 60 per cent of the population reside in the city of Stirling, and the towns of Dunblane, Bannockburn and Bridge of Allan. There are nine other towns with populations over 1,000 with the remaining population living in around 30 smaller rural settlements. The area has an outstanding natural environment and includes part of the Loch Lomond and the Trossachs National Park ([Exhibit 1](#)). The largely rural nature of Stirling brings challenges for the council and its partners in delivering services across dispersed rural communities.

27. Unemployment levels, crime rates and health and well-being in the area compare well with the Scottish averages. The area has lower levels of deprivation than the Scottish average, with some five per cent (4,688) of Stirling's population living in areas rated as the most deprived 15 per cent of Scotland. The health and well-being profile³ for Stirling shows that it

Exhibit 1

The Stirling Council area



Source: Audit Scotland

is significantly better than the Scottish average in 37 of the 59 measures covering health and life expectancy, mental health, social care, housing, education, the economy, and crime. In schools, qualifications attainment is above the national average and improving.

28. The region is centrally located in Scotland with good road and rail links between Stirling city and Glasgow, Edinburgh, Dundee, Inverness and Aberdeen. Transport to rural areas is more limited and in Stirling car ownership is higher than the national average, while the condition of Stirling's roads is worse than the national average.

29. The unemployment claimant count in Stirling remains lower than the Scottish average at 4.4 per cent compared to just over five per cent nationally (as at May 2011), but has increased at a higher rate than the national average in recent years. Wages are above the national average. Stirling's economy is reliant on the public and service sector which includes education,

health, and financial services and has relatively fewer people employed in construction and manufacturing. Public services, including education and health, account for approximately one-third of jobs, and any reductions in employment in these areas will therefore have an impact on employment in the area.

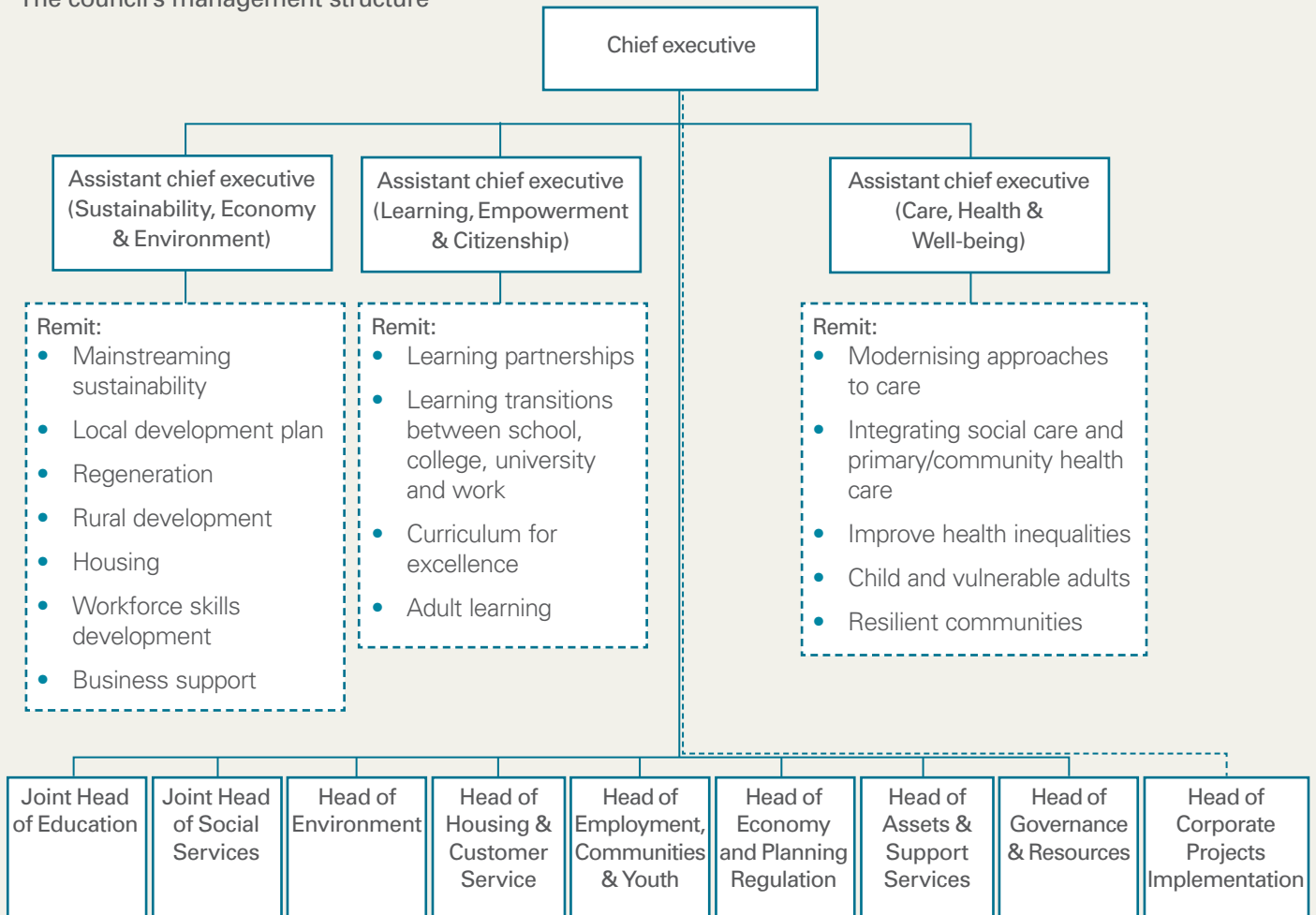
The council

30. Stirling has 22 elected members and comprises seven multi-member wards. The political make-up is: eight Labour, seven Scottish National Party (SNP), four Conservative and three Liberal Democrat members. The council has a close political balance, and the SNP form a minority administration following a council vote in March 2008. As such the current SNP leadership replaced the Labour/ Liberal Democrat administration that was formed following the May 2007 council elections.

31. The council's priorities have been agreed by all parties and have a strong focus on the economy as a means to improve general well-being

Exhibit 2

The council's management structure



Source: Audit Scotland

in the area. The council does not operate area committees but has six community planning forums linked to community councils.

32. The council's political arrangements include:

- an Executive Committee, responsible for the strategic leadership of the council
- a Governance and Audit Committee, to ensure sound internal controls and to oversee how the council manages its resources
- a Service Delivery and Performance Committee, to scrutinise the decisions of the

Executive, and to oversee the council's services

- strategic forums to facilitate cross-party working and make recommendations to council
- panels and boards, to deliver statutory functions such as the Licensing Board.

33. The executive of the council is chaired by the leader and comprises nine members including the portfolio holders from the leading administration political grouping, and three opposition group leaders. The two scrutiny committees (Service Delivery and Performance, and the Governance and Audit Committee) are chaired by opposition members

and have a majority of opposition members on them.

34. The council leadership initiated a significant restructuring of the council following their appointment in 2008. This was implemented by late 2009 under the direction of the chief executive. This was designed to strengthen the council's strategic and corporate management. It replaced a directorate structure with a senior leadership team of the chief executive and three assistant chief executives, supported by 11 heads of service. In August 2011, the council agreed to refine the structure further, reducing the number of heads of service to nine, including the two joint heads of service shared with Clackmannanshire Council ([Exhibit 2](#)).

35. The operational management of the council is the responsibility of the senior leadership team and the heads of service. The heads of service have full management responsibility for service delivery, customer focus, continuous improvement and efficiency. They are directly accountable to the chief executive who is supported in the management of their performance by the assistant chief executives.

36. The assistant chief executives are each accountable to the chief executive for strategy and corporate performance in wider themed areas of: Care, Health and Well-being; Learning, Empowerment and Citizenship; and Sustainability, Economy and Environment. The assistant chief executives have specific strategic remits and shared responsibility for overall corporate improvement. They do not have executive management responsibility for service functions, but have a role in policy development, strategic planning and mentoring the 'link' heads of service for their particular thematic area. This includes guiding and challenging the heads of service on their contributions to the council's objectives, and improving working between service departments. The absence of direct management responsibility for services gives the assistant chief executives greater capacity for this strategic role.

37. As at 31 December 2010, the council employed 3,600 full-time equivalent staff. The estimated net expenditure of the council for 2010/11 is £206.4 million, equating to £2,326 expenditure per head of population, slightly below the average for Scotland of £2,403. The average level of council tax is slightly above the Scottish average, with band D for 2010/11 at £1,209 compared to a national average of £1,138.

Part 4. Is the council working effectively with its partners to improve Stirling?



The council and its partners have set a clear vision for Stirling which reflects the needs of the local area. The council works with partners through a range of forums, and actively promotes partnership working across the wider Forth Valley area. It has made good initial progress in agreeing a shared services agreement with Clackmannanshire Council. The council recognises that it must review and simplify its partnership working arrangements.

The management and reporting arrangements for the Stirling CPP are not well developed. The council is putting measures in place to strengthen the performance management arrangements of the CPP including reporting against action plans for the community planning groups.

Are they focused on the challenges for Stirling?

38. The council and its partners demonstrate that they understand the context in which they operate. The 2008–11 SOA provides a clear account of the local social, economic and environmental context. It recognises the good quality of life, good levels of health and education, and also the social and economic disparity between the most and least affluent areas. The council's strategic plan links well with the SOA and the documents share the same priorities (Exhibit 3).

