

# North Lanarkshire Council Report

## Policy and Strategy Committee

Does this report require to be approved?  Yes  No

Ref KA/P&S/Dec23

Date 07/12/23

## Audit Scotland: Best Value Thematic Report

**From** Ken Adamson, Chief Officer (Audit and Risk)

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### Executive Summary

The purpose of this report is to present to elected members the Best Value Thematic Report produced by the Council's appointed external auditors, Audit Scotland, as part of their audit of the Council for the year-ending 31 March 2023. A copy of the external auditor's report is at Appendix 1.

This report presents Audit Scotland's consideration of the effectiveness of the leadership of the development of the council's strategic priorities undertaken as part of a national approach to thematic aspects of the Best Value (BV) audit requirements.

Overall, the report's key findings are extremely positive. The auditors noted that the Council has a clear ambitious vision as detailed in the Plan for North Lanarkshire which has been driven by effective leadership and is supported by a range of performance indicators and performance reporting arrangements. The report also concludes positively on the Council's approach to citizen and community engagement and recognises the Council's commitment to reducing inequalities and tackling poverty. Finally the report comments positively on the alignment of strategic and operational delivery plans with the Council's financial, asset and digital plans, the collaborative working between members and officers and the Council's approach to self-evaluation which supports continuous improvement.

The report contains a small number of audit recommendations and responses, including planned actions, which have been agreed by management.

### Recommendations

The Policy and Strategy Committee is invited to:

- 1) Endorse the positive messages arising from the external auditors' BV thematic report;
- 2) Acknowledge that the Audit and Scrutiny Panel have previously agreed to monitor, through reports from Internal Audit, implementation by management of actions agreed in response to external audit's recommendations.

## **The Plan for North Lanarkshire**

|                    |   |
|--------------------|---|
| Priority           | All priorities                              |
| Ambition statement | All ambition statements                     |
| Programme of Work  | Statutory / corporate / service requirement |

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### **1. Background**

- 1.1 The Accounts Commission have appointed Audit Scotland as the Council's appointed external auditor. Expected outputs to be produced by the Council's external auditors are outlined each year in their annual planning document. The responsibilities of the independent auditor are established by the Local Government (Scotland) Act 1973 and the Code of Audit Practice 2021.
- 1.2 The external auditor is required to annually prepare a report for members and the Controller of Audit summarising the audit work done and presenting the main findings arising from the audit. The report has been discussed and agreed with senior management and was presented to the Audit and Scrutiny Panel meeting on 25 October 2023.
- 1.3 As set out in the Code of Audit Practice, annual thematic work in respect of Best Value is determined by the Accounts Commission. For 2022-23 audits, auditors were asked to focus on councils' leadership of the development of new local strategic priorities and although already reported to the Audit and Scrutiny Panel in October, given the focus of this report, it was considered appropriate to also present the results of that audit work to Policy and Strategy Committee.

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### **2. Report**

#### **Scope of the audit work**

- 2.1 The scope of the work, as directed by the Accounts Commission, was to assess the effectiveness, or otherwise, of the leadership of the Council's strategic priorities.
- 2.2 In considering this issue, the auditors considered the following questions:
- How clear is the Council vision and its priorities?
  - How effectively have the views of citizens and communities been reflected in the priorities and decisions taken by the Council?
  - How effectively do the Council priorities reflect the need to reduce inequalities and climate change?
  - How good are delivery plans and is there alignment of financial, Workforce, asset and digital plans with the Council's priorities?
  - Overall, how effective has the leadership been (political and officer) in setting clear priorities and a sustainable approach to delivering them

#### **Key audit findings**

- 2.3 The key findings of the external auditors work on Best Value (at Appendix 1) were as follows:

- The council has a clear ambitious vision as detailed in the Plan for North Lanarkshire which has been driven by effective leadership. The Programme of Work is reviewed annually by members and the Strategic Leadership Board. A fundamental review in 2022/23 led to a new refreshed Programme of Work to 2028 which details the council's priorities in achieving its vision and approved strategies. The external auditors considered that the new Programme of Work to 2028 was heavily officer led. Although recognising members had opportunity to review proposals and final approval, the auditors have recommended council should look to improve its existing processes for engaging members on the overall strategic planning process. Management has committed in the management response (at Appendix 1 of the audit report) to a range of actions designed to ensure elected members effectively discharge their strategic leadership role.
- Community empowerment and participation is a key priority of the council. Community boards have an important role in supporting the council achieve its priorities through the Local Outcome Improvement plans. This is particularly important given the emphasis the council has on a place-based approach to its vision.
- The council is clearly committed to reducing inequalities and tackling poverty and is proactive in engaging with a wide range of communities and equalities groups. The council should now consider how it measures the level of engagement it undertakes with communities and equalities groups.
- Climate change is an area of increasing focus for the council. There are plans to develop the Climate Plan further by producing a detailed climate action plan and the council are developing a planned route map to 2030.
- Sitting alongside the Programme of Work, the council has a Strategic Policy Framework in place which ensures the council's strategies, policies and plans remain aligned to its vision and support its shared ambition. This framework details elected member and officer responsibilities for strategic planning and includes details of elected member approval of individual strategies, policies and plans.
- The council has a well-developed medium-term financial plan which helps ensure resources are aligned to its key priorities as outlined in The Plan for North Lanarkshire and that the projects in the Programme of Work are affordable. The Financial Planning Advisory Group has recently been formed which has cross party membership. This group will play an important role in working with officers to identify options to address the financial challenges facing the council and monitor implementation of savings plans.
- The council has seen a lot of change at the political level since the local elections in 2022. Despite this level of change, there is collaborative working between members and with members and officers. The council has a number of cross-party working groups and there remains agreement and cross-party support for significant initiatives

2.4 The report contain a small number of audit recommendations and management responses, including planned actions, responsible officers and timescales, which are detailed in Appendix 1 of the external audit report. Progress implementing agreed actions will be monitored by Internal Audit and reported to future meetings of the Audit and Scrutiny Panel.

