

Agenda Item	15
Report No	HC/40/19

## HIGHLAND COUNCIL

**Committee:** Highland Council

**Date:** 05 September 2019

**Report Title:** **Annual Corporate Performance Report**

**Report By:** The Chief Executive

### 1. Purpose/Executive Summary

1.1 This report provides an assessment of the Council's performance against the Corporate Plan which is the performance framework for the Council's Programme, Local Voices, Highland Choices. It covers the period 01 April 2018 to 31 March 2019 and performance is measured against the Council Programme agreed in September 2017. Progress is reported with 77% of the commitments (23 out of the total 30) being either completed, on target or where performance is being maintained. For 7 commitments (23%) there is mixed performance or no significant progress.

### 2. Recommendations

2.1 Members are asked to:

- i. Note the progress being made with the delivery of the Council's Programme for the period 01 April 2018 to end 31 March 2019.
- ii. Note that a revised Council Programme and Corporate Plan has been approved for 2019/20 forward with a first performance report due in September 2020.
- iii. Await a further report on Statutory Performance Indicators (SPIs) and the Local Government Benchmarking Framework no later than March 2020.

### **3. Implications**

- 3.1 Resource – There are no new financial implications as a result of this performance report. However, the progress outlined should be noted in the context of the current financial climate.
- 3.2 Legal – Implications relate to meeting statutory requirements for public performance reporting.
- 3.3 Community (Equality, Poverty and Rural) – The report identifies progress to achieve several relevant commitments. This includes reviewing our rural impact assessment processes and guidance (commitment 1.3), and work being undertaken by the Poverty and Inequality Working Group, the revision of our Equality Outcomes, and plans to review the Fairer Highland Plan (commitment 3.3).
- 3.4 Climate Change / Carbon Clever – This report identifies the progress made with the Council's commitments on climate change, such as progress to refresh the Council's Carbon Management Plan and Adaptation Strategy (commitment 1.5).
- 3.5 Risk – Audit Scotland produces an annual Local Scrutiny Plan for the Council which assesses, with other scrutiny bodies, the risk of non-achievement of Council commitments. In addition, the external audit annual report, written by Grant Thornton reviews and comments on the Council's progress to meet its strategic objectives through the Corporate Plan. In September 2018, Grant Thornton commented that "We recognise the progress made by the Council against its strategic programme. However, we observed that a number of the objectives are difficult to quantify and measure and therefore delivery subjective." The Council's revised Corporate Plan, against which progress will be reported against from 2019/20, is more firmly based on objective performance measures.
- 3.6 Gaelic – This report identifies the progress made to promote and support the Gaelic Language Plan (commitment 1.6).

#### **4. Background**

- 4.1 An annual report of Corporate Performance is prepared each autumn, covering performance for the previous financial year. It provides a progress report on the achievement of the Council's commitments as set out in the Council Programme 2017-22, "Local Voices, Highland Choices", approved by Council on 07 September 2017. This is accomplished by analysing the performance framework for the Programme set out in the Council's Corporate Plan, approved by Council on 14 December 2017.
- 4.2 The Council's Programme "Local Voices, Highland Choices" was revised and approved at Council on 7 March 2019. A draft Corporate Plan was discussed at Council meetings on the 7 March 2019 and 9 May 2019, and is presented on this agenda for approval. The new Corporate Plan addresses External Audit feedback (paragraph 3.5) with an increased focus on performance measurement and the Council's 27 Key Performance Indicators (KPIs). This will further strengthen the Council's use of data to support continuous improvement and public performance reporting using an evidence-based approach and demonstrating achievement of the Council's vision to be an Ambitious, Sustainable and Connected Highland.
- 4.3 Reports to Council in March and May 2019 on the Corporate Plan and performance culture identified that a new approach to performance was required. Work by Elected Members and Officers has identified an agenda for change which requires engagement with Members on better use of data, target setting, and developing Members skills around scrutiny and challenge. Work to date includes Members seminars on target setting for the new Corporate Plan which will be reflected in annual reporting in September 2020.
- 4.4 The principles that underpin the Council's values include that we will be fair, open and accountable. This means that the Council will measure our performance, report on it publicly and listen to our communities, to ensure we are delivering services that provide Best Value for Council Taxpayers. This annual performance report contributes to achieving the Council's values, particularly those of being open and listening. This report is also scrutinised by Audit Scotland and our external auditors Grant Thornton.

