

Glasgow City Council

Best Value Assurance Report



Prepared for the Accounts Commission by the Controller of Audit

August 2018

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.

Our work includes:

- 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.

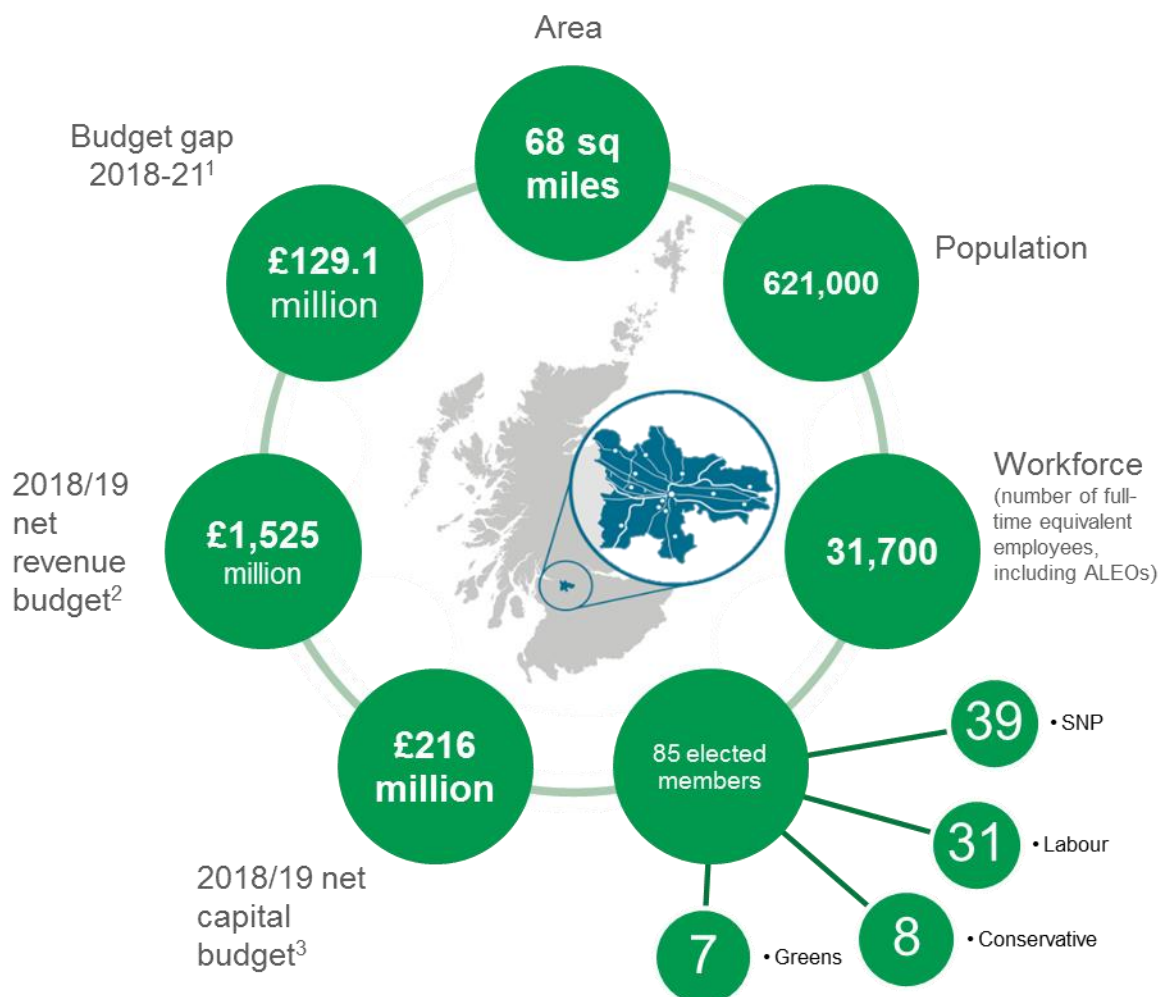
You can find out more about the work of the Accounts Commission on our website: www.audit-scotland.gov.uk/about-us/accounts-commission

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

Contents

Key facts	4
Audit approach	5
Key messages	7
Part 1 Does the council have clear strategic direction?	9
Part 2 How well is the council performing?	14
Part 3 Is the council using its resources effectively?	23
Part 4 Is the council working well with its partners?	30
Part 5 Is the council demonstrating continuous improvement?	37
Recommendations	41
Appendix 1 Best Value audit timeline	42

Key facts



Notes:

- 1 – The budget gap is the gap between the council's income and spending
- 2 - The revenue budget pays for day-to-day items such as salaries
- 3 – The capital budget pays for projects such as new buildings and roads

Audit approach

1. The statutory duty of Best Value was introduced in the Local Government Scotland Act 2003. The audit of Best Value is a continuous process that forms part of the annual audit of every council. Findings are reported each year through the Annual Audit Report. The Controller of Audit will also 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 Glasgow City Council. Appendix 1 summarises the findings from previous Best Value reports on the council in the Best Value audit timeline.
2. This report seeks to provide the Accounts Commission with assurance on the council's statutory duty to deliver Best Value, with a particular focus on the Commission's Strategic Audit Priorities covering:
 - the clarity of council priorities and quality of long-term planning to achieve these
 - how effectively councils are evaluating and implementing options
 - how effectively councils are ensuring that members and officers have the right knowledge, skills and time to lead and manage delivery of council priorities
 - how effectively councils are involving citizens in decisions about services
 - the quality of council performance reporting to help citizens gauge improvement.
3. We are looking for councils to demonstrate Best Value by showing continuous improvement in how they deliver their priorities. The pace and extent of this improvement is key to how well councils meet their priorities in the future. In this report, we show how we assessed Glasgow City Council's improvement over time and our conclusions are reflected in the Key Messages on page seven.
4. Our work covers many Best Value characteristics in the statutory guidance but does not cover them all. Our audit approach is proportionate and risk-based, that is, it reflects the context, risks and performance of the individual council. It also draws on the information from audit and scrutiny work we have carried out in previous years. Our 2016/17 Annual Audit Report was our starting point. In keeping with this approach, we conducted some initial work to identify risks and council initiatives to build into our audit's scope. We:
 - reviewed previous audit and inspection reports and intelligence
 - reviewed key council documents
 - met with senior officers
 - drew on our wider public-sector knowledge and experience.

[Exhibit 1](#) shows the key areas of focus for our audit.

Exhibit 1

Key areas of focus for our audit



The council's vision and priorities (what the council is trying to achieve)



Managing performance, self-assessment and measuring outcomes



The council's plans to transform its services, reduce its costs and create a more flexible workforce



Financial management and planning, including the challenges the council faces resolving equal pay claims



How the council involves communities in planning and delivering its services



Partnership working, for example, the Community Planning Partnership, ALEOs and the City Deal.

Source: Audit Scotland

5. We did the detailed audit work for this report in March and April 2018. Our audit work included:
 - interviewing elected members, senior officers and a sample of the council's partners, such as police, fire and the Third Sector
 - holding focus groups with members of staff
 - observing council and committee meetings
 - reviewing documents.
6. We will continue to audit Best Value at the council over the course of our audit appointment. This will include following up on the findings from this report and more detailed audit work on other Best Value characteristics as appropriate.
7. We gratefully acknowledge the cooperation and assistance provided to the audit team by all councillors, officers and other stakeholders during the audit.

Key messages

1. The council has made steady progress since its last Best Value report in 2009. It has made many changes in the last ten years to help improve services for local people and it has improved its performance in a number of areas. The council invests time and resource in self-assessment and improvement activities and involves its staff and residents in this process.
2. The council and its partners have a clear, shared vision of inclusive growth, which is set out in the new Glasgow Community Plan. The plan was developed from a good understanding of the city's challenges. The council demonstrates effective leadership and all political parties support the new strategic plan. The council is refining its corporate performance framework to monitor progress against its strategic plan. The council continues to improve partnership working and community participation to help redefine its leadership role.
3. The Glasgow Community Planning Partnership has performed well in addressing its priorities of alcohol misuse, youth unemployment and vulnerable people. However, homelessness continues to be a challenge for the city. The council's performance has improved for several other service areas. Although its overall performance compared to other Scottish councils slightly decreased in 2016/17, Glasgow performs well compared to similar cities in the UK. The council regularly consults residents and most are satisfied with the services they receive. The council can demonstrate how it responds to residents' feedback.
4. The council predicts a funding gap of £129.1 million over the next three years. In addition, the council is committed to resolving a substantial number of equal pay claims. This means that it faces a period of unprecedented financial pressure. The council is not yet in a position to reflect equal pay claims in any of its financial forecasts. We consider that these financial pressures may have an impact on how the council delivers public services. This aside, the council has a record of strong financial management and its 2016-18 Transformation Programme has delivered savings of £102.5 million. The council can demonstrate the impact of a number of individual successful transformation projects. But we are not clear how the council will measure the longer-term, non-financial benefits of the programme more widely.
5. The council is clearly committed to partnership working and has positive relationships with public sector, business and academic partners. The council recognises that it could improve its relationships with third sector partners and with communities and is actively working on this. The council works effectively with NHS Greater Glasgow and Clyde to deliver an integrated health and social care service. This has been strengthened by the Integration Joint Board (IJB). The IJB is starting to make progress to help shift the balance of care from hospitals to communities, although it is still at an early stage.
6. The council continues to review services delivered by both the council and its Arm's Length External Organisations (ALEOs). It has already made changes to property and ICT services. Services delivered by another two ALEOs (for care and community safety), with around 4,300 staff, will soon be transferred to the council.

- 7. The council is working well with partners to progress its City Deal projects. It is on track to deliver its five infrastructure projects, worth £386 million, by 2024. The council is preparing well for the first UK and Scottish Government Gateway Review of its projects in 2019.**

Part 1

Does the council have clear strategic direction?



The council and its strategic partners have a clear, shared vision of inclusive growth.

The council developed Glasgow's new Community Plan in partnership with NHS Greater Glasgow and Clyde, Police Scotland, Scottish Fire and Rescue Services, and Scottish Enterprise. It is based on a good understanding of the city's challenges.

All political parties support the council's new strategic plan. The council is refining its corporate performance framework to monitor progress against this plan.

The council demonstrates effective leadership. It continues to improve partnership working and community participation to help redefine its leadership role.

