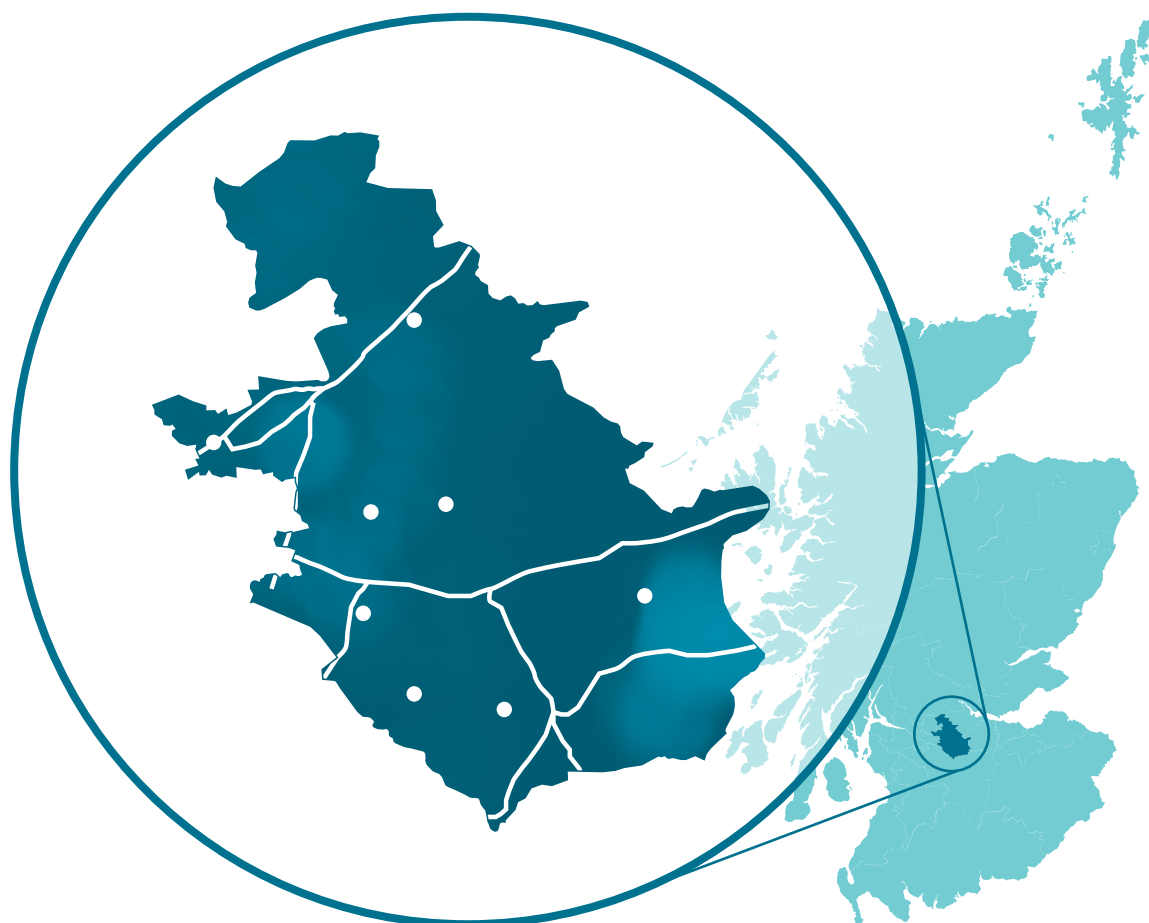


Best Value Assurance Report

North Lanarkshire Council



ACCOUNTS COMMISSION 

Prepared by Audit Scotland
May 2019


The Accounts Commission

The Accounts Commission is the public spending watchdog for local government. We hold councils in Scotland to account and help them improve. We operate impartially and independently of councils and of the Scottish Government, and we meet and report in public.

We expect councils to achieve the highest standards of governance and financial stewardship, and value for money in how they use their resources and provide their services.

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- securing and acting upon the external audit of Scotland's councils and various joint boards and committees
- assessing the performance of councils in relation to Best Value and community planning
- carrying out national performance audits to help councils improve their services
- requiring councils to publish information to help the public assess their performance.

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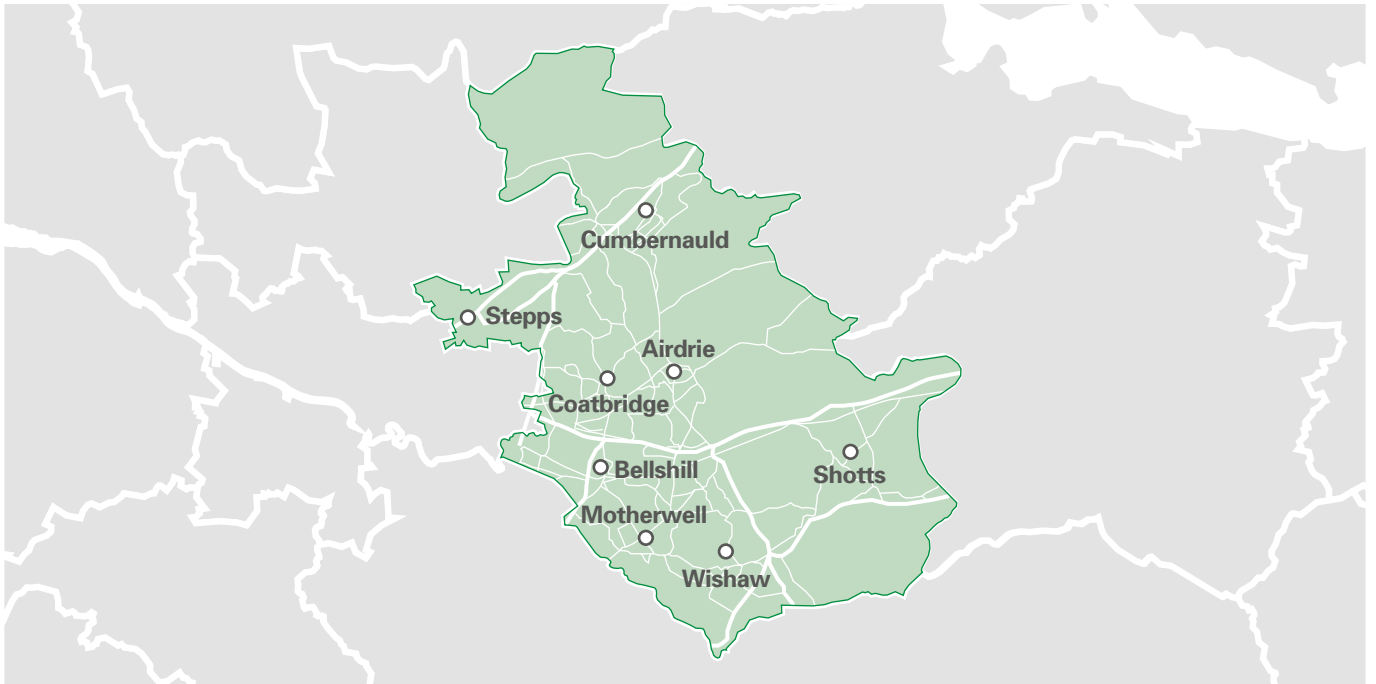
Links

-  PDF download
-  Web link

Exhibit data

When viewing this report online, you can access background data by clicking on the graph icon. The data file will open in a new window.

Key facts



Area



Population



**Council
workforce**
(number of full-time
equivalent employees)



Elected members
33 Scottish Labour
31 Scottish National Party
8 Conservative and Unionist
5 Independent



Council houses



2019/20
revenue budget¹



2019/20
capital budget²



Budget gap
2019–24

1. Revenue budget covers day-to-day costs like wages, property repairs and maintenance and payments for goods and services.
2. Capital budget covers the cost of major projects such as schools, housing and town centre regeneration.

Commission findings



- 1** The Commission accepts the Controller of Audit's report on Best Value in North Lanarkshire Council. We endorse the recommendations set out by the Controller of Audit in his report and expect the council to act upon them.
- 2** We are pleased that the council has progressed since the previous Best Value report in 2008. We commend the ambitious and well-articulated vision of the council and its partners in their 'Plan for North Lanarkshire'. Realising this vision would lead to significant regeneration and change in North Lanarkshire, an area with some acute socio-economic challenges.
- 3** Good leadership, governance and planning will be crucial for the council in such delivery, and so we encourage continued effective working between elected members and officers. We underline the Controller's recommendation that the council needs fully to implement its recently approved performance management framework, aligned to the plan for North Lanarkshire. We also expect to see progress in integrating workforce planning across the organisation and developing workforce plans for all services, involving working with its own staff, to reflect the expected scale and pace of change inherent in the council's objectives.
- 4** We are pleased that the council is well placed to meet the financial challenges that it faces, with good financial planning and record of delivering savings.
- 5** We will maintain a particular interest in the benefits to North Lanarkshire of the council's investment in its 'DigitalNL' ambition.
- 6** We are pleased that services across the council's priority service areas are largely improving but we note the need for the council to maintain focus on underperforming areas. Housing services and educational attainment are two areas where we note particularly good progress. The council needs to understand better and learn from service user satisfaction information, particularly for care services. Ensuring good service performance information that is readily available and communicated well to citizens is also important.
- 7** A new community engagement strategy across North Lanarkshire Partnership will be an essential element for partners to take forward the ambitions of their vision. We also expect to see locality plans completed, especially given the emphasis placed by the council and its partners to a locality-based approach to their vision. This will help partners fulfil their obligations under the Community Empowerment Act.
- 8** The recent appointment of a new Chief Executive and changes to the corporate management team can help build the pace of improvement and change. Progress will be reported in the annual audit, and the Controller of Audit will update the Commission as appropriate.

Audit approach



1. The statutory duty of Best Value was introduced in the Local Government in Scotland Act 2003. The audit of Best Value is a continuous process forming part of a council's annual audit. Audit conclusions are reported through the Annual Audit Report, addressed to the Controller of Audit and the elected members. The Controller of Audit will also present a Best Value Assurance Report (BVAR) to the Accounts Commission at least once during the five-year audit appointment for each council. This is the first BVAR on North Lanarkshire Council.

2. This report seeks to provide the Accounts Commission with assurance on the council's statutory duty to deliver Best Value. Councils should demonstrate Best Value by showing continuous improvement in how they deliver services. The pace and depth of this improvement indicates how well councils will meet their priorities in the future. Our work does not attempt to cover all the Best Value areas in the statutory guidance. The audit approach is proportionate and risk-based, that is, it reflects the context, risks and performance of the individual council. It also draws on information from previous years' audit and scrutiny work.

3. In this report, we show how we assessed North Lanarkshire Council's improvement over time and our conclusions are reflected in the [Key messages \(page 8\)](#). We did some initial work to identify risks and council initiatives to build into the scope of our audit. This included a scoping session with council officers, elected members and partner representatives. We also considered previous audit and inspection reports and intelligence, key council documents and our wider public sector knowledge and experience.

