

Corporate Services

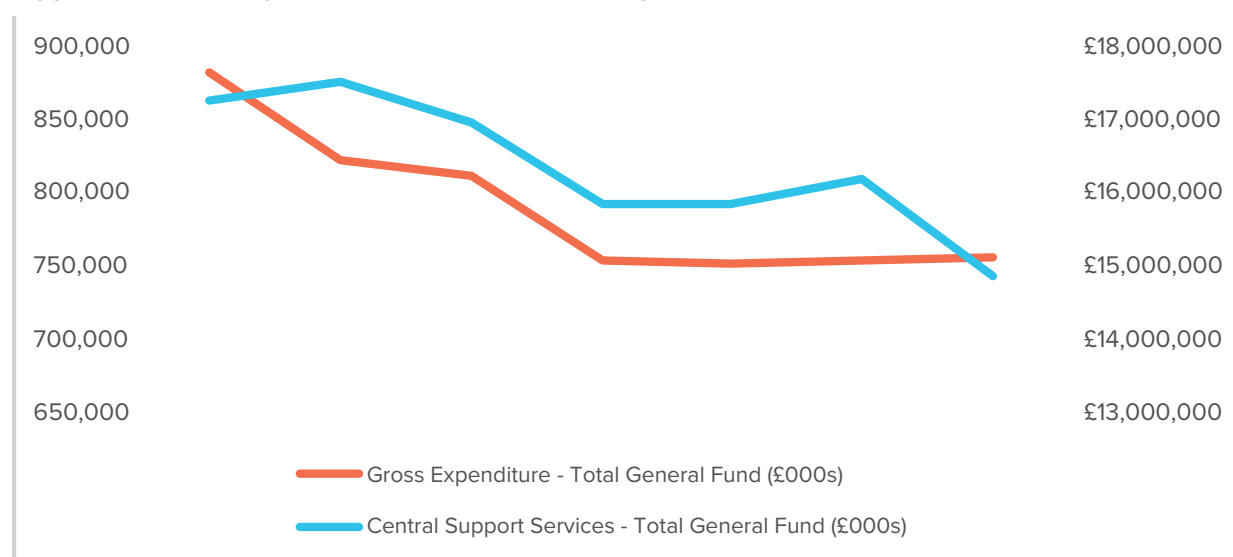
Support Services

Corporate support services within councils cover a wide range of functions including finance, human resources, corporate management, payroll legal services and a number of other corporate functions.

For standardisation purposes, support services are represented as a percentage of total gross revenue expenditure in the benchmarking framework. The figure has remained around 5% across the seven-year period. In 2016/17 the Scottish average was 4.92% compared to 4.89% in 2010/11, although there have been fluctuation across the period.

Although spend on support services and total revenue budget have reduced by similar proportions since 2010/11 (-13.9% and -14.4% respectively), year-on-year changes have not always been in parallel as the graph below shows. A significant element of the reduction in total general fund expenditure across the period was the removal of Police/Fire Services from local government in 2013/14. In terms of the reduction in the cost of support services, significant digital investment and increasing centralisation of support services may be important factors contributing to this trend. However, it is also possible an element of this increase is due to improved reporting following refined guidance from the Scottish Government in their financial return.