The local context

8. Glasgow is the largest city in Scotland and the fourth largest in the UK. It covers an area of 68 square miles that contains mainly urban communities. It has a growing population: since our first Best Value report in 2006, the population has grown by eight per cent and now stands at around 615,000. The number of people living in Glasgow is forecast to grow further, by seven per cent between 2014 and 2039. In particular:
 - the number of people aged 75 and over is projected to increase by 54 per cent – which will place extra demand on health and social care services
 - the number of children and young people aged 0-15 years is forecast to rise by 6.7 per cent (significantly higher than the Scottish average of 1.7 per cent). This will increase demand on schools and other children's services.
9. Glasgow City Council is the largest council in Scotland with over 31,000 employees, including those who work for its Arm's Length External Organisations (ALEOs). It is the city's largest employer. It delivers numerous services to hundreds of thousands of people from a variety of backgrounds with very different needs.
10. Glasgow is a city of contrasts which means that the council operates in a challenging environment. On one hand, it has been one of the fastest growing economies in the UK in the last five years. It has a growing business base with around 18,000 companies and three thriving universities with over 130,000 students. The city has a highly-skilled workforce, higher than average business start-up rates and youth unemployment has more than halved since 2012. Glasgow has been recognised as one of the world's top five cities for hosting sporting events and is the top city in the UK, outside London, for its cultural offering.¹

¹ Ultimate Sports Cities Awards, April 2018

- 11.** On the other hand, the city (and the council) has many challenges to deal with:
- It has the highest level of deprivation of any local authority area in Scotland, with almost half of its residents, around 286,000 people, living in the 20 per cent most deprived areas of the country.² Recent research published by The Campaign to End Childhood Poverty estimated that a third of children were living in poverty after housing costs were considered.
 - Although unemployment has decreased for the last three years in a row, the city still has a high rate of unemployment. In 2017, 5.6 per cent of Glasgow's working age population, who were looking for a job, were unemployed. The Scottish average was 4.1 per cent.³
 - The council has received three quarters of Scotland's asylum seeker and refugee children into the city. Almost 13,000 school children in Glasgow speak English as an additional language and 82 per cent of these are not yet fluent.
 - The city's healthy life expectancy, namely how long you can expect to live in a healthy state, is the lowest in Scotland. It is estimated to be 55.9 years for males and 58.5 years for females. The highest average healthy life expectancy for males is in East Dunbartonshire (68.3 years) and for females is in Orkney (71 years).⁴

The council and its partners have a clear shared vision of inclusive growth

- 12.** Glasgow City Council has a leading role in the Glasgow Community Planning Partnership (CPP). The CPP includes statutory partners such as NHS Greater Glasgow and Clyde, Scottish Enterprise, Police Scotland and the Scottish Fire and Rescue Service. It also involves a range of other partners such as Strathclyde Partnership for Transport, Glasgow Chamber of Commerce and the third sector, such as charities and voluntary groups. The Community Empowerment (Scotland) Act 2015 (the act) requires a CPP to produce the following plans:
- A Community Plan for the whole council area.
 - A Locality or Neighbourhood Plan for each locality it has identified as experiencing significantly poorer outcomes.
- 13.** The Glasgow Community Plan was approved in October 2017 and is the main joint planning document for the council and its partners. The CPP's vision is for Glasgow to be 'a world class city, with thriving and resilient communities where everyone can flourish and benefit from the city's success'. The plan sets out three focus areas to help make this vision happen:
- Economic growth
 - Resilient communities
 - A fairer, more equal Glasgow.
- 14.** The plan also identifies two priority areas - transport and childcare – to help enable the vision. A Community Action Plan has been prepared, setting out

² Scottish Index of Multiple Deprivation, 2016

³ NOMIS, 2017

⁴ Scottish Public Health Observatory Healthy Life Expectancy

the planned actions over the next two years to deliver on Community Plan commitments.

The CPP developed its priorities based on a good understanding of local challenges

15. Glasgow has an improving economy, with a high rate of employment growth across key sectors such as finance and business services, life sciences and design and manufacturing. However, it also has significant challenges around poverty and inequality across the city, including increasing levels of long-term unemployment and poor health.
16. The strategic priorities identified in the Community Plan reflect these local circumstances. The CPP developed them using research such as the 2010 Fair Society Healthy Lives (Marmot) review, lessons learned from previous strategies, and taking into account a broad range of views, including from the public and other stakeholders.
17. The council and its statutory CPP partners worked well together to develop the partnership's priorities. During a two-month consultation on the draft Community Plan, over 330 responses were received from individuals and community organisations. The feedback from the consultation broadly supported the identified focus and priority areas in the plan.

The council's strategic plan sets out how the council will work with its community planning partners to achieve its vision

18. Since our last Best Value report in 2009, the council has had a vision in place to improve the city and ensure that everyone can benefit from its success. It has focused on a number of similar priorities, including the economy, learning and wellbeing, which were described firstly in its 2008-11 council plan and then through its five-year strategic plan for 2012-17.
19. In November 2017 the council approved its new Strategic Plan 2017-22. It is structured around seven themes and supports the priority and focus areas within the Community Plan:
 - A Thriving Economy
 - A Vibrant City
 - A Healthier City
 - Excellent and Inclusive Education
 - A Sustainable and Low Carbon City
 - Resilient and Empowered Neighbourhoods
 - A Well Governed City that Listens and Responds.
20. The plan sets out the desired outcomes and priorities for each theme. These in turn are reflected in the relevant Annual Service Plan and Improvement Report (ASPIR) for each council service.
21. The new strategic plan has a stronger focus on measurable outcomes and targets, so the council can more effectively show the impact of delivering services. The council uses a defined set of measures and performance indicators, known as a corporate scorecard, to measure and monitor council performance at a strategic level. This scorecard has been refreshed, to make more use of existing process and outcome measures that align to the strategic

plan outcomes and priorities. In its recent review of the corporate performance framework the council recognised the need to develop other indicators and outcomes so that it can better report against the themes in the Strategic Plan. This work is underway.

The council demonstrates effective leadership

22. The 2006 Best Value report highlighted the clear leadership displayed by members and officers of the council. This was re-iterated in the 2014 Glasgow Community Planning Partnership report which commented on the strong collective leadership and commitment from the council and its partners in tackling social and cultural issues that affect a wide cross-section of the Glasgow population. The council continues to demonstrate effective leadership through constructive officer and member relationships.
23. The council's corporate management team (CMT) comprises the Chief Executive, the chief officer for the health and social care partnership, and four executive directors, including the Executive Director of Finance, the Section 95 officer responsible for the proper administration of the council's financial affairs. Each CMT member heads up one of the core council service areas. The CMT is supported by key members of the leadership team for HR, Communications and Strategy.
24. The council's extended corporate management team (ECMT) comprises the CMT along with other senior council officers, and representatives from the council's eight ALEOs. During the audit, the ECMT members demonstrated a consistent understanding of the council's strategic vision priorities, and a clarity on how this was being implemented within their respective service and ALEO areas.
25. Following the election on 4 May 2017, the Scottish National Party formed a minority administration for the council. This followed several decades of majority administrations led by the Labour Party. This represents a significant shift for the council and its senior staff in terms of having to secure cross-party support for decisions. Despite the minority nature of the administration, the council has been able to agree its new strategic plan and its 2018/19 budget.
26. At this early stage in the electoral cycle, cross-party working and relationships between members are constructive. Examples of this include the cross-party group of councillors acting as a sounding board for the council's equal pay negotiations (see part 3), and the Digital Glasgow board. This board, which oversees the development of the new digital strategy and monitors progress and performance against outcomes, comprises cross-party elected member representation along with the council's chief digital officer and other senior staff.
27. Forty-one new councillors were elected to the council in May 2017. This is just under half of the council's membership. Councillors were broadly positive about the induction and training they received although some felt that it had been very intensive. The council offers a range of training but councillors told us that a longer-term package of support was required, especially around developing softer skills, including chairing meetings or working with communities. The council regularly reviews the induction and training it provides to new councillors.
28. Due to the shift in political control and the election of many new councillors to the council, officers have noted a change in the style of councillor engagement and scrutiny. Initially, this represented a challenge for senior staff but they have adapted to the change. Relationships between councillors and senior staff are positive and are maintained through regular engagement. For example, the Leader meets regularly with Chief Executive and other members of the ECMT, and the Treasurer has weekly meeting with the Executive Director of Finance.

The council is redefining its role to provide more leadership and direction for the city

29. The council is redefining its role by seeking to move beyond overseeing the administration of the council and providing greater leadership and direction for the city. This change has various components and the new administration has adopted the title of 'City Government' to reflect this shift in the way of working. The council envisages stronger partnership working with the business, academic and third sectors. But it remains to be seen whether this shift results in meaningful change and improvements in the outcomes set out in the community plan and the council's strategic plan.
30. As part of these efforts, the council has agreed a city charter which seeks to redefine its relationship with people living in Glasgow. It sets out what services the council will provide for people living in Glasgow but also what it expects from them in terms of actions and behaviours.

The council has refreshed its committee structure and scrutiny arrangements are effective

31. During 2017, the council reviewed its committee structures. These were agreed, after four months, in September 2017. Once established, the council's new structures were similar to the previous committee structures. For example, the key decision-making committee – the City Administration Committee – effectively continues the work of the previous Executive Committee. The council also operates a business bureau which consists of the representatives of the four political parties and agrees how council business is managed. The council is undertaking a member survey to review the new governance arrangements and to identify any lessons learned in relation to the effectiveness of committees.
32. The council has two scrutiny committees: The Finance and Audit Scrutiny Committee (FASC) and the Operational Performance and Delivery Scrutiny Committee (OPDSC). Both are well chaired and effectively scrutinise the way the council is managed. Members also seek opportunities to increase the effectiveness of the committee meetings. For example, OPDSC members met informally to review the operation of the committee, including expectations on format of papers and the direction of committee discussions. In addition, FASC now circulate a members Q&A log prior to each meeting. This lists outstanding questions from the previous committee meeting along with updates from officers. This allows the committee to move more quickly onto the current business agenda.

Part 2

How well is the council performing?



The council and its partners have improved several outcome areas, including economic growth, health and wellbeing, and reducing inequality. The Community Planning Partnership has performed well in addressing its priorities.

Many council performance indicators have improved in the last five years, including those for corporate services, education and social work. However, homelessness is a significant problem for the city.

Most residents are satisfied with council services. Satisfaction is particularly high for culture and leisure services, but lower for road maintenance.

The council and its partners report improved performance against their priorities

33. In 2013 the Glasgow CPP published its Single Outcome Agreement (SOA). This listed a number of priorities, including Vulnerable People and Youth Unemployment.
34. The CPP agreed a comprehensive set of over 80 performance measures for the partnership to track progress against its priorities and outcomes. The CPP has a large resource of shared community data and statistics from multiple sources and partners. The Understanding Glasgow Indicators Project provides publicly-available information on attitudes and beliefs and innovative outcome indicators, such as cultural vitality, together with data on health, poverty and demographics. This provides partners with a broad understanding of progress on outcomes across the city and for specific neighbourhoods.
35. Since 2013, partners have been working together to re-shape existing services and develop new services to help tackle the agreed priorities for the city. Recent performance reports show that improvements had been made across its priority areas ([Exhibit 2](#)). The new Community Plan replaces the SOA priorities but the CPP continues to tackle these issues through other partnership groups.