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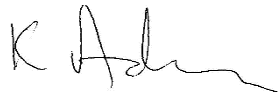
**3. Measures of success**

- 3.1 The Council is committed to delivering effective and efficient corporate governance arrangements which underpin the delivery of Council services and the achievement of planned outcomes and corporate priorities and ambitions.
- 3.2 Both Internal and External Audit report to the Audit and Scrutiny Panel on their assessment of the adequacy and effectiveness of the Council's corporate governance arrangements

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**4. Supporting documentation**

Appendix 1 Audit Scotland BV Thematic report



**Ken Adamson**  
**Chief Officer (Audit and Risk)**

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## 5. Impacts

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| <p><b>5.1 Public Sector Equality Duty and Fairer Scotland Duty</b><br/>Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty?<br/>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/><br/>If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? <a href="https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments">https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments</a><br/>Yes <input type="checkbox"/> No <input type="checkbox"/></p> |
| <p><b>5.2 Financial impact</b><br/>Does the report contain any financial impacts?<br/>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/><br/>If Yes, have all relevant financial impacts been discussed and agreed with Finance?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/><br/>If Yes, please provide a brief summary of the impact?</p>   |
| <p><b>5.3 HR policy impact</b><br/>Does the report contain any HR policy or procedure impacts?<br/>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/><br/>If Yes, have all relevant HR impacts been discussed and agreed with People Resources?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/><br/>If Yes, please provide a brief summary of the impact?</p>  |
| <p><b>5.4 Legal impact</b><br/>Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)?<br/>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/><br/>If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/><br/>If Yes, please provide a brief summary of the impact?</p>  |
| <p><b>5.5 Data protection impact</b><br/>Does the report / project / practice contain or involve the processing of personal data?<br/>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/><br/>If Yes, is the processing of this personal data likely to result in a high risk to the data subject?<br/>Yes <input type="checkbox"/> No <input type="checkbox"/><br/>If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to <a href="mailto:dataprotection@northlan.gov.uk">dataprotection@northlan.gov.uk</a><br/>Yes <input type="checkbox"/> No <input type="checkbox"/></p>  |
| <p><b>5.6 Technology / Digital impact</b><br/>Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?<br/>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/><br/>If Yes, please provide a brief summary of the impact?</p>   |

Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?

Yes  No

**5.7 Environmental / Carbon impact**

Does the report / project / practice contain information that has an impact on any environmental or carbon matters?

Yes  No

If Yes, please provide a brief summary of the impact?

**5.8 Communications impact**

Does the report contain any information that has an impact on the council's communications activities?

Yes  No

If Yes, please provide a brief summary of the impact?

**5.9 Risk impact**

Is there a risk impact?

Yes  No

If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?

Effective responses by management to the control issues and/or areas of improvement identified by External Audit will increase the likelihood of the Council achieving its ambitions by improving relevant control frameworks and more effectively mitigating potential risks and threats to the achievement of corporate ambitions and planned outcomes

**5.10 Armed Forces Covenant Duty**

Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?

Yes  No

If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.

**5.11 Children's rights and wellbeing impact**

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes  No

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes  No

# North Lanarkshire Council Leadership of the development of new local strategic priorities

Best Value thematic work in councils 2022-23



Prepared by Audit Scotland  
October 2023

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# Key messages

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- 1** The council has a clear ambitious vision as detailed in the Plan for North Lanarkshire which has been driven by effective leadership. The Programme of Work is reviewed annually by members and the Strategic Leadership Board. A fundamental review in 2022/23 led to a new refreshed Programme of Work to 2028 which details the council's priorities in achieving its vision and approved strategies. This new Programme of Work to 2028 was heavily officer led. Although members had opportunity to review proposals and final approval, the council should look to improve its existing processes for engaging members on the overall strategic planning process.
- 2** Community empowerment and participation is a key priority of the council. Community boards have an important role in supporting the council achieve its priorities through the Local Outcome Improvement plans. This is particularly important given the emphasis the council has on a place-based approach to its vision.
- 3** The council is clearly committed to reducing inequalities and tackling poverty and is proactive in engaging with a wide range of communities and equalities groups. The council should now consider how it measures the level of engagement it undertakes with communities and equalities groups.
- 4** Climate change is an area of increasing focus for the council. There are plans to develop the Climate Plan further by producing a detailed climate action plan and the council are developing a planned route map to 2030.
- 5** Sitting alongside the Programme of Work, the council has a Strategic Policy Framework in place which ensures the council's strategies, policies and plans remain aligned to its vision and support its shared ambition. This framework details elected member and officer responsibilities for strategic planning and includes details of elected member approval of individual strategies, policies and plans.
- 6** The council has a well-developed medium-term financial plan which helps ensure resources are aligned to its key priorities as outlined in The Plan for North Lanarkshire and that the projects in the Programme of Work are affordable. The Financial Planning Advisory Group has recently been formed which has cross party membership. This group will play an important role in working with officers to identify options to address the financial challenges facing the council and monitor implementation of savings plans.