#### **5. Council Performance 01 April 2018 to 31 March 2019**

- 5.1 There are 30 commitments in the Council Programme, Local Voices, Highland Choices for 2018/19. Appendix 1 provides a summary report of performance in 2018/19 detailing highlights and other contextual information. A fuller analysis detailing progress against each indicator is available on the Council's website:  
[https://www.highland.gov.uk/downloads/file/21031/corporate\\_performance\\_analysis\\_2018 - 2019](https://www.highland.gov.uk/downloads/file/21031/corporate_performance_analysis_2018_-_2019)
- 5.2 **Commitments completed, progressing well, on target or being maintained**  
In summary for 2018/19, 23 of the 30 commitments (77%) were either complete, progressing well or performance was being maintained. These commitments also reflect areas of work which are also longer-term commitments for the Council. These include:
- 525 new affordable homes completed with 665 approvals to go to site (commitment 1.1);
  - Town centres health checks have been completed and will inform future Local Development Plan reviews (commitment 1.4);
  - The Celtic Media Festival took place in the Aviemore/ Badenoch and Strathspey Area in June 2019. There were 23 Award Categories across several sessions, which were well attended by 434 delegates (commitment 1.6);

- The Council's Modern Apprenticeship Programme has created over 100 Modern Apprenticeships with 29% of apprenticeships coming from our more disadvantaged communities (as of June 2018; commitment 2.2);
- Children achieving their key developmental milestones by the time they enter school was 86% in 2018/19, compared to 84% in 2017/18 (commitment 2.3);
- Children achieving one hour or more of moderate activity (5+ days per week) was 59%, compared to 41% in 2015 (commitment 2.3);
- The Council is on track to implement 1140 hours of high quality early learning and childcare to every eligible child across Highland (commitment 2.3);
- School refurbishment and renovation works totalling £33.2m in 2018/19 (commitment 2.4);
- 76% of Associated School Groups have one to one devices deployed (2018/19) compared to 10% in 2017/18 (commitment 2.6);
- 91% of homes and businesses in 2018/19 have access to superfast broadband compared to 79% in 2017/18 and 14 town centres across the Highlands now have public Wi-Fi systems (commitment 3.1);
- The Business Gateway Service assisted 280 start-up businesses; 1,802 business enquiries were handled; and 58 growth businesses supported. The Council's loan company (Highland Opportunity (Investments) Limited), invested £936k in 21 businesses (commitment 3.5);
- Six successful applications to the Rural Tourism Infrastructure Fund with £1.1m of grant offered (commitment 4.3);
- Three new 20 mph schemes have been developed and one scheme implemented (commitment 4.4);
- 15 full asset transfer requests were received. Of these 8 have been agreed; none were rejected; 3 are under consideration; and 4 withdrawn (commitment 5.5).

### 5.3 **Mixed performance - positive and negative movement in indicators**

There are six commitments where mixed performance is recorded (20%). These are summarised below on the basis of exceptions reporting.

#### **Rural Proofing (commitment 1.3)**

This commitment is marked as mixed performance, as whilst progress is being made, timescales have slipped. The key areas of slippage are around the lobbying for rural proofing equal status, promoting the use of rural impact assessments and reviewing the evidence on rural poverty and equality where work was targeted during 2018. However, it was also anticipated much of this work would be on-going and progress has been made as outlined below.

- The Council's Poverty and Inequality Working Group agreed to initially focus on understanding the experience of child poverty, particularly with the introduction of the Child Poverty Act.
- Work is scheduled to review current processes and guidance on rural impact assessment to develop a more integrated approach.
- Where opportunities arise, through engagement or consultation activity, the issue of rural proofing is raised.
- The Highland Outcome Improvement Plan (HOIP) focuses on the delivery of five outcomes to address inequalities throughout Highland. Key priorities specifically focus on inequalities facing rural communities. Community Partnerships continue to engage with their local communities to develop locality plans to address inequalities at a local level.

### **Whole System Approach Integrated Children's Services (commitment 3.2)**

This commitment is marked as mixed performance where area of slippage are the reduced number of young people reporting the say they feel safe in their community and the number of Children and young people reported to the Scottish Children's Reporter Administration increased to 223 in 2018/19.