Exhibit 2

CPP performance against its five main priority areas

Glasgow CPP has made improvements against most of its priorities

Priority	Performance
Alcohol	<ul style="list-style-type: none"> • 29 percent fewer patients were admitted to hospital due to alcohol in 2016 than in 2009. • The levels of alcohol-related crime and anti-social behaviour fell by seven per cent in one year in 2016. • Eight per cent of residents exceeded the weekly alcohol limit in 2014, down from 16 per cent in 2011.
Youth unemployment	<ul style="list-style-type: none"> • Youth unemployment reduced by around 70 per cent between March 2012 and March 2017. • The percentage of school leavers going into work, training, volunteering or studying increased from 89.4 percent in 2012/13 to 91.9 per cent in 2016/17.
Homelessness and housing need	<ul style="list-style-type: none"> • The average number of days spent in temporary accommodation decreased by 25 per cent between 2013/14 and 2016/17, to 106 days. This is above the Scottish average of 97 days. • The number of children in temporary accommodation increased by 60 per cent between 2014 and 2017, to around 1,600.
In-work poverty	<ul style="list-style-type: none"> • In 2016, 11 per cent of working households found it difficult to cope on current income, down from 14 per cent in 2014. • The underemployment rate reduced from 12 per cent in 2012 to nine per cent in 2016.
Thriving Places	<ul style="list-style-type: none"> • The percentage of residents who feel that they can influence decisions which affect them and their neighbourhoods has remained at around 64 per cent for the last few years.

Source: Glasgow Community Planning Partnership

36. The Glasgow CPP submits data to the Improvement Service's Community Planning Outcomes Profile (CPOP). The CPOP is a collection of 16 measures to help assess whether residents' lives are improving. The council and its partners have improved several outcome areas in the last five years including the following:

- Early years outcomes - increasing percentages of healthy birthweights, primary one healthy weights, S4 attainment levels and positive destinations for school leavers, such as work or studying.
- Employment and economic growth outcomes - increasing employment rates and median earnings for employed residents, fewer people on out-of-work benefit receipts, and fuel and child poverty.
- Health and wellbeing outcomes - increasing life expectancy and mental wellbeing rates.
- Safer and stronger community outcomes - reduced levels of crime and fires

The council has well-developed public performance reporting

37. The council's approach to reporting its performance to the public is well-developed. Performance information is reported through the council's website.

The public can also view a more comprehensive range of performance information including links to external sites such as the Improvement Service.

38. The council prepares an annual performance report designed for the public based on a selection of performance indicators. The 2016/17 annual performance report provided information on overall performance and key targets. Each council service also compiles an annual service plan and improvement report (ASPIR). Each ASPIR sets out the plans for the coming years and reports on previous performance.
39. The council reports every year on a set of Statutory Performance Indicators (SPIs) and against wider set of indicators in the Local Government Benchmarking Framework (LGBF) (see below). Performance is reported to the council's scrutiny committees.
40. The council seeks ways of improving its use of public performance reporting. For example, the council recently asked for feedback through the 2017 household survey. It plans to update the structure and content of the 2017/18 annual performance report as a result of this feedback. The council also carried out a recent review of corporate performance management arrangements and reported to the Operational Performance and Delivery Scrutiny Committee in December 2017. The review identified ten recommendations for improvement. The recommendations centre around the links between council plans, connecting strategic objectives with measurable outputs, embedding a performance management culture, issuing clear guidance and making its public performance reporting more consistent.

Although performance has improved for several service areas, the council's overall performance compared to other Scottish councils has slightly decreased

41. The latest LGBF indicators for 2016/17 show that the council has improved performance across many service areas. For example:
 - corporate services indicators show a below-average gender pay gap, falling sickness absence rates for teachers and the highest-ever council tax collection rates
 - education indicators show improvements in levels of pupil exam attainment from areas of deprivation, attendance levels and exclusion rates
 - social work indicators show increasing numbers of elderly people being cared for in their homes.
42. The council is not performing as well in some other areas, for example:
 - three-year business survival rates
 - satisfaction with street cleaning and refuse collection (see part 5 for details of how the council is responding to this challenge)
 - satisfaction with leisure facilities and libraries.
43. The LGBF allows the council to compare its performance to others and to the Scottish average. Glasgow City Council's overall performance has reduced slightly in the last five years compared to other councils ([Exhibit 3](#)). Although

the LGBF has over 70 performance indicators, this analysis is based on 32 single-year indicators measuring performance rather than cost.⁵

44. In 2016/17:

- forty-nine per cent of the council's performance indicators were in the top two quartiles, that is, performing better than half of Scottish councils, compared with 53 per cent in 2011/12. This included:
 - the percentage of social work spending on self-directed support⁶
 - the percentage of older people receiving care at home
 - the percentage of children being looked after in the community.
- the number of indicators in the bottom quartile increased from 34 per cent to 37 per cent. The LGBF indicators in which the council performed less well compared to other councils included:
 - the percentage of households recycling waste
 - the amount of Council Tax collected.

45. In absolute terms, the council also performed less well against some education indicators, including the percentage of pupils gaining five or more awards at level 5 or higher and overall average educational attainment. However, when deprivation is accounted for, the council is performing well in these areas (paragraphs 50-53).

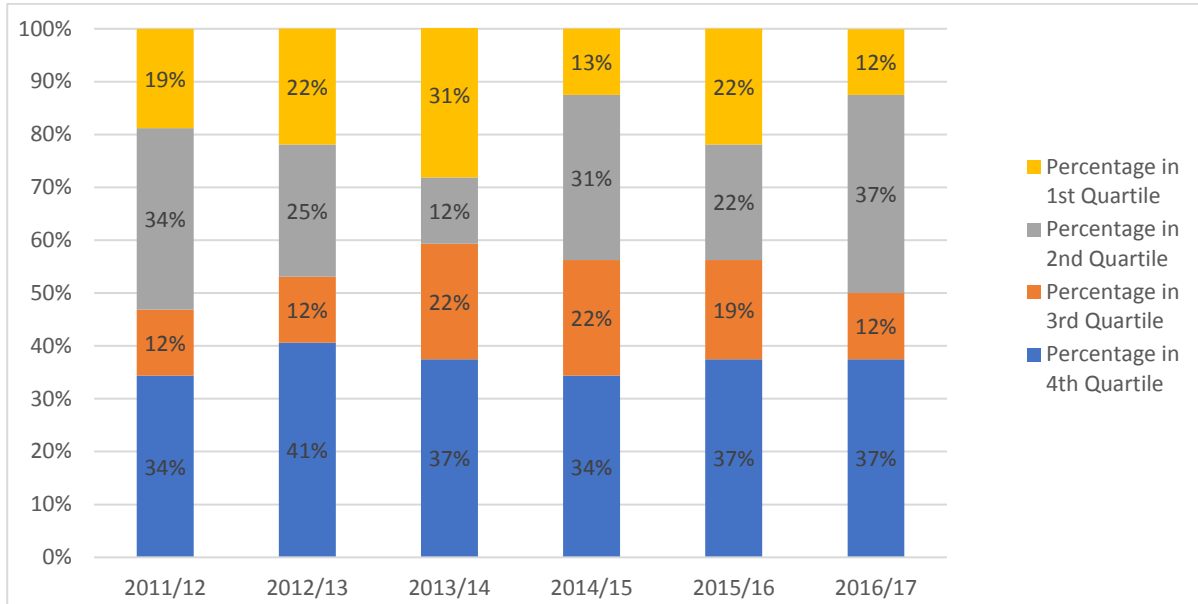
⁵ There are 35 performance-focussed indicators in the LGBF. Glasgow City Council does not report data against the three housing indicators as it does not have a housing service. We have therefore excluded these three indicators from our analysis.

⁶ Self-directed support (SDS) allows people to choose how their support is provided, and gives them as much control as they want of their individual budget.

Exhibit 3

Comparing Glasgow City Council's performance over time

The percentage of indicators where the council's performance is above average reduced slightly from 53 per cent in 2011/12 to 49 per cent in 2016/17.



Note: Measuring council performance involves considering how all councils are performing, from lowest to highest for each indicator. From this it is possible to see how one council compares to all councils. Relative performance against other councils is divided into four equal bands, or quartiles. The first quartile contains the best-performing councils for that indicator and the fourth quartile contains the poorest performing councils. The percentage figures may not total 100% due to rounding.

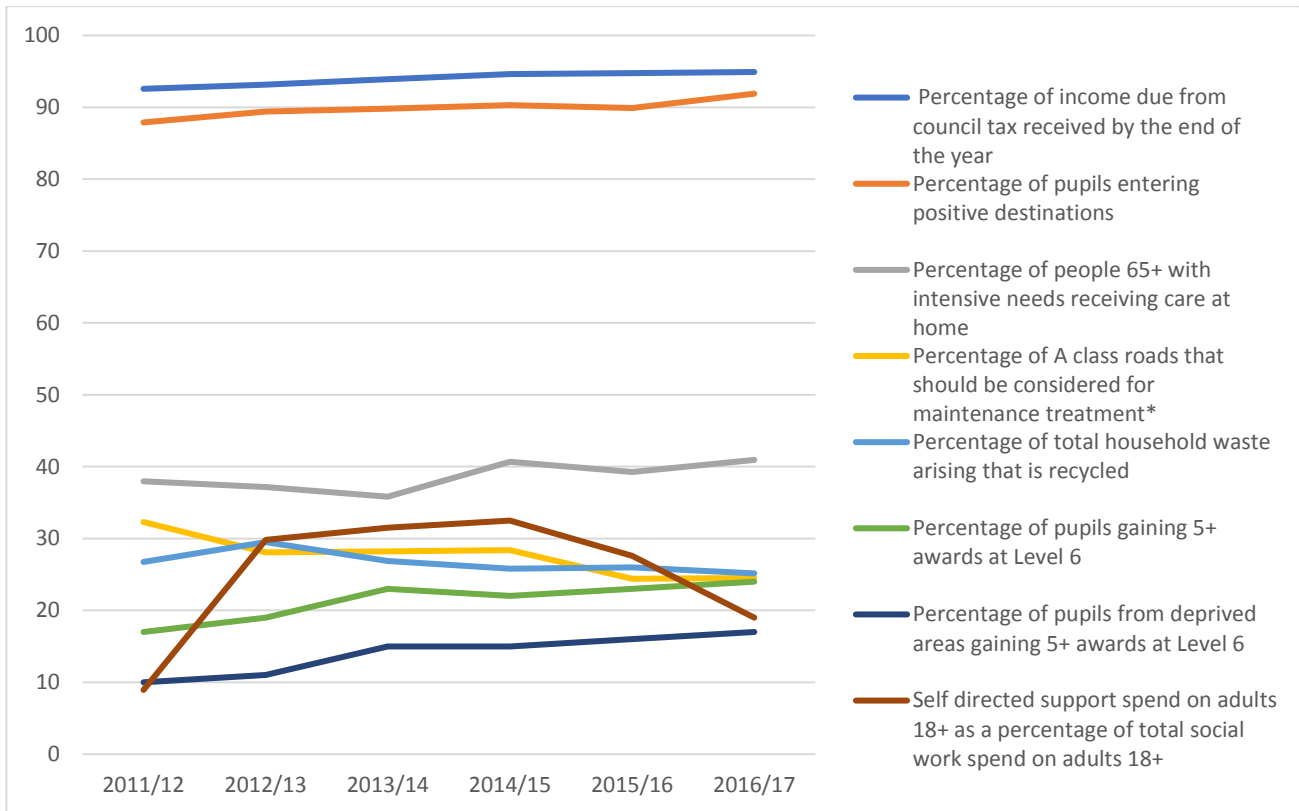
Source: Audit Scotland and Local Government Benchmarking Framework, Improvement Service, 2016/17

