

LOCAL GOVERNMENT AND REGENERATION COMMITTEE

PUBLIC SECTOR REFORM AND LOCAL GOVERNMENT

SUBMISSION FROM ASSOCIATION OF PUBLIC SERVICE EXCELLENCE

About APSE

- 1.1 APSE is the Association for Public Service Excellence and is a not for profit local government body working with over 250 Councils throughout the United Kingdom. The Association has existed for over 25 years and is a highly regarded organisation, and is particularly recognised for its comprehensive policy and technical knowledge on front line local government services. In promoting excellence in public services, APSE hosts networks for front line service providers in areas such as waste and refuse collection, street cleaning, parks and environmental services, highways and street lighting, leisure and sports facilities, school meals, building cleaning, housing and building maintenance services.
- 1.2 APSE believes that whether services are delivered directly, or through other forms of provision they should be subject to the maximum form of democratic control and scrutiny. APSE supports the involvement of the widest number of Councillors in discussions which impact upon the quality and range of services provided to the public, supports transparency in public service delivery with the use of performance information in comparison to others.
- 1.3 The use of performance measures in supporting and leading local performance management frameworks which can be used to assess and establish value for money in service delivery is supported and emphasised by APSE.
- 1.4 Local authorities in Scotland have been developing comprehensive systems to support the Best Value legislative requirement over the past 16 years. This has led to a reduction in duplication and avoidance of costly new burdens particularly from the former Scottish Executive/Government. As local authorities improve APSE supports the reduction in audit, inspection and regulation to a more proportionate, risk based approach. In a Scottish context, there has been a degree of movement on this with the support of the Accounts Commission and other organisations that are involved in the audit, inspection and regulation of local government. This being well captured in the Crerar Review and recommendations.
- 1.5 The moves by the Accounts Commission to rationalise and reduce the volume and weight of statutory performance indicators has been welcomed by the sector. This places more of a responsibility of using performance information onto the local authority, as part of their own unique responsibilities.
- 1.6 APSE has taken the view that it wishes to focus its written evidence on Stream 2 which concerns itself with Benchmarking and Performance Measurement. APSE has a degree of experience in streams 1 and 3 and these can be covered in oral evidence, if appropriate.

Stream 2: Benchmarking and Performance Measurement

- 2.0 APSE has extensive involvement in performance measurement and benchmarking. APSE Performance Networks is a mature benchmarking service which allows for effective performance measurement across 14 front line public services. Its Performance Networks have been in operation for 12 years, a wealth of performance information is therefore available.
- 2.1 APSE Performance Networks is the largest voluntary local government benchmarking service in the United Kingdom. It is used by 180 local authority authorities with participation across a full range of services. Attached as Appendix (2) shows the types of head line indicators available. Much more detailed performance information is sourced to produce these headline indicators.
- 2.2 Developed by practitioners the APSE Performance network model is unique in that it is continually reviewed by working groups of practitioners. This combined with working in partnership with other leading bodies such as Waste Data Flow UK ensures that the model continues to be the most relevant, user friendly and responsive of its kind.
- 2.3 As APSE is a not for profit body, it therefore has the integrity of being regarded as an independent provider of performance information, rather than a company geared towards generating profit. This allows the network and its respective services to fully evolve and develop in line with its membership base, through local Councils and organically evolve performance information to meet local and national requirements.
- 2.4 At the point of inception APSE Performance Networks were designed to support performance measurement rather than comply with national reporting regimes. However, the value of this information to both local authorities and national governments should not be overstated. The trend analysis that can be gleaned from some of the data available can act as a measure to gauge the success of public policy particularly in relation to impacts and outcomes. In an era of financial austerity, such measures are useful to ensure that local service quality does not deteriorate and service standards are protected. This is relevant in relation to the development of Single Outcome Agreements.
- 2.5 The suites of performance indicators developed by APSE Performance Networks are a combination of compulsory/recommended measures suggested by the four main national audit bodies and local performance measures agreed by practitioners. These include cost, productivity, customer satisfaction, quality and human resource management. Taken together they give a comprehensive view of service performance. Despite the abolition of the English based Audit Commission, the vast majority of performance indicators will still be collected as they will continue to help inform Councils about how a service is performing and where improvements need to be made.
- 2.6 APSE Performance Networks will maintain its contribution to continuous improvement in local public services and as a means to ensure frontline service providers can share and learn from best performers.

