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**Copy of Letter sent to:
Council Chief Executives
Council Leaders and
Chairs of Audit Committee**

EVALUATION OF COUNCILS' APPROACHES TO PUBLIC PERFORMANCE REPORTING

I am writing to you in your capacity as Chief Executive, as well as to your Leader and Chair of Audit Committee, in relation to a report that the Accounts Commission considered at its meeting on 19 June 2014 on councils' approach to public performance reporting (PPR). I have enclosed the report.

As you know, the Accounts Commission has a statutory power to define performance information that councils must publish locally and it does this through its annual Statutory Performance Information Direction. Since its 2008 Direction, the Accounts Commission has moved away from specifying individual indicators and has been encouraging councils to develop their own approach to publishing performance information. This has been done in tandem with the development of the Local Government Benchmarking Framework, which is now established. The Direction also emphasised the broader principles for public performance reporting and emphasised the responsibilities authorities had under Best Value legislation for selecting and using performance information to drive continuous improvement. The Commission's 2013 Direction, continuing this theme, can be found at http://www.audit-scotland.gov.uk/performance/docs/pi_direction_2013.pdf. The next Direction will be published at the end of 2014.

This report

This report on PPR is one of the ways the Accounts Commission assures itself that its Direction is being met and councils are improving in how they report performance publicly. This is the fourth year the Accounts Commission have received such a report.

The report provides an evaluation of the PPR material published by each council and identifies good practice. This year's report has placed greater emphasis on good practice and has included various exhibits and appendices (see paragraph 33 of the report) to set this out.

I am also including an individual assessment for your council. This sets out whether your PPR material fully, partially or did not meet the criteria used in our evaluation. There is also guidance in Appendix 3 of the report which indicates PPR material that fully, partially and does not meet the evaluation criteria.

Next steps

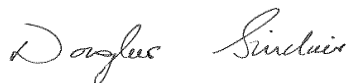
At the Accounts Commission meeting in June we discussed this report and considered how we wish to go forward.

Firstly, we expect councils to make progress over the current year towards fully meeting the criteria in our evaluation. We ask that you refer to what is expected in terms of the PPR benchmarks and encourage these to be fully adopted in your own council's material. We will consider a further report evaluating councils' approaches to PPR next year, on performance in financial year 2013/14. We hope that we will be able to report further progress by councils against their statutory responsibilities to publish material which allows the public to understand the performance of their council.

In future, we want to be clearer in identifying where improvement is required, both generally across councils but also in individual council assessments. We will revisit our expectations around performance information when we publish our 2014 Direction in December this year.

In the meantime, if you have any queries about our report, then please do not hesitate to contact Audit Scotland's team responsible for statutory performance information Kathrine Sibbald, Senior Manager (ksibbald@audit-scotland.gov.uk) or Shelagh Stewart, Project Manager ([sstewart@audit-scotland.gov.uk](mailto:ssewart@audit-scotland.gov.uk)).

Yours sincerely



Douglas Sinclair
Chair

Enc(s)