46. The Accounts Commission's report, [Local Government in Scotland: Performance and Challenges 2018](#), selected eight measures from the LGBF which indicate how councils perform in services likely to be of significant interest to the public.⁷ It found that, across Scotland, councils' performance for these indicators over the last five years had either remained the same or improved. Between 2011/12 and 2016/17, Glasgow City Council's performance improved against seven of the eight indicators and declined for one (the percentage of households that recycle) ([Exhibit 4](#)):

⁷ The full range of indicators includes unit costs and public satisfaction. These are available on the Improvement Service website – www.improvementservice.org.uk/benchmarking/

Exhibit 4

Glasgow City Council's performance against selected indicators, 2011/12 to 2016/17
 Glasgow City Council's performance has improved for seven of the eight indicators



* Note: This indicator is measured every two years.

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

Glasgow performs well compared to similar UK cities

47. The LGBF can be used to assess a council within family groups of comparable councils. LGBF family groups are based on factors such as population density and deprivation and allow councils facing similar challenges to share good practice and work together to improve services. However, Glasgow is a unique city and its family group members (which include Dundee City, Falkirk and Inverclyde councils) are not always the most comparable. The council often compares its performance instead to Liverpool and Manchester, which are similar in terms of size, economies, deprivation and public health. [Exhibit 5](#) sets out a sample of economic and health indicators. It shows that Glasgow is performing reasonably well on most economic indicators but less so on the health indicators.

Exhibit 5

Performance of selected indicators compared with Liverpool and Manchester
 Glasgow is performing comparably well on most economic indicators

Indicator	Glasgow	Liverpool	Manchester
Business start-up rate (per 10,000 population)	74.9	74.3	111.9

Indicator	Glasgow	Liverpool	Manchester
GVA per head (2015)	£32,305	£22,790	£32,114
Economic activity rate (2016)	69.2%	69%	76.8%
Female employment rate (2016)	61.5%	62.4%	61.4%
Median weekly earnings (full time employees) (2016)	£524.10	£497.00	£467.50
Working age population with a degree (2016)	44.4%	34.9%	39%
Working age population with no qualifications (2016)	16.8%	15.9%	10.7%
Percentage of children in low-income families (2014)	30.8%	32.1%	36%
Percentage of adults who smoke (2010 and 2012)	29%	25.2%	27.2%
Percentage of people with limiting long-term illness (2011)	19.7%	25.4%	19.5%
Life expectancy (male) (2014)	73.4	76.4	75.8
Life expectancy (female) (2014)	78.7	80.5	79.9

Note: Green indicates that Glasgow is performing better on this indicator. Red indicates that it is performing worse.

Source: Glasgow City Council and *Exploring potential reasons for Glasgow's 'excess' mortality: Results of a three-city survey of Glasgow, Liverpool and Manchester*. The Glasgow Centre for Population Health. 2013

Inspectorate reports on education and care have been positive

48. Education Scotland's ongoing school inspections found that the quality of the council's strategic leadership of education continued to be very good. The council performed well and outcomes for children and young people continue to improve. It also found that the council was working effectively to help close the attainment gap between children from wealthier and poorer areas.
49. Inspections by the Care Inspectorate, Health Improvement Scotland and others found no significant concerns about the delivery and performance of social work services. A joint inspection of children's services, published in May 2017, highlighted that partners in Glasgow demonstrated a strong performance in improving the wellbeing of children and young people.⁸

The council has made improvements to educational attainment

50. Improving educational attainment is a high priority for both the Scottish Government and Glasgow City Council. Across Scotland, pupils from disadvantaged backgrounds do not perform as well at school as those from more privileged backgrounds. In Glasgow, almost 60 per cent of school children live in the most deprived areas. This has had consequences for the council's educational outcomes. For example, the percentage of pupils gaining five or more awards at level 5 and 6 has consistently been lower than the national average (paragraph 45).
51. In 2015, the Scottish Government launched the Scottish Attainment Challenge which aims to improve literacy, numeracy, and the health and wellbeing of children affected by the poverty-related attainment gap. Glasgow City Council

⁸ *Services for children and young people in Glasgow, report on a joint inspection*, Care Inspectorate, Education Scotland, Healthcare Improvement Scotland and Her Majesty's Inspectorate of Constabulary for Scotland. May 2017

bid for Scottish Government funding for its 'Glasgow Improvement Challenge 2015-20' which aims to build on the council's existing work to improve attainment across the city. The programme involves numerous activities, including additional teaching time, recruiting extra staff and purchasing new digital technology to support pupils.

- 52.** The council's targeted actions have helped improve attainment. For example, since 2007 there has been:
- a 91 per cent increase in the proportion of pupils gaining one or more highers by the end of fifth year
 - a 162 per cent increase in the proportion of pupils gaining five or more highers by the end of fifth year.
- 53.** In addition, since 2011/12 overall educational performance for children from the most deprived areas has improved by 37 per cent and the percentage of pupils from deprived areas gaining five or more awards at level 5 has increased by 50 per cent.⁹ The council has also helped to improve school attendance, reduce exclusions and increase the number of pupils from disadvantaged backgrounds going to university.¹⁰

The council and its partners are seeking to address homelessness

- 54.** Homelessness is a significant problem for the city. In 2016/17, the council assessed 4,340 households as being homeless or threatened with homelessness and in the first six months of 2017/18 it assessed just over 2,000 households as requiring homelessness assistance. In 2016/17, the council placed around half of the households it had a duty to house into temporary accommodation (including bed and breakfasts). The average length of stay in temporary accommodation was 238 days and this increased further to 249 days for the first six months of 2017/18.
- 55.** Between October 2016 and March 2017, the Scottish Housing Regulator (SHR) reviewed how well the council and registered social landlords house homeless people in the city. SHR's report highlighted some significant areas for improvement.¹¹ It found that in 2016/17 the council failed to house around half the people it had a statutory duty to provide homes for and that it was not housing enough homeless people quickly enough. However, it did find evidence of the council's commitment to deal with the weaknesses in the homelessness system. SHR has asked the council to develop an improvement plan setting out how it intends to respond to the findings in its report.
- 56.** The Glasgow Health and Social Care Partnership's 2015-2020 Homelessness Strategy sets out its proposed response to the challenge, which includes creating a community homelessness service, increasing its focus on prevention, creating a housing access team and improving support to vulnerable people. In addition, the Partnership recently proposed a new approach to increasing settled accommodation for rough sleepers ([case study 1](#)).

⁹ Local Government Benchmarking Framework, Improvement Service, 2016/17.

¹⁰ *Educational Performance, Report by the Executive Director of Education Services to the Operational Performance and Delivery Scrutiny Committee*, Glasgow City Council, December 2017

¹¹ *Housing people who are homeless in Glasgow*, Scottish Housing Regulator, March 2018

Case Study 1

The council is working with partners to improve outcomes for homeless people across the city, particularly for those people with multiple and complex needs.

The 'Housing First' approach to homelessness is an internationally recognised intervention for people sleeping rough and for those with complex needs. This approach ensures rough sleepers are provided with their own independent accommodation without having to go through the formal homelessness system. As tenants, service users are in a better position to later access other forms of support, such as health care.

In recent years, Turning Point Scotland have successfully run a Housing First approach in Glasgow for a small number of rough sleepers. The Glasgow Health and Social Care Partnership has been working with partners, such as the Salvation Army and Social Bite, to offer this service to more people. In May 2018, the partnership recognised an opportunity to do this by ending plans to build new hostel accommodation in the city. Instead, it proposed to reconfigure and extend one of the council's new-build emergency accommodation projects to provide independent tenancy for 54 individuals.

The partnership plans to house people in their new accommodation by September 2018. The estimated cost of the Housing First model is around £7.1 million plus annual costs of £2.5 million. The partnership is exploring the possibility of financial support from the Scottish Government. This is substantially less than the estimated £20 million cost of new hostel accommodation.

Source: Glasgow Integration Joint Board

Most residents are satisfied with council services

57. The council surveys its residents every year (the Glasgow Household Survey). It commissions an independent research agency to carry out around 1,000 interviews to help gauge satisfaction. In 2017:

- seventy-two per cent of respondents expressed satisfaction with overall service provision, 14 per cent expressed dissatisfaction and the remaining 14 per cent were neutral.
- satisfaction was particularly high for the following services: culture and leisure services (87 per cent and 97 per cent satisfaction); parks (86 per cent); nursery, primary and secondary schools (86 per cent, 84 per cent and 82 per cent respectively) and recycling centres (88 per cent).
- satisfaction was lower in respect of street cleaning (57 per cent) and road and pavement maintenance (31 per cent and 50 per cent).

58. Compared to 2016, satisfaction with:

- overall services increased slightly (up from 68 per cent)
- secondary schools, homecare, recycling, road and pavement maintenance, culture and sports services increased
- primary schools, nurseries, social work, street lighting and street cleaning slightly decreased.

Part 3

Is the council using its resources effectively?



The council has a good track record of strong financial management, consistently delivering services within agreed budgets. Over the last six years the council has successfully delivered savings of over £270 million.

The council has predicted a funding gap of £129.1 million over the next three years. With its commitment to resolve outstanding equal pay claims, the council now faces a period of unprecedented financial pressure.

The council's 2016-18 Transformation Programme has delivered savings of £102.5 million. While the programme has delivered several individual successful projects, we are not clear how the council will measure the longer-term, non-financial benefits more widely.