39. Both the SOA and the strategic plan set out a wide range of actions and targets to measure progress against the strategic priorities. These would benefit from being further refined to give a clearer picture of progress. The council's annual *Stirling Performs* report gives an overview of the council's progress against its strategic plan, but does not report consistently across all of the actions and targets.

Exhibit 3

Stirling's strategic priorities 2008–11

Making Stirling:

- a place with a vibrant economy that is open for business
- a place with jobs and opportunities for all
- a place where lifelong learning is valued and encouraged
- a place where improved well-being adds life to years, not just years to life
- a place with safe, strong and resilient communities
- a place with a high-quality environment.

Source: Stirling Single Outcome Agreement 2008–11

40. The council and its partners formally reported progress against the 2008/09 SOA, but they have not reported on the progress made against the 2009/10 SOA. Elected members considered a draft performance report at a council meeting in October 2010, but asked for a simpler, more user-friendly report to be produced. At the time of writing, this has not been done and Stirling remains the only partnership not to have published an SOA performance report for 2009/10.

41. From 2010, the council has managed its priority actions for heads of service and the senior leadership team through its senior management objectives (SMO). The SMO include service and improvement priorities as well as objectives from the SOA and the council's strategic plan. The SMO are reported to council, and are an important part of the performance review and appraisal process for senior managers.

42. Elected members agreed updated strategic priorities for the council in March 2011 and work is ongoing to revise the strategic plan, service plans, and performance reporting frameworks around these. The objectives for senior management have been revised, and workshops with elected members were held over the summer of 2011 to consider how the strategic objectives will be delivered.

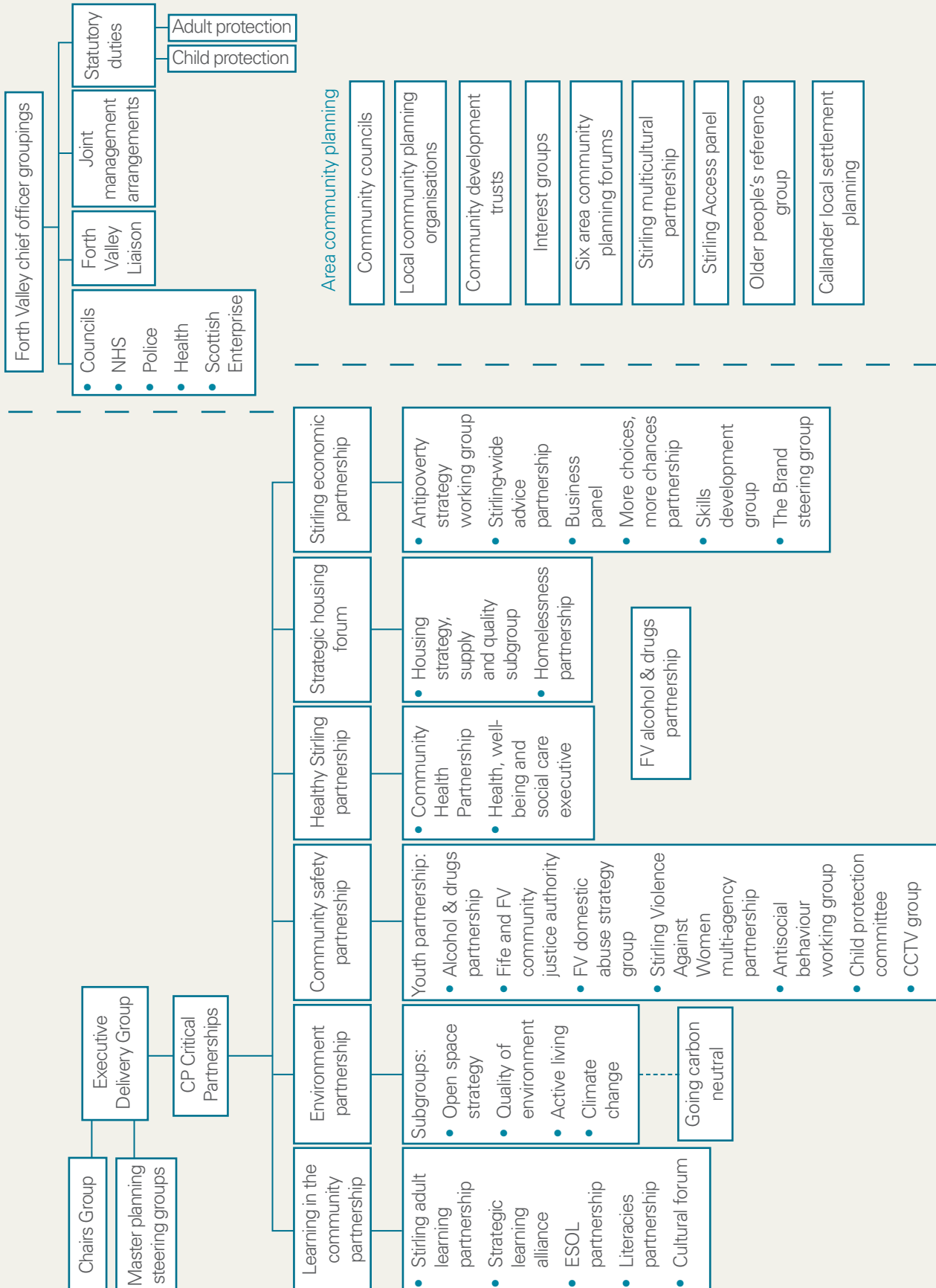
How effective is partnership working?

43. The chief executive and senior officers actively work with partners through a range of bodies. These include partnership groups that operate over the wider Forth Valley area and the Stirling CPP. The main partnership working arrangements include:

- A series of Forth Valley-wide chief officer groups that involve chief executives and senior management from key public bodies in the area, including Clackmannanshire, Falkirk and Stirling Councils, Forth Valley NHS, Central Scotland Police Force, and Central Scotland Fire & Rescue Service. This includes joint measures for overseeing child protection activity.
- The Stirling CPP, which brings together key partners in the Stirling area including Stirling Council, Forth Valley NHS, Central Scotland Police Force, Central Scotland Fire & Rescue Service, Forth Valley College, Stirling University, Scottish Enterprise, Tayside and Central Scotland Transport Partnership and a third sector representative body.
- Loch Lomond & The Trossachs National Park Authority (LL&TNPA), which is led by a board with 25 members, six of whom are

Exhibit 4

Overview of Stirling Council's partnership working arrangements for Stirling and the Forth Valley (FV) area



nominated by the local authorities of Argyll & Bute, Stirling, West Dunbartonshire, and Perth & Kinross, two of whom come from Stirling Council.

- The Community Health Partnership involving NHS Forth Valley and Stirling Council.
- The Strategic Learning Alliance, involving Forth Valley College, Stirling University, Stirling Council, and Skills Development Scotland.

44. Partnership working through the Forth Valley chief officer groups has helped to strengthen joint working between the council, health, the third sector and the police. However, the council's partnership working arrangements for Stirling and the Forth Valley area are complex ([Exhibit 4](#)). The council recognises that this complexity can lead to duplication and a lack of clarity over the roles of the various bodies. In March 2010, the council recommended that it review the remits of cross-organisational working groups. The council scheduled this review to be completed by June 2011, but the work remains ongoing. The council and its partners should complete this work to ensure that partnership working arrangements are clearly understood and make the most effective use of the resources deployed.

45. The council has reached a shared service agreement in the major areas of education and social care with Clackmannanshire Council ([Exhibit 5](#)). The councils aim to work in partnership to share expertise, integrate the services and realise efficiencies.

46. The councils are developing a delivery plan to integrate their services. This will involve ongoing service redesign to seek efficiencies and other service benefits, though it is too early to comment on the impact of these measures. Ongoing scrutiny and inspection work in these areas will evaluate the quality of services provided through the new arrangements.

Exhibit 5

Stirling Council and Clackmannanshire Council shared service agreement

In December 2010, Stirling Council and Clackmannanshire Council reached a shared service agreement in the major service areas of education and social care. This aims to integrate these service areas between the councils, to share good practice and to realise efficiencies.

Heads of joint service were appointed for education and social care in March 2011 to work across both councils. The joint service reports separately to the appropriate committee in each council. The councils aim to have joint management structures for both services in place by autumn 2011.

Effective management arrangements are in place to oversee this process and involve elected members. A programme board was set up in January 2011 comprising the two chief executives and senior managers with expertise in education, social care, finance and human resources. The programme board reports monthly to a steering group of elected members, and also reports individually to each council. The councils have identified the potential to share further services such as personnel and IT functions as part of this arrangement.

Source: Audit Scotland

47. The Stirling CPP has a wide representation from across local public sector organisations. It comprises an executive delivery group (EDG) to oversee the partnership, and five community planning groups to deliver outcomes in areas of community safety, the economy, learning, health, and the environment.

48. The EDG is chaired by the elected member portfolio holder for community planning. It comprises the council's chief executive, Stirling CPP officer, and representatives from Central Scotland Police, Central Scotland Fire & Rescue, Forth Valley College, LL&TNPA, NHS Forth Valley, Scottish Enterprise, Scottish Government, Stirling University, Stirlingshire Voluntary Enterprises, and Tayside and Central Scotland Transport Partnership.