- 7** The council has seen a lot of change at the political level since the local elections in 2022. Despite this level of change, there is collaborative working between members and with members and officers. The council has a number of cross-party working groups and there remains agreement and cross-party support for significant initiatives.

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# Scope of the audit

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1. When discussing the [Local Government in Scotland Overview 2022](#), William Moyes, Chair of the Accounts Commission said: “Councils are operating in a complex and increasingly volatile, unprecedented and unpredictable environment. Strong leadership from councils is needed now more than ever, with new and returning councillors being able and willing to make difficult decisions about where and how to spend highly pressurised resources.”
2. This report concludes on the effectiveness of the council’s leadership of the development of the council’s strategic priorities, following the recent local government elections.
3. [The Accounts Commission’s Strategy \(2021-26\)](#) sets out its priorities to focus on inequalities, funding, communities and recovery. The Code of Audit practice sets out the Best Value work required to report on these priorities.

## Code of Audit Practice 2020 Best Value reporting requirements

### Best Value reporting – extract from the Code

87. The Accounts Commission’s approach to Best Value involves reporting on individual local government bodies and thematically across the local government sector through performance reports:

- As part of their integrated wider-scope annual audit work appointed auditors use a risk-based approach to assess and report whether the audited body has made proper arrangements for securing Best Value and is complying with its community planning duties, including reporting progress against previous Best Value findings and recommendations.
- The Accounts Commission also requires the Controller of Audit to report to the Accounts Commission on each council or Integration Joint Board (IJB) at least once over the five-year audit appointment on the body’s performance on its Best Value duty. This enables the Accounts Commission to make findings for improvement where appropriate. <sup>1</sup>
- The Accounts Commission reports nationally on thematic aspects of local government bodies’ approaches to, and performance in, meeting their Best Value and community planning duties. Local government appointed auditors report locally on any such Best Value thematic work prescribed by the Accounts Commission.

<sup>1</sup> The Controller of Audit will report the first tranche of council BV reports to the Commission between October 2023 and August 2024 on Moray, Falkirk, Dundee City, Orkney Islands, South Ayrshire, Dumfries and Galloway, Clackmannanshire and West Dunbartonshire.

**4.** This report covers the thematic aspect of the Best Value audit requirements. The Commission has directed auditors to report on the effectiveness of the leadership of the development of the council's strategic priorities.



**5.** In carrying out the work auditors have considered the following questions:

- How clear is the new council vision and its priorities?
- How effectively have the views of citizens and communities been reflected in the priorities and decisions taken by the council?
- How effectively do the council priorities reflect the need to reduce inequalities and climate change?
- How good are the delivery plans and is there alignment of financial, workforce, asset and digital plans with the council's priorities?
- Overall, how effective has the leadership been (political and officer) in setting clear priorities and a sustainable approach to delivering them?

**6.** An improvement action plan is included at [Appendix 1](#) of this report. This sets out audit recommendations in key areas, and the council's planned response including responsible officers and dates for implementation.

**7.** The coverage of the work is in line with the expectations for council's arrangements for the seven Best Value themes in the Local Government in Scotland Act 2003, Best Value Statutory Guidance 2020.

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# Council vision and priorities

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## The council has a clear ambitious vision which is shared by its partners

8. A council focused on achieving Best Value in how it operates will be able to demonstrate that elected members and officers have a clear vision and priorities for their area.

9. The [Local Government in Scotland Overview 2022](#) says that Scotland's councils have had a pivotal role in supporting and working with communities as they respond to the impacts of Covid-19. Following the council elections in May 2022, council's will have reviewed their priorities.

10. North Lanarkshire Council uses a placed based approach to its vision. 'The Plan for North Lanarkshire' (The Plan) sets out the strategic direction of the council and its partners. It sets out a shared ambition to make 'North Lanarkshire the place to Live, Learn, Work, Invest, and Visit.'

## There is scope for the council to enhance member involvement in the strategic planning process

11. The shared ambition of inclusive growth and prosperity for all is central to the council's strategic plan. The Plan for North Lanarkshire is clear that it is a strategic document for the council, its partners, stakeholders and communities which focuses on this shared ambition. It also recognises the importance of close partnership working with other agencies, communities and local people.

12. The Plan for North Lanarkshire is supported by the Programme of Work, the first of which was approved in 2019. This brings together the resources needed to deliver this shared vision. Following committee approval of the original Programme, officers have presented annual updates of the Programme of Work. This allows elected members to ensure each phase of delivery proposed is aligned with the strategies, policies and plans they have previously considered and approved.

13. In 2022, a Development Group was established which helped shape a revised Programme of Work to 2028. This was a cross-services officer group with no partners or elected members. The remit of the group was to critically assess the current Programme of Work, its impact upon delivering on the Plan for North Lanarkshire and develop a new Programme of Work from 2023 to 2028.