The council has made significant savings in recent years while maintaining a prudent level of reserves and borrowing

59. In recent years the council has managed its financial position mainly through successfully delivering identified savings targets. Since 2012/13 the council has delivered total savings of around £270 million while delivering services within budget ([Exhibit 6](#)). Other actions the council has taken to manage its financial position include:

- income generation
- partnership working
- use of reserves
- management of its investment programme.

Exhibit 6

How the council's spending has varied against its budget since 2012/13

The council has a good record for achieving its budget

Year	Net expenditure budget (£ million)	Budget variance (£ million)	Budget variance (%)
2012/13	1,395	4.0 overspend	0.3
2013/14	1,335	6.2 overspend	0.5
2014/15	1,283	1.0 overspend	0.1
2015/16	1,287	2.0 underspend	0.2

Year	Net expenditure budget (£ million)	Budget variance (£ million)	Budget variance (%)
2016/17	1,483	2.8 underspend	0.2
2017/18	1,328	5.1 underspend	0.4

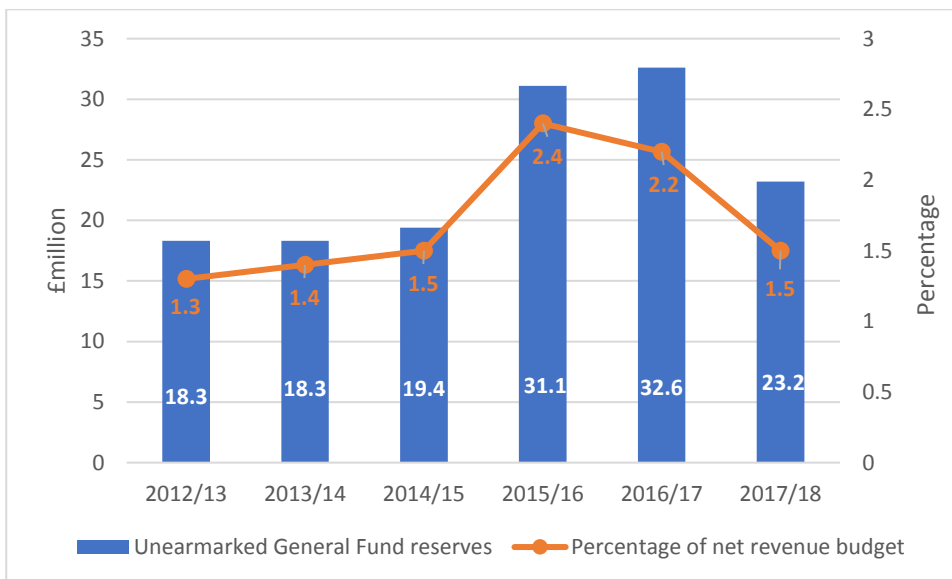
Source: Glasgow City Council financial statements. 2017/18 figures are unaudited

- 60.** The 2017/18 outturn position shows that the total net direct services expenditure will be underspent by £5.1 million, which is 0.4 per cent of the revised net expenditure budget of £1,328 million.
- 61.** In February 2018 the council approved its 2018/19 revenue budget with the total net expenditure budget set at £1,495.0 million. This identified a £20.8 million spending gap (down from its October 2017 estimate of £57.5 million) and a revenue investment programme of £20.6 million. This £41.4 million will be met from a combination of increased council tax, release of funding set-aside for pension-auto enrolment and savings of £29.2 million. The council's 2018/19 net capital budget is £216 million.
- 62.** The council reviews the level of its uncommitted reserves every year when setting the annual budget. These are funds that the council holds in the event of unexpected spending pressures, but are not earmarked for anything specific. Its approved reserves strategy is to maintain balances at two per cent of the net budgeted expenditure over the medium term. [Exhibit 7](#) shows that the level of uncommitted general fund reserves over the last five years has been in line with strategy.

Exhibit 7

The council's general fund reserve, 2012/13 to 2017/18

The council has maintained reserves in line with its stated policy



Source: Glasgow City Council financial statements. 2017/18 figures are unaudited

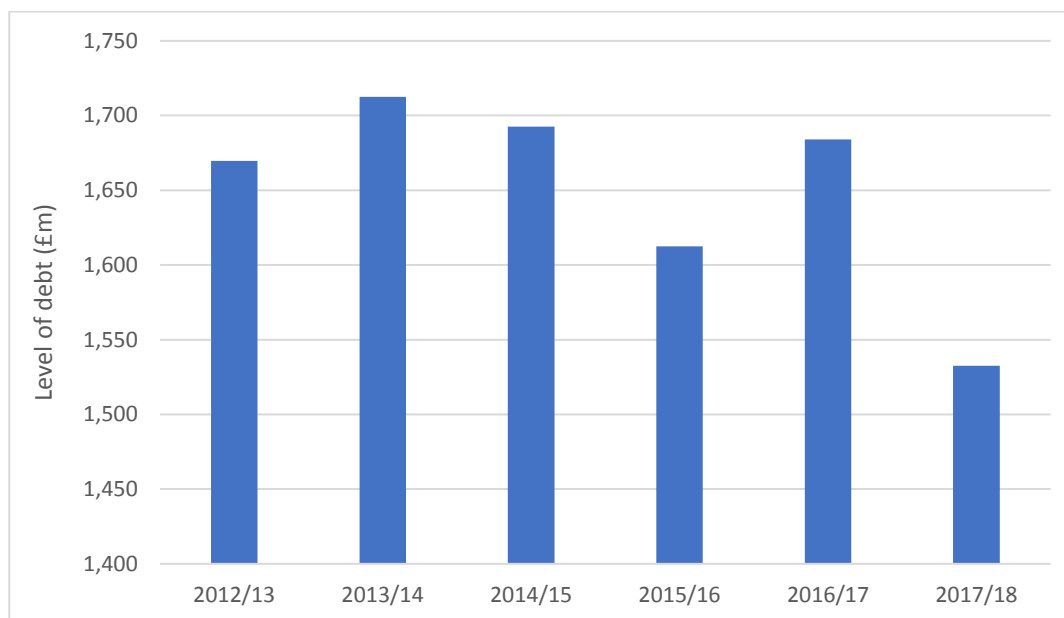
- 63.** The council's policy is to borrow only for capital investment purposes and to meet short-term cash flow requirements. As outlined in [Exhibit 8](#), the council's

level of debt has been maintained at a similar level and reflects their prudent approach to borrowing.

Exhibit 8

The council's debt levels, 2012/13 to 2017/18

The council's debt has remained fairly constant in recent years



Source: Glasgow City Council financial statements. 2017/18 figure is unaudited

The council continues to face significant financial challenges

- 64.** In June 2017, the council's 2018-23 Financial Framework assumed that the financial pressures faced by the council would continue to be significant. During the last six years, the council had to deliver savings of £270 million. The framework identified the main challenges, such as potential reductions in funding settlements from the Scottish Government, increasing payroll and pension costs, demographic changes and new legislative changes including welfare reform and waste regulations. The framework did not include potential costs in relation to outstanding equal pay claims as, at that time, no decision had been made on resolving the claims.
- 65.** In October 2017, the council published a more detailed three-year financial forecast that identified a total net spending gap of £165.8 million (2018/19: £57.5 million, 2019/20: £59.0 million, 2020/21: £49.3 million). The forecast did not include the potential cost of resolving equal pay claims although it did highlight that developments around equal pay may have a significant effect on the council's overall financial position. The council's 2018/19 revenue budget was approved in February 2018 and identified a revised funding gap of £20.8 million, resulting in a total funding gap of £129.1 million over the next three years.

The commitment to resolve equal pay claims is likely to place unprecedented financial pressure on the council

- 66.** The council introduced a revised Job Evaluation Scheme (JES) in 2006 to harmonise pay and employment terms and conditions, and eliminate pay inequality. Following implementation, it received many equal pay claims from

employees relating to the validity and operation of the scheme. These claims were progressed through employment tribunals and the courts.

67. In May 2017, the Court of Session ruled that the council had been unsuccessful in its appeal against Employment Tribunal judgements on pay protection claims, affecting around 8,000 claimants. The council has been in dialogue with claimants and representatives, and has included a provision of £35 million in its 2017/18 financial statements towards the potential cost of settling these claims.
68. In August 2017, the Court of Session made a separate equal pay ruling in relation to the council's JES. It ruled that the Employment Tribunal and subsequent Employment Appeal Tribunal had not considered sufficient information to reach their determinations that the council's JES was a valid scheme. It referred around 8,000 equal value claims back to the Employment Tribunal to determine whether, and to what extent, the council's current pay and grading arrangements breached equal pay legislation.
69. In January 2018, the City Administration Committee agreed not to pursue a further appeal to the Supreme Court and instead address equal pay claims through negotiation with the claimants' representatives, rather than referral back to the Employment Tribunal. The council has established an equal pay project comprising a number of workstreams to take this matter forward. Members are updated through cross party group meetings. The City Administration Committee will consider recommendations made by the Equal Pay board.
70. Discussions are ongoing with claimants and representatives to clarify the nature of any discrimination within the JES and agree an appropriate settlement figure, however these are complex and will take time to resolve.
71. The nature of this issue, and the uncertainty around the financial implications is unprecedented. The potential scale, once resolved, is likely to be significant and traditional funding options such as the use of existing reserves and receipts generated from asset sales are unlikely to be sufficient to bridge any funding gap. The option of capitalisation, as the council used previously, requires the approval of Scottish and possibly UK governments. The council has acknowledged that a separate funding strategy out with the current financial framework will be required. Work on developing a strategy is being taken forward by the council in parallel with discussions with claimants. No timescale has been set for resolution, but regular meetings between the council and claimant groups have been scheduled through 2018.
72. As the cost of the settlement of equal pay becomes clearer the council will need to update its financial plans and consider any impact this may have on how it provides services in future. We will continue to monitor developments through our annual financial audit of the council.

The council continues to develop its financial planning arrangements

73. Until recently the council's financial plans have covered a period of one or two years, reflecting the period of Scottish Government funding. The five-year financial framework and the three-year financial forecast show a commitment to improve longer-term financial planning. In line with good practice, the council intends to further develop how it uses scenario planning to consider different financial possibilities, to ensure it is adequately prepared for different levels of funding and income.
74. The council keeps its annual budget setting arrangements under review to identify if existing arrangements can be improved. Its 2018 review of these arrangements will include transparency and stakeholder engagement.