49. The CPP has a central role in delivering the SOA, but it does not provide regular reports to demonstrate its progress. The council's own review of the CPP in March 2010 identified the need to: improve performance management to include clearer objectives, action plans and regular

reporting; strengthen third sector representation; and to put in place clearer processes for allocating funding.

50. In March 2011, the council reported that it had strengthened the CPP representation from the third and private sectors, and had updated the CPP operational guidelines to clarify the duties of the partners and improve consistency between the community planning groups. However, progress in the following areas has been slow and is ongoing:

- implementing SOA progress updates in the council's public performance reports and to committee
- developing resourced action plans for the CPP groups and within the council's service planning processes
- reviewing the remits of the CPP to ensure better links with other joint working groups.

Part 5. What have the council and its partners achieved?



There are good and improving outcomes in education, resident satisfaction and community safety, the quality of the environment, and overall levels of health and well-being. The council and its partners do not clearly demonstrate the impact of the work being done to sustain rural areas and tackle economic disparity.

The council provides good and improving services in supporting educational attainment, adult learning, waste recycling and disposal, and sports and leisure provision. Performance has been more mixed in social care services and housing and the council is progressing improvement plans in these areas.

51. The following sections give an update on the progress the council and its partners have reported on their main strategic objectives. The audit has focused on outcomes relating to the economy and the environment. This was to examine the economy in more depth as one of the council's main priorities, and also as a means to examine partnership working more closely. The audit also examined the contribution made by the council's services to these strategic objectives. For example, it looked more closely at roads and waste management as part of the environment outcome.

Supporting the local economy

52. The council and its partners have set out a clear vision for the economy as a driver for improved outcomes for Stirling. The economy is prominent in the Strategic Plan and the SOA under the strategic priorities of 'making Stirling a place with a vibrant economy that is open for business' and 'making Stirling a place with jobs and opportunities for all.' In March 2011, elected members reconfirmed their commitment to supporting the local economy in the updated council priorities.

53. The Stirling Economic Partnership (SEP), a community planning group established in 2007, has a key role in delivering the economic priorities for Stirling. It is chaired by a representative from Stirling University and has a wide membership including Forth Valley College, Going Carbon Neutral Stirling, Jobcentre Plus, Raploch Urban Regeneration Company, Scottish Enterprise, Skills Development Scotland, TACTRAN, Volunteer Stirling, and representatives from the council and the private sector. The elected member portfolio holder for the economy, tourism and finance also attends the group.

54. The SEP engages effectively with the various economic partners. It launched the 'Open for Business' economic strategy in November 2009 which set out a vision to support the economy through business development, access to jobs, and targeted support for vulnerable groups or those living in poverty.

55. The SEP's action plans to deliver the strategy are not long established, having been approved in November 2010. The action plans set out activities under the broad themes of employment skills, business growth and networking, and developing infrastructure. The plans do not set clear targets or milestones, and, while a series of outcome indicators are identified, they are not yet reported on. The council and its partners do not identify the costs of the economic partnership, or of delivering the strategy and its associated action plans.

56. The council and its partners have not yet demonstrated a significant impact from their economic development activity. The partnership monitors progress on the activity it has committed to, but this isn't reported systematically to the council or the public. Forming an overall assessment on performance in this outcome area is therefore difficult. However, based on the information available, the council and its partners have made mixed progress with their economic objectives:

- Business satisfaction is increasing with over 70 per cent of businesses rating Stirling as a good place to run a business in 2010.
- There is an improving trend in the number of school leavers in positive and sustained destinations such as further education, employment or training at 88 per cent in 2009/10.
- The claimant count unemployment rate in Stirling is low at 4.4 per cent compared to 5.1 per cent in Scotland (at March 2011) but is increasing more quickly than the national average.
- Income deprivation is increasing, and the numbers of children living in households that are dependent on benefits is increasing, and at 32 per cent in 2009/10, is well above the council's target of 25 per cent.

57. The SEP has made progress in undertaking research and scoping studies, and in building relationships and networks in the business community. Its work to support employability includes working with Forth Valley College to develop new degree courses in creative industries. Infrastructure projects are largely at the planning stages, including master plans for a riverside business site and an inner city food and drink development. The partnership is also working with suppliers to widen broadband coverage in rural areas.

58. Despite signs of economic decline, business confidence is relatively high and improving. The council has had some success in building links with the business community ([Exhibit 6, overleaf](#)). The Stirling Business Panel has effectively engaged local businesses and facilitated networking between businesses.

59. The council has identified economic inequality and supporting rural business as important issues in the Stirling area. It has targeted work to support rural businesses, increase

Exhibit 6

The Stirling Business Panel

The council set up the Stirling Business Panel to support business networking, host trade fairs and access the views of the business community. The panel has attracted over 660 members. A 2010 survey, undertaken by the panel, indicated an improving trend in business confidence with over 70 per cent of businesses rating both rural and urban Stirling as quite or very good for business. The survey also highlighted issues such as availability of business space and access to funding.

Actions taken as a result of the survey include: a series of well-attended trade fairs in response to demand for networking events; appointing the chair of Stirling Business Panel to the SEP to better represent business interests; and continuing consultation from council services with the Stirling Business Panel on issues such as parking, the local development plan and the control of unauthorised advertising in the Stirling Council area.

Stirling Council's Economic Support & Tourism service produce an informative business magazine called *Stirling Eye*. This is aimed to support businesses with advice and information such as local start-ups and business awards, business statistics, and features such as access to funding and preparing business cases. This was first published in 2007 and is distributed free to 3,000 local businesses. *Stirling Eye* is issued three times a year.

Source: Audit Scotland

business accommodation, improve transportation, and to promote tourism and events. However, the council has not reported the overall impact of the activities in this area.

60. The council has, however, reported progress on its local transport strategy. In May 2011, it reported that the council and its partners had made good progress across the majority of indicators, including improved road safety, reduced congestion, and increased use of bus and rail. The review also identified areas for further improvement, including encouraging greater use of public transport and walking and cycling to schools.

61. Non-householder planning applications give an indication of the growth of industry in the area and processing applications efficiently and effectively helps to sustain economic growth. The time to process applications is just one aspect of planning performance. In relation to this indicator, the council's performance in dealing

with all planning applications is improving and compares well with other councils. However, it is not meeting its own target for dealing with non-householder applications, and in 2009/10, 56 per cent of non-householder planning applications were dealt with within two months compared to a target of 80 per cent. The council implemented its electronic planning system in 2010 and it expects this to improve its performance.

62. The council operates a joint trading standards service with Clackmannanshire Council. It is sustaining good performance in dealing with business advice requests, consumer complaints, and in carrying out food hygiene inspections of food retailers and outlets. It has reviewed its debt advice services in partnership with all local advice providers including the Citizens Advice Bureau to improve the coordination and planning of this activity.

Jobs and opportunities for all

63. The council's aim of 'jobs and opportunities for all' includes supporting employment skills and regenerating Stirling's more disadvantaged communities.

64. Stirling's working age population is more highly qualified than the Scottish average with 40 per cent holding the equivalent of SVQ level 4 or above. Despite this, businesses have identified shortages of qualified staff as an issue. In 2009/10, some 86 per cent of the council's employability clients (129 people) achieved positive outcomes through training, employment, education or voluntary activity, ahead of the council's target of 72 per cent. However, the council's youth service reported that 34 per cent of its clients in 2009/10 moved into training, employment or further education, falling short of its target of 48 per cent.

65. Two communities in Stirling, Raploch and Culterhove, lie within the most deprived five per cent of communities in Scotland. The council and its partners are carrying out regeneration work in these areas.

66. The most extensive activities are taking place in Raploch, through the Raploch Urban Regeneration Company (RURC), a company established by Stirling Council. RURC provides a comprehensive regeneration programme in partnership with the community, public sector agencies, and the private sector. This is putting in place new education, social and community facilities and aims to improve the quality of life and the economic prospects for the people of Raploch. Progress to date includes:

- A ten-year house-building programme began in January 2008 to build 900 houses including 250 for social rent.
- The RURC has used community benefit clauses in its contracts to provide employment skills training and opportunities. It has an

infrastructure development contract in place that requires contractors to create 25 apprenticeship places per year over a ten-year period. The council is considering making wider use of this practice.

- The RURC recycled 95 per cent of materials following the demolition of four schools. The project was recognised as Best Practice in Sustainability by Waste Recycling Action Programme (WRAP), and was also awarded Exemplar status by the Scottish Government under the Scottish Sustainable Communities Initiative.

67. The first phase of regeneration work, including housing and play areas, has been completed in Culterhove and Cornton, largely through demolition and rebuild. Both of these developments achieved a Secure by Design Award, which recognises the use of effective crime prevention and security standards.