4. [Exhibit 1 \(page 7\)](#) shows the areas on which we decided to focus. Our detailed audit work was undertaken between November 2018 and January 2019 and included:

- interviews with elected members, senior officers and partners
- focus groups with elected members and staff from across the council
- observing council and committee meetings and attending community events
- document review and data analysis.

5. We gratefully acknowledge the cooperation and assistance provided to the audit team by elected members, officers and the council's partner organisations. As part of the annual audit of the council, our future work will follow up the findings and recommendations in this report. It will also include more detailed audit work on other Best Value areas as appropriate.

Exhibit 1

Key areas of focus for our audit

The audit considered a broad range of issues.



Vision and strategic direction ([Part 1, page 9](#))

- North Lanarkshire Council's vision and how this fits with the North Lanarkshire Partnership's Local Outcomes Improvement Plan (LOIP)
- Economic regeneration
- Plans and potential impact of DigitalNL
- Governance and scrutiny arrangements, including elected member and officer relations



Performance ([Part 2, page 15](#))

- Overall progress on performance and outcomes
- Developing performance reporting arrangements, including public performance reporting



Use of resources ([Part 3, page 25](#))

- Financial position and future planning
- Housing development plans
- Workforce planning including the creation of 'A Workforce for the Future'



Partnership working ([Part 4, page 30](#))

- Partnership working arrangements
- Adult care services
- Community engagement and empowerment

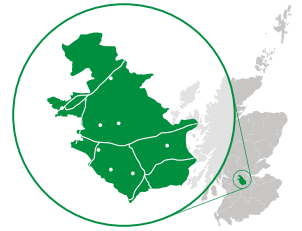


Continuous improvement ([Part 5, page 36](#))

- Transformation Programme 2020 and key change projects
- Arm's-length external organisations service review
- Progress against key judgements in 2008 Best Value report

Source: Audit Scotland

Key messages



- 1** The council has demonstrated improvement in most areas from the 2008 Best Value report. The council is currently in a period of change following the appointment of a new chief executive in September 2018 and has a new vision for the area. This has presented an opportunity to increase the pace of change.
 - 2** The vision for the area, The Plan for North Lanarkshire, is ambitious and incorporates significant digital, town centre and housing transformation over the long term. A place-based planning approach underpins the vision, and this is reflected in the Local Development Plan for the area. The vision is supported by staff and partners, and detailed plans are being developed.
 - 3** The council has improved performance across three of its five priority areas, but more than a quarter of service indicators are below target. Improvements in education attainment follow national trends. This is supported by initiatives such as 'Club 365' and investment through the Scottish Attainment Fund. Performance reporting has improved recently and a Strategic Performance Framework and reporting schedule is now in place.
 - 4** Satisfaction levels have declined across some services, but they are very good in housing. The transformation of health and social care in North Lanarkshire is being progressed. North Lanarkshire is achieving high levels of care at home for people aged 65 or over and is investing in reablement to sustain this.
 - 5** The council is well placed to tackle the financial challenges ahead. It has a good medium-term financial plan, low borrowing and a track record of delivering savings. A workforce strategy is in place but some of the plans to support this are still in development.
 - 6** The council has a clear focus on partnership working. There are some good examples of effective engagement across North Lanarkshire and a more strategic approach is being developed. The council and its partners have been slow to progress locality plans in accordance with the Community Empowerment (Scotland) Act 2015.
 - 7** The council has a good approach to self-evaluation and should ensure the actions from these exercises are clear and measurable. There is evidence of service reviews and improvements being made to create efficiencies and improve services.
-

Part 1

Does the council have clear strategic direction?



The council and its partners have an ambitious and shared vision, which is reflected in a new strategic plan for the area. The detailed plans to deliver the vision are in development.

The council and its partners understand the key challenges facing the area

6. North Lanarkshire occupies around 181 square miles in the Central Belt of Scotland. The area is mainly urban with some rural areas. There are three main urban areas in North Lanarkshire: Cumbernauld and Kilsyth, Airdrie and Coatbridge, and Motherwell and Wishaw. It also has 48 per cent of the marketable land within the West of Scotland and this includes Ravenscraig, a former steelworks site, that covers 1.8 square miles.¹ This site is being redeveloped and presents opportunities for North Lanarkshire. Key projects delivered on this site include New College Lanarkshire, a regional sports facility and housing.

7. The area is well connected to the transport network. It is situated less than an hour away from three of Scotland's international airports and has direct links to three major motorways: the M74, M80 and M8. There are also direct links with the UK's main rail lines at Motherwell, Bellshill, Coatbridge and Croy. Existing facilities at Mossend and Eurocentral will be enhanced by an International Railfreight Park which will offer connections to and from Scotland by 2020.

8. The council area has a population of 340,000, making it Scotland's fourth largest local authority. The total population of North Lanarkshire is expected to stay the same to 2041. The expected increase for Scotland is 5.3 per cent. The population projections suggest that by 2041 North Lanarkshire's proportion of working age population will be lower than the national average. The proportion of pensionable age population is expected to increase by 29 per cent by 2041, which is above the national average. North Lanarkshire will have to manage the implications of fewer working age adults and an increased older population.

9. In 2017, the council established the North Lanarkshire Fairness Commission to develop policy recommendations aimed at tackling poverty and inequality in the area. The Commission, which is independent of the council, identified 16 recommendations. These recommendations focus on increasing fairer and

more positive outcomes for the people of North Lanarkshire. The report was approved by the council in November 2018 and the recommendations have been reflected in The Plan for North Lanarkshire. It includes key areas such as:

- **Significant levels of child poverty.** All council wards, apart from two, experience child poverty levels above the Scottish average of 22 per cent. In the worst ward area, 33 per cent of children are living in poverty.
- **The earnings lag.** People living in North Lanarkshire earn less than the Scottish (£563) and UK (£571) weekly average levels, with pay levels in 2018 of £549.²

The council and its partners share an ambitious vision for North Lanarkshire

10. The vision for North Lanarkshire is to be ‘a place to live, learn, work, invest and visit’. This is embedded in The Plan for North Lanarkshire which was approved and published in March 2019 and is based on an analysis of the area and the challenges and opportunities that exist. The five priorities and some of the key programmes of work are shown in [Exhibit 2 \(page 11\)](#).

11. Community planning in the area is carried out by the North Lanarkshire Partnership (NLP) Board. In November 2018, the NLP Board supported the approach to have one strategic plan for the area. The NLP Board agreed to adopt The Plan for North Lanarkshire at its March 2019 meeting. It brings together the Local Outcomes Improvement Plan (LOIP) and the council’s business plan.

12. The Plan for North Lanarkshire includes 25 ambition statements that are supported by a high-level programme of work. The detail to support delivery is being developed by the council, its partners, arm’s-length external organisations and other relevant agencies.

13. In September 2018, the council identified a need to review its existing policy arrangements. As part of the strategic policy framework review, a mapping exercise was carried out to assess how existing high-level strategies, policies and plans fit with the council’s five priorities. As a result, the council’s priorities will now be delivered through 27 strategies and plans, rather than 81.

14. The council recognises that it needs a long-term regeneration and infrastructure programme to regenerate North Lanarkshire and tackle economic inequalities. To help achieve long-term economic regeneration, the council is drafting an economic regeneration delivery plan and increasing resources to ensure it has the capacity to deliver. The plan will cover four integrated themes:

- Housing regeneration
- Town centre transformation
- Business and industry
- Infrastructure development (City Deal).

Exhibit 2

Vision for North Lanarkshire

There is a single plan for North Lanarkshire, supported by partners.





Vacant and Derelict Land Fund

Part of the local government funding settlement aimed at tackling long-term vacant and derelict land in Scotland. In 2018/19, five local authorities received a total of £9.4 million (£2.4 million for North Lanarkshire).

Source: Scottish Government website

15. The council is investing in business infrastructure and uses the **Vacant and Derelict Land Fund** to make sites across North Lanarkshire ready for development. The council’s Local Development Plan has been revised to reflect the vision for North Lanarkshire. It identifies development sites to support the ambition for housing, integrated campuses and opportunities for employment.

The council’s investment in digital technology is a core part of its vision

16. DigitalNL is the council’s large-scale transformation programme to improve digital connectivity and skills across North Lanarkshire and transform the way council services are delivered. It is a core part of the council’s and its partners’ vision for North Lanarkshire. The DigitalNL strategy has five themes as shown in [Exhibit 3](#).

Exhibit 3

Five themes for DigitalNL

DigitalNL is a large-scale transformation programme.

Themes	Opportunities for change	Digital Capabilities			
Digital Economy	North Lanarkshire uses new and disruptive technology, supports local businesses and works collaboratively with customers.	Open Data Portal 	5G 	Data & Infrastructure 	IoT
Digital Community	Customers are supported to be independent in their own communities and products / services are matched with their needs.	Community Platform 	Digital Marketplace 	User Engagement 	Content Management
Digital Transactions	Delivering services in a more efficient manner and empowering customers to be self managing.	CRM System 	E-Forms and online payments 	Smart Communications 	Integrated systems
Digital Workforce	Staff are mobile, digitally trained and work collaboratively with other services and external businesses.	Mobile Working 	Robotic Process Automation 	Digital Platform 	Gamification
Analytics & Insight	The council can utilise data to drive business decisions and gain valuable insight into customers and communities.	Single BI Platform 	Automation 	Artificial Intelligence 	Customer Segmentation

Source: North Lanarkshire Council

17. Part of the council’s ambition is to become a ‘digital council’: simplifying and joining up services across the council. The full business case for this part of the strategy was approved in March 2019 and will require an investment of £40 million. As part of the development of the full business case, the council has undertaken research and design work to understand the current digital state and this has highlighted an opportunity to improve and transform services, to change the way the council interacts with citizens, and to create efficiencies.

18. The business case sets out a vision for the future technology of the council and a proposed five-year programme to deliver this. It estimates that savings of £24.4 million could be achieved over the five-year period, with the programme forecast to break even in year four.

19. The breadth of DigitalNL is much wider than just becoming a digital council as it also covers developing skills in the community and providing digital infrastructure. The council recognises that investing in digital technology will help it to deliver its vision and plans for economic regeneration, and it intends to start with digital infrastructure and networks. Once connectivity is improved, the council has projects to help support and attract businesses, build digital skills and minimise the risk of digital exclusion.

20. This is a significant five-year change programme. The council recognises that it does not have the skills in-house to deliver a digital programme of this scale and complexity and therefore needs external support. The council has appointed a digital business partner, with a maximum contract value of £6.4 million over six years. Knowledge sharing from the partner will help the council to build up some of the necessary future skills. The council has also identified 35 members of staff to be 'digital transformers', or champions, to help influence and drive the digital ambition.

