Operational Performance and Delivery Scrutiny Committee

21st September 2022

Questions from Elected Members

<table>
<tr><td>Item 3 – Local Government Benchmarking Framework</td><td></td><td></td></tr>
<tr><td>Question 1</td><td>Bailie Kavanagh – Requested the headcount figures for non-teaching SPI absence</td><td>Corporate HR</td></tr>
<tr><td>Answer</td><td>
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<tr><th>Year</th><th>Work days lost</th><th>Headcount</th><th>Average days lost</th></tr>
<tr><td>2019/20</td><td>241,041</td><td>18,886</td><td>12.76</td></tr>
<tr><td>2020/21</td><td>200,265</td><td>18,626</td><td>10.75</td></tr>
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<tr><td>Question 2</td><td>Bailie Kavanagh – Enquired as to what street cleansing costs were incurred on public realm around football grounds in the City and if those football clubs were charged for this service provision</td><td>NRS</td></tr>
<tr><td>Answer</td><td>No costs are recovered from Celtic, Rangers or Partick Thistle with regard to street cleansing on the public realm after football matches at those locations.

There is an arrangement in place post event at Hampden Park which covers an element of mechanical sweeping costs in the surrounding streets of this venue.</td><td></td></tr>
<tr><td>Question 3</td><td>Councillor Cunningham requested information on the mechanism used in the Framework for the Local Finance Return (LFR) return; and a summary of the key issues in terms of variations across LFRs.</td><td>Financial Services</td></tr>
<tr><td>Answer</td><td>LFRs include detailed breakdowns of operational financial information across all key service areas of Scottish Local Authorities. Each Council is required to submit a standard set of spreadsheets, showing income and expenditure across a range of operational areas:

LFR A0: Statutory Accounts and Funding Basis (captures information from local authorities' audited annual accounts, in particular the Comprehensive Income and Expenditure Statement (CIES) and the Movement in Reserves Statements (MiRS))
LFR 23: Reserves (collects information on all reserves (usable reserves, statutory adjustment accounts and unusable reserves) and must be completed by all local authorities)
LFR CR: Capital Return (all expenditure which falls to be capitalised in accordance with the Code should be included in LFR CR)
LFR 00: Subjective Analysis by Service (provides a detailed breakdown of gross expenditure and gross income by service and</td><td></td></tr>
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	provides the Control Total figures in all service-level LFRs) **LFR 01: Education** (all expenditure and income relating to the education service, regardless of which department provides the service – Pre-Primary Education; Primary Education; Secondary Education; Special Education; Community Learning; Non-School Funding) **LFR 02: Culture & Related Services** (all expenditure and income relating to culture and related services, regardless of which department provides the service – Cultural & Heritage; Library Services; Tourism; Recreation and Sport) **LFR 03: Social Work** (all expenditure and income relating to Social Work services, regardless of which department provides the service – Children's Hearings; Children & Families; Adult Social Care; Integration Joint Boards) **LFR 05: Roads & Transport** (all expenditure and income relating to roads and transport, regardless of which department provides the service – Roads; Network & Traffic Management; Parking Services; Non-Local Authority Public Transport; Local Authority Public Transport Undertakings) **LFR 06: Environmental Services** (all expenditure and income relating to environmental services, regardless of which department provides the service - Cemetery, Cremation and Mortuary Services; Coast Protection; Environmental Health; Flood Defence and Land Drainage; Trading Standards; Non-Roads Cleaning; Waste Collection & Disposal) **LFR 07: Building, Planning & Development** (all expenditure and income relating to building, planning and economic development, regardless of which department provides the service – Building Control; Development Control; Planning Policy; Environmental Initiatives; Economic Development) **LFR 09: Central Services** (all expenditure and income relating to central services, regardless of which department provides the service - Corporate and Democratic Core; Non Distributed Costs; Central Services to the Public – Local Tax Collection; Registrars; Elections; Emergency Planning; District Courts; Licensing; Local Land Charges; General Grants, Bequests and Donations) **LFR 20: Non HRA Housing** (all General Fund expenditure and income relating to housing, regardless of which department provides the service - Housing Strategy; Registered Social Landlords; Housing Advice; Housing Advances; Private Sector Housing Renewal; Homelessness; Housing Benefit Payments; Rent Rebates: Housing Benefit Administration; Other Council Property; Welfare Services; Supporting People) **LFR 12: Council Tax Income Account** (information relating to local authorities' Council Tax Income Account) **LFR SS: Support Services** (this return should provide a detailed breakdown of General Fund support services on a funding basis – Corporate Services; Finance; Human Resources; Information Technology; Legal; Procurement; Property Management / Office Accommodation) **LFR SC: Adult Social Care : Supplementary data by client group** (this LFR has been developed to allow the retention of key Adult Social Care client group data for the 2021-22 LFR.) The information is collated following the finalisation of the annual accounts, and the totals are reconciled to the audited annual accounts. LFRs are used by Scottish Government to inform policy decisions. They are also used heavily in the preparation of the Local Government Benchmarking Framework by the Improvement Service. They are the main source of financial data underlying indicators with financial elements.	

	The LFRs are not audited, but there are detailed guidance notes that accompany them. They have also been in existence for a long period of time and so a number of anomalies have been addressed through additional guidance notes. However, it is the case, as with all benchmarking and financial comparisons, that some underlying variations in preparation can lead to difficulties in direct comparisons between authorities. For example, the treatment of overheads and recharges have in the past caused issues of comparability. Also, the use of gross expenditure as opposed to net expenditure can cause discrepancies if one authority generates income associated with an operational area (eg from another public body) where the other authority does not – this would imply the former is providing a more expensive service, which may not be the case. Similarly, organisational group structures can cause issues: one example would be cultural and leisure services where in Glasgow, we simply pay a service fee to Glasgow Life to run these services, whereas an authority with in-house services, would show this expenditure across different subjective lines in the LFR. Benchmarking financial information is never an exact science and whilst iterative tweaks are made to enhance comparability over time, the indicators should be seen as “can-openers” and used to prompt further enquiry.	