Making Stirling a place with a high-quality environment

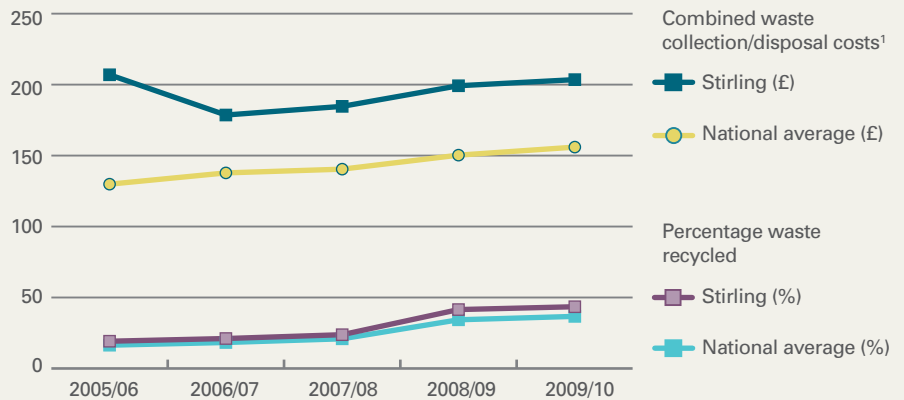
68. The SOA includes the aim to improve the quality of the physical environment. The council and its partners are making good progress in this area, particularly through reducing waste going to landfill and in improving the cleanliness of the area. There is mixed performance on meeting its air quality targets.

69. The 2011 residents' survey indicates that residents have a more negative impression of the roads and pavement condition. Roads condition was an area noted for improvement in the 2005 Best Value audit of Stirling Council, with the council ranking in the bottom quartile of Scottish councils for roads condition.

70. The council has reported that it is sustaining the roads condition compared to a slight overall decline nationally following the harsh winter in 2010. In 2009/10, the percentage of Stirling's road network that should be considered for maintenance treatment is 44.5 per cent compared to the

Exhibit 7

Waste management performance and costs



Note: 1. Real term cost figures are at 2009/10 prices. This was calculated using the GDP deflator as at October 2011.

Source: Audit Scotland

Scottish average of 36 per cent. This shows a slight improvement on the previous year, and available data for 2010/11 shows continued improvement. However, roads condition remains significantly below Stirling's target to meet the Scottish average. The council recognises that it may need to further increase its investment if it is to meet its target in this area. It will re-evaluate this position after the 2011 road condition survey, including any need for additional revenue and capital expenditure.

71. The council's waste recycling service performs well. The percentage of household waste recycled or composted was 43.5 per cent in 2009/10, above the council's target of 42 per cent. The council's performance has improved steadily and it has ranked in the top quarter of Scottish councils every year since 2004. The most recent data for 2010/11 indicates that the council is sustaining this good performance and is well placed to meet its target of 50 per cent by 2013. The 2011 residents' survey indicates that residents have a positive impression of the recycling and waste service, despite a slight decline in the percentage of waste collection routes completed on the correct day owing to the severe winter weather in 2010.

72. Although the service performs well in terms of the percentage of waste recycled, its costs are significantly above the national average (Exhibit 7). In 2009/10, Stirling's waste collection service was the most expensive in Scotland, with costs at £118 per household compared to the Scottish average of £66. Its waste disposal costs, at £85 per household are below the national average of £89 per household, but are increasing. The council generates income from its waste management activity but it has not reported the impact of this on the overall costs of the service. The council needs to strengthen its focus on value for money in this area. Its enhanced food waste recycling service and its income generation activities contribute to its high gross expenditure. The council has identified the scope for further efficiencies in its waste management service.

73. The overall cleanliness index for roads, parks and other open spaces is above its target score of 72, scoring 74 in 2009/10. This is an improvement on the rating of 67 in 2007/08.

74. The council is developing an open space strategy along with its local development plan. The open space strategy will enable the council to manage its natural assets more

strategically in the longer term. It has made good use of public consultation in developing the strategy including its master planning approach for public parks.

Sustainable development

75. Best Value requires local authorities to consider sustainability including the social, economic and environmental impacts of their activities and decisions. The council shows a strong commitment to sustainability through its activities and its work with partners. The council produces a range of reports on its progress against its climate change and carbon reduction commitments. However, it does not report clearly on its overall progress with its aim to make Stirling more sustainable. Available information indicates that while the council has made good progress in meeting its waste landfill reduction targets, it is not meeting its carbon emissions targets.

76. The council has an assistant chief executive with specific responsibility for the related themes of the economy, environment and sustainability and it has designated elected members as the portfolio holder and opposition portfolio holders in these areas. The sustainability, economy and environment strategic forum provides a systematic means for members to explore issues and make connections across these related areas. The forum has been used to help develop the council's approach to climate change, and also to consider wider social issues such as sustaining communities, and tackling poverty.

77. The Environmental Community Planning Group, one of the CPP groups, has objectives to improve the local environment, including the local response to climate change. The group is chaired by Scottish Natural Heritage and includes representatives from Central Scotland Police Force, Going Carbon Neutral Stirling (GCNS), Historic Scotland, LL&TNPA, and Scottish Environmental Protection

Agency, as well as council officers in environmental and other related services.

78. The third sector organisation, GCNS, works in partnership with the council and reports to the Environmental Community Planning Group. GCNS aims to raise awareness and encourage action in Stirling's communities, businesses, and the council and its partner agencies. This includes promoting energy-saving measures for public buildings including schools, churches and libraries.

79. In June 2009, Stirling Council adopted a target to reduce carbon emissions by 20 per cent by March 2013 compared to its 2006/07 baseline. In 2009/10, emissions from waste, energy use in buildings, streetlights, and transport were only two per cent lower than the baseline year, and had increased slightly on 2008/09. The council attributes this mainly to the growth in its buildings estate resulting from the schools estate programme. There is a significant risk that the emissions reduction target will not be met. The council is currently participating in the Carbon Trust's Carbon Management Revisited programme. This will review baseline data and identify potential areas of reduction not yet exploited, and assist in producing a revised and updated Carbon Management Plan in 2011.

Making Stirling a place where lifelong learning is valued and encouraged

80. This strategic priority aims to promote learning for all ages, give access for all to high-performing schools and nurseries, to raise standards for low-achieving children and young people, and to improve vocational training opportunities.

81. The council performs well against the majority of its lifelong learning commitments. Educational attainment of pupils is better than the national average and is on, or above,

target in most areas. In 2008/09, the proportion of school leavers achieving qualifications in English and mathematics is high and improving at 93 per cent. The same indicator for looked after children, at 50 per cent, is well below the council's 75 per cent target, but is improving on previous years.

82. During 2009/10, HMIE inspected ten of Stirling's schools including eight primary schools and two secondary schools. The results of this were largely positive, particularly in primary schools. In the council's own quality assessments, 90 per cent of schools were evaluated as good or better against three core quality indicators used in school inspections. This exceeds its target of 80 per cent, but has declined from 96 per cent in 2008/09. In 2009/10, the proportion of Stirling's school leavers moving into further or higher education, employment or training is improving, and at 88 per cent is slightly below the target of 90 per cent.

83. The council's 2009/10 annual report against its strategic plan indicates good progress in improving outcomes for children and young people. It outlines activity to improve performance in all schools and nurseries with a focus on the performance of the lowest-attaining 20 per cent of young people. This includes morning welcome clubs for primary school children and lunchtime clubs. The council has taken steps to support pupils with additional support needs in their own communities, and has increased the entitlement of pre-school provision for all three and four-year-olds.

84. The council has renewed its secondary school estate, including the new Raploch Community Campus. It provides an enhanced level of sports, arts and cultural opportunities for all children. This includes its musical inclusion programme and the use of the Peak leisure centre in the city of Stirling.

85. The council's services to support adult learners perform well. In 2009/10, it exceeded its targets to provide training in literacy and numeracy, and in English for Speakers of Other Languages. The library service makes an important contribution to lifelong learning. As one indicator of uptake, the council's unaudited figures for 2010/11 indicate an increase in book lending following a decline in 2009/10.

Making Stirling a place where improved well-being adds life to years, not just years to life

86. The local outcome to improve well-being includes: improved care and support for those in need; reduced health inequalities; and more opportunities for people to lead healthier lifestyles.

87. Available health and well-being indicators for 2011 indicate that life expectancy, healthy life expectancy, and the rate of early deaths from disease in Stirling are better than the national average. This is also reflected in the lower numbers of hospital admissions. Indicators of women's and children's health, including child obesity, low birth weight and teenage pregnancies are in line with the national averages. Stirling has lower levels of smoking, higher participation in physical activities, and lower incidences of alcohol and drug-related conditions than the Scottish average. Mental health indicators including depression, psychiatric hospitalisation and deaths from suicide are lower than the Scottish average.

88. The 2009/10 SOA indicators show mixed performance against the council and its partners' health and well-being objectives; this includes:

- an improving trend and good performance in reducing delays of over six weeks when discharging patients from hospitals, with only one delay reported for 2009/10
- the percentage of individuals aged 65 or over with high and long-

term levels of care needs who are cared for at home is improving, though at 26 per cent is below the 2009/10 target of 30 per cent

- in 2009/10, all adult care homes achieved 'adequate' grades or above; all recognised carers were offered an assessment of need.

89. Areas where the indicators show declining performance include: the quality ratings of area child protection arrangements; the percentage of individuals receiving personal care; the percentage of individuals with critical care needs receiving care within six weeks, which at 68 per cent for 2008/09 is significantly below the target of 100 per cent; and in reducing teenage pregnancies.

90. SWIA reported on Stirling Council's social work service in July 2009. It found the services were delivering good outcomes for some service users, but noted significant areas for improvement across a range of client groups.