Significant changes to the corporate management team structure are in progress

21. The chief executive was appointed in September 2018, and this has created a new energy and focus within the council. The service delivery model and corporate management team (CMT) structure has been re-designed. Before the re-structure, there were four assistant chief executives. This has been reduced to two executive director posts and one chief officer (of the Integration Joint Board). The change in the way services are delivered is centred on:

- **Education and families** – from birth and early years, through education and on to positive destinations. This includes children and families social work, child protection and justice services.
- **Enterprise and communities** – focusing on economic regeneration to benefit the working age population. This includes maintenance of the council's assets (roads, buildings, greenspaces), waste and regulatory services, and community engagement.
- **Adult health and social care (Integration Joint Board)** – focusing on older adults to ensure they receive the care and support that is right for them.

22. Recent departures from the corporate management team mean that some posts have not yet been filled permanently and further structure changes are planned for 2019/20 extending beyond the senior management.

23. The management team structure is still in transition, but early signs are that the changes are being received positively by elected members, staff and community planning partners.

The council has revised its structures and has effective scrutiny

24. A revised committee structure was approved at the council meeting on 20 December 2018 and came into effect in January 2019. This resulted in the previous 28 committees, subcommittees, panels and other bodies that sat within the scheme of administration being reduced to 22, but with the membership of each committee increased. The new committee structure is clearly aligned with the new council structure and the principles of The Plan for North Lanarkshire.

25. There is effective scrutiny and decision-making by members at committee meetings. The information provided to elected members is good and when members raise any concerns about the quality of information, decisions are deferred until additional detail is provided. Our observations at committee meetings and discussions with members and officers also suggest that there are effective working relationships in place.

Improvements are being made to member training

26. The council has recognised an issue with inconsistent attendance and engagement from elected members with the current training courses offered. Overall responsibility has now been transferred from Members' Services to the Talent and Organisational Development Team, which is developing a new training and development programme.

27. Recent attendance levels show that members are more likely to attend training when it is categorised as mandatory (for example, General Data Protection Regulations, or GDPR) or where it covers topics of concern to the public (for example, universal credit).

28. An online portal (LearnNL) has been introduced which provides staff and elected members with more flexibility in accessing training. For 2019/20, members will have an agreed personal development plan supported by identified training provision.

Cross-party support exists for key initiatives, but the budget sounding board operates without one political party

29. There has been cross-party support for significant council initiatives such as DigitalNL ([paragraph 16](#)). In addition, a member-officer working group, including cross-party representation, has recently been established to look at the council's review of additional support needs provision for children.

30. A budget sounding board has been established but does not operate with representation from all political parties, as the main opposition party does not participate. This seems unlikely to be fully resolved, and officers continue to provide the sounding board and main opposition with the same financial information and briefings to support budget preparation, but in separate processes.

31. The 2019/20 budget was approved by the council in February 2019. This included a three per cent increase in council tax, identified savings of £14 million and the planned use of £4.5 million of reserves to meet the short-term funding gap until the identified savings plans can be realised in 2020/21.

Part 2

How well is the council performing?



Overall the council has improved in three of its five priority areas, but over a quarter of all service indicators are not achieving targets.

Performance reporting has improved recently and a Strategic Performance Framework and reporting schedule has now been approved.

Satisfaction levels have declined across some service areas but are high in housing.

The council reports positive performance against its priorities, but more than a quarter of service indicators are below target

32. The council reported performance against its five priorities ([Exhibit 2, page 11](#)) for 2017/18 through a variety of measures. It uses a traffic light system to show the status of each outcomes-based indicator. This is used to track overall progress against the council's priorities through:

- **28 health check indicators** – these provide the North Lanarkshire context and show performance trends since 2010. Overall, the council reported strong performance in all priority areas other than health and wellbeing, where there was declining performance in 10 of the 12 indicators.
- **112 activities** – these provide further information about how the council performed in 2017/18 against 24 actions that support the five priorities. The council reported that it is on track with delivering 23 of these actions.
- **77 measures of success** – these allow officers and elected members to consider the status and progress of activities and programmes being delivered by the council, and cover 14 of the 24 actions. The council reported that it is on track or exceeding its target for 45 indicators, slightly behind for 6 indicators and significantly behind for 12 indicators. A further 14 indicators were new in 2017/18 and did not have a defined target.

33. The measures of success include prior year performance information to enable the direction of travel to be assessed. Twenty-two of the current year targets are less than the performance achieved in the previous year. A review of the performance targets is under way to support the Strategic Performance Framework.

34. In December 2018, the council reported that a fifth of service indicators had declined by more than five per cent since 2016/17 and more than a quarter of indicators did not meet the council's target level.

35. The council identified 16 indicators where performance had both declined over time and was below the target level. Specific follow-up work has taken place to understand the reasons and allow appropriate action to be taken, for example:

- **The number of days lost due to sickness.** The council is reviewing its managing attendance policy and appointing an additional employee relations officer to focus on absence management. Quarterly progress reports are now presented at corporate management team meetings.
- **Refuse collection complaints.** A new service for waste collection was introduced in October 2017. There were operational issues, for example missed bin collections and missed bin pull-outs for residents who are unable to place their own bin at the kerbside. The outcome of an internal review was reported to the audit and scrutiny panel in December 2018. Actions have been identified to learn lessons from the project and improve the service.

Performance reporting has improved recently

36. The external auditor's 2017/18 annual audit report identified that the council's pace of change in developing performance management arrangements was slow. Service committees and the audit and scrutiny panel had, at that time, not received meaningful 2017/18 performance information. The council has made progress in this area and has recently reported to the audit and scrutiny panel:

- an annual performance report (November 2018)
- an operational performance report focused on helping to improve local services (December 2018)
- a follow-up report that outlines the reasons for underperformance and identifies actions to be taken (February 2019).

37. The council's annual performance report, presented in November 2018, was lengthy. Elected members recognised that this made it difficult for them to scrutinise and challenge relevant information. Performance reporting has improved recently and a Strategic Performance Framework and reporting schedule was approved by members in February 2019. Officers need to implement this to ensure that members can effectively scrutinise performance. The council is also undertaking a review of its approach to benchmarking to ensure that performance reports make good use of other relevant data. The findings from this review are due to be presented to the audit and scrutiny panel during 2019.

Public performance information on the council's website is not kept up to date

38. The council's website is easy to navigate and performance information is well structured, but it is not always up to date. For example, at March 2019, the most recent education performance information presented on the council's website was for 2015/16. It is important that the council provides the most recent performance information for residents.

National outcome indicators show that relative council performance has been stable since 2014/15

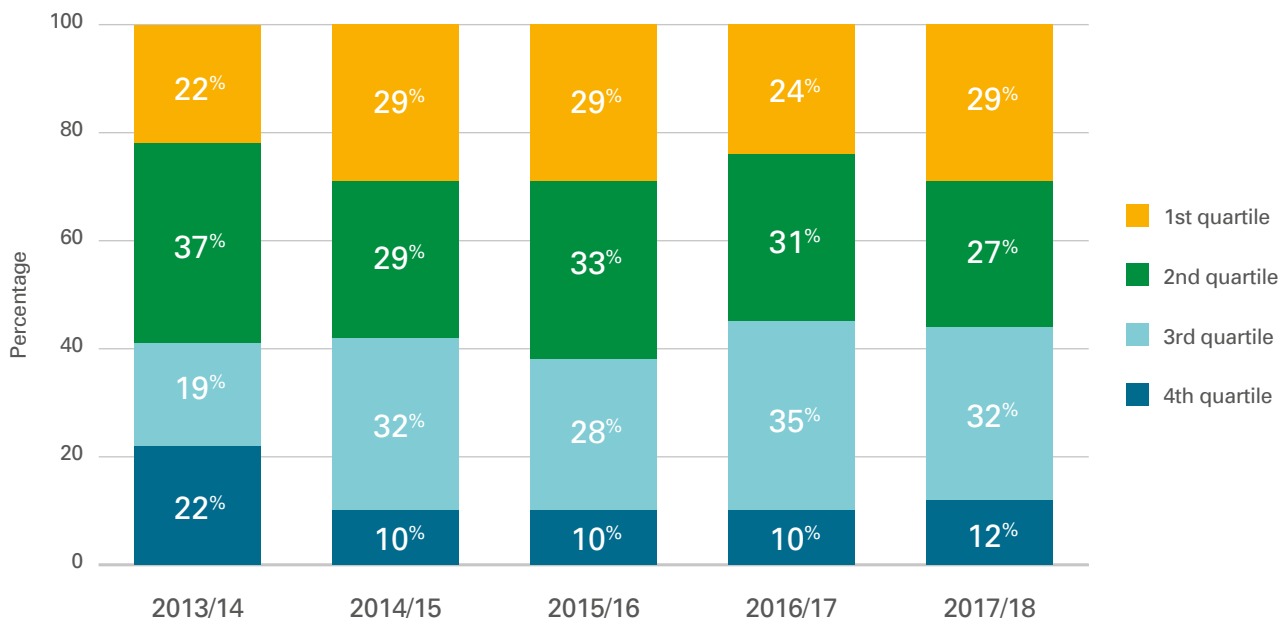
39. The most recent Local Government Benchmarking Framework (LGBF) was published alongside the *National Benchmarking Overview Report 2017/18* by the Improvement Service in February 2019. The LGBF provides a wide range of information for all Scottish councils, including how well councils are performing, the cost of services and customer satisfaction. The framework enables a council to compare its performance against other councils and the Scottish average. It also allows councils and the public to compare against others in family groupings. These group together councils that are facing similar challenges of population density and deprivation. The council analyses and reports on the LGBF data to identify areas for improvement. The data has been used as a trigger for further scrutiny reports to the audit and scrutiny panel. For example, a detailed report on the cost of care at home has provided elected members with additional information ([paragraph 101, page 34](#)).

40. Although there are over 70 performance indicators in the LGBF, analysis of 49 outcomes-based indicators reported in 2017/18 shows that 56 per cent of indicators were in the top two quartiles ([Exhibit 4](#)).

Exhibit 4

North Lanarkshire Council relative performance, 2013/14 to 2017/18


Over half of the indicators are in the top two quartiles.



Note: This analysis is based upon 49 single year, mainly outcomes-based, indicators which were reported on annually since 2013/14 as part of the Local Government Benchmarking Framework. This analysis involves considering how all councils are performing, from lowest to highest for each indicator. The first quartile contains the best-performing councils for that indicator and the fourth quartile contains the poorest-performing councils.

Source: Audit Scotland using Local Government Benchmarking Framework, Improvement Service, 2017/18

The council demonstrates improvement in three of its five priority areas

41. Our analysis of the council's own performance indicators together with those from the LGBF and **community planning outcomes profile**  show that the council is improving in three priority areas:

- **Improve economic opportunities and outcomes** – the council has reported an increase in the gross value added (GVA) per head, improvements in employment levels ([paragraph 44](#)) and in planning application timescales ([Exhibit 5, page 19](#)).
- **Support all children and young people to realise their full potential** – the proportion of pupils in North Lanarkshire entering positive destinations has improved by 5.9 percentage points between 2011/12 and 2017/18, compared to an increase in the Scottish average of 4.3 percentage points.
- **Improve North Lanarkshire's resource base** – the council has improved by 25 percentage points between 2011/12 and 2017/18 for the percentage of dwellings meeting Scottish Housing Quality Standard. This is comparable with an increase of 28 percentage points across Scotland.