Support Services Expenditure and Total Gross Expenditure



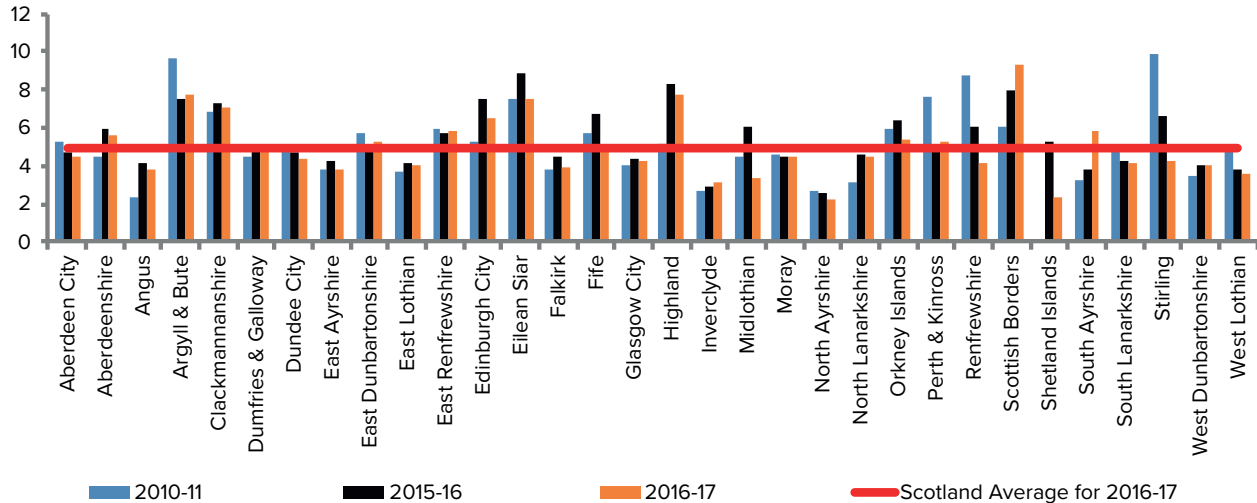
Source: Council supplied expenditure figures

In 2016/17, the range across councils in support services is from 2.3% to 9.4% of total general fund, with clear differences between urban, rural and semi-rural councils. In general terms, support services represent a higher percentage of the total gross expenditure in rural authorities than urban and semi-rural councils; the rates were 5.6% on average for rural councils and 4.3% and 4.1% for urban and semi-rural councils respectively.

Work within Family Groups has identified the following factors as important in understanding the variation between authorities in Support Services

- *Workforce composition and structure – workforce exit; staff terms & conditions; role redefinition*
- *Asset Management and rationalisation*
- *Service redesign – service integration; centralisation; self-service*
- *Digital Strategy*

Support Services as a Percentage of Total Gross Expenditure



Source: Council supplied expenditure figures

Note: Missing values reflect no data returned for that year

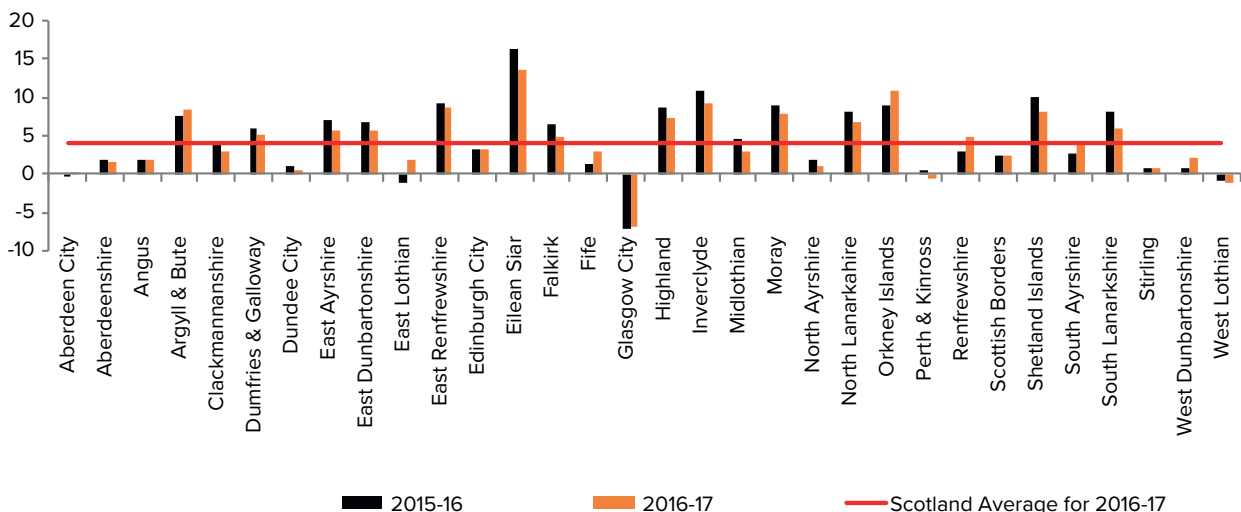
Gender Equality

The percentage of women in the top 5% of earners in councils is a significant measure of the attempts by councils to ensure equal opportunity between genders. From 2010/11 to 2016/17 this has increased from 46.3% to 52.0%. The range across councils is from 25% to 62%.