91. A follow-up inspection in November 2010 noted that some progress had been made against all of the recommendations. This included a shift in the balance of care towards care at home through its 're-ablement' model of care. The inspection also noted that leadership and financial planning have improved, but progress with performance management and some other service aspects had been slower. The Care Inspectorate is continuing to monitor progress through quarterly meetings with service managers.

92. In June 2010, HMIE published a joint inspection report on services to protect children and young people in the Stirling Council area. The report identified significant areas of weakness including measures to keep children safe, the response to immediate concerns, and self-evaluation and performance improvement. It rated measures to ensure that children are listened to

and respected as good, and that the measures to meet children's needs and reduce long-term harm were 'fair'.

93. The Care Inspectorate August 2011 follow-through inspection of services to protect children and young people provided positive assurance of progress since the 2010 inspection. The report found that chief officers had taken effective action against all areas of improvement, including leadership, partnership working and teamwork. It stated that chief officers recognised the considerable work still to be done, and demonstrated a strong commitment to carry this out.

Safe strong and resilient communities

94. This local outcome area concerns improved life chances for Stirling's children, young people and families at risk, and making communities safer and more resilient. This theme is closely related to the strategic plan's aim to make Stirling a place where improved well-being adds life to years, not years to life. The section above on well-being outlines the findings by inspectorates concerning child protection and other care services.

95. The 2009/10 SOA information indicates that the council and its partners are making good overall performance against this outcome. The level of antisocial behaviour complaints has fallen by nine per cent on the previous year; vandalism cases have decreased by 14 per cent; and crimes of violence have decreased by nearly 17 per cent; and the levels of death or serious injury in road accidents has reduced. There has been an increase in the number of problem drug users and an increase in the rates of domestic abuse incidents. The council's 2011 residents' survey indicated high levels of satisfaction with their local area and the wider Stirling area.

96. The council and its partners report activities to encourage well-being and healthy lifestyles. These include opening the Peak leisure facility in

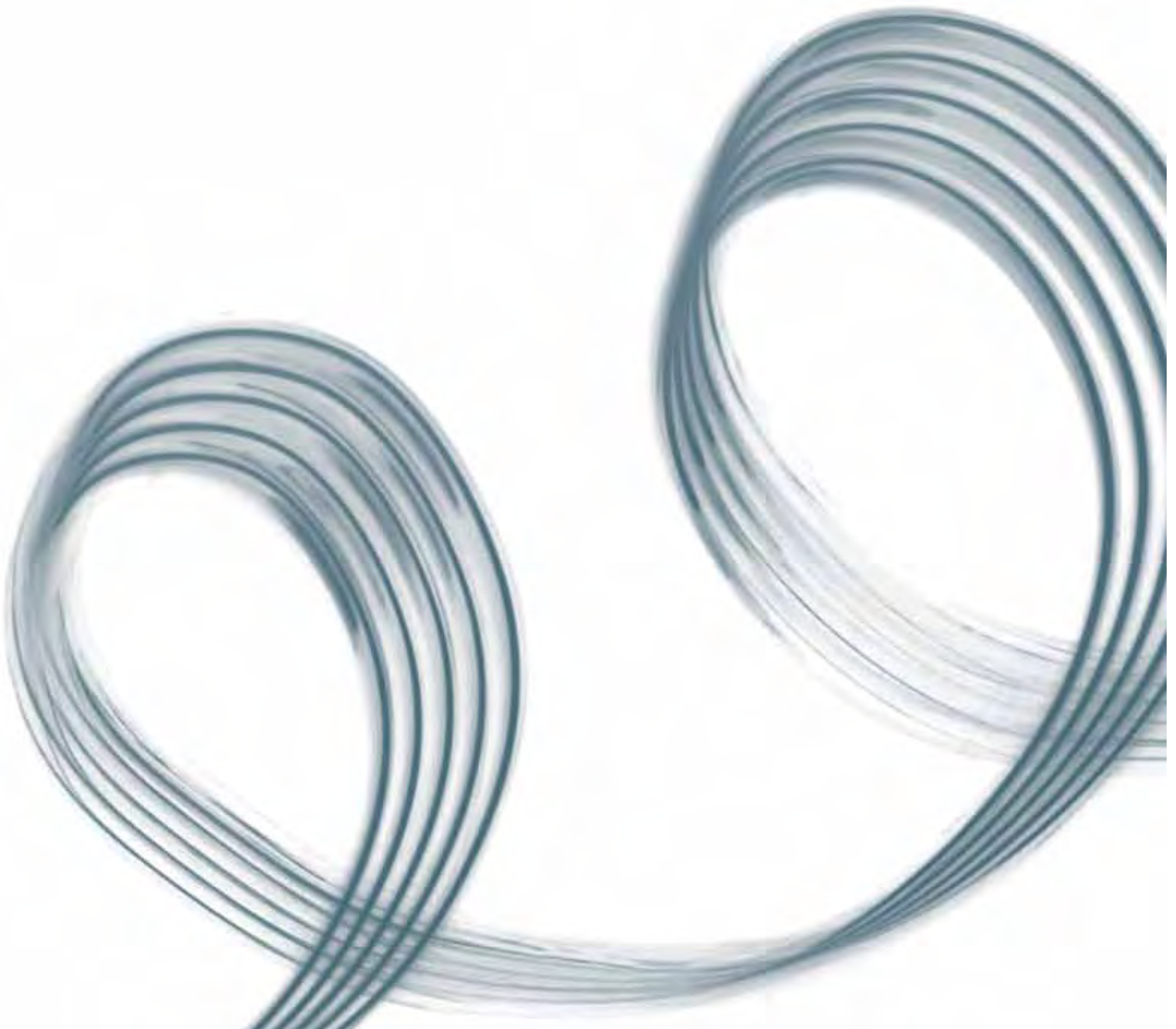
April 2009, the Forthbank Sports Village, and the work of the Active Stirling team to increase participation in physical activities. In 2009/10, there has been a significant improvement in the number of attendances at pools and other indoor sports and leisure facilities. The council has also promoted cultural activities including a book festival, a mobile library, its archiving service, and reading groups for primary school children.

97. The council is meeting its 2010/11 target of 30 per cent of houses meeting the Scottish Housing Quality Standard, and in 2009/10 customer satisfaction with housing repairs was high, at 98 per cent, and improving.

98. Between 2008/09 and 2009/10, the percentage of homeless applicants who have been housed into permanent accommodation fell from 48.3 per cent to 38.4 per cent, below the council's target of 45 per cent. However, the most recent data available for 2010/11 shows an improvement at 49.6 per cent. The percentage maintaining their tenancy for 12 months also declined in this period from 85.2 per cent to 81.4 per cent. The council reports that the economic downturn has impacted on the sustainability of tenancies, and the most recent data for 2010/11 shows a slight improvement at 83.7 per cent.

99. The SHR inspection of the council's housing management function rated housing management and asset management and response repairs service as 'fair' in March 2010. The inspection identified weaknesses including the housing management ICT system, the allocations policy, performance management, and the quality of its equalities information. The SHR will consider the council's improvement plan as part of its 2012/13 inspection programme, including its homelessness service.

Part 6. Is the council managing its resources effectively?



The council's management of its resources has improved since the first Best Value audit report in 2005, and has been given a stronger impetus through its efficiency programme. It has a good budget planning process which involves elected members and takes a medium-term financial perspective. It has good processes to develop leadership skills and communicate with staff, but must develop and apply its employee appraisal and workforce planning approach fully across the organisation. It has put in place more strategic arrangements for the management of assets and procurement, but needs to apply this more consistently across the council. The council has effective performance management arrangements which support good scrutiny from elected members. It needs to strengthen the leadership and direction given to equalities and better demonstrate the impact of its activity in this area.

Managing finances

100. The council has good arrangements in place to plan its budget. It has an open and considered budget-setting process that includes cross-party input from councillors. It has a structured approach to budget planning and analysis including:

- a Treasury Team comprising the leader, depute leader and group secretary as a key part of the revised financial management and planning arrangements
- a Finance Review Group comprising officers and councillors
- a medium-term financial planning and management framework
- a base budget review to identify priorities, including the council's capital programme.

101. The council has set a savings target of the order of £30 million over the 2011/14 three-year period. Members considered a range of

options and set a budget for 2011/12, which included savings in excess of those required to meet its budget gap. By doing so, the council was able to make some headway with the savings still required in years two and three of its medium-term financial planning period. The council has identified a £10 million savings target for 2011/12 including £6.9 million through efficiencies as part of its budget workstream projects.

102. The council has maintained a consistent level of reserves since 2007/08, and uncommitted reserves (not earmarked for specific purposes) were slightly above target levels of 2 - 2.5 per cent (£4.5 - 5.5 million) of revenue budget at 31 March 2011. External debt levels and treasury management performance in the council complied with the 2010/11 prudential indicators as approved by the council in February 2010.

103. The council agreed an efficiency programme in January 2010 to support its 2011–14 budget planning exercise. This includes workstreams to identify efficiencies through employment costs, asset management and procurement, and also in service areas including education and social care. The efficiency programme has helped the council to develop a stronger focus on how it plans its finances over the longer term, and to improve its resource management practice.