14. Reflecting the roles and responsibilities detailed within the Strategic Policy Framework, reviews of the Programme of Work are officer led. In reviewing strategies and developing the Programme of Work to deliver the council vision, lead officers engage all stakeholders, including elected members and strategic

partners, through appropriate mechanisms. These include Community Boards, member/officer working groups and dedicated elected member events. This ensures proposed Programme of Work activity presented to committee for approval reflects strategic priorities identified by key stakeholders.

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## Recommendation 1

The council should look to improve its existing processes for engaging elected members on the overall strategic planning process.

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**15.** In March 2023, the revised rolling five-year Programme of Work was approved. It is intended to be more streamlined to ensure Programme of Work themes operate interdependently, with existing embedded workstreams transitioning into business-as-usual operations.

**16.** The revised Programme of Work is centred around seven strategic priorities:

1. Transforming Places – an enhanced programme to accelerate transformation of town centres and communities.
2. Invest in North Lanarkshire – accelerated outcome delivery and investment via a more streamlined advisory service and aligned operating model and infrastructure plan.
3. Sustainable Futures – focus commitments to Net Zero Carbon and the associated energy solutions and investments required to make it a reality.
4. Resilient People – deliver whole family support locally, when families need it, in a way that addresses the impacts of poverty and reduces inequality.
5. Brighter Futures – support and improve educational attainment, employment opportunities, entrepreneurship, and volunteering.
6. Digital NL – develop a skilled digital workforce, promote an innovative, sustainable culture and be the Digital Leader for a transformed North Lanarkshire.
7. One Service – ensure services are delivered, regardless of owner, in a streamlined, efficient, and supportive model, with the overall vision of inclusive growth and prosperity for all.

**17.** The council's annual strategic planning processes support delivery of the long-term vision. This approach allows the council to reflect any emerging issues that may impact on achievement of its vision and ensures it remains fit for purpose.

## The Plan for North Lanarkshire is supported by a suite of health check performance indicators

**18.** The Plan for North Lanarkshire is supported by a suite of high level Health Check Performance Indicators that collectively provide the context for North Lanarkshire as a place.

**19.** The Programme of Work is informed by the 28 Health Check Indicators, from the Strategic Performance Framework, which act as the evidence base. These health check indicators are broken into economic indicators and social indicators.

**20.** The latest performance monitoring shows there has been some positive trends. This includes the local economy continuing to grow and at a faster pace than the position nationally. North Lanarkshire has also seen a significant increase in gross weekly pay which is now higher than the national average for the first time ever.

**21.** Despite some positive trends, performance monitoring shows that challenges remain in a number of areas:

- There has been some improvement in the proportion of children in poverty but this remains higher than the national average and there is disparity across North Lanarkshire's communities.
- The proportion of the working age population who are economically active has stalled after some improvements were seen post pandemic.
- Almost 13% of North Lanarkshire's working age population are in a situation that restricts their ability to access employment opportunities.
- There is improvement in educational attainment for all pupils gaining 5+ awards at level 6, as well as pupils living in the 20% most deprived areas but there are no signs of this gap closing.

**22.** The council uses the performance information to inform strategic planning by focussing on those projects that will help support priorities.

## The council has recently revised its arrangements for performance reporting

**23.** The council measures the impact of how council activities improve services and outcomes for people and communities of North Lanarkshire through its Strategic Performance Framework.

**24.** The Strategic Performance Framework sets out performance measurement at three levels to provide an overview of performance over time and compared to targets. This allows progress towards achieving the long-term vision, set out in The Plan for North Lanarkshire, to be monitored, reported, assessed, and scrutinised.

- 25.** The BVAR recommended that the council should implement the recently approved Performance Management Framework and reporting schedule to support the delivery of the Plan for North Lanarkshire and its scrutiny by members.
- 26.** In 2022/23, Internal Audit completed a performance management review which focused on the adequacy, robustness and effectiveness of the council's Strategic Performance Framework and its implementation.
- 27.** Overall, Internal Audit were content that the performance indicators within the Strategic Performance Framework aligned with the council's priorities, ambition statements and programme of work. However, a number of recommendations were made with Internal Audit concluding that there was 'considerable scope for improvement in the council's performance management arrangements'.
- 28.** Most notably for this review, a recommendation was made in relation to reporting on operational performance to elected members and other stakeholders.
- 29.** Since this review, a revised approach to performance reporting has been implemented by the council. The council now has a Performance Reporting Schedule in place which includes Chief Officer reviews at service committees, corporate reporting, and service specific reporting. It is too early to consider how effective this new reporting is. We will consider this as part of future annual audit wider scope work.



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# Citizen and community engagement

**30.** Councils, with their community planning partners, have a responsibility to ensure that people and communities are able to be fully involved in the decisions that affect their everyday lives.

**31.** Early and meaningful engagement and effective collaboration with communities to identify and understand local needs, and in decisions that affect the planning and delivery of services should be a core part of determining a council's vision and priorities.

## **Community empowerment and participation is a key priority of the council**

**32.** One of the five key priorities in the Plan for North Lanarkshire is '*to enhance participation, capacity and empowerment across our communities*'. Community empowerment is also clearly demonstrated in the council's vision for changes to towns across the area. Community involvement and engagement is seen as crucial to the success of the vision.