42. Performance is mixed for the remaining two priority areas:

- **Improve the health and wellbeing of our communities** – while the percentage of people aged 65 years old or over with long-term care needs receiving care at home has improved, the number of emergency admissions to hospital has increased by over 2,000 (seven per cent) between 2011/12 and 2017/18. This compares to a four per cent increase in hospital admissions within the family group.
- **Enhance participation, capacity and empowerment across our communities** – there has been improvements in the development of play areas and greenspace, anti-social behaviour and crime rates. However, street cleanliness has deteriorated.

Many economic measures are improving over time relative to others

43. Economic opportunities and outcomes for the communities of North Lanarkshire are dependent on many factors such as improving access to quality and affordable housing, increasing job opportunities and attracting investment. [Exhibit 5 \(page 19\)](#) shows that the council has improved its performance over time relative to others in certain areas, for example:

- **The percentage of people assisted into work by council-funded or operated employability programmes** – between 2012/13 and 2015/16, performance improved due to a range of programmes such as the Youth Investment Programme which aimed to address high levels of youth unemployment. In 2016, the council's strategy changed to support those further from the labour market into employment.



Community Planning Outcomes Profile

A set of measures focusing on life outcomes including early years, older people, safer and stronger communities, health and wellbeing, and engagement with local communities.

Source: Community Planning Outcomes Profile

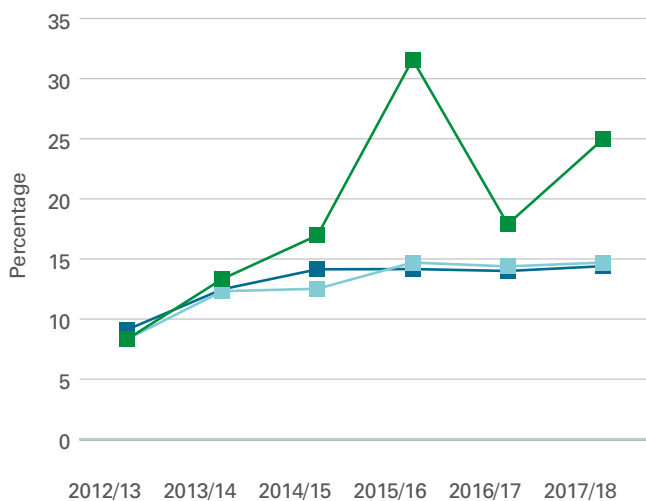
- The average time for processing business and industry planning applications – this has improved since 2015/16 from 12 to 7 weeks. The council revised its scheme of delegation in May 2017 to provide greater delegation to staff, enabling quicker processing times. In 2017/18, the council was one of the top ranked councils in Scotland for this indicator.

Exhibit 5

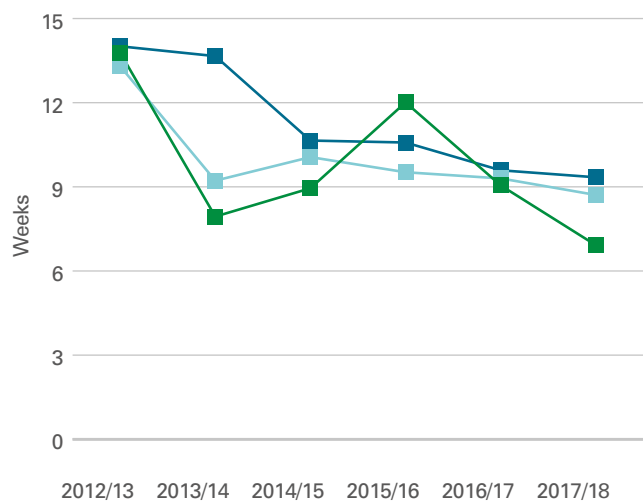
Family group analysis of selected LGBF economy indicators

Performance against selected economic indicators is improving.

Percentage of unemployed people assisted into work from council-funded or operated employability programmes



Average time per business and industry planning application



■ North Lanarkshire ■ Family group median ■ Scotland


Note: North Lanarkshire Council is in a family group with Aberdeen, Dundee, East Dunbartonshire, City of Edinburgh, Falkirk, City of Glasgow and West Dunbartonshire councils for economic indicators.

Data for these indicators is available from 2012/13, and has therefore been selected as the baseline year for this analysis.

Source: Audit Scotland using the Local Government Benchmarking Framework, Improvement Service, 2017/18



44. Employment levels have risen between 2012 and 2017 from 69.6 per cent to 73.8 per cent as a proportion of the working age population.³ There has also been an 18 per cent increase in the GVA per head (from £16,289 to £19,216) between 2012 to 2016.⁴

45. The number of business gateway start-ups per 10,000 population has increased by one per cent between 2013/14 and 2017/18. This compares to a decline of 12 per cent across Scotland. During 2017/18, the council reported that 783 jobs were safeguarded, and 181 jobs are forecast to be created. A new business tool had also been introduced, the **Ready to Start Review**  and the council reported that this has helped to contribute to positive performance results.⁵



Ready to Start Review

This online questionnaire was designed and developed by Business Gateway Lanarkshire. The tool enables clients to have immediate access to information and reduces advisory resource.

Source: Business Gateway

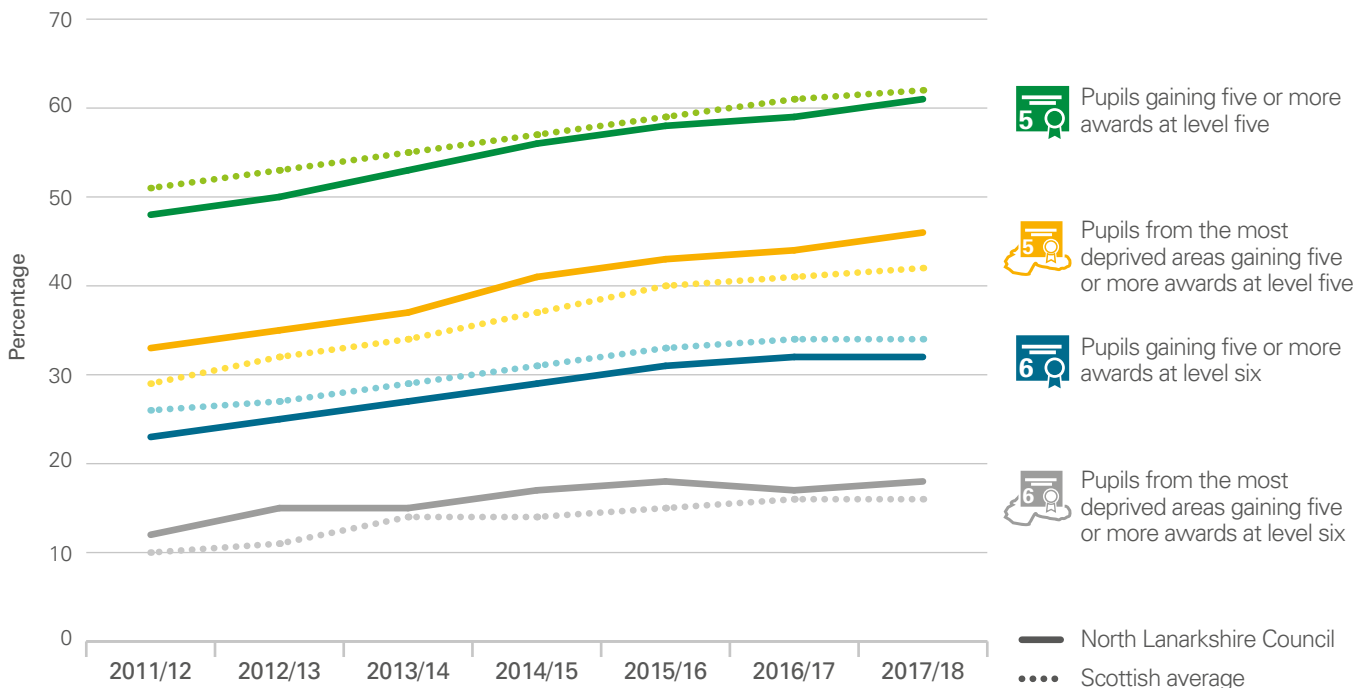
46. North Lanarkshire experienced an increase in town centre vacancy rates from 12 to 19 per cent between 2014/15 and 2015/16. These vacancy rates have remained unchanged since 2015/16 and are higher than the Scottish average (10–12 per cent). The change in shopping habits is viewed as an opportunity for the council to regenerate town centres and is part of its vision to develop its town centres into modern high-quality spaces that can meet the changing needs of current and future communities. New models are in development and work is already under way in Coatbridge and Airdrie. Additional short-term projects have also started in Motherwell town centre.

Attainment levels are improving but the poverty-related attainment gap remains a challenge

47. One of the council’s priorities is supporting children and young people to realise their full potential. This includes reducing childhood inequalities, which is a priority for both the council and its partners. To help achieve this, one area the council has focused attention on is improving attainment levels. [Exhibit 6](#) shows that the council has improved performance in this area against selected LGBF indicators.

Exhibit 6
Selected LGBF education indicators, 2011/12 to 2017/18

The council has improved performance in this area and performs better than the Scottish average for children living in deprived areas.



Note: Data for these indicators is available from 2011/12, and has therefore been selected as the baseline year for this analysis.

Source: Audit Scotland using the Local Government Benchmarking Framework, Improvement Service, 2017/18



48. Whilst performance in education relative to all other Scottish councils has fluctuated between 2013/14 and 2017/18. There has been an overall increase from 56 per cent to 69 per cent of education indicators in the top two quartiles. Education Scotland notes that attainment and outcomes for young people at the senior phase in North Lanarkshire indicate many improving trends over key measures of attainment.

49. Education Scotland's 'virtual comparator' for school outcomes allows schools to compare themselves with those of similar characteristics. The attainment of young people at S4, S5 and S6 is in line with or better than the virtual comparator.

50. As we note early in this report ([paragraph 9, page 9](#)), child poverty is a significant factor in North Lanarkshire. The council has not yet managed to reduce the attainment gap between all secondary school pupils and those pupils living in the 20 per cent most deprived data zones. Between 2011/12 and 2017/18, the gap at level five has been maintained at 15 percentage points but has increased from 11 to 14 percentage points for pupils at level six.

51. The council's annual performance report, published in November 2018, sets out how the council is performing in closing the attainment gap in primary schools.⁶ It reported that significant improvements have been made for those children attending the 35 focus schools. These are schools, educating children living in the most deprived areas of North Lanarkshire, which have been offered access to enhanced support. Improvements have been made in attainment levels in, for example:

- reading and maths for primary one pupils – the gap was reduced by two per cent between 2015/16 and 2017/18
- mental arithmetic for primary five pupils – the gap was reduced from five per cent to two per cent between 2015/16 and 2017/18.