104. The council's Finance Review Group developed the 2011–14 budget in tandem with the efficiency programme. The group involves members from all parties, and the CMT reports regularly to the group.

105. The council has made good initial progress in identifying efficiencies through its budget workstreams projects which set a target of £6.9 million savings for 2011/12. It has reported that £5.5 million, or almost 80 per cent of the planned savings are on track to be delivered, £1.3 million require further work to ensure delivery and £0.1 million of

savings are not yet secured. The council has identified an additional £1 million in management efficiency savings through this efficiency programme.

106. The council undertook a strategic review of its capital programme as part of its 2010 budget. This process allowed members to identify priority projects including upgrading primary schools and community centres.

107. The council's 2009/10 external audit report identified a number of risks in the way the council manages its interests in external organisations such as arm's-length companies to deliver property services. The council has since made good progress to improve governance and accountability of its arm's-length companies. It has reviewed the role of the companies in relation to the council's strategic priorities, including winding up companies that are no longer operational; a reporting timetable has been agreed for company financial and performance reporting to relevant committees; a seminar for members was held to clarify roles and responsibilities; and the council's financial commitment to companies and risk exposure is kept under review.

Managing people

108. The council's performance in people management is mixed: its performance in leadership development, employee communications and managing absence is good; it needs to apply performance appraisal and workforce planning more consistently across the organisation.

109. The council has improved the way it plans its workforce to meet future demands and address skills gaps. Its review of care services for older people included a detailed assessment of demographic changes to inform its commissioning strategy. The council has identified the need to build on this progress and develop similar workforce planning approaches across all services.

110. The council's efficiency programme includes a 'costs of employment' workstream to look at potential workforce efficiencies, for example through further voluntary severance, and examining employment terms and conditions.

111. The council's 2010 voluntary severance exercise resulted in 213 employees leaving the organisation. The council carried out impact assessments as part of this, and also looked at service redesign options to reduce the impact of the exercise. However, our audit work found that staff groups and trade union representatives had concerns over work pressures following the voluntary severance programme. The council should therefore ensure that it is aware of the ongoing impact of the reduction on its workforce and services and take appropriate measures. The council has not carried out an employee survey since 2008. A further survey would help the council to understand any issues arising from the voluntary severance programme. The CMT is aware of this issue and is considering a range of approaches to better engage with staff.

112. The council has been slow to introduce its appraisal, or performance review and development (PRD) process for employees, and the process is ongoing. Education and social care services have an existing appraisal process in place. The majority of managers have been trained in the PRD process which includes a standard agenda covering performance, risks and personal objectives. However, the scheme is only in place for managers, and has not yet been adopted across the organisation.

113. The council is committed to developing the leadership skills of its managers. Senior managers have received leadership development training through the council's Strategic Leadership Development Programme and the programme is now being applied more widely to

managers across the organisation. As the largest group of line managers, 153 team leader/supervisors are currently participating in workshops that include self-awareness, leading teams and coaching for performance improvement.

114. The council has taken measures to reduce employee absence, but it is not achieving its challenging targets. An absence management policy is in place and is applied by service managers across the organisation. Absence levels are reported regularly to committee as part of the *Stirling Performs* report. In 2009/10, the council's absence figures for teachers at 6.4 working days lost through absence were better than the national average of 7.5 days, and the council ranked as the sixth best performing council in Scotland on this measure. It also performs slightly better than the national average for sickness absence for non-teaching employees, at 11.2 days compared to an average of 11.6 days in 2009/10, but is falling short of its target of 9.8 days per employee. The most recent figures for 2010/11 show some improvement in the council for both of these indicators.

115. Communication across the council works well and it has a range of communications tools in place to keep staff informed. Our staff focus group, held as part of this audit, indicated that staff generally perceive communications as good, particularly within services. Internal communications have improved through the staff newsletter *Working Together* and the chief executive makes good use of the intranet to communicate with employees. Services use a range of informal communication methods and meetings to keep employees informed.

116. Senior managers have regular meetings with trade unions which allow open debate and communication. The council's leadership development programme and 'common purpose days' have been used to communicate the council's vision, values, and priorities.

Asset management

117. The council is taking a more strategic approach to the way it manages its property assets, but does not yet apply this across all of its assets. It has a schools estates management plan, and a housing 30-year plan in place, its roads asset plan and open space strategy are nearing completion. The council's efficiency programme has helped to improve the council's focus on asset management through the asset utilisation workstream. This provides a basis for the council to identify efficiencies and prioritise its asset needs, including its office accommodation.

118. The efficiency programme has improved the council's understanding of its asset base and needs over the longer term. The council is undertaking a major review of its central offices to re-locate its current HQ. It has identified potential savings of the order of £0.5 million against its three-year £1 million efficiency target. This includes a 'work styles' review to identify new ways of working, including mobile working, to allow employees to access council systems remotely. Such measures will help the council to reduce its office space requirements.

119. The council is also working with its partners in the Forth Valley area to identify the potential for shared assets. It is preparing a Forth Valley Asset Management Strategy jointly with the Forth Valley councils, the NHS, police, fire, university and colleges.

120. The council is taking measures to make its property estate more energy efficient. Energy efficiency is a factor in the design process, and energy usage is being monitored more closely in its main buildings through the use of 'smart' meters. However, the council's carbon emissions have increased slightly in 2009/10 owing to an increase in its property estate including a major new leisure centre. The council will need to continue to rationalise its property assets and improve its energy efficiency if it is to

meet its carbon reduction and energy efficiency targets.

Procurement

121. The council has improved its procurement practice from a relatively basic level of practice. In common with many councils, it achieved a 'conformance' rating in a procurement capability assessment carried out in January 2011. This is part of a government initiative to improve public sector procurement. Conformance is the second lowest of four ratings of: non-conformance, conformance, improving performance, and superior performance. This is an improvement on its previous rating of non-conformance, but indicates that there is scope for further improvement in the council's procurement practices.

122. The council has had a procurement strategy and plan in place since 2006 to set out its corporate procurement approach and training has been provided to all staff involved in buying goods and services. The council's procurement strategy is reviewed regularly and has been updated in 2010/11 to include clearer targets and actions, for example to combine contracts more effectively across the organisation.

123. The council has earmarked budget savings of £1.25 million for 2011/12 through improved procurement. However, it has identified a risk that some £480,000 of this may not be fully achieved in the current year. The procurement working group expects to find further savings related to social care and other efficiency workstreams. The council will need to continue to monitor its progress in this area if it is to realise its savings targets.

124. The council is aware of the impact of its procurement activity on the local economy, and takes steps to support local businesses. It provides good information on its procurement and tendering process on its website. This helps contractors who are

less experienced in tendering to understand how to submit tenders.

Performance management

125. Performance management in the council is effective and has improved significantly since the 2005 Best Value audit. However, the council still has further work to improve the way it reports its strategic priorities, including the SOA outcomes. The council systematically reports service performance, improvement activity and risks to CMT and to committee. This includes monthly *Stirling Performs* reports of 50 key performance indicators, and quarterly and annual performance updates. Performance reporting has helped to strengthen scrutiny by elected members and has improved public reporting.

126. The council is making good progress with its new electronic performance management system. It procured the system as part of a joint procurement exercise between Fife Council, Stirling Council and Clackmannanshire Council over the summer of 2010.

127. From November 2010, the system has been used to present the *Stirling Performs* reports to committee. This works well and the council makes interactive use of the system by projecting the performance data on a screen to aid scrutiny and debate during the committee meetings. The council reports by exception on 'hot spots' to highlight areas that are under-performing. This helps to focus attention on areas where there is a risk to performance. Elected members have been trained to use the system and can access current performance information and 'drill down' into specific areas to scrutinise performance. The performance reports are also available on the council's website, contributing to the council's public performance reporting.

128. The indicators have a focus on services and other customer-related activity, but could be further

developed to better reflect customer satisfaction and other measures of service quality. For example, the council reports the attendance at sports centres, and the number of hours of homecare provided, but does not indicate customer satisfaction in these areas.

129. The council has plans in place to further develop its performance management arrangements around the updated strategic objectives agreed in March 2011. This includes improving reporting and monitoring of the SOA outcome priorities, and linking this more closely to service plans. The council has also identified the need to improve the way it learns from good practice both within the organisation and externally.

Consulting and engaging

130. It is important that councils listen to, and involve, residents in how they deliver services.

131. Stirling has good participation rates in elections, including the local council elections. The constituency vote turnout for the 2007 Scottish Parliament and Local Government elections was 62 per cent in Stirling, compared to 52 per cent across Scotland. The Scottish Parliament 2011 election attracted a 58 per cent turnout in Stirling compared to approximately 50 per cent nationally.

132. The council provides good information to the public in a variety of accessible ways; including its *Stirling Focus* magazine and its website. It seeks feedback on its public performance reporting through its residents' survey. This shows that over 63 per cent of residents feel they are very well informed about the council.

133. The council makes good use of its website in providing information, reporting service requests, and in making payments for services. The website is informative and provides links to recent performance information, but some areas are not kept updated, including information on

community planning. Its performance reporting for services is balanced and highlights both services that are performing well and 'hot spot' reports showing areas for improvement.

134. The council needs to improve the way it reports its progress against its local outcome priorities. The council and its partners have not reported formally on their progress against the 2009/10 SOA. However, the council has reported its own progress against the SOA objectives through its 2009/10 annual Strategic Plan *Stirling Performs* report.