The council's 2016/18 Transformation Programme saved £102.5 million but we are not clear how the longer-term, non-financial benefits will be measured

- 75.** Through its 2016/18 Transformation Programme, the council aimed to deliver more innovative and preventative approaches to delivering services through Transforming the Council Family and Transforming the City. The specific objectives of the programme were to:
- reduce the council's spending
 - improve collaboration with partners to deliver better outcomes
 - deliver the Strategic Plan commitments including: outcome- focussed citizen and business centred services; a productive, skilled, agile and resilient workforce; and tackling poverty and inequality.
- 76.** The programme included:
- redesigning and streamlining internal and customer processes and applying technology and automation more effectively to achieve efficiencies
 - reducing management costs by increasing productivity and streamlining management processes
 - realigning professional and support services across the council and its Arm's Length External Organisations (ALEOs) to reduce duplication and improve efficiency
 - restructuring the council and its ALEOs.
- 77.** The council put in place a number of arrangements to monitor its transformation programme. For example, the Finance and Audit Scrutiny Committee received regular programme monitoring reports to assess progress against financial and workforce reduction targets. Across the two years, the council reports total savings of £102.5 million, which is 93 per cent of its £111 million target. The Transformation Programme has been successful in delivering significant financial savings, which was its primary objective.
- 78.** The council also set several non-financial objectives for the Programme. Although these will take time to realise, we did not see any evidence of how they were being monitored. For example, one objective was to deliver better outcomes, but we saw no evidence of what outcomes it was trying to improve, what specifically would lead to improvement or how this was monitored. Although the council can demonstrate the impact of several individual successful transformation projects ([case study 2](#)), it needs to develop appropriate arrangements for measuring the non-financial benefits of the programme more widely. This will help the council to assess, in the longer term, whether it has achieved the overall level of transformational change that it expected.

Case Study 2

A Transformation Programme project – Customer First

The council's Customer First digital project created more online information and services to help improve the customer experience. By offering customers more choice in how they interact, source information and transact with the council, it aimed to reduce the cost of supporting customers' needs.

The Project involved the council investing in digital solutions and ways of working; redesigning its website and back office support; changing the way council employees interact with customers; and promoting the use of new digital channels.

Over 50 services are now available online 24/7. The project has been a success with customers with over 100,000 contacts made digitally a year. Customers can make payments, calculate entitlement, apply for grants, request services, apply for licences and submit complaints.

The biggest uptake of digital services has been for waste collection, such as bulk uplift requests, with almost half of customer requests made online.

The council's 2016-18 investment in the project was £1.3 million. It is expected that it will save around £1.5 million per year.

Source: Glasgow City Council

The council has a comprehensive approach to workforce planning

79. The council has a comprehensive and co-ordinated approach to workforce planning. A workforce scrutiny board has strategic oversight of planning and vacancy management across the council. The council has put in place a workforce planning framework to help it meet strategic objectives and influence organisational design. The framework links council strategies and workforce planning.
80. Workforce plans are in place for each service. Forecasting requirements are recorded for the following year or longer where known. All services and ALEOs submit a quarterly update. These returns are then collated centrally to identify gaps and surpluses. The council also uses the returns to develop budgeting and resourcing activity plans, including redeployment and retraining opportunities.
81. The council's transformation programme and the need to secure significant savings have had an impact on workforce planning. The council's Transforming Glasgow programme included a significant element of staff-related savings within the overall savings target of £130 million. The council reported a reduction of 1,264 full time equivalent posts across the council and its ALEOs.
82. The council undertakes regular staff surveys and uses these to help assess the overall impact of workforce changes on staff. The surveys use industry standard questions covering key topic areas, and allow benchmarking of responses over time. Around 40 per cent of staff responded to the last survey in 2015. The survey results highlighted that:
 - Overall 55% of respondents were satisfied with their job, which was comparable to other local authorities in the UK.
 - Levels of satisfaction on specific aspects of their job, including benefits package and the balance between work and personal life, were lower than comparable UK averages.
 - 62% of respondents felt their experience of working for the council had worsened over the past 3 years due to factors such as workload and pay levels.
 - Just over a quarter of respondents stated they had experienced some form of bullying in the workplace, and more than half had experienced some form of abuse from service users/members of the public over the last 3 years when carrying out their job.
83. The council developed an action plan in response to the survey, focused on three areas: bullying and harassment; violence at work; and staff morale. To

help morale and make other improvements, the council has rolled out the 'Our Glasgow' development programme which includes various elements such as resilience, personal development and considering the impact on customers. The council reports this has resulted in increased staff awareness around meeting the needs of customers, how to manage themselves and how to improve the way they work.

The council recognises that effective asset management is key to delivering best value

- 84.** The council has developed a strategic approach to effectively manage its assets and this can be seen in its 2014/17 corporate asset management plan (CAMP) which was linked to the Council's strategic priorities. The council is working on a new CAMP for the period 2017-22 that will be aligned with its new Strategic Plan.
- 85.** There is a governance framework in place to support the management of the council's assets with the Strategic Asset Management Board being supported by tactical and operational boards for each of the seven asset categories. The council submits CAMP progress reports to the Finance Audit and Scrutiny Committee.
- 86.** Recent developments around General Data Protection Regulation, the introduction of a corporate landlord model and the procurement of a new ICT services provider presents the council with both challenges and opportunities in relation to how it manages its assets. The council is putting arrangements in place to manage these.

Part 4

Is the council working well with its partners?



The council is clearly committed to partnership working and has positive relationships with public sector, business and academic partners. The council recognises that it could improve relationships with its third-sector partners and is actively working on this.

The council works effectively with its partners, particularly NHS Greater Glasgow and Clyde, to deliver an integrated health and social care service. While it is still at a relatively early stage, the Integrated Joint Board is making progress in addressing the significant challenges around delivering new models of care.

The council engages with communities in many ways and is committed to better partnership working with citizens. It has agreed a new city charter which seeks to redefine its relationship with residents. The council has a targeted approach to working with disadvantaged communities, known as Thriving Places. This has improved partnership working in some of these areas.

The council continues to review services delivered by both the council and its ALEOs. It has recently made changes to property and ICT services. Services delivered by another two ALEOs (care and community safety), with around 4,300 staff, will soon be transferred to the council.

The council is working well with partners to progress its City Deal projects. It is on track to deliver its five infrastructure projects, worth £386 million, by 2024. The council is preparing well for the first UK and Scottish Government Gateway review in 2019.

Community planning partners continue to work well together

87. The council works well with its public sector, business and other partners on the Glasgow CPP (see part 1). Their first joint plan was published in 2004 and they continue to work towards a single vision, as set out in their most recent Community Plan. Both the council and its partners' plans are aligned, or will soon be aligned, to the CPP's strategic themes. Statutory partners of the council report strong and effective leadership and a strong sense of a shared vision. CPP meetings are well attended by elected members, officers and partners.
88. The CPP carries out an annual health check survey to assess the opinions and experiences of the formal partnership and community organisations working with the CPP. The 2017 survey results highlighted the CPP's strengths and areas for improvement:
- Most partners agreed that the CPP helped to deliver outcomes for the residents of Glasgow (66.1 per cent), had clear strategic priorities (66.5 per cent) and effective governance structures in place (54.5 per cent).

- Just under half (44.3 per cent) of the organisations stated that they had realigned their resources (in terms of providing staff, capital, finance and in-kind support) around the CPP priorities.
- Only 41.2 per cent thought there was a high level of trust between partners within the CPP.
- Less than a third (30.7 per cent) agreed the CPP communicated with managers and staff and only 17.2 per cent agreed it communicated with residents.

The council is committed to improving partnership working with the third sector

89. The council's relationships with third-sector partners have been more challenging. Some third sector groups have not always felt themselves to be an equal partner in the CPP, for example they did not feel as included in the development of the Community Plan as other partners. Both the council and third sector partners consider that the third sector's potential is not being tapped into. The City Government has led on a new approach to large-scale engagement with partners to enhance partnership working. City summits have been held for various sectors, including the third sector, since 2017 (case study 3). The summits have facilitated large-scale engagement across a broad spectrum of community organisations and third sector groups. Feedback shows that the experience for attendees was generally positive and has resulted in actions for participants and the council. These summits were popular and were oversubscribed but are available online to view.

Case Study 3 - Third Sector City Summit

The third sector is the umbrella term given to the non-profit making voluntary and community organisations. The Glasgow Council for the Voluntary Sector (GCVS) estimates that between 25,000 to 30,000 people are employed within the third sector in Glasgow and generates more than £1 billion for the Glasgow economy.

The council hosted a Third Sector City Summit in December 2017. It was designed to allow open discussion to identify the challenges and ways to improve partnership working. The event highlighted a need for further dialogue and relationship building between the third sector and the council. Each party agreed actions to enhance partnership working, which included a commitment from the council to further promote Participation Requests and Asset Transfer requests (we explain these terms in paragraph 90)

A number of other suggestions were made to improve partnership working, including more networking and sharing good practice, sharing resources, making better use of data to better target resources and considering how to move to a more sustainable funding model.

The outcome from the summit was an agreement to:

- co-produce a new partnership agreement, which will be agreed by the council's Wellbeing, Empowerment, Community and Citizen Engagement Policy Committee in August 2018
- establish a new working group with representatives from the council and the third sector.

Feedback from the event was very positive, almost all survey respondents thought similar future events should be held.

Source: Third Sector Summit Report, Glasgow City Council, 2017

The council consults and works with communities in many ways

90. The council engages with communities in a variety of ways to explore how it can improve services, develop plans and understand the aspirations and needs of the people in the city.
91. The council holds 'budget conversations' for residents both online and at public events to explain its budget options for the year ahead. This is an established process and is widely advertised. The material presented to the public is accessible in terms of an easy-read style and infographics. The council uses residents' feedback on their priorities and how savings can be made to influence its budget-setting process.
92. Formally, the council consults with 81 community councils across the city on various issues. The council also holds frequent and wide-ranging public consultations on their website, which are occasionally supplemented by community events to inform and invite feedback. The 2017 Glasgow Household Survey however found that the public would like to be more involved in the decisions affecting their local area. The council's new Strategic Plan sets out a number of commitments to help local people become more involved in decisions and better understand the council and its performance.
93. Community empowerment is about supporting people to do things for themselves and enabling people to take control over the decisions and factors that affect their lives. The Community Empowerment (Scotland) Act 2015 gives people more influence over how their council and its partners plan services. It provides more formal ways for people to get involved. For example, people can ask to take part in decisions about council services, which is called a participation request. The Act also makes it easier for communities to take ownership of land and buildings, in a process known as asset transfer. This allows them to have more say in how the council should spend public money locally.
94. The council has developed the arrangements required to support asset transfers and participation requests. So far, however, there have been very few. The council have also begun to roll out participatory budgeting in some areas, which gives local people a greater say in how the council spends some of its funds. Staff training on the Community Empowerment Act is ongoing and awareness of its implications is increasing after staff surveys identified a need for more knowledge on the subject. The council also plans to respond to requests from the third sector to support their role and understanding of the Act.
95. The council's new city charter states that the council expects people to engage and work within their communities alongside the council in a partnership. The new City Government has committed to strengthening community engagement and empowerment by establishing a new Empowerment Unit and appointing a Director of Community Empowerment and Equalities.