52. Education Scotland has carried out several inspections over the last few years. The findings of inspections in primary schools and nurseries have been mixed, while those in secondary schools have been more positive. In March 2018, Education Scotland carried out an inspection of education services within the council and reported its findings in July 2018. The inspection considered a broad range of factors such as governance and leadership, self-evaluation, use of data to evaluate the impact of initiatives and family engagement in learning. Overall, Education Scotland concluded that 'the council is making good progress with improving learning, raising attainment and closing the poverty-related attainment gap'.⁷ These are the aims of the Scottish Attainment Challenge and the council is one of nine challenge authorities.⁸

53. Using Scottish Attainment Challenge funding, the council has introduced a programme, Club 365, to provide free meals and activity-based learning to children during weekends and school holidays ([Case study 1, page 22](#)).

54. In 2017/18, schools within North Lanarkshire received a total of £8.1 million of Pupil Equity Funding to help close the poverty-related attainment gap. Scottish Government guidance says that this funding should be used to target support for children affected by poverty to achieve their full potential. Schools spent £4.8 million of this funding, and the remainder was due to be spent by the end of 2018/19.

Case study 1

Club 365



The first four Club 365 hubs were introduced in Coatbridge in April 2018 and the programme has continued to expand with 23 hubs now in operation across all localities. Primary school-aged children receiving free school meals are entitled to the service. Different models of delivery have been tested, including working with third sector providers, and early analysis has demonstrated this to be a success. Satisfaction results are positive, although the cost of the service is higher than anticipated. The total cost of the programme in 2018/19 was £1.5 million (or £12 per child for a three-hour session) and the council received Scottish Attainment Challenge funding to support the activity-based learning element of the programme. The council continues to monitor the performance of the initiative and plans to develop a model to assess the impact of the programme on the educational attainment gap.

Source: North Lanarkshire Council

Satisfaction levels have declined but are above the national average in five areas










55. The previous Best Value report in 2008 concluded that customer satisfaction and the council's approach to customer care had significantly improved. However, recent national data shows that satisfaction has declined across Scotland, and this is also the case in North Lanarkshire. Satisfaction indicators presented in the LGBF are based on national survey results such as the Scottish Household Survey. [Exhibit 7 \(page 23\)](#) shows that satisfaction declined for all indicators between 2012 and 2018.

56. While the council's performance has declined, it is performing better than the Scottish average in five out of the nine satisfaction indicators. However, for three of the nine indicators, the council is ranked amongst the lowest performing councils in Scotland. This includes satisfaction with parks and open spaces and social care.

Exhibit 7

North Lanarkshire Council's performance against LGBF service satisfaction indicators

Satisfaction across a range of services has declined.

Satisfaction indicator ¹	NLC 2012–15	NLC 2015–18	Scottish average 2015–18	NLC ranking 2015–18
 Local schools	91%	79%	72%	9 th
 Libraries	86%	79%	73%	9 th
 Leisure facilities	84%	78%	73%	10 th
 Museums and galleries	78%	72%	70%	12 th
 Street cleaning	77%	70%	70%	19 th
 Refuse collection	91%	80%	79%	24 th
 Parks and open spaces	81%	79%	86%	27 th
 Care at home has an impact on their quality of life ²	87%	76%	80%	28 th
 Care or support who rate it as excellent or good ²	83%	75%	80%	29 th

Notes:

1. Satisfaction levels are based on three-year rolled average responses to Scottish Household Surveys.

2. Indicators are from the Scottish Health and Care Experience Survey and presented for 2014/15 and 2017/18, with ranking data presented for 2017/18.

Source: Audit Scotland using the Local Government Benchmarking Framework, Improvement Service, 2017/18







Satisfaction with housing has been improving and exceeds the Scottish average

57. In September 2018, the council gathered information on tenant satisfaction for key indicators required by the Scottish Housing Regulator for the Scottish Social Housing Charter. This surveyed 400 (or one per cent of) council tenants from across North Lanarkshire. The results showed that five of the six indicators significantly improved (more than five per cent) from the 2016 results ([Exhibit 8](#)).

Exhibit 8

Scottish Housing Regulator key satisfaction indicators, 2016 and 2018

The council exceeds the Scottish average for all satisfaction indicators.

Satisfaction indicator (% very / fairly)	2016	2018	Movement (percentage points)	Scottish average (2018)
 Overall – housing service	85%	91%	↑ +6	83%
 Keeping you informed about services and decisions	84%	93%	↑ +9	81%
 Opportunities to participate in decision-making processes	68%	93%	↑ +25	74%
 Overall – quality of your home	79%	92%	↑ +13	81%
 Overall – management of your neighbourhood	88%	94%	↑ +6	81%
 Value for money of rent charged	86%	86%	↔ 0	79%

Source: Research Resource, North Lanarkshire Council Tenant Satisfaction Survey Report, October 2018

Part 3

Is the council using its resources effectively?



The council is well placed to tackle the financial challenges ahead. It has good financial plans, low borrowing and a track record of delivering savings.

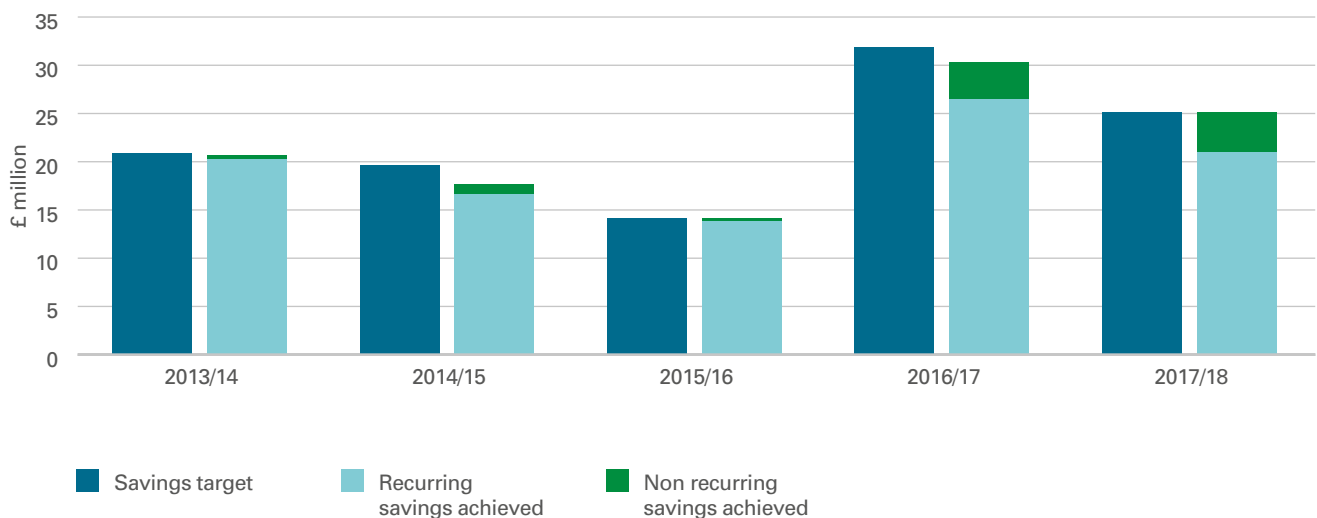
The council has effective budgetary control and a track record of delivering planned savings

58. The council has a track record of delivering savings, with non-recurring savings representing a small proportion of the savings achieved each year. Since 2013/14, the council has delivered total cumulative savings of around £112 million while delivering services ([Exhibit 9](#)).

Exhibit 9

Delivery of savings – recurring and non-recurring

The council has a good track record of delivering savings.



Source: North Lanarkshire Council's annual accounts, 2013/14 to 2017/18



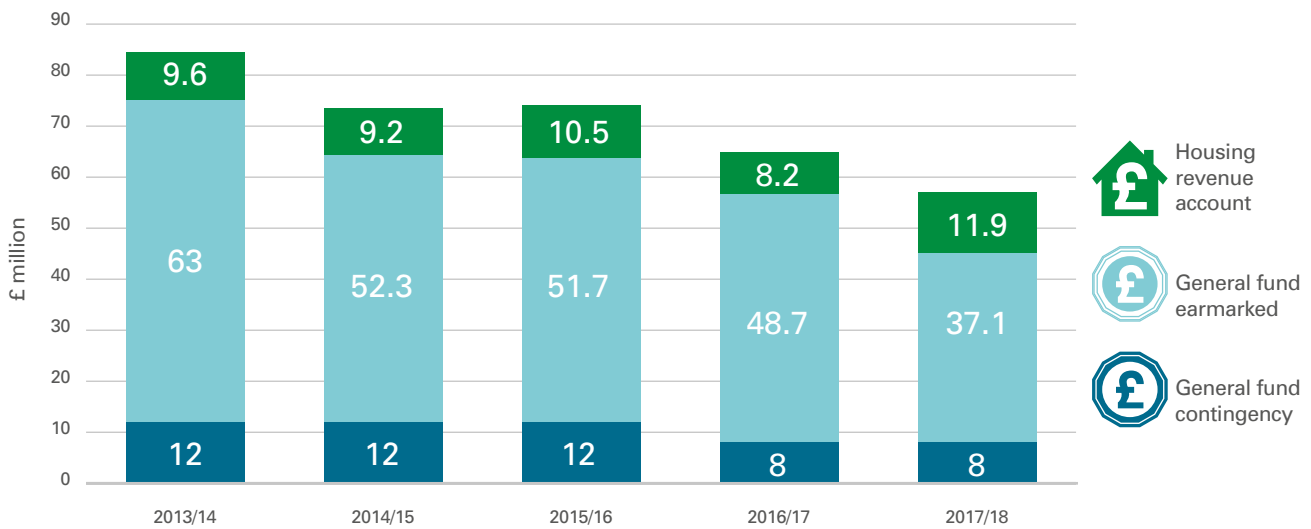
59. The council has effective scrutiny of finances through well-established processes for monitoring budgets and the achievement of agreed savings. The financial position is managed through the year by a combination of delivered savings targets, use of reserves and non-recurring savings (for example, when vacancies are not filled immediately).

60. Budget monitoring reports to committee meetings provide an accurate forecast of the outturn position for the year and include good narrative explanations for significant variances against budget. In recent years, the council has consistently underspent against budget with recent reports showing all services achieving at least a break-even position with an overall forecast underspend of £8 million (one per cent of budgeted net expenditure) for 2018/19.

The council has a comparatively low level of reserves but has maintained its uncommitted contingency reserve

61. Over the last five years, both committed and uncommitted reserves have fallen at North Lanarkshire Council. The total general fund has reduced from £85 million in 2013/14 to £57 million in 2017/18 (Exhibit 10). The council has planned to use reserves in four out of the last five years to present a balanced budget but has achieved underspends against its budget. It also plans to use a further £2.5 million in 2018/19 and £4.5 million in 2019/20. This budgeted use of earmarked reserves does not impact on the uncommitted general fund contingency which has been maintained at the desired level set by the council (£12 million before the creation of the Integration Joint Board and £8 million thereafter). The £8 million in the uncommitted general fund reserve is the third lowest compared with other Scottish councils at 0.6 per cent of gross expenditure.