135. The council consults effectively with local residents. This includes its consultation over the local development plan and open space strategy, its flood prevention measures, and in developing master plans for parks and communities. The council conducts a residents' survey every two to three years, using the Stirling Sounding Board which comprises 1,300 people. The council ensures the board has a cross section of representatives taking into account factors such as age, gender, working status, type of housing, and urban/ rural residence.

136. The most recent residents' survey from June 2011 attracted approximately 700 responses from the sounding board (a 54 per cent return) and indicated high and improving levels of satisfaction. Sixty-five per cent of respondents were either fairly satisfied or very satisfied with council services. Resident satisfaction with their local area as a place to live is high with 93 per cent of respondents being satisfied, including 53 per cent who were very satisfied and 40 per cent who were satisfied. When asked about the wider Stirling area, 85 per cent were satisfied, including 32 per cent who were very satisfied and 53 per cent who were satisfied.

137. The council has a strong focus on customer services, including gathering feedback from service users. One of the assistant chief

executives has customer service as a corporate improvement priority, and the head of customer service and improvement monitors customer service performance on a monthly basis. Customer satisfaction reports indicate good and improving satisfaction, and this is mirrored in the 2011 residents' survey.

138. The council uses area forums to consult with local communities across the region as part of its community planning arrangements. These are attended by service managers and councillors and are a means for communities to influence the way the council delivers its services locally. The council also uses these forums to communicate locally, for example the chief executive has used the forums to provide updates on the council's efficiency programme.

Equal opportunities

139. The council needs to strengthen the direction and leadership given to equalities, and better demonstrate the impact of its actions to address inequality or promote diversity. Senior managers recognise the need to further develop the council's approach to equalities and to embed this across the council.

140. The Public Sector Equality Duty which came into effect in April 2011 requires public authorities to pay due regard to the need to eliminate discrimination; advance equality; and foster good relations across a range of 'protected characteristics' of age; disability; gender reassignment; pregnancy and maternity; race; religion and belief; sex and sexual orientation. The duty encourages public authorities to 'mainstream' equality into their core business so it is not a marginal activity but a key component of what they do.

141. The council has equality schemes in place for race, gender and disability. Stirling Council is still in the process of developing a single equalities scheme to apply across protected characteristic groups. The council recognises that a single

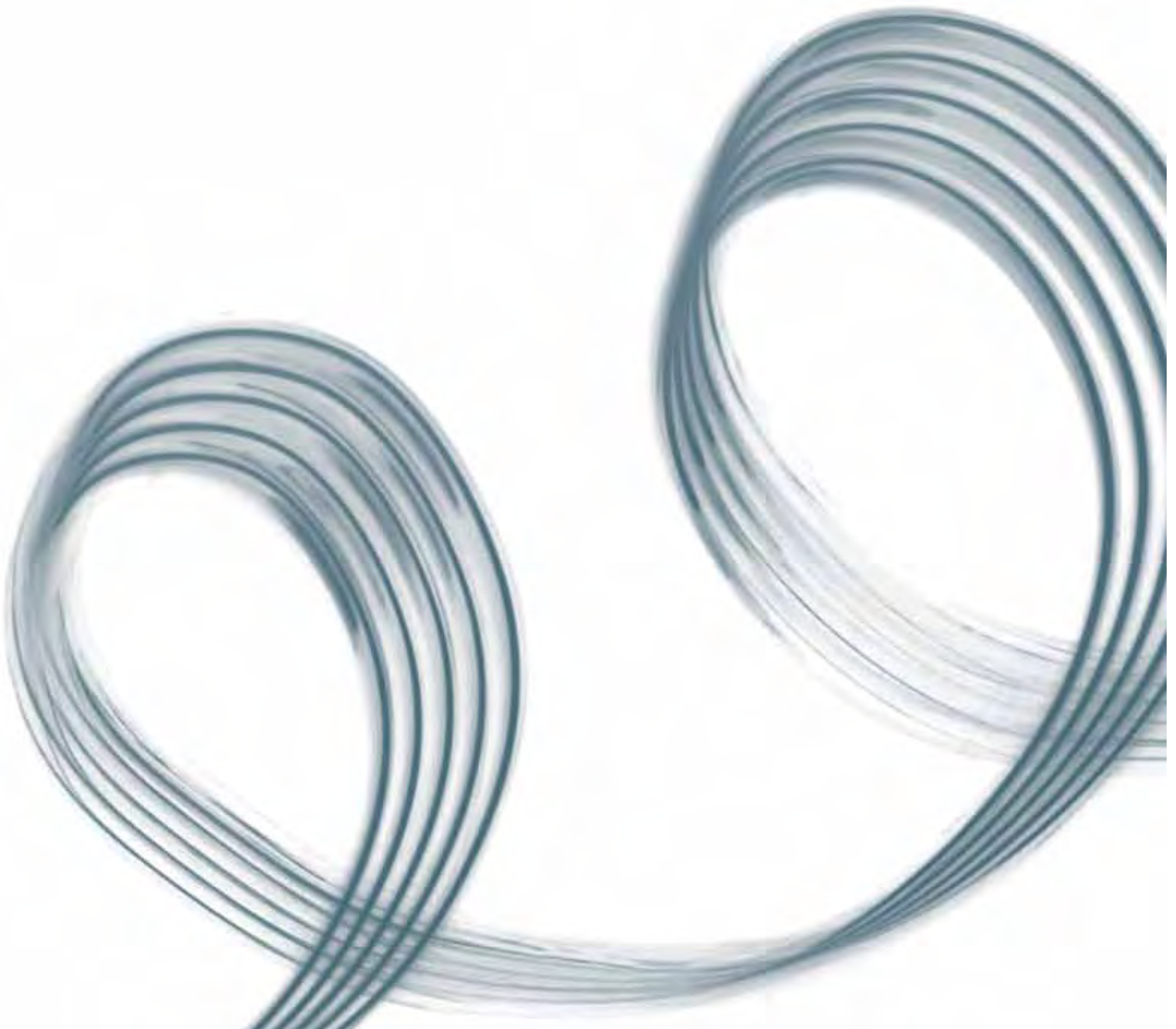
scheme will improve and simplify reporting and monitoring. This is important if it is to better demonstrate outcomes against the statutory equalities duties.

142. The council needs to improve the way it reports on how it is meeting the Public Sector Equality Duty. It provides annual reviews of its statutory equality schemes, but these focus too much on activity, such as delivering equalities training, and do not report the wider impact of this work.

143. An equality impact assessment (EQIA) is a tool that helps public authorities to identify any adverse impact of their policies and activities on particular protected groups, and to take actions to mitigate this. The council has made progress in making EQIAs a core part of its policy development process. The council has good EQIA guidance and has introduced e-learning to support this. The guidance is well designed and includes questions that are probing enough to get the person responsible for the policy or function to think about the impact on protected groups. However, the guidance is not yet consistently applied in practice and some of the EQIAs would benefit from better supporting evidence, such as user and stakeholder surveys. The EQIA process was introduced over 2008/09, and the council is in the process of reviewing its overall impact.

144. The council's Diversity Advisory Group was established in 2009 to raise the profile of diversity and equalities across the council. The council is reviewing the remit of this group including the need for it to better link with external groups and community planning for example. The council also provides online training in equal opportunities and diversity as part of its induction process and more in-depth training is provided to senior managers and to customer-facing staff.

Part 7. Prospects for future improvement



The council has made good progress against the main improvement areas identified in the first Best Value audit in 2005. Leadership from elected members is strong and cross-party working is effective. The chief executive and CMT provide strong leadership and there is a strong corporate culture among the senior management team. The council's efficiency programme is a major focus and it has made good initial progress with this.

The council needs to continue to develop its corporate working below CMT level. This is important if it is to identify and implement further efficiencies across its services. In doing so, it must ensure that it understands the impact on services and its own workforce.

Is the council aware of where it needs to make improvements and is it committed to change?

145. In the first Best Value audit in 2005 the Accounts Commission noted that the council performed strongly on the statutory Best Value criteria and that it recognised the need for further improvement. The Accounts Commission noted particular areas for improvement in its scrutiny arrangements, including the role of elected members and the need to target poor performing areas such as roads maintenance. The audit noted further areas for improvement in performance management and public reporting, delivering its workforce strategy, and sustaining service performance.

146. The council has made good progress against the improvement areas identified in the first Best Value audit. The council's 2006/07 external audit report noted that it had put in place an ambitious improvement plan and had made good progress in the majority of improvement areas. By 2008, the council had in place much improved scrutiny and governance arrangements through the Governance and Audit Committee, and the Service

Delivery and Performance Committee. It had also made progress in improving performance management, and public performance reporting. Further work was required to develop people management and asset management. Overall, services had sustained their performance and improved in line with other councils.

147. The council's organisational restructure resulted in a reduction of 116 posts including 66 management posts by April 2010, without the need for compulsory redundancies. The restructure was a major focus for the council at this time, and some improvement areas within the council remain ongoing as a result, such as workforce planning. However, the council has continued to make progress in the improvement areas identified through both the Best Value audit, and through service inspections.