While this is an important measure reflecting the progress which has been made in relation to gender equality in senior positions, there is a need to capture the progress being made across the wider workforce. As such, we have introduced a measure on the Gender Pay Gap which represents the difference between men's and women's earnings and is a key measure under the Public Sector Equality Duty. This measure takes the average (mean) hourly rate of pay (excluding overtime) for female employees and divides this by average (mean) hourly rate for male employees. Both part-time and full-time employees are included. This is only the second year of publication, and this measure will be subject to review and on-going development across the coming period.

In 2016/17 the Gender Pay Gap was 4.14%, ranging from -7.0% to 13.7%. Those staff employed via arms-length organisations are not included within the calculation which will influence the variability observed and may be important in understanding the figures observed for Glasgow.

The Gender Pay Gap (%)



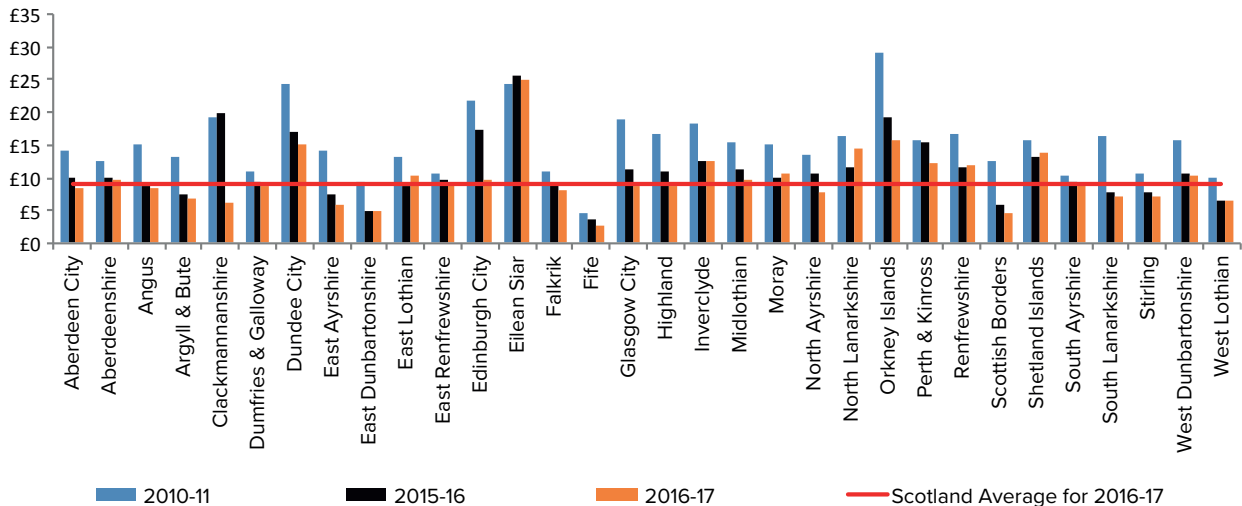
Source: Council supplied figures

Council Tax

The cost of collecting council tax is measured on a per property basis to standardise the measure across councils. Over the seven-year period from 2010/11 to 2016/17 this has reduced by 40.9%, from £15.19 to £8.98. There has been a year-on-year reduction in costs, which has accelerated in recent years, reducing by 15.1% in the past 12 months alone.

The range however varies significantly from £2.64 to £25.05, with smaller sized and island councils tending to report higher costs. A key factor driving the reduction in costs is the continued digital transformation and shift to embrace new technology and automation.

