

A New Direction for Performance Reporting in Scotland

In December 2008 the Accounts Commission published its annual *Direction*¹ setting out the performance information it requires Scotland's councils, police, and fire & rescue authorities to report at the end of the following financial year (2009/10). This is something it has done every year since 1992 - a time of Citizens Charters and moves towards greater transparency in public services.



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Historically, the number of "Statutory Performance Indicators" (SPIs) specified by the Commission for councils to report against, has varied between 55 and 70. For 2008/09 it was 58. For 2009/10 it is just two! These are simply, to demonstrate that the council is securing Best Value² (BV) in relation to a range of corporate issues and a range of service areas.

It is fair to say that the 2009/10 requirement is indeed a new Direction. It marks a significant change from what has gone before. An end to long lists of detailed indicators. An end to arrangements that allow some councils to simply comply with minimal requirements. Instead, the Commission

is underlining the responsibility councils have for demonstrating Best Value and reporting their performance to the public in an effective manner. In line with the more flexible nature of the BV legislation, to a large extent³ it will be for councils themselves to choose what performance information, quantitative and qualitative, to use for performance management and reporting. This allows them to focus on the local context and local priorities.

In his introduction to the Direction, Accounts Commission Chairman, John Baillie said:

"What we have decided to do, is align SPI arrangements with the responsibility authorities have under Best Value for selecting and using performance information to drive continuous improvement in services, and for reporting on those aspects of performance that are of most importance to local communities, to service users and to citizens. Since the BV legislation was introduced in 2003, local authorities have had a duty to demonstrate to their citizens that they are securing the best use of public resources and achieving a proper balance between costs and quality. The best councils have been

doing this, but the Commission has long recognised the need in most local authorities for considerable improvement in both performance management and public reporting.

The challenge for authorities now is to fully recognise and meet the responsibilities placed on them by the 2003 Best Value legislation and demonstrate publicly that they are securing Best Value, including a proper balance between quality and cost."

Since the Direction was issued to local authorities, I have been asked the same question many times. "What do we have to do?" The only answer I can give is that councils have to move away from the compliance culture and get on with determining what information they will use and report, to demonstrate they are providing BV. There is no 'tick list' that will ensure that as long as they meet minimum requirements they will not be subject to challenge or scrutiny. This is consistent with the more descriptive and less prescriptive BV regime in Scotland. Despite my explanation I have, on several occasions been faced with the response, "Yes, but what is it we have to do?"

¹ In accordance with the requirements of the Local Government Act 1992

² In accordance with the Local Government in Scotland Act 2003

³ The Accounts Commission has specified a small number of indicators within some of the service areas that it expects all councils to use as part of their public performance reporting.