148. The council leadership has a strong focus on improvement. The chief executive challenges the heads of service over service performance, improvements and their progress with senior managers' objectives at monthly one-to-one meetings. The assistant chief executives support improvement across the organisation and hold specific corporate remits in areas including customer services, performance management and sustainability.

149. Elected members are actively involved in change and the Service Delivery and Performance Committee has carried out a number of scrutiny reviews. These have included a review of older people's services, customer services, and winter maintenance. This review activity has led to improvement actions being taken forward within services and strengthens elected members' understanding of council services. The strategic forums also help elected members and officers to explore themes and issues in depth.

150. Although the CMT and senior management are strongly involved in the efficiency programme, staff

throughout the organisation are less closely involved. Some staff felt the pace of change can be too fast. The council should therefore ensure that it monitors the impact of change on its employees.

151. The council has made effective use of the PSIF self-evaluation process in 2010/11. It has identified a number of corporate improvement areas including strategic planning, customer services, and information management. These have been included in the senior manager objectives. The council has since reviewed its strategic priorities in the context of the SOA, and work is ongoing to develop the supporting service planning and performance management arrangements. In February 2011, the council agreed to apply the PSIF to all of its services over a three-year period.

The council's change programme

152. The council undertakes a range of improvement activity and manages this well as part of a coordinated programme. Its improvement activity includes: actions resulting from external scrutiny including inspectorate findings and the first Best Value audit; areas highlighted through its performance reports; the residents' survey; and scrutiny panel reviews undertaken by elected members.

153. The change programme is a particular strand of this activity which aims to achieve the efficiency savings required to meet the council's budget commitments in the 2011–14 period. This includes six 'budget workstreams' in the service areas of education and social work, and in corporate areas including procurement, asset management and employment costs.

154. The council manages and monitors the improvement activity effectively. Its change and improvement agenda is set out in its Annual Improvement Statement (AIS). This states the priorities for improvement including external audit and inspections, performance

reporting mechanisms, internal scrutiny reviews and actions not yet completed. The AIS is reported to the CMT and to committee. The 2010/11 AIS includes the following areas for improvement:

Council-wide priorities including:

- change and efficiency programme, staff absence, performance management framework, corporate asset management plan, organisational development and HR strategies.

Service-specific priorities including:

- implementing education, social work and housing inspection actions including the HMIE child protection inspection; undertaking scrutiny reviews of care services for older people, and of disruption in children's schools; improving the planning applications process; and developing the council's road management plan.

155. Progress on the improvement programme is reported to CMT, and the Executive. The council has made good initial progress in identifying efficiency savings including voluntary severance and the schools asset management programme. It faces a challenge in identifying further savings if it is to meet targets in years two and three. **Exhibit 8** shows the council's May quarterly update summary of progress with its change agenda.

Does the council have the leadership capacity and capability to deliver improvements?

156. Political governance in the council is effective and its political leadership places a strong emphasis on collaborative working. The political management arrangements allow all parties to participate in decision-making, scrutiny, and policy forming forums. These include the leaders

Exhibit 8

The council's change and efficiency programme

This quarter's work on the Change Programme and the budget workstreams in particular were aimed at the council budget-setting meeting in February. Key achievements include:

- The education workstream identified savings options totalling £2.9 million rather than the previous £2.4 million.
- The revised estimate for the asset workstream has increased from £393,000 to £500,000.
- A proposal on the review of transport coordination has been produced.
- Two hundred and thirteen voluntary severance requests have now been approved and accepted, amounting to savings of £3.65 million in a full year.
- In February 2011, members set a budget for 2011/12 with savings totalling £8.9 million. Management team are now considering the potential for savings for future years, in particular 2012/13, and are reviewing the progress for the whole Change Programme.

Source: Stirling Council

group, Finance Review Group, and strategic forums.

157. Strategic forums were instigated by the council leadership in 2010. They provide a non-decision-making forum to involve all political groupings in developing the council's approach to strategic issues. The strategic forums can make policy and strategy recommendations to the Executive or the council.

158. Working across political groups is effective and there has been good cross-party input in setting the council's strategic priorities which were agreed by council in March 2011. Working relationships between members and officers also work well, including the strategic forums, and the Finance Review Group.

159. The collaborative political working in the council is a strength, particularly in view of the close political balance. The council should ensure that it maintains its good working relationships to help it deal with difficult decisions, and to ensure ongoing continuity in its strategic

direction. This is particularly important in the run-up to the next council elections in May 2012.

160. The assistant chief executive role and the wider membership of the CMT across the heads of service is an effective means to address council-wide issues. Senior officers are positive about the new working arrangements and feel that the council is working better across traditional service disciplines.

161. In August 2011, the council agreed to a refinement to the management structure which reduced the number of heads of service in the establishment from 11 to eight. This has resulted in the role of chief financial officer (often referred to as the Section 95 officer) transferring from a head of service to the chief accountant. It also means that the solicitor to the council will assume responsibility as chief governance officer, combining the roles of clerk to the council and monitoring officer. In August 2010, we published a national report in the 'How councils work' series⁴ which highlighted the vital

role that such statutory officers have in supporting good governance and decision-making. The council must ensure that the new organisational arrangements do not compromise the effectiveness of these important statutory roles.

162. The role of assistant chief executive has created the capacity to develop the council strategically. The CMT has a role in managing the council's capacity to deliver its corporate priorities including the change programme. This includes monitoring the workload and bringing in additional resource where required. The SMO are an effective means for the council to focus on its corporate priorities, and are central to the assistant chief executives and heads of service appraisal.

163. Corporate working is less well developed below CMT level, but there is evidence that the council is addressing this. Senior managers' objectives include better integrating service plans with the vision, and to improve working between service departments. The council introduced management forums in 2010. These quarterly meetings bring the senior management team and service managers together and aim to improve collaborative thinking and working across the organisation. To date, four forums have been held covering topics of 'visioning' to look at the overall direction of the council, performance management and improvement, customer services, and volunteering. These forums are a good means to allow more open communication and improve understanding across the organisation. The council is extending the common vision programme and leadership development programme from senior managers to all managers.

Scrutiny

164. The council has effective arrangements in place to scrutinise its service delivery and decisions. Cross-party representation at committees and non-decision-making forums helps to allow challenge and debate at

a number of levels. Elected members provide constructive challenge and have a good understanding and focus on council-wide issues as well as individual ward issues.

165. The two main scrutiny committees are the Governance and Audit Committee, and the Service Delivery and Performance Committee. These are both chaired by opposition members and provide effective scrutiny. The Executive Committee also allows opposition leaders to refer decisions from the executive to council to allow a fuller discussion. Elected members are making increasing use of the council's electronic performance management system. This is now being used at committee to allow stronger challenge and debate from elected members by providing the most current performance information.

How effective is the council's management of improvement?

166. The council is self-aware and its improvement and efficiency programme is a major focus for the chief executive and his management team. The council's improvement programme is ambitious and well managed. Elected members are engaged in improvement activity, including undertaking scrutiny reviews. The assistant chief executives and the heads of service support reviews across the organisation.

167. The council has made good initial progress with its change and efficiency programme, and has identified £6.9 million of efficiency savings toward its 2011/12 budget. It has also agreed a major joint service delivery agreement with Clackmannanshire Council which aims to identify further efficiencies in both operational and corporate activities such as personnel and information technology. It is too early to assess the effectiveness of this initiative.

168. The council must continue to develop its partnership working practice to ensure that it can

realise further opportunities for joint working and efficiencies. This includes ensuring clear roles and responsibilities for partnership groups at a Forth Valley and Stirling Council area, and ensuring that effective reporting is in place.

169. Effective measures are in place to manage the Change Programme. The CMT manages the Change Programme to identify pressures and to ensure that the capacity is in place to deliver it. Performance management gives members and officers an overview of the Change Programme and its associated risks. The annual improvement statement sets out the council's improvement priorities and progress with these is reported regularly to committee. The council will need to continue to actively manage the programme to ensure that it delivers on its planned 2011–14 efficiency targets.

170. The management development programme has also helped to build the management skills required to manage change. Heads of service support the efficiency programme across the organisation, applying their experience more widely to services that they do not directly manage. This works well in sharing knowledge and experience across the council.

171. The council should ensure that its change management practice sufficiently engages staff and monitors the impact of change on the workforce. In its follow-up performance inspection in November 2010, SWIA noted that senior managers had made significant efforts to engage with staff in social work services about the change agenda. This had a positive impact, for example 57 per cent of staff using interactive voting at an event in February indicated they had a clear understanding of the improvement agenda. The council should consider applying practice such as this more widely.

Appendix 1.

Judgement descriptions

The Best Value audit provides two overall judgements on council performance. One assesses how well the council is performing and the other covers the council's prospects for improvement. The judgements are based on standard descriptors and the **emboldened text** indicates the audit assessment for Stirling Council.

Judgement descriptions – how good is my council’s overall performance?

How good is my council’s overall performance?	Unsatisfactory	Satisfactory	Good	Outstanding
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 of the 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 on its 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 – what are my council’s prospects for future improvement?

What are my council’s prospects for future improvement?	Poor prospects	Fair prospects	Good prospects	Excellent prospects
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 areas 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. They can demonstrate – and are committed to – ensuring that the shared vision for the area impacts on their own organisation and partnership activity.	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 developing.	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.

Stirling Council

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