Thriving Places is the council's targeted approach to working with disadvantaged communities. Within this, longer established areas have more developed partnership working arrangements across their communities, whilst others are at the earlier stages of building relationships.

96. In 2013, the Glasgow CPP identified ten Thriving Places across the city which required additional support. These places have high levels of disadvantage and inequality in terms of child poverty, health indicators and levels of unemployment. Three Thriving Places areas have been operating since 2014 and progress reports show that there is successful partnership working taking place across service providers, the third sector and the residents.

- 97.** In 2017 the CPP prepared 10-year Locality Plans for each Thriving Place alongside its new Community Plan. These plans set out how community groups, organisations and local services can work together to make a difference to local areas and the lives of people who live and work there. The Locality Plans demonstrate a good understanding and awareness of existing resources within an area. Some are, however, at an early stage in terms of community buy-in and it is still unclear how communities will be involved in assessing the progress of plans in the future.
- 98.** The CPP has employed community coordinators across Thriving Places to facilitate links and build on existing activity to achieve the agreed outcomes for communities. However, some of these posts have been vacant for some time. The CPP recognises that some organisations and community groups are better equipped and integrated in a local community than the council or its formal partners can be. Tapping into this local knowledge and networks can help the CPP connect with communities who could be otherwise difficult to reach. For example, work undertaken by Community Renewal (funded by the People's Health Trust) has engaged with 350 Roma people in 2015/16.
- 99.** In March 2018, the council held a conference to consider the progress of Thriving Places.¹² Attendees living or working in Thriving Places areas identified a number of improvements:
- Further promotion and improved communication about the Thriving Places model is required to raise awareness within communities.
 - More meaningful engagement with communities, including feedback demonstrating what has been improved in an area, is required to tackle the perception of a slow pace of change in some Thriving Places communities.
 - Partnership working and better communication across organisations and strategic decision-making forums could be improved through formal Partnership Agreements and a Thriving Places Charter.
 - Bringing together existing staff and ensuring continuity of funding may improve shared learning and support consistency in terms of relationship building and project support.

The Glasgow City Integration Joint Board is starting to make progress towards delivering new models of care

- 100.** The Glasgow City Integration Joint Board (IJB) is provided in partnership with NHS Greater Glasgow and Clyde (NHSGCC) and became fully operational in April 2016. It is too early to assess the impact the IJB has had on transforming health and social care services across the city, however an encouraging start has been made. Governance arrangements are well established and performance management arrangements are being developed to ensure suitable measures are in place to monitor progress against expected outcomes.
- 101.** In November 2017, the IJB agreed the Transformational Change Programme - Children's Services 2018-21 and Older People's Transformational Change Programme 2018-21. Reports on these programmes are submitted to committee to allow progress to be monitored. Other IJB developments to help move towards new models of care include:
- a review of Social Work Out of Hours Service
 - developing a Five-year Strategy for Adult Mental Health Services

¹² Thriving Places Conference, Glasgow CPP, March 2018

- an assessment of Social Care Housing Needs
- a review of West Glasgow Minor Injuries Services.

102. Another area where the IJB is improving services is in relation to delayed discharges. Over the last two years there has been a significant reduction in the number of acute bed days lost to delayed discharge across the city ([Exhibit 9](#)).

Exhibit 9

Delayed Discharge, 2016/17 to 2017/18

The number of days lost due to delayed discharge has reduced

Indicator	2016/17	2017/18	Decrease	% Decrease
Total number of Acute Bed Days Lost to Delayed Discharge (Older People 65 +)	15,557	10,982	4,575	29%
Total number of Acute Bed Days lost to Delayed Discharge for Adults with Incapacity (Older People 65+).	6,050	2,098	3,952	65%
Number of days people aged 75+ spend in hospital when they are ready to be discharged, per 1,000 population	464	247*	n/a	n/a

Source: IJB * Excludes Quarter 4 figures

The council has made changes to the services delivered by its arms-length external organisations (ALEOs)

- 103.** The council continuously reviews the Council Family structure to ensure that the operating model remains fit for purpose and delivers best value. Changes to the Council Family structure include the merger of Glasgow City Marketing Bureau and Glasgow Life in 2016 and the 30-year joint venture agreement in 2017 between City Building(Glasgow) and Wheatley Housing Group.
- 104.** It has also recently changed the way in which property and ICT services are delivered, following review of a joint venture agreement with SERCO. This agreement was due to terminate in March 2018. The council opted to bring delivery of property services back into the Council Family, and procure ICT services through a framework agreement established by City of Edinburgh Council in 2015. As part of these arrangements a new ICT contract with strategic partners CGI went live on 1 April 2018.
- 105.** In April 2018, the council decided that services delivered by Cordia (care and facilities management) would be transferred to the council and that Cordia would be wound up. It also decided to terminate the service level agreements with Community Safety Glasgow and to bring the services back to the council.
- 106.** Business cases to support the reviews were prepared using the HM Treasury Green Book approach. The expected benefits set out in the business cases are:

- streamlined and improved service delivery
- refined Council Family structure
- reduced service delivery costs and maintained or improved service quality
- realisation of further opportunities for financial savings, for example, through reducing duplication.

107. Project teams were established comprising officers from across the Council Family. A range of options were then assessed and scored against defined criteria, to arrive at a recommended option for each review. A report was then taken to the City Administration Committee in April 2018 where the recommended options were approved.

The council is working well with its City Region Deal partners to help boost economic growth

108. The Glasgow City Region Deal was the first in Scotland and involves eight councils working together to deliver infrastructure, innovation and employment projects to improve their economic performance.¹³ Launched in August 2014, the £1.13 billion deal includes £500 million from the UK and Scottish governments over a 20-year period, plus £130 million from the eight councils. It is estimated that the Deal will attract an estimated £3.3 billion of private sector investment, create 29,000 permanent jobs and increase GVA by £2.2 billion per year.

109. Glasgow City Council has a lead role in the City Deal governance structure. It chairs:

- the City Region Cabinet, which is the ultimate decision-making body for the Deal
- the Chief Executives Group, which oversees a Programme Management Office (PMO) to administer the Deal.

The council holds the City Deal funding and the budget for the PMO, signs grant agreements and allocates and accounts for the distribution of grant funding.

110. Out of the 21 infrastructure projects included in the City Region Deal, five are Glasgow City Council's, worth around £386 million ([Exhibit 10](#)). Around 14 per cent (£54 million) of this is council funding. The council is working well with public and private sector partners to progress the projects. These are all expected to be completed by 2024, 10 years ahead of the UK and Scottish Government's original schedule. The council has accelerated the projects by borrowing the funding expected from the governments. As at March 2018, there were some minor delays with three of its infrastructure projects, but this was not expected to have any impact on the overall timescales.

¹³ The Glasgow City Region Deal includes East Dunbartonshire, East Renfrewshire, Glasgow City, Inverclyde, North Lanarkshire, Renfrewshire, South Lanarkshire and West Dunbartonshire councils.

Exhibit 10

Glasgow City Council's City Region Deal projects

The council has five infrastructure projects worth £386 million

Project	Funding	Expected Completion Date
Improving the public realm in Glasgow City Centre	£115.5 million	Quarter 4, 2024
Clyde Waterfront and West End Innovation Quarter	£113.9 million	Quarter 2, 2024
Canal and North Gateway	£89.3 million	Quarter 1, 2023
Metropolitan Glasgow Strategic Drainage Plan	£40.2 million	Quarter 3, 2023
Collegelands Calton Barras area	£27 million	Quarter 2, 2024

Source: Glasgow City Region Cabinet

111. UK and Scottish Government funding will be unlocked in five-year blocks, in 2019, 2024 and 2035. This will be subject to the Glasgow City Region meeting agreed outputs and outcomes assessed through a gateway review mechanism. One of the council's projects (Canal and North Gateway) will be subject to an impact evaluation and all five will be subject to a progress evaluation. To help prepare for the gateway review, the council and its partners are preparing to complete an internal assessment in December 2018.

Part 5

Is the council demonstrating continuous improvement?



The council has made steady progress since its last Best Value report in 2009. It has made many changes to help improve services for local people. It has consistently focused on improving health, employment and poverty levels, resulting in gradual improvements to long-term outcomes for its citizens.

The council has made steady progress since previous Best Value reports

- 112.** The council was subject to an audit of Best Value and Community Planning in 2006 and a progress update in 2009. In both audit reports, the Accounts Commission commented on the council's good progress and improvements it had made for Glasgow residents. Across the two audits, the Commission also identified areas that the council should focus on to help it improve. [Exhibit 11](#) compares previous Best Value judgements to our findings from this review.
- 113.** Since 2009, the council has continued to perform well, and has improved its performance across many areas (Part 2). Glasgow's reputation has substantially improved over the last 20 years. The council and its partners have played a significant role in this through, for example, regeneration projects, improving the public realm and enhancing its academic, cultural and sports offering. This has helped to attract residents, visitors, businesses and international events to the city. The council's economic performance has also improved. But it will be challenging for Glasgow, as it is for all cities, to continue to raise the city's international profile, increase inward investment and create high-value jobs while ensuring that economic growth is inclusive.
- 114.** The council still has work to do to reduce inequalities and poverty in the city. Glasgow faces significant challenges in terms of the city's health, unemployment rates and educational attainment. These are long-standing problems that the council cannot solve quickly. It recognises that significant change is required which will take a number of years, most likely covering the terms of several administrations.

Exhibit 11

A comparison of selected Best Value judgements

Controller of Audit judgements in 2006, 2009 and 2018 shows Glasgow City Council is improving and is well-placed to deliver further improvements.