**33.** The local community board model is integral to supporting community participation and engagement. Community boards support the delivery of the nine Local Outcome Improvement Plans which are central to helping the council achieve its priorities particularly given the emphasis by the council to a place-based approach to their vision.

**34.** Many local residents are involved in community board subgroups focussing on key priorities and the local knowledge and input are key to the success of this approach.

**35.** Communities had the opportunity to put forward their views on council priorities through a series of Budget listening events. The events were facilitated by the community partnership team and the most recent session in December 2022 were held face-to-face and engaged with a range of community members.

## **Community boards demonstrate effective working between communities, senior officers and elected members**

**36.** Chief Officers have the role of Community Coordinators on the nine community boards that co-ordinate the development of local priorities and their implementation.

**37.** The Community Coordinator role includes building local capacity and working collaboratively across the council and North Lanarkshire Partnership with communities. This role is intended to build local capacity and increase the reach of community boards to disadvantaged populations and excluded groups.

**38.** In their role of Community Coordinator, Chief Officers attend community board meetings. An update from Community Coordinators is a standing item on all community board agendas as well as participation in discussion about a range of local matters. The Community Coordinators meet with key senior partners between board cycles which provides senior managers a clear and direct opportunity to work with communities.

**39.** A framework for demonstrating improved outcomes for communities which sets out the delivery and reporting arrangements was approved in June 2022.

**40.** A self-evaluation to review the effectiveness of community boards commenced in January 2023. An Improvement planning session at the start of June 2023 was held with the Improvement Service. The results of the self-evaluation exercise together with recommendations for how identified improvement actions might be taken forward was presented to, and approved by, the North Lanarkshire Partnership Strategic Leadership Board in June 2023.

**41.** It is positive the council has seen it important to review the effectiveness of the community board arrangements through a self-evaluation. It is too early to be able to consider how this work has impacted on the effectiveness of the community boards at this time.

### **A refreshed communications strategy is currently being developed**

**42.** The council's corporate communications strategy was approved in 2019. The council align each part of the Plan for North Lanarkshire and associated Programme of Work to one of the brand themes; Live, Learn, Work, Invest and Visit. This is to so that these make sense for citizens in the context of service delivery.

**43.** An updated communication strategy based on the new programme of work will be presented to the council in March 2024.

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# Reducing inequalities and tackling climate change

## The council priorities include addressing inequalities and a focus on becoming net zero

**44.** Council priorities are expected to reflect the Best Value expectations that all activity should contribute to tackling poverty, reducing inequality and promoting fairness, respect and dignity for all citizens, alongside a focus on sustainable development, including climate change.

**45.** The [Local Government in Scotland Overview 2022](#) report says that the impact of the pandemic and service disruption have been felt most strongly by those already experiencing inequality. Councils have worked hard and adapted to maintain service delivery but those most in need of support are still being affected. Councils must evaluate these impacts so that recovery and renewal supports those most affected and addresses inequalities.

## A range of activities demonstrates the council's commitment to reducing inequalities and tackling poverty

**46.** The council demonstrates a clear commitment to taking action to reduce inequalities and tackle poverty across the area with a strong track record of this work. The establishment of the Wellbeing and Tackling Poverty Committee and clear governance and engagement arrangements in place demonstrates this commitment and that reducing inequalities is seen as a priority.

**47.** In the council's Programme of Work to 2028, two of the seven programmes relate to reducing inequalities:

- Resilient People – deliver whole family support locally, when families need it, in a way that addresses the impacts of poverty and reduces inequality.
- One Service – ensure services are delivered, regardless of owner, in a streamlined, efficient, and supportive model, with the overall vision of inclusive growth and prosperity for all.

**48.** The council is proactive in engaging with a wide range of communities and equalities groups through a range of consultations and events. The Local Outcome Improvement Plans are clear on the extent of this engagement with a wide range of communities and groups including young people and those who are considered 'seldom-heard voices' with views fed into the development process through the Community Boards.

**49.** It is not clear which communities or groups are considered as seldom-heard. Currently identification of these groups varies depending on the engagement exercise or consultation. The council acknowledges that it would be helpful to develop clearly defined criteria and a list of seldom-heard groups.

**50.** The council should now consider how it measures the level of engagement it undertakes with communities and other groups. This would allow the council to demonstrate to elected members and the public that it is listening to feedback. It would also help assess how successful these engagement exercises or consultations are.

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## Recommendation 2

The council should consider how it measures the level of engagement with communities and equalities groups.

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**51.** Following the May 2022 elections, the council established a Wellbeing and Tackling Poverty Committee. This committee considers inequalities matters and has oversight of the council's approach to tackling poverty. It forms part of the governance structures in place at the council along with eight supporting subgroups to tackle poverty and inequalities across the area.

**52.** Other key council strategies considered by the Wellbeing and Tackling Poverty Committee include:

- the delivery framework for Equalities 23/24
- the Plan for Advancing Race Equalities and
- a new Tackling Poverty Strategy, Local Child Poverty Action Report and associated Action Plans will be submitted for approval to Policy and Strategy Committee at the end of September 2023.