Exhibit 10
Analysis of general fund over last five years
 The general fund has reduced from £85 million to £57 million.



Source: North Lanarkshire Council’s annual accounts, 2013/14 to 2017/18

The council's long-term sustainability is strong with low levels of borrowing

62. The council's external debt at 31 March 2018 was £749 million, with the associated cost of servicing this debt less than three per cent of gross revenue expenditure. This is a low borrowing position (seventh lowest compared with other Scottish councils) and provides a sound financial basis for future investment decisions.

The council has good medium-term financial plans based on robust assumptions over a range of scenarios

63. In December 2018, the policy and resources committee approved the 2019/20 to 2023/24 medium-term financial plan. This five-year plan sets out the challenges facing the council in maintaining its financial sustainability, while striving to achieve the council's strategic priorities and objectives. It recognises a range of risk-based assumptions that are presented over three scenarios: optimistic, envisaged and pessimistic. The council's 'envisaged' financial projections show a total funding gap for the five years of £67 million. The council plans to bridge these gaps from a combination of efficiency savings and changes to service delivery models. It will continue to consider the one-off use of reserves if there are definite savings plans in place to replenish the used reserve over the medium term.

64. As part of the strategic policy framework review ([paragraph 13, page 10](#)), a financial strategy is being developed. This strategy will incorporate the medium-term financial plan, treasury strategy, financial regulations and other key financial documents to give assurances about the financial stability of the organisation. The strategy will align with The Plan for North Lanarkshire and will also reflect the existing capital investment strategy and approved capital programmes.

A Community Investment Fund will support the shared ambition for North Lanarkshire

65. The council has established a new Community Investment Fund. The fund is principally based on ring-fencing elements of future growth in council tax income from regeneration activities, along with one per cent of future budget increases. Through additional borrowing, funded by the extra revenue generated, the council plans to realise £500 million of new resources over the next ten years to support capital investment and the creation of integrated campuses. This is in addition to the already established capital programmes of £1.1 billion over the next five years.

The council plans to provide 5,000 new homes by 2035 and demolish all tower blocks

66. North Lanarkshire Council is Scotland's largest local authority landlord with over 36,000 houses. To achieve its economic regeneration ambition, the council plans to provide 5,000 new homes by 2035, which will require a significant increase in the number of new homes built each year. This is expected to boost the local economy by providing employment opportunities and will transform the town centres where many of these homes will be located. This transformation is consistent with the wider decline in town centre retail activity ([paragraph 46, page 20](#)).

67. A key part of this ambition is the Tower Strategy, with the council planning to replace all 48 of its tower blocks (approximately 4,000 homes) over the next 20 years. The towers make up around 11 per cent of the council's total housing stock.

68. A buy-back scheme is part of the overall strategy and it will contribute 550 homes over the next five years. During 2018/19, 130 homes were acquired by the council through the:

- open market purchase scheme – for properties that are currently for sale on the open market
- empty homes purchase scheme – to help address some of the problems faced by owners and communities in relation to empty properties.

Extensive tenants' consultation was undertaken with positive results

69. In 2017, the council undertook a full review of tenant participation. Extensive consultation was undertaken with tenants, residents and wider stakeholders to establish what worked well and what could be done to improve participation. The review resulted in a new service delivery model including the creation of the tenant participation team. These changes have had a positive impact on satisfaction levels ([Exhibit 8, page 24](#)).

70. One of the first changes implemented by the tenant participation team was to revise the approach to the annual housing conference. In November 2018, the team ran two 'housing matters' sessions to hear what matters to the community and help shape the delivery of housing services in the future. These were presented by staff from across council services and the chief executive. The sessions were well received by tenants.

71. The council acknowledged that, to deliver the wider regeneration benefits for the housing stock and local communities and to achieve town centre improvement, a reassessment of the rental income strategy would be required. In December 2017, the council approved an increase of average weekly rental by five per cent to £64.11 and a further five per cent increase for the subsequent three years.

72. A consultation exercise was undertaken for all tenants in phase one of the tower demolitions, some 1,800 tenants over 14 towers. The consultation included meetings with tower residents, newsletters and a survey to establish the level of support for the plans. In total, 61 per cent of tenants returned the survey with 81 per cent stating they were supportive of the plans to demolish the towers.

The workforce strategy considers North Lanarkshire economy and employment as a whole, but detailed service-level workforce planning is still being developed

73. The council has a wide focus when considering future workforce requirements: looking beyond the council workforce and considering the workforce of North Lanarkshire, as a whole, in the context of the local economy.

74. An example of this is the health and social care academy. This is a partnership solution in this industry sector to tackle recruitment difficulties, rising demand for services and unemployment. It was established to encourage more people in North Lanarkshire to choose a career in health and social care and has three key strands: school, virtual portal, and further and higher education partnership. The school aspect is based within Coltness High School campus and started in August 2018. It allows pupils to gain qualifications and practical experience to help them to get jobs in the health and social care sector. The virtual portal aspect was launched in January 2019 and provides a comprehensive online resource for recruitment, training, education and volunteering. It is too early to conclude on the success of this initiative.

75. Over the past ten years, the council's workforce has reduced by 14 per cent, from 14,300 to 12,300 full-time equivalents. The council has a workforce strategy, but it still has not embedded workforce planning in all service areas. Detailed workforce plans that set out the current and future workforce requirements are now in development.

Staff surveys are not used, but the council is pursuing Investors in People accreditation

76. Council-wide staff surveys have not been completed recently. However, 'Investors in People' reviews have been undertaken in housing and social work services and the council has started a three-year programme to extend this across all services. From our engagement with staff, they are positive about the council's vision and the change being introduced.

The council is reviewing its office accommodation

77. The council completed an asset management review of non-operational properties and this resulted in 147 properties being assessed as surplus and available for sale. To date, £6 million of capital receipts have been received. The council also ended their leases of three properties, which weren't required, realising annual savings of £0.4 million.

78. An implementation strategy is also being developed for the council's office accommodation portfolio. This is based on plans to reduce the number of offices from 26 properties to 6 with annual expected savings of £1.3 million.

Part 4

Is the council working well with its partners?



There is a clear focus on partnership working in North Lanarkshire. Wider community engagement could improve, and locality plans are still to be developed.

The council and its partners are working well together

79. The North Lanarkshire Partnership (NLP) Board meets regularly and there is good representation from partner bodies at these meetings. A decision has been taken by the board to have a rotating chair from each of the partners in turn, and to hold meetings across partners' offices to encourage all partners to participate.

80. Partners spoke positively about their relationship with the council and they support the adoption of The Plan for North Lanarkshire as the LOIP from March 2019 ([Exhibit 2, page 11](#)). The strategies, policies and plans that underpin the Plan's programme of work still need to be developed.

81. Recent reviews of North Lanarkshire's community planning arrangements by internal audit and a self-assessment supported by the Improvement Service have been largely positive. Some areas for improvement have been identified including performance management, use of joint resources and the need to review locality groups to avoid duplication of effort.

Young people are actively engaged in North Lanarkshire

82. The youth engagement and participation structure in North Lanarkshire is well established. Youth representatives attend the youth, equalities and empowerment committee. Our observations at this committee meeting were that the young people were active participants and this was encouraged by elected members. In the March 2019 Scottish Youth Parliament elections, North Lanarkshire had 16 candidates standing for 9 seats and received the highest number of online votes in the country. Engagement has been strengthened by the national Year of Young People 2018 and related events. For example, over 1,000 young people attended the Party in the Plug music festivals organised by Coatbridge Youth Action.

83. A social media initiative, #NLCaskme, was launched to encourage young people to have their say in how services are delivered. This included a partnership agreement between North Lanarkshire Children's Services Partnership and the children and young people of North Lanarkshire, with the support of the North



LGBT Youth Scotland

The council has been awarded the LGBT Youth Scotland Chartermark and is only one of four local authorities in Scotland to achieve this.

Source: North Lanarkshire Council

Lanarkshire Youth Council. The agreement was co-produced and agreed by the two parties at a series of workshops. The agreement sets out seven golden rules for how partners will work together with children and young people, which demonstrates a continuing commitment to youth engagement.⁹

84. Community learning and development (CLD) partners within North Lanarkshire Council and the area of Motherwell West were inspected by Education Scotland during May and June 2017. The inspection was positive about the CLD arrangements in place. Education Scotland commented specifically on the skills, confidence and ability of the young people in Motherwell Youth Forum and identified examples of young people providing support for adults in digital learning groups.

The council and its partners recognise that the approach to wider community engagement could improve

85. The council has previously operated a residents' survey and citizens' panel. Results from this type of engagement have not been published since 2016 and following the introduction of GDPR the council has seen a significant drop in membership of the citizens' panel.¹⁰ This led to an options appraisal for the delivery of wider community engagement. The review considered six options, including an online engagement hub and the use of an external consultant to manage all aspects of the citizens' panel. The preferred option was a hybrid model that will make use of the existing citizens' panel as well as an online engagement hub that will be open to everyone. This model now needs to be developed.

86. The council is also working with its community planning partners to improve the overall approach to engagement. The NLP community engagement strategy came to a natural end in 2017. It was recognised that a new framework was needed to support the partnership in delivering the Community Empowerment (Scotland) Act 2015. Voluntary Action North Lanarkshire (VANL), supported by the Scottish Community Development Centre, ran two public engagement sessions to aid the development of a new community engagement framework on behalf of NLP, however this work was not concluded due to resource constraints. A community engagement strategy is now being developed to support The Plan for North Lanarkshire. This will reflect on the improvements identified during the public engagement sessions.

87. The NLP has also recently launched Community Matters, a programme of engagement activity. **Locality partnerships**  (previously named local area partnerships) are a key platform for engagement. They bring together elected members and officers of the council with partners and people in the community and create a space for community groups and individuals to have their say. An online Community Matters survey has also been set up. Analysis of the results from this survey will allow gaps to be identified and used to develop targeted engagement plans. The role of the locality partnerships has been strengthened with revised terms of reference, effective from 1 April 2019. This includes revised membership that requires the number of community representatives to match the number of elected members on each locality partnership. It also specifies representation from the local youth forum and includes voting rights for community members where a consensus is not reached.



Locality partnerships

Airdrie
Bellshill
Coatbridge
Motherwell
Northern Corridor
Wishaw
Cumbernauld and
Kilsyth

Source: North Lanarkshire Council website 

The council and its partners are implementing the Community Empowerment (Scotland) Act 2015, but progress with locality planning has been slow

88. The Community Empowerment (Scotland) Act 2015 aims to empower communities through the ownership of land and buildings, and to strengthen their voices on the decisions that matter to them.