2006 audit judgement	2009 audit judgement	2018 audit judgement
<p>Strategic direction: The council demonstrates vision and strategic direction, a positive attitude and commitment to radical change and clear leadership from members and officers.</p>	<p>Glasgow's SOA has helped to strengthen joint working and focus resources on key priorities. Changes in the political make-up of the council, and to its committees, have helped to increase debate and scrutiny.</p>	<p>The council and its partners have a clear, shared vision of inclusive growth. The council demonstrates effective leadership and all political parties support its new strategic plan.</p>
<p>Performance: The council has set ambitious targets and faces a significant challenge in achieving them. Statutory Performance Indicators (SPIs) demonstrate a good rate of improvement compared to other councils.</p>	<p>The council has made improvements in outcomes for citizens and the gap between Glasgow and the rest of Scotland has narrowed. SPIs and inspection reports show a mixed picture of the performance of services.</p>	<p>The council and its partners have gradually improved several outcome areas, including economic growth, health and wellbeing, and reducing inequality. Most residents are satisfied with council services.</p>
<p>Resources: The council has effective financial management, based on sound systems of budgetary planning and control. The council needs to deliver a comprehensive HR strategy, a robust asset management framework and develop its approach to risk management.</p>	<p>The council has identified a range of financial pressures and is looking at ways to deal with these. The council needs to have comprehensive asset management plans in place to demonstrate efficient use of its assets.</p>	<p>The council is committed to resolving a substantial number of equal pay claims. This means that it faces a period of unprecedented financial pressure which may impact on service delivery.</p>
<p>Working with partners: The council is clear about the importance of partnership working and has led a range of partnership activity. The council has effective mechanisms in place to support community consultation, although there is scope for improvement.</p>	<p>The development of a SOA represents a significant development in partnership working. The council and the health board are considering improvements to CHCPs as they are experiencing cost pressures.</p>	<p>The council is clearly committed to partnership working and has positive relationships with many partners. The council engages with communities in many ways and has agreed a new city charter to redefine its relationship with residents.</p>
<p>Continuous Improvement: The council has a good level of self-awareness and has various mechanisms to support continuous improvement. The Commission is encouraged by the council's rate of improvement.</p>	<p>The council has continued to make good progress. It is well placed to build on its performance although it faces some significant resourcing challenges.</p>	<p>The council has made steady progress since its last Best Value report in 2009. The council invests significant time and resource in self-assessment and improvement activities and tries to involve staff and residents where it can.</p>

Source: Audit Scotland

The council uses self-assessment to identify areas for improvement

115. The council continues to invest time and resource in self-assessment and improvement activities as part of its corporate performance framework. It uses

a range of tools to evaluate its performance and prioritise improvement activity on an ongoing basis, and tries to involve staff and local people where it can.

- 116.** In 2009 and 2012, the council undertook self-assessment exercises based on the European Foundation for Quality Management (EFQM) excellence model. This involved service-based assessments alongside a corporate self-assessment. Following completion of their Best Value Improvement Plan in 2014, the council initiated an EFQM corporate level self-assessment exercise in spring 2016 to identify its strengths and areas for improvement. The self-assessment covered a range of key EFQM criteria, including leadership, strategy, staff, partnerships, processes and services.
- 117.** The output from the exercise was a Council Family Improvement Plan. The plan identified three main areas for improvement (staff, data and information, and tackling poverty/inequality) and set out a series of actions in the short, medium and long term. The completion of some improvement plan actions, such as the establishment of a corporate performance officer group to share benchmarking best practice, has been reported through individual service plans.
- 118.** Progress against the improvement plan was due to be reported annually to the council's Finance and Audit Scrutiny Committee but so far, the committee has not received an update. Progress against the plan was reported to the council's Extended Management Team in June and October 2017. All the actions in the plan, except for one medium-term action, were reported as either complete or on target.
- 119.** At a service level, the council has adopted EFQM good practice. It routinely uses a "How Good is Your Service" approach in areas such as Education and Glasgow Life to support service review and development. Services and ALEOs are currently undertaking a review of their status against the key EFQM criteria used in the 2016 exercise. The output from these reviews will be used to prioritise areas for the ongoing corporate self-assessment programme.
- 120.** The council has undertaken staff surveys at least every three years since 2007, with the last survey completed in 2015 (paragraphs 82-83). In developing the 2018 staff survey, the council has identified the opportunity to:
- refresh the themes and questions in the full survey in discussion with staff
 - increase participation rates
 - consider more updated and modern ways of consulting with staff
 - reflect the new Strategic Plan and its vision and priorities.
- 121.** The council plans to use staff focus groups to establish staff attitudes and perceptions across the council, and use these to shape the topics and questions for inclusion in any future full survey.
- 122.** The council has made a commitment to engaging openly with local communities and interest groups in addressing the challenges and opportunities it faces. It wants council decisions to be fully explained, and with sufficient information available to allow citizens to challenge, if they wish to do so. It asked the Improvement Service (IS) to review governance and decision making in the council, including the council's communication with the public, and identify areas where it could improve existing arrangements. The IS report is expected to be published in September 2018.
- 123.** Through its Transformation Programme (paragraphs 75-78), the council has reviewed services to identify alternative approaches that achieve better

outcomes. This includes an ongoing review of existing delivery models through ALEOs, to ensure they remain fit for purpose (paragraphs 103-107).

The council can demonstrate a number of actions taken in response to resident's feedback

124. There is evidence that residents' feedback influences the council's performance reporting, strategy development, communications policy, budget decisions and how it develops services. A recent update to the Operational Performance and Delivery Scrutiny Committee highlighted various improvements that the council introduced in response to the Glasgow Household Survey. For example:

- in response to feedback on road condition, the council:
 - introduced high profile street signs to inform the public about forthcoming maintenance
 - increased investment in road maintenance from £13.48 million in 2013, to £24.41 million in 2014.
- in response to feedback on local areas, the council supported extra clean-up projects, introduced litter enforcement officers in every ward and worked with housing associations and residents to tackle dog fouling
- feedback from questions, specifically for older residents, on issues such as transport and social isolation fed into the development of the council's Age Friendly Strategy and Action Plan.

The council has ambitious plans to redefine its role

125. The council is at an early stage in a significant challenge to redefine its role in the city. It considers more can be achieved by better enabling residents, and working with all partners to achieve the common aims set out in the Community Plan.

126. The council recognises it has a leadership and facilitation role to play in this change. It has put in place several key building blocks to help deliver this, including strengthening partnership working, and establishing a city charter. However, a culture-shift of this scale will take time to embed across partner organisations and communities.

127. This vision demonstrates a notable level of ambition for the council and the city. However, the financial pressures arising from resolving equal pay claims introduces an uncertainty about how quickly the council will be able to move to realise that ambition.

Recommendations



The council should continue to refine its corporate performance framework to help measure the long-term outcomes in its Strategic Plan (paragraph 21)

The council should agree its homelessness improvement plan with the Scottish Housing Regulator. It should also continue to work with partners to implement its homelessness strategy. This includes monitoring and reviewing the impact of its homelessness interventions on the homeless population (paragraphs 55-56)

The council should consider the impact of resolving equal pay claims and include this within its financial plans. More widely, it should consider the potential impact on service delivery (paragraphs 66-72)

The council should review lessons learned from its 2016-18 Transformation Programme and ensure that it has appropriate monitoring arrangements in place to measure the non-financial benefits and long-term outcomes for its transformation activity (paragraphs 75-78)

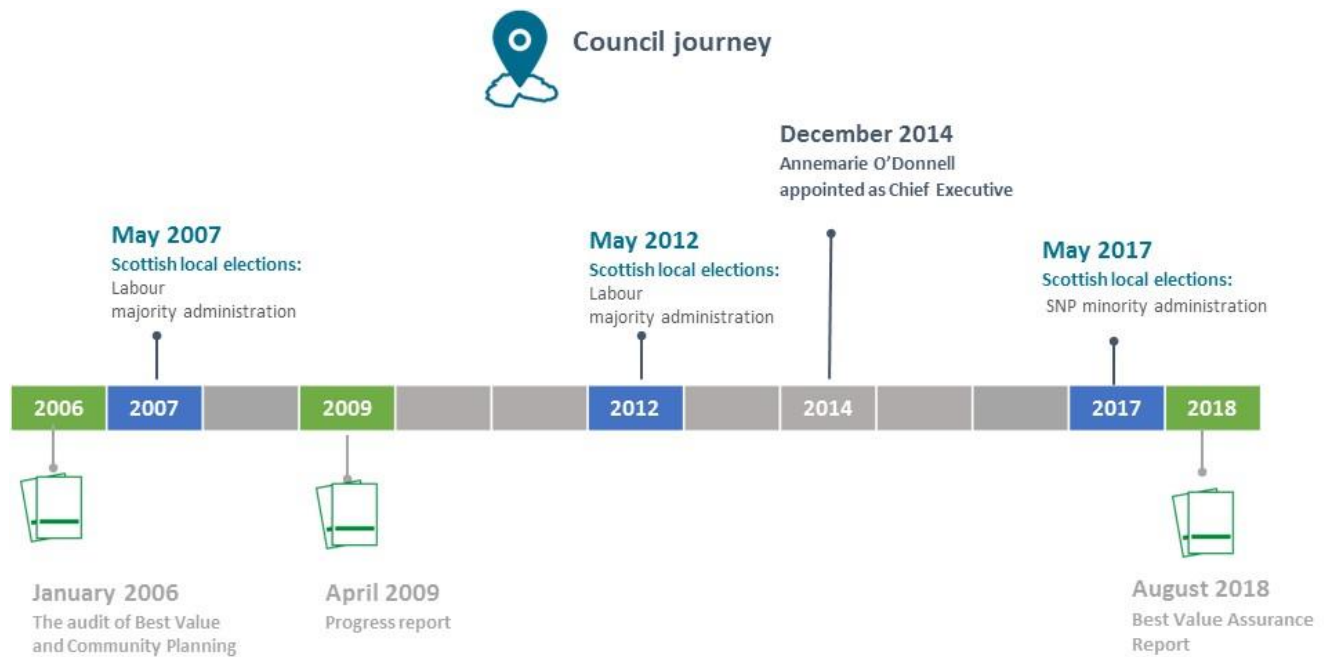
Building on the success of its third-sector summit, the council should continue to work with third-sector partners to help strengthen relationships (paragraph 89)

The council and its partners should apply lessons learned from its Thriving Places initiative to help make locality planning a success more widely. This would include encouraging communities to be more involved and considering the longer-term funding of staff and initiatives to support community engagement (paragraphs 96-99)

The council should closely monitor the financial and service implications of changes to its Council Family structure to ensure it delivers the anticipated benefits and to help it demonstrate best value (paragraphs 103-107).

Appendix 1

Best Value audit timeline



January 2006 – The audit of Best Value and Community Planning

The Accounts Commission reported that the council had demonstrated clear leadership. It was encouraged by the rate of improvement the council had made, which was particularly evident in the physical regeneration of the city. It reported that the council needed to stay focussed on improvement as it faced significant and complex social and economic challenges.

April 2009 – Progress report

The Accounts Commission acknowledged the continuing good progress and improvements made by Glasgow City Council, particularly in education and unemployment. The Commission was encouraged by the impact this was having on residents. However, it reported that some issues needed to be addressed, such as the council's management and development of its employees.

August 2018 – 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 of its kind. The report seeks to provide the Commission with assurance on the council's statutory duty to deliver Best Value, with a particular focus on the Commission's Strategic Audit Priorities.

Glasgow City Council

Best Value Assurance Report

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