Cost per Dwelling of Collecting Council Tax (£)

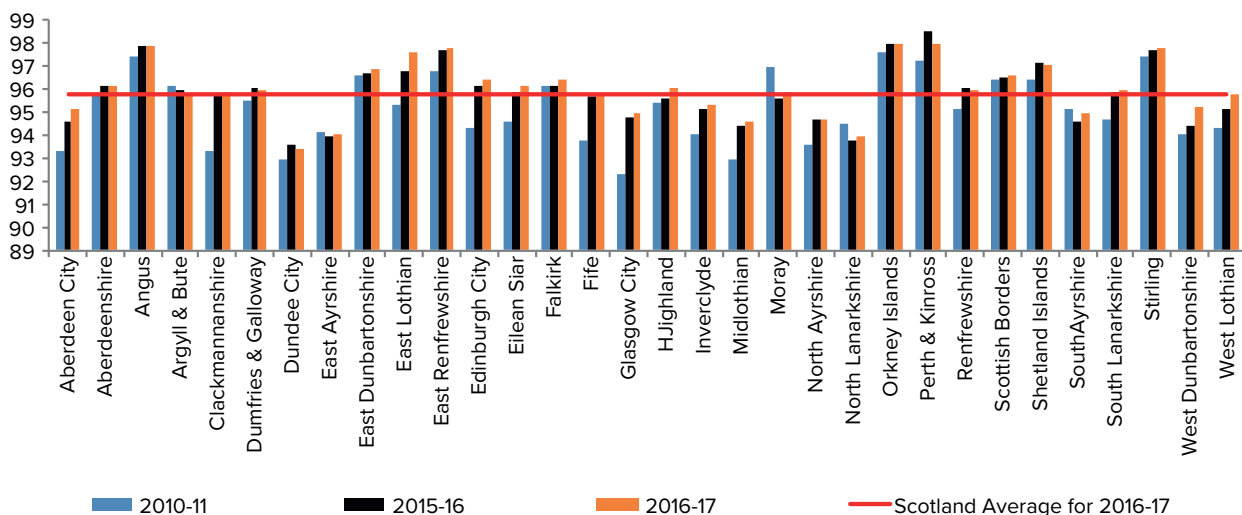


Source: Council supplied figures

At the same time as the reduction in unit costs, the overall rate of in-year collection for council tax has remained high and shown steady improvement from 94.7% in 2010/11 to 95.8% in 2016/17. This has been achieved despite the challenges created by a difficult economic climate and significant welfare reform.

The variation across councils is narrowing over time, with rates in 2016/17 ranging from 93.4% to 97.9%. Council tax collection rate shows a significant pattern in relation to rurality and level of deprivation. The roll-out of Universal Credit is likely to further exacerbate this over the coming period.

Percentage of Income Due from Council Tax Received by the End of the Year



Source: Council supplied figures

Work within Family Groups has identified the following factors as important in understanding the variation between authorities in Council Tax performance

- Channel Shift to greater automation and self-service (both customer facing and back office)
- Structural variations in relation to Council owned or transferred housing stock and the impact of discount/exemption/Council Tax Reduction(CTR) take-up on collection
- Procedural variations such as:
 - Local set ups – Revenues and Benefits, shared service etc
 - Impact of annual/regular billing regimes on subsequent collection and recovery
 - Types/variety of accessible payment options, particularly the level of Direct Debit payment
 - Follow-up and recovery timetables
 - Payment arrangement guidelines
 - Impact of ‘water only’ debt and success of DWP collections (including Water Direct)
 - Working with others – RSL’s, Educational Establishments, Advice Sector
- Recovery and Enforcement approaches, e.g.:
 - Corporate Debt strategies (refunds/offsets etc)
 - In-house recovery activity
 - Pre and post warrant intervention
 - Use of available diligence and enforcement actions
 - Relations with/management of Third Party Collectors (Sheriff Officers etc.)
- Asset Management and rationalisation in relation to office premises