- Children who report that they feel safe in their community has decreased and was 82.9% (2017), compared to 84.7% in 2015.
- 89.3% of S4 pupils on 50% timetables presented for Scottish Qualification Authority (SQA) exams (2016/17 academic year), with an average tariff score of 34.8. This analysis has not been possible in the past year.
- 100% of children and young people referred to the Child and Adolescent Mental Health Service were seen within the 18 week target.
- Child protection re-registrations within 18 months was 0.7% in Highland (2017/18), 5.1% (2016/17). Highland ranked 6<sup>th</sup> out of the 32 local authorities.
- Children and young people reported to the Scottish Children's Reporter Administration was 223 in 2017/18 (current reporting period) compared to 207 in 2016/17.

### **Fewer People Experience Transport Barriers (commitment 3.7)**

This commitment is marked as mixed performance, as whilst progress is being made, timescales associated with this have slipped across all panned actions.

- Officers have been recruited to support work around community transport grants. Community reviews are now being incorporated into a Transport Project which will run until 2021; the original target was September 2018.
- Minibuses operated by Community Services are available for use by community groups. Work is ongoing to develop a corporate policy on minibus use, and this will be a joint exercise with the Care and Learning Service. It was intended to complete this work by September 2018.
- Preparatory work has been undertaken ahead of the expected passing of the Scottish Government Transport Bill.
- The Memorandum of Understanding with HiTrans for public transport publicity is under review, to be agreed by spring 2020. Further to this the Council will develop a Bus Information Strategy which will require consultation with bus operators. It was hoped to have achieved co-ordination of timetables by December 2018.

### **Grow and Invest in Community Based Adult Services (commitment 3.8)**

This commitment is marked as mixed performance, as whilst progress is being made, timescales have slipped in relation to the strategic and financial delivery plan and establishing new outcomes and measures for health and social care.

- A draft strategic and financial delivery plan has been drafted, with the intention to finalise this in parallel with the review of the Partnership Agreement. The original target for this was February 2018.
- Under the Scheme of Integration, a new Partnership Agreement is required as it is due to expire March 2020.
- Work continues to progress developing a Care Home strategy. A Strategic Implementation plan has been discussed with NHS Highland.
- A new Care at Home contract has been developed and is due for implementation from 1 July 2019.
- New outcomes and measures for Health and Social Care continue to be developed

and considered. The target for completing this work was September 2018.

### **Affordable, Efficient, and Local Services (commitment 5.2)**

This commitment is marked as mixed performance, as whilst progress is being made, timescales associated with this have slipped in relation to communications plans for engaging with communities and the development of a Community Gateway has had limited interest from partners and has not been delivered.

- In 2018/19, the Redesign Board oversaw and completed peer reviews on Trade Services, Children's Commissioned Services and Agency and Temporary Workers. Recommendations were agreed and are being implemented under close scrutiny from the Board. Two new reviews have been commenced – on Catering Services and on Engineering Services. Lean reviews have continued with work on cash collection and trades services, and further proposals to be considered.
- Piloting a community redesign process and associated communication plans have not been progressed as the focus has been on the delivery of the Change Programme. Therefore, the June 2018 target had not been met. The focus of Redesign shifted to create a Programme Management Office with project management support to implement redesign reviews. A change programme of 17 corporate projects is now established, supported by a Change Fund.
- There is limited interest from partners to streamline their support for community bodies and to develop a "community gateway" providing a single point of contact to support community bodies. Therefore, the June 2018 target had not been met.

### **Align the Council's Strategic and Financial Priorities (commitment 5.6)**

- The Council agreed a 3 year revenue budget in February 2019. Whilst this still shows a funding gap in years 2 and 3 this is a major step forward in terms of restoring medium term financial planning. A five year financial plan by February 2018 was the original target.
- A new Workforce Strategy continues to be developed, the original target for complete was June 2018. This is now embedded as one of the four key themes of the Council budget agreed in February 2019.