- 2.7 APSE has always rejected the notion of data being simply a “flat” process of data collection. APSE encourages participating Councils to share process information to determine where savings can be achieved and provide comparable data in a meaningful way between family groups. In Scotland, a significant number of process benchmarking studies have been completed. These studies examine and explain cost/quality variations between Council services. The profiling of Councils who submit data to APSE Performance Networks allows similar types of Councils to share meaningful information, rather than simply a process of “near neighbour” information that can often distort or even undermine the comprehensive nature of performance information.
- 2.8 APSE’s own views on performance data which is shaped by our experience of data collection over the past twelve years in front line services is that performance data should be a means to improve the performance of public services and ensuring a credible, robust and transparent way of explaining to local residents, alongside national government, how public money is being spent, on what local services and how those services are performing within a meaningful mix of value for money, cost, quality and customer or user satisfaction measurements.
- 2.9 The Scottish Government has been making considerable efforts to “reduce the burden” on local government. As mentioned this has been reflected in the work and recommendations of the Crerar Report. In addition, Audit Scotland have significantly reduced the number of statutory performance indicators placed upon local government, this has been welcomed by APSE and the local government sector in general.
- 2.10 APSE believes that any broad direction from central government should relate to:-
- What types of performance information might be made available
 - Performance indicators and the supporting information increasingly needs to be related to outcomes via the SOA process.
 - Performance information needs to be robust with an element of independent or peer assessment and
 - The presentation and accessibility of the data to the public and locally elected members, needs to support evidence based judgements on service delivery.

These elements should in APSE’s view, be key drivers in developing a new era of performance information for the local government sector.

- 2.11 This would be an approach that appears from APSE’s survey information to be preferable to local Councils see Appendix 1. This would enable them to gauge service performance but at the same time ensure that this information is capable of scrutiny.

Such a framework could draw upon:-

- Genuinely comparable performance information across a range of frontline public services by family group.
- Include a dash board of headline indicators in each service area using a mixture of cost, productivity, quality and customer satisfaction scores.
- Provide a “plain English” guide to what data means and how it is arrived at.
- Provide local elected members with the means to scrutinise service performance and direction of travel for frontline services.

- 2.12 There is a natural fear that performance frameworks can become an “industry” which will incur costs. This needs to be avoided at all costs! Currently the local government sector cannot afford to service another industry.
- 2.13 Local government in Scotland has come a long way in recent years and is moving to a lighter touch framework which still remains robust. This needs to be retained and further developed.
- 2.14 In addition to APSE’s own Performance Networks data there are a range of data benchmarking services provided by other organisations including organisations such as CIPFA. It is not for APSE to comment upon other organisations efforts in relation to benchmarking. However, looking to the future there could be scope for improved collaborative working between a host of organisations that have a legitimate interest in the area of benchmarking and performance measurement.

3.0 Conclusions

Given the constraints of time this submission is broad in nature and relates specifically to stream 2 benchmarking and performance measurement. APSE has a proven track record in this area, and is very much the sector’s subject matter expert in this regard. It is more than happy to share its experience and expertise with the Local Government and Regeneration Committee in order to ensure appropriate findings and recommendations can be made to Parliament and Scottish Government.