89. Since April 2017, the council has received 49 community asset transfer enquiries, including requests for leases. Of these, 35 are either under discussion or being progressed. Two asset transfers have been completed to date. These involve community organisations taking ownership of property that they have occupied for some time. Both have plans to obtain external funding to refurbish the accommodation to better meet their needs. As part of the recent council restructuring, a head of communities post was created, and there is also a first point of contact for community asset transfers and participation requests.

90. The Act also requires community planning partnerships (CPPs) to identify localities that are experiencing significantly poorer outcomes and produce locality plans to support these areas. The council and its partners have identified 16 priority planning areas but plans for these areas have still to be developed.

[Case study 2](#) describes an example of what has been achieved in one of these areas through consultation.

Case study 2

Wishawhill Wood pump track



Craigneuk has been identified as a local planning priority area due to high levels of deprivation. A consultation exercise was carried out in June 2016 to get the community's view on what to do with Wishawhill Woods. The people identified the need for an outdoor space for older children to spend their time. A further survey and two local consultation events were undertaken on the proposal to develop a pump track (an off-road circuit for cyclists that is designed to be ridden without pedalling) and the response was very positive. The site benefited from the Vacant and Derelict Land Fund because of its proximity to Ravenscraig and the development was supported by the Central Scotland Green Network Trust.

The track opened in December 2017 and a local community organisation, Socialtrack, now provides coaching and support to local young people there. Socialtrack also uses the facility to contribute to the Club 365 programme. The council and its partners have reported positive outcomes from the track, including less vandalism and crime and increased confidence in the community. The track also provides a place to engage with young people.

Source: North Lanarkshire Council

Participatory budgeting is being developed

91. Participatory budgeting is a way of giving local people a greater say in how the council spends some of its money. A participatory budgeting steering group made up of council, partner and community representatives has been set up in the Wishaw locality to test the approach to participatory budgeting. This group, with the support of the Convention of Scottish Local Authorities (COSLA), is exploring the use of a digital platform (CONSUL) to support participatory budgeting and wider community engagement.

92. As part of the 2018/19 budget, £6 million was allocated across the seven locality partnerships in North Lanarkshire to support local development programmes. This was distributed based on population and deprivation.

North Lanarkshire is working with other local authorities to improve waste recycling

93. The council is the lead authority on the Clyde Valley Residual Waste Partnership, an agreement with four other local authorities to ensure that the requirements relevant to the ban on biodegradable waste to landfill by 1 January 2021 are met. The contract is due to start in December 2019 and is expected to be worth £700 million over 25 years. It includes a two-stage treatment process that will remove recyclable waste and create green energy. The contract will benefit the community through job creation, engagement with small and medium-sized businesses and an education partnership to promote science, technology, engineering and maths (STEM) in secondary schools. It is anticipated that 71,000 tonnes (or 37 per cent) of the waste treated will come from North Lanarkshire.


The council and its partners are committed to caring for people at home

94. North Lanarkshire Integration Joint Board (IJB) was established in June 2015 and became fully operational on 1 April 2016. The IJB is responsible for the strategic planning, commissioning and oversight of many of the health and social care services in North Lanarkshire, including care at home.

95. The IJB has made some progress against the national performance indicators used to measure the success of integration. This includes a reduction in the number of unplanned hospital bed days and an increase in the proportion of people spending the last six months of their lives in the community. The number of bed days lost due to delayed discharges, the level of emergency admissions and attendances at A&E remain a big challenge for North Lanarkshire.

96. Supporting people to remain in their own homes has been and still is a key priority for the council and its partners. A report of a joint inspection by the Care Inspectorate and Healthcare Improvement Scotland on [*The effectiveness of strategic planning in the North Lanarkshire Partnership*](#)  (February 2018) found that this was the principal aim of the partnership. The inspectors' staff survey identified that 85 per cent of respondents either agreed or strongly agreed that their service does everything possible to keep adults at home and in their local communities. This is backed up by the council's LGBF performance data


which shows that, in 2017/18, 70 per cent of people aged 65 years old and over with long-term care needs were cared for at home. The council is ranked first in its family grouping (third in Scotland) for this indicator.

97. The partnership identifies **reablement**  as key to keeping adults in their home and has reported a 66 per cent increase in the number of people completing the reablement process over the last five years. In 2017/18, 1,804 people completed the reablement process. There are plans to further increase reablement capacity to help reduce the amount of ongoing support needed by people living at home.

98. The council's own data shows that its use of assistive technology has increased by 67 per cent over the last five years to support people to live at home safely. Some examples of the technology used to support reablement include bed sensors, fall detectors and activity monitors.

99. Integrated rehabilitation teams are in place and allow a single care assessment for each person. The team brings together social workers, occupational therapists and physiotherapists from the council and NHS board. This approach began as a pilot in the Motherwell locality and proved to be a success. In October 2018, the new service delivery model was extended to the other localities.

100. As part of the DigitalNL programme ([paragraph 16, page 12](#)), the council plans to buy a new social work information system that will allow outcomes to be measured electronically. There are also plans to introduce dynamic scheduling on the existing Kirona system to create efficiencies and free up managers to improve the quality of service. This system is already being used successfully in the housing repairs service.

101. The cost of care at home in North Lanarkshire is notably higher than the Scottish average. This has been subject to scrutiny by the council's audit and scrutiny panel. The high costs are mostly attributed to the cost of caring for people with intensive needs at home, the upward regrading of home support staff and the council's commitment to pay the **Scottish Living Wage**  to third party providers. The 2018/19 budget was uplifted by £4.8 million to help support the payment of the Living Wage by third party social care providers. The council has a strong belief that fair work practices and paying the Living Wage can have a positive effect on people's lives and help create a fairer and more equal society.¹¹ Across all services the council reports that 78 per cent of its contractors pay their employees at least the Living Wage.

102. LGBF data shows that satisfaction with adult care services has fallen ([Exhibit 7, page 23](#)) and officers recognise the need to better understand the reasons for this. There has also been a decline in satisfaction within these services across many councils in Scotland.



Reablement

Intensive support to help people regain and build on their skills and develop self-management techniques to live independently.

Source: Health and Social Care North Lanarkshire



Scottish Living Wage

The council received accreditation as a living wage employer in 2017. The council's Procurement Strategy 2017–20 sets out its policy on paying the Living Wage to people involved in delivering their contracts.

Source: Scottish Living Wage website  and North Lanarkshire Council

The council and its partners are working with the third sector to improve outcomes

103. The council realises the potential of the voluntary sector when planning models of service delivery. North Lanarkshire Integration Joint Board uses the third sector within localities to help connect people with their communities and provide carer support. The community capacity building and carer support (CCB&CS) structure, which has been operating for six years, has been identified as an area of good practice by the Care Inspectorate. It coordinates and monitors the delivery of third sector work with a strong focus on prevention, co-production and personal outcomes.

104. The CCB&CS receives an annual budget of £1.1 million, which funds 77 third-sector organisations and community groups. The organisations obtained £1 million additional funding in 2017/18 through the structure from a range of sources including the Big Lottery. The CCB&CS annual report for 2017/18 demonstrates positive outcomes from this work, including 6,956 reports of reduced loneliness or isolation.

105. The council is considering how this successful model could be extended to support service delivery in other areas. A self-assessment review of the CCB&CS with the Improvement Service is in progress.

Part 5

Is the council demonstrating continuous improvement?



The council demonstrates good self-evaluation, but improvement plans could be clearer.

The council has demonstrated improvement from the 2008 Best Value report. Detailed service-level workforce planning is still being developed.

The council has a structured self-evaluation programme, but actions from this should be clear and measurable

106. Historically the council used the Public Service Improvement Framework model of self-evaluation. In 2013, the focus shifted from self-evaluation of individual services to a cross-council approach based on aspects of service, such as communication with customers and employees, efficiency, governance and accountability. A new strategic framework for self-evaluation was adopted in 2017. This aims to provide a consistent approach to strategic self-evaluation based on the 2003 Best Value characteristics.

107. The council conducted a Best Value self-evaluation exercise in 2017. The external auditor's 2017/18 annual audit report for the council noted that the improvement actions contained in the 2017 improvement plan are, in some cases, high level and non-specific (for example, 'progress reviews through transformation programme'). An update against the improvement plan was taken to the corporate management team in October 2018. It provided a useful description of developments but lacked some key monitoring details, including specific actions with defined timescales.

108. Other self-evaluation exercises have been carried out with external inspection agencies. For example, the self-evaluation of community justice reported in January 2019, which was validated by the Care Inspectorate.


109. As part of the improvement framework around The Plan for North Lanarkshire, the council has approved a rolling programme of self-evaluations that will consider each of the 25 ambition statements. The programme indicates that ten ambition statements from across the council's five priorities will be evaluated by the end of 2019. The outcome from each exercise will be reported to the council's audit and scrutiny panel. The strategic policy framework ([paragraph 13, page 10](#)) will also be subject to an annual review to ensure that the strategies, policies and plans that support the Plan for North Lanarkshire are effective.

The council has undertaken several change projects

110. In March 2016, the council established a transformation subcommittee to approve and oversee key change projects. The committee has overseen several reviews, but not all key changes went through this committee. The outcome of some of the service reviews have been summarised in [Exhibit 11 \(page 38\)](#).

111. As part of the recent committee re-structure, a transformation and digitalisation committee has been established. This gives greater prominence to transformation and, more specifically, the council's plans for digital transformation. The council is now embarking on a wide-reaching change programme that is underpinned by DigitalNL ([paragraph 16, page 12](#)).

A review of the health and social care integration model is under way

112. The integration scheme has been revised to reflect the transfer of children, families and justice social work functions to the council's new education and families service. Partners are reviewing the remaining adult health and social care integration model and are due to report in June 2019. There are seven workstreams that form part of this review – finances, IT/digitalisation, governance, strategic planning, HR/workforce planning, performance and operations. A programme board has been set up to ensure appropriate governance arrangements are in place to support the review. This comprises the chief executives of the council and NHS Lanarkshire, the chair and vice-chair of North Lanarkshire Integration Joint Board, the leader of the council and the chair of NHS Lanarkshire. The review will be set in the context of the Auditor General and Accounts Commission's report, [Health and social care integration: update on progress](#) , and the *Review of Progress with Integration of Health and Social Care* report by the Ministerial Strategic Group for Health and Community Care.¹²

The council has reviewed its use of arm's-length external organisations (ALEOs)

113. The council's oversight of its ALEOs improved in May 2016 following the creation of the ALEO partnership unit and the ALEO and external bodies monitoring subcommittee. The revised governance arrangements also included a three-year ALEO review programme which concluded in 2018/19. The review process included an assessment of each ALEO's contribution to the council's priorities and long-term ambition as well as an options appraisal of alternative service delivery models. The reviews have resulted in the following changes:

- the sale of two ALEOs, Saltire Facilities Management Limited and Walker Profiles Limited in 2017/18
- the dissolution of two ALEOs, Town Centre Activities and Campsies Centre (Cumbernauld) Ltd in 2018/19
- the merger of Culture NL and North Lanarkshire Leisure from 1 June 2019 to create a new integrated sport, culture and leisure services delivery model
- the creation of a short-life working group to determine the feasibility of a single arm's-length structure to deliver property, business, regeneration and inward investment activities which currently sit with two ALEOs: Fusion Assets and North Lanarkshire Properties.