**53.** Internal Audit conducted an Equalities Audit during 2022/23 and a report issued in November 2022. The audit provided 'reasonable assurance' with a number of areas identified for improvement including:

- current governance arrangements
- use of Equality Impact Assessments and
- equalities performance monitoring.

**54.** An action plan was developed and an update on progress was reported to the Audit and Scrutiny Panel in September 2023. A new Equalities Board was established in February 2023 that consists of full representation from all service directorates across the council. We will consider monitoring the council's progress in this area over our appointment.

## The council has an increasing focus on climate change

**55.** Around two-thirds of councils have formally declared a climate emergency, and COSLA's Blueprint for Local Government states that climate change is a 'greater threat than Covid'. The Scottish Government has recently published guidance on public sector leadership on the global climate emergency to help public bodies in leading climate action. Addressing the climate emergency and

setting actions to achieve net zero will need to be a key element of councils' recovery and renewal from the pandemic.

**56.** The council's long term vision is grouped into five priorities which are supported by 25 ambition statements. There are references to sustainability of the environment within these but there is no explicit focus on climate change:

- Priority 1 – Improve economic opportunities and outcomes.
  - Ambition statement 2: Refocus our town centres and communities to be multi-functional connected places which maximise social, economic and environmental opportunities.
- Priority 4 – Enhance participation, capacity and empowerment across our communities.
  - Ambition Statements 16. Transform our natural environment to support wellbeing and inward investment and enhance it for current and future generations.
- Priority 17 – Ensure we keep our environment clean, safe and attractive.

**57.** The new Programme of Work to 2028 has a strong focus on climate change. One of the seven work programmes is 'Sustainable Futures - focus commitments to Net Zero Carbon and the associated energy solutions and investments required to make it a reality.'

**58.** The council has a number of other strategies and plans which support this programme:

- Climate Plan, Action on Climate Together 2030
- Housing Asset Management Plan – reference to tackling climate change and fuel poverty as a key priority
- Active Travel Strategy 2021-31 – refers to helping deliver improved health and well-being and environmental, social inclusion and public access benefits
- Environment Pathway – reference to the council's strategies, action plans and policies that contribute to the development and protection of the environment all being reconfigured into a single strategic approach
- Glasgow City Region Economic Strategy - this sets out the approach for how the region will weather current and future key challenges and references the climate emergency.

## **There are plans to develop a route map to achieve net zero by 2030**

**59.** The council declared a climate emergency in 2019. A Climate Plan has been developed and approved which is available on the council's website. The plan sets a corporate emissions target to be net zero by 2030. In order to

achieve further reductions in emissions, a series of challenging targets have been set by the council.

**60.** The climate plan and emissions targets are monitored and progress reported through the council's Environment and Climate Change Committee. The most recent Public Sector Duties Climate Change report for 2021/22 was presented to this committee in February 2023. This information is available on the council's website for public reporting.

**61.** There are plans to develop the Climate Plan further by producing a detailed climate action plan and develop a planned route map to achieve net zero by 2030.

**62.** In terms of the council's leadership role in helping areas to adapt to climate change, a recent Audit Scotland Briefing on [Scotland's councils' approach to addressing climate change](#) highlighted an initiative, Climate Ready Clyde, that eight councils from the Glasgow City Region including North Lanarkshire Council are part of. This initiative aims to develop a shared adaptation vision, strategy and action plan for the Glasgow City Region. The approach recognises a need for multiple targets and actions across a wide range of issues that can be complex and challenging to navigate. To assist with these challenges Climate Ready Clyde has taken an approach described as 'Transformational Adaptation'. The strategy includes 16 flagship actions and three stretch targets.

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# Alignment of delivery plans

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**63.** Making the best use of public resources is at the heart of delivering Best Value. With clear plans and strategies in place, and with sound governance and strong leadership, a council will be well placed to ensure that all of its resources are deployed to achieve its strategic priorities, meet the needs of its communities and deliver continuous improvement.

**64.** In our [Local Government in Scotland Overview 2022](#), we acknowledged that budget constraints and increasing cost pressures are putting councils' finances under severe strain. An increasing proportion of funding is ringfenced or directed for national policy initiatives. While this is important to help deliver national priorities, it prevents councils from making decisions about how funds can be used at a local level, to meet local need. Increasingly difficult choices about spending priorities and service provision are having to be made. Delivering services differently should be focused on improving performance and outcomes in ways that are innovative, affordable, and sustainable.

**65.** The council has a Strategic Policy Framework in place which ensures the council's strategies, policies and plans remain aligned to its vision and support its shared ambition. This includes all organisational level strategies and plans as well as operational strategies.

**66.** This framework sets out the formal review process and timetable to ensure all strategies and plans remain aligned to overall council strategy and are fit for purpose. It also provides a consistent approach in how these are developed, implemented and monitored across the council. The strategic policy framework itself is also subject to an annual review.

**67.** The council has an overarching Financial Strategy which has been in place for a number of years since its approval in 2019. This strategy is fully aligned with the priorities outlined in the Plan for North Lanarkshire.

**68.** A review of the Financial Strategy was completed in August 2022. The Corporate Management Team concluded the Strategy remains relevant in its current form and no further update was necessary.