Appendix 1: Survey responses and survey summary

1. APSE received over 90 responses from member local authorities to a short survey on the future of performance management. The details below highlight responses but are not intended as a full analysis due to the time constraints of responding to the Inquiry.
2. Of all respondents 69% participate in *APSE performance networks* with 61% utilising locally developed performance measurement processes and 58% operating informal benchmarking arrangements with neighbouring authorities. 29% benchmark through a professional body and 17.6% currently operate benchmarking through a RIEP on specific areas or work streams.
3. 88.3 % of respondents agreed that performance indicators can be a useful measure of value for money with 95% agreeing with the statement that '*Performance measurement is necessary to know where you are at so you can make informed choices about future service delivery*'.
4. 63.3% believe that performance targets work to improve services but 86.7% believe that performance indicators and process benchmarking work together to improve services.
5. An overwhelming 93.3% of respondents believe that performance indicators should be about a fair combination of service cost and quality but just 1.7% believe that performance indicators should only be about how much a service costs and just 6.7% believe that performance indicators should only be about service quality.
6. 71.2% believe that performance indicators are only meaningful if you fairly compare similar types of authorities or services by profile.
7. 44.6% support a small 'dashboard' of indicators per service area with headline costs and quality e.g. Cost of emptying a bin per household, the cost of a school meal per pupil with 37.5% supporting a small dashboard of headline indicators but only if the comparator information is fairly produced e.g. by similar authority types for that service area.
8. 60.4% however feel that the information (performance information made public) will only be used by local news media for mischief making rather than genuine public interest reporting.
9. 64.2% are of the view that performance information is complex and over-simplification of performance could mislead the public rather than providing them with good quality information with 62.3% believing that there is a danger that

performance information will lead to the public and media focusing only on cost to the detriment of service quality.

Specific comments added to the survey include:-

10. 'Any new regime needs to be light touch and concentrate on a few key indicators that are of interest to the public. The financial pressures facing local government are likely to help flush out areas of waste and inefficiency more effectively than any performance reporting system.'
11. 'Any large and complex organisation needs to have a mechanism to manage its business by setting clear priorities and objectives, monitoring progress and reviewing plans. Performance reporting on its own is meaningless, and league tables misleading since they assume we all have the same organisational objectives.'
12. 'Benchmarking is invaluable for performance improvement and monitoring. It eliminates complacency and pushes forward best practice, in turn improving value for money, which must underpin all public expenditure'.

Appendix 2: Summary of key performance indicators used in APSE performance networks

As standard for all the benchmarking services the following data is provided:

- Cost of service
- Productivity
- Staff absence
- Customer satisfaction
- Human resources and people management
- Quality assurance and community consultation

Some of the service-specific indicators are illustrated below:

1. Building cleaning

This service provides comparators for the cleaning of education and non-education buildings.

- Square metres cleaned (offices/libraries/schools/public conveniences)
- Cost indicators (labour/management /equipment/materials)
- Staff turnover

2. Building maintenance

This service provides detailed performance information on maintenance of housing and civic buildings.

- Housing (void turnaround/time to re-let, gas servicing, target response times, number of jobs completed, value of jobs)
- Civic (cost of property management /incidents of vandalism/arson)
- Stores management
- Workforce data

3. Civic, cultural and community venues

A facility based model where up to 15 civic, cultural or community venues per authority can participate. The model looks at:

- Usage per target group
- Cost per user
- Visits per household
- Primary and secondary income
- Catchment area and demographics

4. Culture, leisure and sport

An authority-wide benchmarking service for cultural, leisure and sport services provided by the authority including:

- Sports facilities
- Sports development
- Children's play facilities
- Cultural services

5. Education catering

This service provides a benchmark for primary, secondary, special and dedicated all age schools. The focus is on:

- Free and paid meal uptake
- Nutrient based standards
- Subsidy/cost based indicators
- Meals served per staff hour

6. Highways and winter maintenance

This service covers the main responsibilities of the highways department.

- Road condition
- Damage to roads/pavements made safe
- Third party claims
- Winter gritting/salting regime

7. Other (civic and commercial) catering

This is a facility based model where up to 20 commercial or civic catering facilities per authority can participate. The model focuses on:

- Customer spend
- Operational recovery ratio
- Trading profit/loss
- Vending income

8. Parks, open spaces and horticultural services

This covers all aspects of the grounds maintenance service.

- Maintenance cost
- Hectares maintained
- Charge per hectare
- Playgrounds/play value scores
- Environmental practices

9. Refuse collection

This focuses on the waste collection services, with an increasing focus on the recycling services provided.