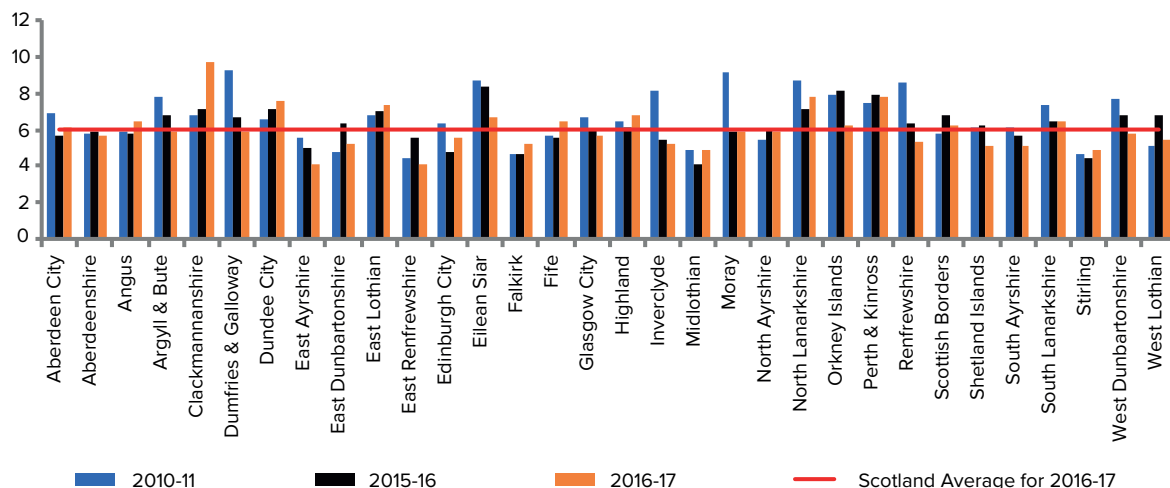
Sickness Absence Rates

The management of sickness absence is a major priority for councils in their efforts to manage their costs. Although there have been fluctuations, sickness absence days for teaching staff have reduced from 6.60 days to 6.06 days since 2010/11 (-8.2%) and from 6.09 days to 6.06 in the past 12 months (-0.5%).

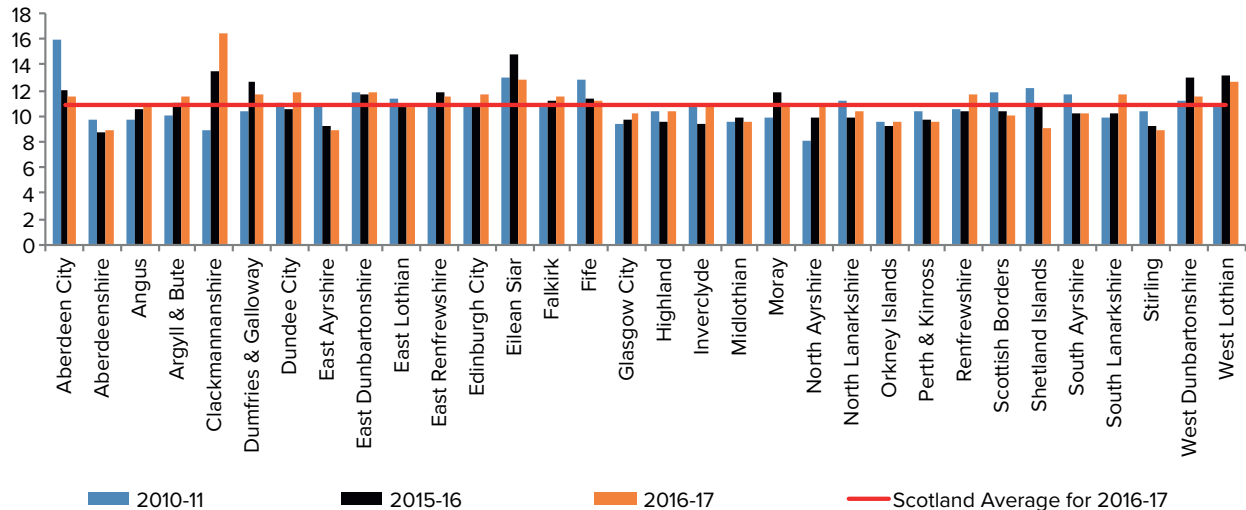
Sickness absence days for non-teaching staff are higher than those for teachers, and have increased slightly since 2010/11, from 10.8 days to 10.9 days (1.1%). Although there have again been fluctuations during this period, there has been an increase from 10.6 days to 10.9 days in the past 12 months (2.7%).

For teaching staff, the number of absence days ranges from 4.10 to 9.77, with rural authorities tending to report slightly higher levels (6.2 compared to 5.8). For non-teaching staff, the number of days range from 8.84 to 16.50 with analysis suggesting that the variation is systematically related to deprivation. Councils with higher levels of deprivation report higher absence rates (11.24 compared to 10.79 for areas with lowest deprivation).