**69.** The key financial strategies underpinning the council's approach to financial planning include:

- the Revenue Resources Budget Strategy
- the Treasury Management Strategy
- the Capital Strategy
- the Medium Term Financial Plan.

**70.** These financial strategies are regularly reviewed as set out in the Strategic Policy Framework. This ensures they remain aligned to council priorities and continue to deliver financial sustainability.

**71.** The council recognises the individual financial strategies that support this overall strategy are needed to support achievement of council priorities using limited resources. This is particularly important in the current financial climate with significant cost pressures from inflation and the cost-of-living crisis on top of increased demand for services. These will present significant challenges to financial planning and the ability of the council to deliver quality services.

### **The council has a well-developed medium-term financial plan**

**72.** The council's five-year medium-term financial plan helps ensure resources are aligned to its key priorities as outlined in The Plan for North Lanarkshire and that the projects in the Programme of Work are affordable.

**73.** The medium-term financial plan informs the rolling three-year budget setting process. The plan is updated annually and forms the basis of the council's savings plans. The plan includes a range of risk-based outcomes which are presented over three scenarios: optimistic, envisaged and pessimistic.

**74.** An interim update to the medium-term financial plan, covering financial years 2024/25 to 2028/29, was approved by the Policy and Strategy Committee in June 2023. The council's projections over the five years to 2028/29 forecast an envisaged cumulative funding gap of £108 million. The envisaged cumulative funding gap over the next three years is £64 million. A further update to committee will be reported in September 2023.

**75.** The Financial Planning Advisory Group has recently been formed which has cross party membership. This group will work with officers to review the council's financial position, including options to address the projected funding gap.

### **An updated Corporate Asset Management Plan was approved**

**76.** The council's Corporate Asset Management Plan for 2021-26 was approved in September 2022. This plan shows how the council manages its assets and is aligned to the strategic direction of the council. Therefore any investment in the capital programme is also linked to the achievement of strategic priorities.

**77.** The Corporate Asset Management Plan details its six overarching objectives in managing the council's assets. The first is 'Work towards the vision and ambitions of The Plan for North Lanarkshire'.

**78.** This plan aims to have the corporate estate fully aligned to the Digital NL transformation programme. Digital NL remains as one of the seven strategic priorities in the revised Programme of Work to 2028.

**79.** The programme has seen investment in new technologies to create a more collaborative way of working. It plans to support delivery of services that meets the needs of communities in a way which is flexible and responsive. This



demonstrates how interconnected the council's strategies are in working to achieve its overall vision.

**80.** The council's Digital and IT Strategy 2019-2024 is another strategy which demonstrates this interconnectivity and supports the delivery of the vision. This strategy was approved in June 2019. This was developed to bring together many individual, but connected programmes of work, policies, and plans to support delivery of a digital North Lanarkshire as set out in The Plan for North Lanarkshire.

**81.** The Digital and IT Strategy is reviewed annually and it was fully refreshed in 2022. This was to reflect the outcome of the stakeholder consultation undertaken to ensure that the needs and views of elected members, Trade Unions, council services and the wider public were captured.

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# Leadership

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**82.** Effective leadership from councillors, chief executives and senior officers, is key to councils achieving their objectives and providing clear strategic direction. The complex local government environment means collaborative leadership, working with partners, communities and citizens to improve outcomes is more important than ever.

**83.** Leaders need to be skilled in effective strategic thinking, decision-making and collaborative working and able to learn lessons from new ways of working. Councillors and officers must be clear on their roles in setting the vision and planning for its delivery.

**84.** Leaders should demonstrate behaviours and working relationships that foster a culture of cooperation, and a commitment to continuous improvement and innovation. Good conduct and behaviours when working together are crucial. Working relationships between members and between members and officers should be constructive and productive. Councillors should show a commitment to agreed council priorities and work together to achieve them.

## **Despite the level of change at the political level since the elections in 2022, there is collaborative working between members and with members and officers**

**85.** The Local Government elections held in May 2022, and subsequent meeting of the council, led to a change in council leadership from a minority Labour administration to a minority SNP administration. However, following the leader's resignation in July 2022, a new leadership team was elected, resulting in the return of a Labour administration.

**86.** The council has seen further change in the composition of elected members since then. Overall, ten members have resigned from the party they were elected into at the May 2022 elections. Eight members have since created a new political group in July 2023, Progressive Change North Lanarkshire.

**87.** Despite the level of change at the political level, there is collaborative working between members and with members and officers. The council has a number of cross-party working groups, including member/officer working groups. These can help strengthen relationships between members and with members and officers.

**88.** There continues to be cross-party support for significant initiatives. The 2023/24 budget was approved by the council in February 2023. This included a five per cent increase in council tax and identified savings of £7.6 million. The council continues to set aside the amount equivalent to a 1% council tax increase to support community investment through the community investment fund.

## Induction training for newly elected members was cancelled due to poor attendance

**89.** Following the local government elections in May 2022, 34 new members were elected across North Lanarkshire Council. Elected members both new and those re-elected require to have the skills and knowledge to undertake their role.

**90.** During 2021/22, officers from Legal and Democratic Solutions and People and Organisational Development undertook a range of activities to seek views on what the induction programme should look like, and the subject areas to be covered. It was decided to split the induction programme into two phases and the final programme was co-designed with representatives from each of the political groups.