- Cost per household
- Recycling
- Transport and vehicle costs
- Number of missed bins
- Domestic and trade waste contracts

10. Sports and leisure facility management

Up to 15 sports and leisure facilities per authority can participate in this service. Facilities are grouped by the type of facility; wet and dry and whether the facility is dual use. In addition reports are produced for the following types of facilities: flumes only, indoor bowls centres, golf courses, gymnastics centres, ice rink facilities, major events facilities, ski centres, stadia, tennis centres, and water sports parks. The model focuses on:

- Subsidy per visit/opening hour
- Total usage
- Customer spend
- Catchment area analysis
- Usage by target group

11. Street cleansing

This service includes a focus on:

- Cleanliness standards achieved
- Cost: service/transport/staff
- Enforcement
- Education/publicity
- Fly-tipping and abandoned vehicles

12. Street lighting

This service looks at the performance of the local authority and electricity supplier. The focus is on:

- Lamps not working as planned
- Time taken to repair lamps
- Cost of maintaining street lights
- Energy costs
- Repairs undertaken by regional electricity supplier

13. Transport operations and vehicle maintenance

The focus is on:

- Contract maintenance
- Direct maintenance cost
- Vehicle availability and servicing
- Prosecutions/penalties/notices issued
- Passenger transport

14. Welfare catering

This service provides a benchmarking service for all welfare services provided such as the 'meals on wheels' service and includes:

- Subsidy
- Meals despatched/delivered
- Transport costs
- Food costs

Appendix 3

Use of APSE performance networks data by government bodies

APSE performance networks data has been used for the following national studies:

1. *APSE performance networks* is recognised as a trusted and robust source of performance data within local government. The model met all criteria in an assessment of consistency, reliability and comparability of data required by the Audit Commission. An Independent Technical Review on Sport and Leisure Facility Equity Indicators undertaken by Professor Tony Bovaird, University of the West of England (March 2006) for the Department for Culture, Media and Sport (DCMS), to assess how well the APSE methodology meets the DCMS and Audit Commission criteria found that "*APSE methodology meets all the Audit Commission criteria*". On ease of collection, the review also found that "*the APSE methodology does not impose unreasonable burdens on local authorities*".
2. *APSE performance networks* data has also been used by member local authorities to support the requirements to demonstrate effective use of resources within Audit Commission inspections and a host of other public service reporting mechanisms.
3. A Review undertaken by Professor Michael Hughes and Sophia Bokhari of the Institute of Local Government Studies (Inlogov), University of Birmingham (July 2005) found that the model was "*well established and trusted to deliver information*". It also stated that "*well-sourced, relevant, and robust performance data from Performance Networks that is actively used in the management of services and the achievement of policy objectives could be an important part of that 'information councils' hold about themselves*".
4. APSE has been working with Waste Data Flow to reduce the duplication of councils submitting refuse and recycling data to both APSE and Waste Data Flow. As a result, APSE now directly access refuse and recycling data from Waste Data Flow rather than asking councils to send this to APSE as well. APSE concentrate on collecting cost, income and other data directly from councils and source the data collected via Waste Data Flow directly from them.
5. In 2009, the Welsh Audit Office asked APSE to provide a baseline of data to calculate performance indicators for education catering. This included the cost of producing a school meal and the performance information was requested as part of Appetite for Life. The project has now been completed and following consultation between the Welsh Assembly Government, the Welsh Audit Office and councils throughout Wales it has been agreed to collect data via APSE on an ongoing basis.

6. APSE has worked with the Welsh Assembly Government on Ffynnon, their Knowledge Management & Business Change Programme which aims to create a performance management community and culture across the public sector in Wales. The Ffynnon system is a web hosted performance, risk and project management system which is available to 30 stakeholders across Wales including all 22 Local Authorities. APSE undertook 2 projects in relation to Ffynnon; education catering and building maintenance. The purpose of the projects was to bring some of the data provided to APSE into the Ffynnon system, for ease of reporting, sharing and to reduce duplication. This has now been progressed with a number of local authorities in Wales.
7. APSE was engaged in a project for Audit Scotland in 2009, looking at the management of unit costs in local government. APSE carried out an analysis of performance data, using data drawn from performance networks, for a study by Audit Scotland on physical recreation.
8. In 2002, APSE was commissioned by the Local Government Staff Commission in Northern Ireland to carry out a Local Government Benchmarking initiative; benchmarking seven front line services across Local Authorities and Education & Library Boards.