Number of Sickness Absence Days per Teacher



Number of Sickness Absence Days per Employee (Non-Teacher)



Source: Council supplied figures

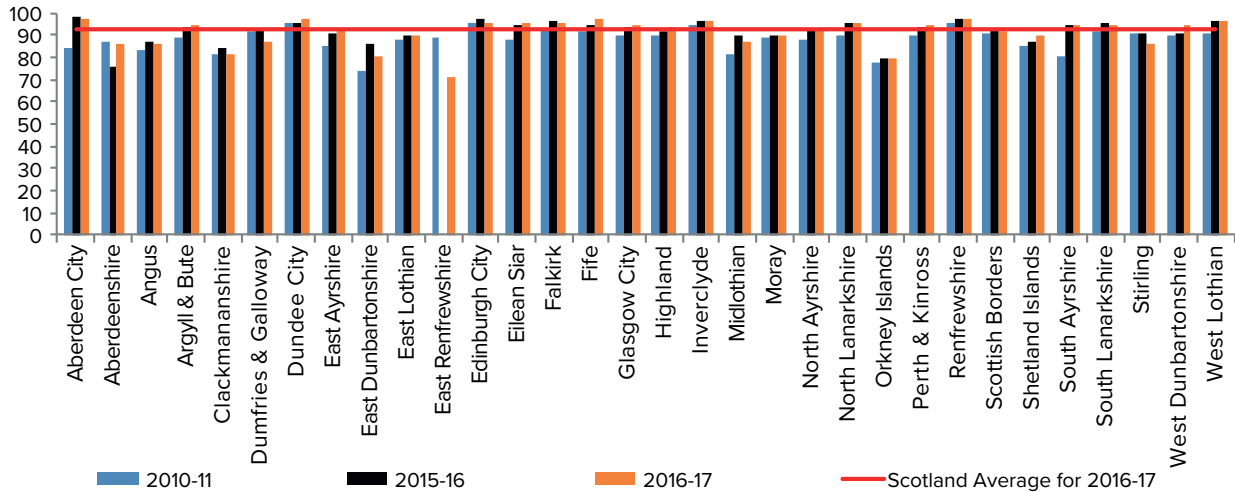
Work within Family Groups has identified the following factors as important in understanding the variation between authorities in sickness absence levels

- Workforce composition and age profile
- Priority given to performance management and business intelligence to support early intervention
- Strategic priority given to Health and Wellbeing initiatives
- Level of staff engagement and involvement
- Differences in Absence Management policy and procedures, including the point at which disciplinary intervention is triggered
- Level of flexible working practices
- Level and type of occupational health and counselling
- Level of resource dedicated to maximising attendance and managing absence

Invoices paid

Councils are major purchasers of goods and services both within their local economies and across the Scottish economy as a whole. The percentage of invoices paid within 30 days has steadily increased from 89.5% to 93.1% over the seven-year period, however the variation between councils has widened. In 2016/17 the range across councils was 71.0% to 97.2%.