#### **5.4 Commitment not met (no significant progress)**

In addition, there is one commitment (3%) which has not been met (no significant progress). Members will be aware that this is reporting for exam results in August 2018 and that the August 2019 figures just reported show significant improvement which will be reported in more detail to Council as part of our Statutory Performance Indicator report in March 2020 and the Annual Report in September 2020. In addition a Change Programme for Education Transformation is in place and regularly reporting progress to the Care, Learning & Housing Committee.

### **Improve Educational Attainment for All (commitment 2.1)**

- Primary school and Secondary school literacy and numeracy levels were lower than the Scottish average in the 2017/18 academic year.

Overall attainment is monitored through the Scottish Credit and Qualifications Framework (SCQF). The position for the 2017/18 academic year, as previously reported to Council in March 2019 shows the Council's national benchmark position in the 3<sup>rd</sup> and 4<sup>th</sup> Quartiles across all indicators of pupils achievement at

- 5+ awards at SCQF Level 5;

- 5+ awards at SCQF Level 6 including those for pupils from deprived areas;
- exclusion rates for Looked After Child)
- exclusion rate across the most deprived 20% of primary schools
- exclusion rate across the most deprived 20% of secondary schools

## **6. Review of the Corporate Performance Framework**

6.1 Following each annual performance report a review of the Council Programme would normally be carried out taking account of priorities which have been achieved and make any amendments required to the Programme. However, as the Programme was refreshed in December 2018 and a new Corporate Plan will be finalised at this Council meeting the next review is planned for December 2020. This will take account of the September 2020 annual performance report for the first year of the updated programme and new Corporate Plan (2019/20). Reports on any proposed changes to the Council Programme or the Corporate Plan will be submitted to Council for approval.

## **7. Statutory Performance Indicators 2018/19**

7.1 The Council is required to report on its Statutory Performance Indicators (SPIs) within 12 months of the end of the financial year they refer to. These SPIs include both Local Government Benchmarking Framework (LGBF) indicators and locally defined performance indicators (LPIs). The Council is currently in the process of completing our data returns to the Improvement Service which will enable LGBF performance indicators to be calculated, and collecting the data for our LPIs. A report will be presented to a full Council meeting no later than March 2020.

## **8. Service Plans**

8.1 Service Plans for all the Council Services and the Chief Executive's Office were presented to their relevant strategic committees in May 2019. These plans provide an analysis of how the Service is performing, the risks it faces, and the key strategic priorities for the Service. The plans are normally reviewed annually take account of any agreed changes to the Council Programme and subsequent update to the Corporate Plan. An earlier review however is likely in order to consider the implications of the current management restructure of the Council and to ensure that new plans are in place for the new financial year.

Designation: Chief Executive

Date: 14.08.19

Authors: Evelyn Johnston, Corporate Audit & Performance Manager;  
Stephen Carr, Corporate Performance Manager.

Background Papers: Appendix 1 – Performance Highlights 2018/19; Annual Performance Analysis 2018/19,

[https://www.highland.gov.uk/downloads/file/21031/corporate\\_performance\\_analysis\\_2018 - 2019](https://www.highland.gov.uk/downloads/file/21031/corporate_performance_analysis_2018_-_2019)

Local voices | Highland choices

Guthan ionadail | roghainnean  
Gàidhealach

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The Highland Council Programme

Performance Highlights 2018/19





# Introduction

The Highland Council's programme for 2017-2022, Local Voices, Highland Choices, was approved in September 2017 and sets out the Council's strategic commitments.

Each year the Council publishes a performance report setting out progress to achieve these 30 commitments.

This report presents the highlights and other relevant contextual information. It is set out over the five key strategic themes of:

- A Place to Live
- A Place to Learn
- A Place to Thrive
- A Welcoming Place
- A Redesigned Council



Photo by Digital Learning Highland

This is the third year performance has been presented against this set of commitments. Detailed performance analysis reports can be viewed at the Council's website: [https://www.highland.gov.uk/downloads/file/21031/corporate\\_performance\\_analysis\\_2018 - 2019](https://www.highland.gov.uk/downloads/file/21031/corporate_performance_analysis_2018_-_2019)

Progress is being made, with 77% of the commitments (23 out of the total 30) being either completed, on target or where performance is being maintained. For 7 commitments (23%) there is mixed performance or no significant progress. This report provides some of the performance highlights of 2018/19, along with other useful contextual information.