Exhibit 11

Service improvements and savings delivered through service re-design and review

The council demonstrates continuous improvement through its own reviews.

Review	Details of review	Benefits delivered
 <p>Digital housing repairs and maintenance service</p>	<p>The council has implemented a digital housing repairs and maintenance service known as Dynamic Resource Scheduling. Tenants request an appointment via the contact centre, email or smartphone app. These requests are then logged on the housing system and issued to the council's contractors.</p> <p>The council monitor performance through the Annual Return on the Charter (ARC), while contractor performance is monitored in twice yearly reports to committee.</p>	<p>The 2017/18 ARC reported that the council is performing above the local authority (LA) average for:</p> <ul style="list-style-type: none"> percentage of tenants satisfied with the repairs service – 96.6% (LA average – 92.6%) percentage of repairs completed right first time – 97.3% (LA average – 92.5%) average length of time to complete non-emergency repairs – 7.3 working days (LA average – 7.5 working days).
 <p>Sheltered housing review</p>	<p>The council provided a sheltered housing support service across 39 council complexes and one housing association complex. The review aimed to realign the sheltered housing support service to ensure that resources are used efficiently, and older people can live independently in their own homes for as long as possible. Three workstreams were devised:</p> <ul style="list-style-type: none"> revise older people's allocation policy review sheltered housing support services provide capital investment to improve the suitability of sheltered housing. 	<p>Reduction in number of council complexes from 39 to 34, however enhanced housing support services now provided at seven 'sheltered plus' complexes to meet greater levels of need. This includes increasing onsite staff and improving social opportunities for tenants.</p> <p>A saving of £1.2 million was made from existing enterprise and housing resources budgets, with an overall reduction in operating costs of £0.1 million per year.</p>
 <p>Financial inclusion review</p>	<p>Before the review, financial inclusion and advice services were fragmented across the council. Three teams – financial inclusion/welfare rights, money advice, and income maximisation – were combined to form the Financial Inclusion Service in April 2017. This service is complemented by numerous external organisations such as the Citizens Advice Scotland offices located throughout North Lanarkshire.</p>	<p>The council reported that for every £1 invested in income maximisation during 2017/18, £32.90 was generated for residents and the local economy.</p> <p>An overall efficiency saving of £0.1 million per annum was delivered.</p>

The City Deal projects are supporting economic opportunities

114. North Lanarkshire Council became part of the Glasgow City Region City Deal in 2014. This agreement, between the UK Government, the Scottish Government and seven other local authorities, aims to deliver infrastructure, innovation and employment projects in the area.

115. The City Deal includes an Infrastructure Fund of over £1.1 billion designed to improve the regional transport network, regenerate sites for economic use and improve public transport provision. From this, over £200 million will be invested across North Lanarkshire in three core projects:

- **A8/M8 corridor access improvements £6.5 million** – new road infrastructure and park and ride/car-sharing measures to enhance connectivity to key employment sites from Newhouse to Bargeddie.
- **Gartcosh/Glenboig community growth area £6.2 million** – new road infrastructure and park and ride investment to encourage the future development of Gartcosh/Glenboig and the surrounding areas.
- **Pan-Lanarkshire orbital transport £189.5 million** – improve transport movements across Lanarkshire. In December 2017, following the withdrawal of Tax Increment Finance funding for Ravenscraig, a revised strategic business case was approved incorporating this into the City Deal and bringing the total project cost to £190 million. A realignment proposal has been prepared that would prioritise the delivery of Ravenscraig within the current programme.

116. In addition to the Infrastructure Fund, North Lanarkshire also benefited from £1 million of investment through the Innovation and Growth Fund for the MediCity Scotland facility. This is a dedicated medical technology incubation facility based at Newhouse. Through the Skills and Employment Fund, the council is also involved in labour market schemes. It received funding to deliver the 'Working Matters' employability scheme for three years from August 2015 to support long-term unemployed North Lanarkshire residents back into employment or training. Since 2015, 87 participants have entered employment, exceeding the original target of 69.



North Lanarkshire Council still has a clear vision but must continue to improve performance management and workforce planning

117. The council was subject to an audit of Best Value and Community Planning in 2008. The Accounts Commission commented that 'North Lanarkshire demonstrates a strong commitment to improvement. We appreciate that the council recognises areas where improvement is needed in service delivery and would encourage the council to focus on these areas'. [Exhibit 12 \(page 40\)](#) compares some of the previous Best Value judgements to our findings from this review.

Exhibit 12



A comparison of selected Best Value judgements

The council has demonstrated improvement in most areas.

Controller of Audit judgement 	Controller of Audit judgement 	View
<p>Strategic direction</p> <p>North Lanarkshire Council has a clear vision and strategic direction for the area, which faces a range of challenges arising from its industrial past.</p> <p>Members and senior officers provide clear and consistent leadership.</p>	<p>The council still has a clear vision and strategic direction, and the new chief executive is providing effective leadership. There is genuine enthusiasm across the council about the vision, which presents an opportunity to increase the pace of change.</p>	<p>Part 1</p>
<p>Performance</p> <p>Services are generally improving, though some from a low base. The council recognises where service improvement is most needed and should pay particular attention to improving secondary educational attainment, services for homeless people, housing allocations and repairs and waste recycling.</p> <p>The council has sound performance management arrangements in place and has many sound systems and processes to support its drive for improvement.</p>	<p>There is evidence of improvement in key areas, but often this is in line with national trends. The council has demonstrated improvement across the specific areas identified in the 2008 Best Value report.</p> <p>Performance management arrangements have started to improve and must continue to develop to support the delivery of The Plan for North Lanarkshire.</p>	<p>Part 2</p>
<p>Resources</p> <p>The council needs to demonstrate a more strategic approach to managing its people. Sickness absence and low staff morale remain challenges for the council and need to improve to take the council through a period of significant change.</p>	<p>A workforce strategy is in place, but detailed workforce plans for the council are still being developed. Sickness absence remains an issue for the council and this has been recognised in its programme of scrutiny. The council has not carried out council-wide surveys to gauge staff morale, but we found staff to be positive about the direction of travel.</p>	<p>Part 3</p>

Cont.

Exhibit 12 continued

Controller of Audit judgement 	Controller of Audit judgement 	View
<p>Partnership</p> <p>The council works effectively with its strategic partners on a shared set of priorities which are consistent with the needs of the area.</p> <p>There is some good consultation with service users, but the arrangements for wider community engagement could be more effective.</p>	<p>The council and its partners continue to have a shared set of priorities. This was evident in the original LOIP and has recently been reinforced by the adoption of The Plan for North Lanarkshire.</p> <p>There are still some good examples of community engagement taking place across the council, particularly in housing services, but wider community engagement could still improve. There is evidence of the council and its partners acting to address this.</p>	<p>Part 4</p>
<p>Continuous improvement</p> <p>The council demonstrates a commitment to Best Value and continuous improvement and has an ambitious and wide-ranging change agenda, though there is scope for the council to prioritise, articulate and coordinate it more effectively.</p>	<p>The council's current change agenda is ambitious. A transformation and digitalisation committee has been set up to prioritise, coordinate and retain oversight of significant change projects.</p>	<p>Part 5</p>

Source: Audit Scotland

Recommendations



Revised strategies, policies and plans should be developed to deliver the programme of work that underpins the council's ambitious vision, based on its five priorities.

The council should implement the recently approved Performance Management Framework and reporting schedule to support the delivery of The Plan for North Lanarkshire and its scrutiny by members.

Performance information on the council's website should be kept up-to-date to improve accountability to the public.

The council should investigate and better understand the reasons for falling satisfaction levels, particularly for care services, and whether they can apply learning from the high satisfaction levels in housing.

Workforce plans should be finalised to set out the current and future workforce requirements of the council and evidence how this supports other strategies.

The council should complete the Investors in People programme as planned and determine how it will maintain staff engagement.

The council and its partners should develop locality plans for the 16 planning priority areas.

Improvement plans arising from self-evaluation exercises should include measurable actions and clear deadlines.

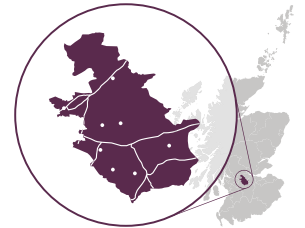
Endnotes



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- 1 *Industry, Businesses and Offices Monitoring Report 2016/17*, Clydeplan, April 2018.
 - 2 *Local authority profile for North Lanarkshire*, Nomis – Official Labour Market Statistics, 2018.
 - 3 *Regional Employment Patterns in Scotland: Statistics from the Annual Population Survey 2017*, Scottish Government, 2018.
 - 4 *Gross Value Added (balanced) per head by local authority*, Office of National Statistics, 2016.
 - 5 *Performance report*, North Lanarkshire Council, November 2018.
 - 6 Ibid.
 - 7 *Inspection of Local Authorities, How well is North Lanarkshire Council improving learning, raising attainment and closing the poverty-related attainment gap?* Education Scotland, July 2018.
 - 8 The nine challenge authorities are Clackmannanshire, Dundee, East Ayrshire, City of Glasgow, Inverclyde, North Ayrshire, North Lanarkshire, Renfrewshire and West Dunbartonshire.
 - 9 The seven golden rules are: understand my rights, a chance to be involved, remember - it's my choice, value me, support me, work together and keep in touch (Children and Young Peoples' Commissioner Scotland).
 - 10 In May 2018 members of the citizens' panel were asked to consent to remain as members to comply with the GDPR. This led to a fall in membership from 3,000 to 700 members. North Lanarkshire Council Corporate Management Team, November 2018.
 - 11 North Lanarkshire Council Procurement Strategy 2017–20.
 - 12 *Review of Progress with Integration of Health and Social Care – Final Report*, Ministerial Strategic Group for Health and Community Care, Scottish Government, February 2019.

Appendix

Best Value audit timeline



May 2008 – The Audit of Best Value and Community Planning:

The Accounts Commission found that North Lanarkshire Council demonstrated a strong commitment to improvement while recognising the low base from which the council started. It also appreciated the council's identification of areas where improvement was needed in service delivery.

May 2019 – Best Value Assurance Report:

The Controller of Audit will present a Best Value Assurance Report to the Accounts Commission at least once during the five-year audit appointment for each council. This is the first assurance report on North Lanarkshire Council. The report seeks to provide the Accounts Commission with assurance on the council's statutory duty to deliver Best Value, with a focus on the Accounts Commission's Strategic Audit Priorities.

Best Value Assurance Report North Lanarkshire Council

This report is available in PDF and RTF formats,
along with a podcast summary at:

www.audit-scotland.gov.uk 

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