Percentage of Invoices Sampled that were Paid Within 30 Days

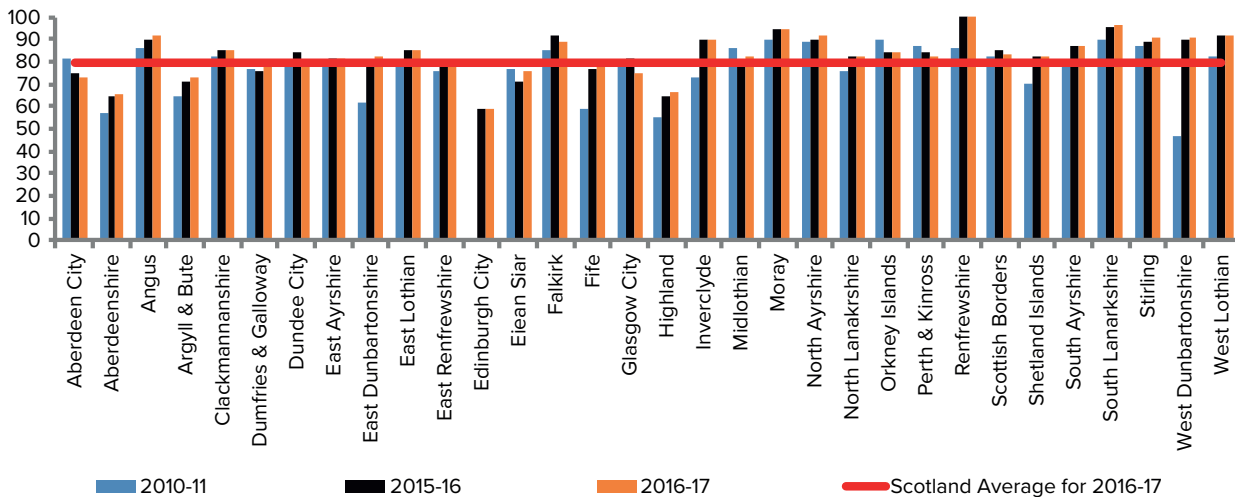


Corporate Assets

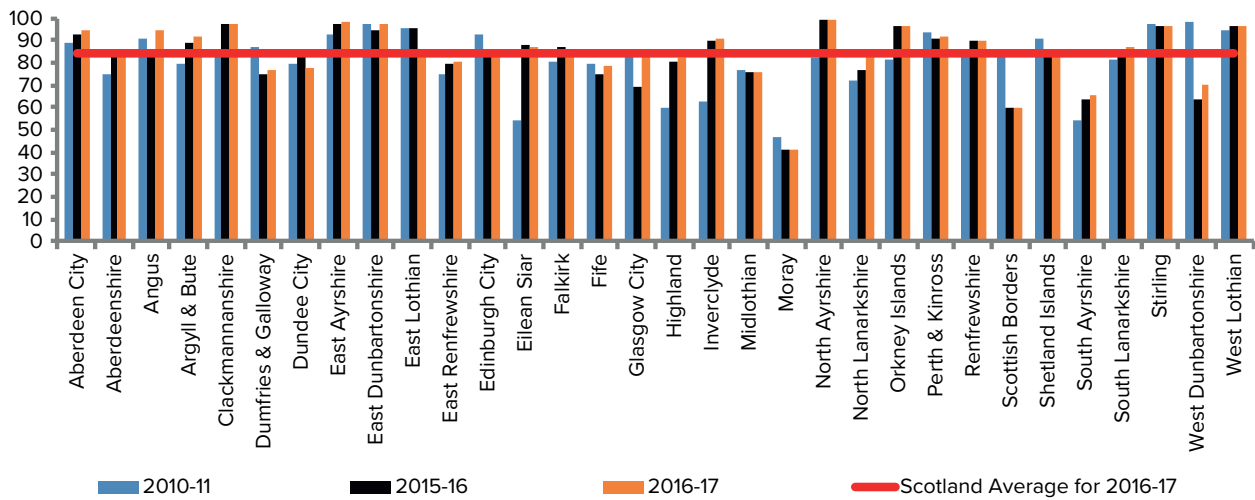
There has been improvement in the condition of councils' corporate assets over the period. The percentage of operational buildings that are suitable for their current use has improved from 73.7% to 79.8% and the proportion of internal floor area of operational buildings in satisfactory condition has improved from 81.3% to 84.5%.

There is significant variation across councils in both measures, ranging from 59% to 100% for buildings suitable for use, and 41% to 99% for condition of floor area. Rural councils have significantly lower levels of buildings suitable for their current use, although there is no similar relationship in terms of the condition of internal floor area.

Proportion of Operational Buildings that are Suitable for their Current Use (%)



Proportion of Internal Floor Area of Operational Buildings in Satisfactory Condition (%)



Source: Council supplied data

Work within Family Groups has identified the following factors as important in understanding the variation between authorities in relation to corporate assets

- Review programme for school estate
- Investment in improvement works
- Lifecycle – key elements at end/past their useful economic life e.g. roofs/heating systems
- Capital programmes – investment in schools/energy efficiency programmes
- Asset transfer and the Community Empowerment agenda