- Phase 1 – would comprise learning which it was important elected members were familiar with at the earliest opportunity and was to be delivered between the election and the Statutory Council meeting which must take place within three weeks of the date of the election.
- Phase 2 – to cover subject areas regarding policy and what specific Council Services do. Following the induction programme, elected members will continue to be offered training and development by the Talent and Organisational Development team on an ongoing basis.

**91.** However, the initial induction programme was so poorly attended by members that it was cancelled as a result. Only three members attended the session on the overview of The Plan for North Lanarkshire Council policies and strategies. Members felt that the induction programme was too intensive and the timings were not suitable.

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### Recommendation 3

The council should work with members to understand the reasons for the poor attendance to ensure its training and development programme is fit for purpose.

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## The council has a well established self-evaluation framework in place which supports continuous improvement

**92.** The Strategic Self-Evaluation Framework, and its supporting rolling review programme, is updated annually. The last update was approved by the Audit and Scrutiny Panel in November 2022.

**93.** The BVAR recommended that improvement plans arising from self-evaluation exercises should include measurable actions and clear deadlines. Self-evaluation exercises now identify improvement actions which are captured in an improvement plan. These improvement plans include improvement actions with target dates and responsible officers identified.

**94.** Six self-evaluation exercises were undertaken during 2022 which focused on:

- The corporate project management model to ensure it remains fit for purpose and able to effectively support the wide range of projects essential to deliver on The Plan for North Lanarkshire.
- The effectiveness of the arrangements for the North Lanarkshire health and social care Integrated Joint Board and identifying how well the Board is meeting its intended outcomes.
- The council's compliance with the CIPFA Financial Management Code.
- The adequacy and effectiveness of the Corporate Management Team in terms of the revised arrangements and in managing strategic change.
- The risk management arrangements for the DigitalNL programme and the risks themselves.
- Whether the arrangements for the Data Governance Board adequately contributed to the achievement of the council's vision as detailed in the Data and Information Management Strategic Roadmap.

**95.** The Chief Executive then undertook a subsequent review of the arrangements for the Corporate Management Team. This led to a new structure being implemented from January 2023 with the aim of ensuring the delivery, co-ordination, direction, and oversight of planned activities.

**96.** Whilst the new arrangements are still bedding in, it is currently too early to comment on their effectiveness. We will consider these arrangements as part of future audit work.

# Appendix 1

## Improvement Action plan

| Issue/risk  | Recommendation   | Agreed management action/timing  |
|---|--|--|
| <p><b>1. Involvement of members in strategic planning</b></p> <p>Reflecting the roles and responsibilities detailed within the Strategic Policy Framework, reviews of the Programme of Work are officer led. For the new Programme of work to 2028, members had the opportunity to review proposals to ensure alignment with previously approved strategies and also had final approval. However the process was heavily officer led.</p> <p><b>Risk</b> – There is a risk that the strategic priorities agreed do not reflect local needs.</p> | <p>The council should look to improve its existing processes for engaging elected members on the overall strategic planning process.</p> | <p><b>Agree.</b> As part of its scheduled annual review, we will refresh the narrative presently contained within the Strategic Policy Framework in respect of elected members’ strategic planning role and will thereafter emphasise through the CMT and Community Co-ordinator role the importance of engaging elected members on the strategic elements of the integrated Programme of Work Delivery Plan. Elected member role in strategic planning to also be clearly documented in the developing Programme of Work Governance Framework.</p> <p><u>Responsible Officer:</u><br/>Chief Officer (Business and Digital)</p> <p><u>Timescale:</u> 30 September 2024</p> |
| <p><b>2. Engagement with communities</b></p> <p>The council is proactive in engaging with a wide range of communities but it is currently unable able to show how successful the range of engagement activity is to demonstrate it is listening to feedback.</p>  | <p>The council should consider how it measures the level of engagement with communities and equalities groups.</p>                       | <p><b>Agree.</b> This will be aligned with actions arising from new communication strategy to be considered by council in March 2024. The strategy will also define what is meant by seldom-heard communities and groups.</p> <p><u>Responsible Officer:</u><br/>Stephen Penman, Chief Officer (Strategic</p>  |

**Risk** – There is a risk that the strategic priorities agreed do not reflect local needs.

Communications and Engagement)

Timescale: March 2024

### 3. Elected members training and development programme

The council refreshed its induction programme in consultation with elected members but it was so poorly attended by members that it was cancelled as a result.

**Risk** – There is a risk that elected members do not have the skills and knowledge required to undertake their role.

The council should work with members to understand the reasons for the poor attendance to ensure its training and development programme is fit for purpose.

**Agree.** The number of attendees at development sessions has been low, however there has been a slight increase in numbers attending recent events. The Talent & OD team will continue to communicate regularly with Political Group Business Managers to encourage discussions around training, low attendance, and engagement to be included on business meeting agendas.

A survey will be sent to all Elected Members to help identify any restrictions and reasons for low attendance.

Development of the Elected Members area on LearnNL will continue, with all development session recordings and presentation slides being uploaded for members to access at any time. A monthly communication is sent to all Elected Members with direct links to new recorded sessions.

Responsible Officer: Pauline McCafferty and David Watson, Talent and OD Team

Timescale: November 2023.

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