The Council also produces an annual report on our statutory performance indicators. This includes over 140 performance indicators, of which 80 are nationally benchmarked against all the other Councils in Scotland. Public perceptions of the Council and public attitudes are also monitored on an annual basis through our annual survey of the Citizens' Panel.

You can find out more about the Council's performance at the Council's website: [www.highland.gov.uk/performance](http://www.highland.gov.uk/performance)



Photo by Gordon Douglas

## A Place to Live

The Council's first priority is to the people of the Highlands: the people who live and work here, those who grow up here, have settled here and grow old here.

In 2018/19 there were 525 new homes completed with 665 approvals to go to site. In 2017/18, 290 homes were completed, so over the two years this is an average of 407.5 new homes per year.

Raining's Stairs in Inverness was officially opened in October 2018. This award winning development consists of 16 new affordable homes in the heart of Inverness.



Highland Council is ranked 7<sup>th</sup> out of 32 local authorities for rent arrears. 5.0% rent was owed due to arrears (gross) in 2017/18 compared to the

Scottish average (6.75%).

The Gaelic Team submitted 11 applications to the Gaelic Language Act Implementation Fund for 2019-2020. Funding totalling £118,650 was awarded. The Celtic Media Festival took place in June 2019. There were 23 Award Categories across several sessions, which were well attended by 434 delegates. The Council entered the third year of a three year partnership with Bòrd na Gàidhlig to continue to support the 0-3 age sector in collaboration with the Care and Learning Alliance.

Photo by Highland Council



- Tenant satisfaction with the management of the neighbourhood they live in is 68%, compared to 69% in 2015-17
- Tenant satisfaction with the opportunities to participate in decision-making processes is 56%, compared to 47% in 2015-17.

The Environmental Advice and Consultancy team provides specialist planning advice and consultancy work. In 2017/18, the team generated £63,906 for chargeable for ecological, forestry and historic environment advice.



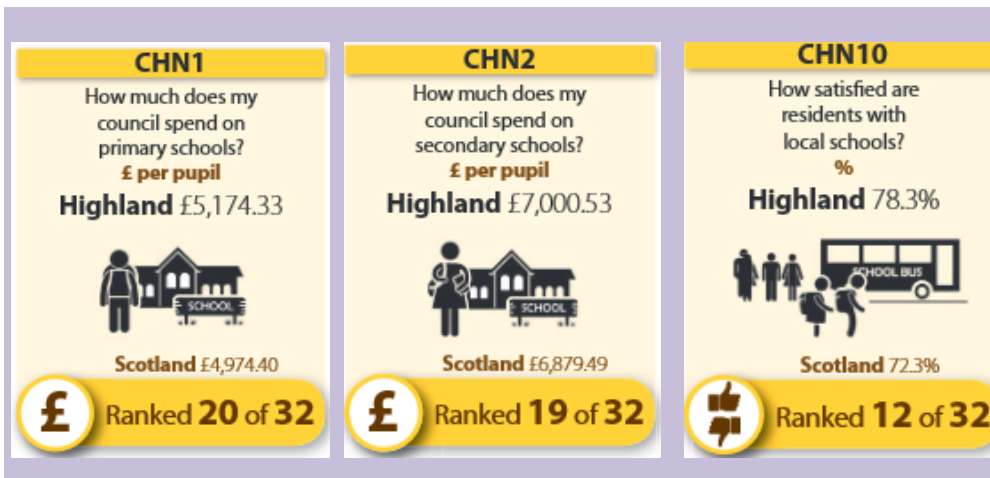
Photo by Highland Council

## A Place to Learn

Schools are at the centre of the lives of our citizens and local communities. Everyone should be given the opportunity to develop their knowledge, skills, and experience, regardless of age or background

Overall educational attainment is monitored through the Scottish Credit and Qualifications Framework (SCQF) and key attainment indicators are nationally benchmarked. In 2017/18:

- 61% of pupils achieved 5+ awards at SCQF Level 5. The Council was ranked 19<sup>th</sup> nationally (Scotland: 62%).
- 31% of pupils achieved 5+ awards at SCQF Level 6. The Council was ranked 22<sup>nd</sup> nationally (Scotland: 34%).
- 31% of pupils from deprived areas achieved 5+ awards at SCQF Level 5. The Council was ranked 25<sup>th</sup> nationally (Scotland: 42%).
- 9% of pupils from deprived areas achieved 5+ awards at SCQF Level 6. The Council was ranked 25<sup>th</sup> (Scotland: 16%).



