

ANGUS COUNCIL

SCRUTINY & AUDIT COMMITTEE - 22 JUNE 2017

LOCAL GOVERNMENT IN SCOTLAND – PERFORMANCE AND CHALLENGES 2017

REPORT BY CHIEF EXECUTIVE, STRATEGIC DIRECTOR – PLACE AND THE HEAD OF  
CORPORATE FINANCE

**ABSTRACT:**

This Accounts Commission overview report provides a high-level, independent view of the challenges facing councils, how well they are addressing these and what more they can do. The Commission hope that the report will be a helpful tool to enable councillors and officers to stand back and assess their council's progress. The report draws on findings from Local Government in Scotland: Financial Overview 2015/16, local government audit work in 2016 and published performance data. The report is primarily for councillors and senior council officers as a source of information and to support them in their complex and demanding roles.

**1 RECOMMENDATIONS**

It is recommended that the Scrutiny & Audit Committee:-

- (i) Review the content of the Accounts Commission's Performance and Challenges 2017 report and supplementary (**Appendices 1A,1B & 1C**) and provide any commentary considered appropriate at this time; and
- (ii) Note that the report is about Local Government in Scotland as a whole rather than Angus Council specifically.

**2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/ SINGLE OUTCOME AGREEMENT/  
CORPORATE PLAN**

- 2.1 This report contributes as a whole to the local outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016.

**3 BACKGROUND**

- 3.1 Scotland's council's are operating in an increasingly demanding environment. New and returning councillors face major challenges from continued reductions in their funding from Scottish Government, and greater demands for services from an ageing population, and in parts of the country, a growing school population. In addition Councils will need to respond effectively to national policy priorities in the Scottish Government's Programme for Government and, along with their partners, will need to demonstrate progress in integrating health and social care and in meeting the requirements of the Community Empowerment Act
- 3.2 The scale of these challenges mean it is more important than ever that councillors provide effective leadership in setting a clear strategy and make the difficult decisions that will be needed.

**4 OVERVIEW REPORT KEY MESSAGES**

- 4.1 The overview report attached as **Appendix 1A** covers three areas:-
- The current and future challenges facing councils;
  - Council's progress in meeting these challenges, including performance in key service areas, public satisfaction and unit costs;
  - What more councils can do to ensure they are best placed to successfully manage the changes and the challenges they face;

4.2 The Accounts Commission has also produced 2 supplements to accompany this report (A self assessment checklist for councillors & good practice supplement) to help councillors who are new to this role, those who are re-elected and council officers. The supplements are attached at **Appendix 1B & 1C**.

4.3 The main highlights from the key messages in the report are as follows:-

- Councils have faced significant challenges from a long-term decline in revenue funding and from an ageing and growing population. The scale of these challenges continues to grow. Policy and legislative changes are also placing additional demands on councils and changing how councils work.
- Councils are responding to the challenges by continuing to adopt alternative ways of working, reducing the level of service they provide and reviewing fees and charges. While some councils are making good progress in managing services and delivering savings, others are not. The pace and scale of reform needs to increase in some councils. Despite these challenges, councils' performance has been maintained or improved.
- With reducing budgets and workforces, councils will find delivering improvements increasingly difficult. It is critical, therefore, that they set clear long-term strategies and plans that target effort on priority areas including organisation-wide workforce plans to ensure councils have the capacity to manage change and deliver services going forward.
- A councillor's role is complex, demanding and evolving. They are required to provide effective and strategic leadership, and it is therefore critical that their knowledge is up to date and skills are refreshed to enable them to establish strategic priorities, fully assess options for change and hold services to account.

4.4 The report also highlights a number of recommendations that councils need to consider to manage the challenges and improvements they need to make to demonstrate continuous improvement.

## **5 FINANCIAL IMPLICATIONS**

5.1 There are no financial implications arising for the Council from the recommendations contained within this report.

### **NOTE**

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing this report.

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List of Appendices:

Appendix 1A - Local Government in Scotland – Performance and Challenges 2017

Appendix 1B – Supplementary Information - A self-assessment checklist for councillors

Appendix 1C – Supplementary Information – Good Practice supplement