Our Modern Apprenticeship Programme (approved in August 2017) has created over 100 Modern Apprenticeships (as of June 2018) and is on target to exceed the target of 150 by September 2019.

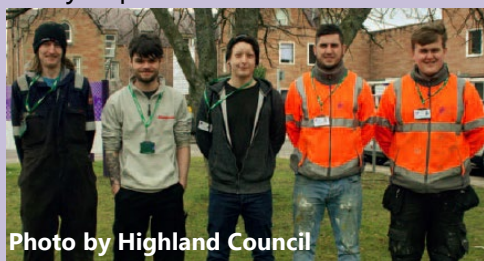


Photo by Highland Council

The Council is on track to implement 1140 hours of high quality early learning and childcare to every eligible child through a phasing approach across Highland. The Council implemented this in seven settings over 2018/19, with an expected increase of another 73 settings in August 2019.

The percentage of children achieving their key developmental milestones by the time they enter school was 86% in 2018/19, compared to 84% in 2017/18.

During 2018/19, the Council spent £33.2m on school capital investment, improving condition, suitability and capacity.

This included the completion of phase 1 of Inverness High School refurbishment, and works underway on a new Merkinch Primary School, a new Alness Academy, and Smithton Primary phase 2 works.

# A Place to Thrive

We will do all we can to strengthen our infrastructure; support the growth of new and existing businesses; and the creation of new jobs.

The City-Region Deal will invest up to £315m into the regional economy. Projects include: The Centre for Health Innovation; Inverness Castle; The Northern Innovation Hub; Science Skills Academy; and Digital Programme, and many more.



The UHI Life Sciences Innovation Centre by 2021 will be co-located with the new elective hospital and Life Science business incubator building on the Inverness Campus. £3.75m has been secured from the European Regional Development Fund to enhance the facility. This will improve the commercial activity of Life Sciences across the Highlands and the rehabilitation of patients from across the region.

The Northern Innovation Hub had faced significant delays in securing the business case approval, however all elements are approved including the capital element for a new food and drink centre. The team is in place and operating with businesses and individuals from across Highland.

The Inverness Community Links Plus project is underway. Governance arrangements have been set up and a number of the specific infrastructure interventions are being progressed. There is some slippage arising from engagement and design matters.



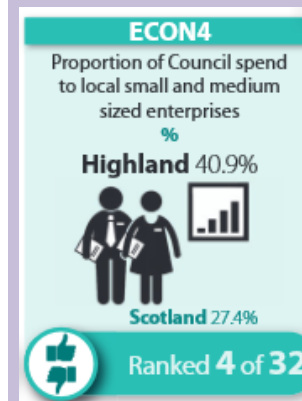
Photo by Highland Council

The Business Gateway Service continues to support businesses across the Highlands start-up, trade successfully and grow. This service achieved the following in 2018/19:

- 280 start-up businesses were assisted;
- 1,802 business enquiries were successfully handled;
- 58 growth businesses were supported, with a number looking to employ people, take on new premises, and develop new markets.



Allied to this, via the Council's loan company (Highland Opportunity (Investments) Limited), the Council invested £936k in 21 businesses, including 3 community businesses.



## A Welcoming Place

We have an increasingly diverse population and we welcome people of all faiths, nationalities and backgrounds who wish to live, study, work or visit here. We also welcome people who wish to create businesses and those that can work in key sectors where we have skill shortages.

Highland welcomed 6.4 million visitors in 2017, with an economic impact of £1.25 bn. Data for 2018 is not yet available, but evidence suggests 2018 business levels were similar to 2017.

Nine applications were submitted to the first round of the Rural Tourism Infrastructure Fund with six being successful with £1.1m of grant offered.

Support for the tourism sector and its supply chain businesses has been provided through the Business Gateway Service. This includes hosting further dedicated workshops on subjects such as maximising the opportunities brought by the North Coast 500. A number of tourism related start-ups were supported in 2018/19

Annual Service Level Agreements were in place with seven Destination Organisations in 2017/18. In addition, £36,000 of funding was shared across the seven organisations. This funding encouraged industry collaboration and projects designed to improve the quality and range of the tourism offer in their areas.

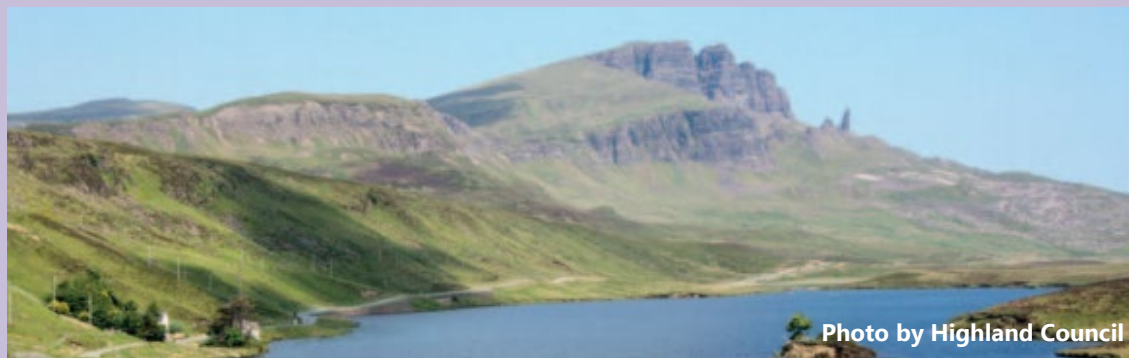


Photo by Highland Council

A Highland and Island's Talent Attraction Strategy is in place and partners are progressing the regional and local activity required.

Work is progressing on the refresh and population of the Enterprising Highland portal website as a critical source of local information to aid (re)location decisions.

**Enterprising Highland**  
Gàidhealtachd Iomairteach

### Road Safety

- Three new 20 mph schemes have been developed and one scheme implemented in 2018/19.
- Children walking and cycling to school was 52% in the 2017/18 academic year, up from 51%.
- 13 Speed Indication Devices signs were installed via the 20 mph programme in 2018/19. These were in Alness, Dingwall and Wick.

## Redesigned Council

The Council will be more open-minded to new ways of delivering services; more commercially-minded, raising income to sustain services and jobs across the region; and more community-minded by listening locally.

Two participatory budgeting events were held in 2018/19. The focus is now to plan how participatory approaches are applied to mainstream service activity.

In 2018/19, there were 69 expressions of interest for community asset transfers, and 15 full community asset transfers were requested, of these:

- 8 have been agreed
- 3 are under consideration
- 4 were withdrawn
- None were rejected



Photo by Highland Council

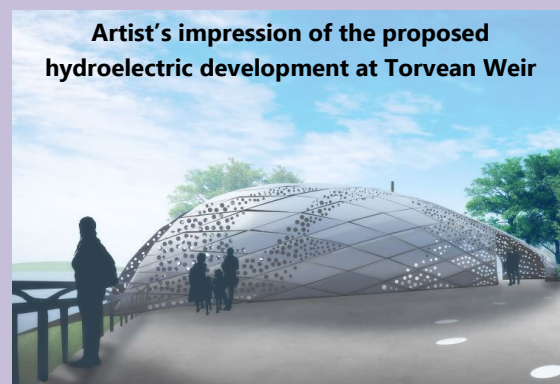
The Council's approach to localism continues to develop. During 2018/19 this included:

- Responding to the national Local Governance review on potential areas of local decision making
- A seminar to consider strategic, local and community governance in Highland
- Establishing a review of Council Governance
- Reviewing the Community Council Scheme, focusing on understanding how to improve relationships and communications, and improve involvement in local decision making.

The Redesign Board oversaw peer reviews on Trade Services, Children's Commissioned Services and Agency and Temporary Workers. Recommendations are being implemented. Two new reviews have been commenced – on Catering Services and on Engineering Services. Lean reviews have continued with work on cash collection and trades services, and further proposals to be considered.

Commercial proposals continue to be developed. Opportunities in the energy, tourism and land and property sectors are being progressed.

The Council agreed a 3 year revenue budget in February 2019. Whilst this still shows a funding gap in years 2 and 3 this is a major step forward in terms of restoring medium term financial planning.



Artist's impression of the proposed hydroelectric development at Torvean Weir