

Shared risk assessment: Assurance and improvement plan 2010–13

Inverclyde Council



social work
inspection agency



THE SCOTTISH
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1. Introduction

The Assurance and Improvement Plan

1. This Assurance and Improvement Plan (AIP) is the product of a collaborative approach adopted by the following scrutiny bodies operating in Inverclyde Council (the council):
 - Audit Scotland
 - Care Commission
 - HM Inspectorate of Education (HMIE)
 - Scottish Housing Regulator (SHR)
 - Social Work Inspection Agency (SWIA).
2. The AIP sets out the planned scrutiny activity for the council for the period April 2010 to March 2013 based on our scrutiny risk assessment of the council. The scrutiny activity is proportionate to the assessed scrutiny risks.

Why have we prepared this AIP?

3. The overall objectives of this collaborative approach are to maximise the efficiency and effectiveness of scrutiny work and minimise the impact of scrutiny activity on the council. This will be achieved by:
 - Jointly identifying and monitoring key scrutiny risks through the sharing of intelligence and information.
 - Coordinating the timing and approach of our audit, inspection, regulation and improvement support activity.
 - Drawing on, and taking account of each other's work to avoid duplication of effort.
 - Building on each other's work to maximise its value.
4. The AIP draws on a number of sources of information, including:
 - the audit of Best Value and Community Planning in Inverclyde Council published in June 2005 and follow up reports published in November 2005, February 2007, and January 2009¹
 - the annual audit report to the Controller of Audit and elected members for 2008/09²
 - the council's own website, self-evaluation and supporting evidence

¹ [Inverclyde Council - The Audit of Best Value and Community Planning: Progress Report - January 2009](#)

² [Inverclyde Council - Report to Members and the Controller of Audit on the 2008-09 Audit](#)

- reports and data from HMIE, SWIA, SHR and the Care Commission (including published inspection reports and other supporting evidence).

What do we mean by a scrutiny risk?

5. All local government scrutiny bodies have agreed the definition of shared risk assessment as:

‘A joint approach using key information about local government to plan scrutiny activity that is proportionate and based on risk’

6. In assessing risk we consider the scale or impact/seriousness of an issue and the likelihood of its occurrence. We also identify areas of uncertainty where insufficient evidence is available to make a judgement, where the evidence is unclear or where the impact of any action taken by a council to address an area of concern is unclear.
7. Serious concerns identified through the shared risk assessment may include areas where the available evidence indicates that:
 - Performance is poor, slipping or not improving.
 - Service or outcome standards are unacceptable.
 - Improvement is not on track to achieve a target.
 - Locally agreed priorities do not reflect evident and pressing need.
 - Insufficient account is being taken of inequality.
 - Insufficient account is being taken of people whose circumstances make them vulnerable or who are at risk of avoidable harm.
 - There are question marks about the sustainability of current performance or the achievement of improvements.
 - Processes to support continuous improvement are not well established or are ineffective.
8. We recognise that risk levels will change as significant events occur and as councils take action to address identified risks. Scrutiny bodies, through local area network contacts, will maintain awareness of activity, including unit level inspection. As new information comes to light the local area network (LAN) lead, in consultation with other LAN members will update the AIP as appropriate. LAN members will draw any significant matters to the attention of the LAN lead as they arise. The LAN lead will determine what action should be taken in terms of initiating contact with other LAN members.
9. The council is expected to initiate contact with the LAN lead where significant events occur that are likely to influence scrutiny activity. Councils are encouraged to maintain contact with LAN leads to discuss any concerns arising from the AIP or any joint scrutiny activity.

What does proportionate scrutiny mean?

10. When considering the appropriate level of scrutiny activity for each council we consider the following points to ensure that it is proportionate:
 - Is scrutiny activity the best driver for improvement?
 - If so, how can we tailor that activity to the areas where it will have the most impact?
 - How can we tailor that activity in terms of its frequency, intensity and scope?
 - What is the minimum level of scrutiny required to provide assurance to the public?
 - How can we work together to minimise the impact of the scrutiny activity on the council?

11. The overall objective of this collaborative approach is to maximise the efficiency and effectiveness of scrutiny work and minimise the impact of scrutiny activity on the council. This will be achieved by:
 - Coordinating the timing and approach of our risk assessment work.
 - Helping to identify and monitor key risks through the sharing of intelligence and information.
 - Building on each other's work to maximise its value.
 - Drawing on, and taking account of each other's work.
 - Avoiding duplication of effort.

Baseline scrutiny activity

12. The focus of the AIP is strategic scrutiny activity, that is scrutiny activity which is focused at corporate or whole service level, but there will also be baseline scrutiny activity at unit level ongoing throughout the period of the AIP. This will include, for example, school inspections. Scrutiny bodies also reserve the right to make unannounced scrutiny visits. These will generally be made in relation to care services for vulnerable client groups. The annual audit of local government also comprises part of the baseline activity for all councils and this includes work necessary to complete the audit of housing benefit and council tax benefit arrangements. In many cases, identified risks or uncertainties will trigger scrutiny work that is simply a continuation of the link/district inspector or auditor's role in monitoring improvement actions or in providing assistance and support. In addition, other work may be undertaken as a result of a specific Ministerial request.

2. Summary

The most recent Best Value follow-up report in January 2009 concluded that ‘the council has made significant progress in delivering its improvement agenda. Many of the building blocks of best value are now in place and provide a solid foundation for further improvement. Since the last progress report, the council have set a clear strategic direction in new community and corporate plans, improved its medium to long term planning and implemented changes to its political management arrangements and management structures.’

Over the last four years, elected members, the council’s chief executive and the corporate management team have led the transformation of the council’s delivery of services to the people of Inverclyde. Members and officers were presented with a council, which had significant challenges and all of the council’s staff have driven a continuous improvement programme. We recognise the council has further challenges to contend with, but we are confident in its ability to adapt to change and deliver high quality services.

The next stage of organisational development commenced in April 2010 with the implementation of a new organisational structure and the creation of a Community Health Care Partnership (CHCP). It is too early to assess the impact that these changes will have on the delivery of council services.

The council have an organisational improvement plan (OIP) in place which covers the period 2009-2012. Timescales have been set for delivery of the actions within each of the OIP work-streams. Due to the council’s track record in delivering improvement plans the level of planned scrutiny in years 1 and 2 is minimal, focusing on key national risk priorities (eg social care) or areas where ministers are seeking assurance that the public is being well served (eg child protection). We recommend that a proportionate BV2 review is conducted in year 3 to align scrutiny activity to the council’s improvement plans.

Scrutiny activity will continue to target those areas assessed as being a significant risk and these are set out in the remainder of the AIP.

13. There has been a significant level of audit and inspection and follow-up work in recent years in Inverclyde. In particular this has been in response to concerns relating to corporate arrangements and governance. Initially progress was slow, however the latest Best Value follow-up report is encouraging and commends the progress that has been made.
14. Inverclyde has significant social and economic issues. Depopulation continues to be a concern along with high levels of unemployment. The overall health profile of the population is poor with high levels of alcohol and drug misuse and acute medical conditions which are having a detrimental impact on life expectancy rates. The council are aware of the need to improve the health and wellbeing of the community. It is increasing partnership working with the NHS and investing in greater opportunities for, and access to, recreational and leisure facilities. It is too early to assess the impact of the measures taken.
15. An early release programme for employees has been introduced as part of the structured approach the council has implemented to address the projected shortfall in the council’s 2010/2014 revenue budget. The programme is expected to deliver significant savings in staff costs. A management restructure has recently taken place to support both this process and the council’s vision in delivering its corporate objectives.
16. Positive reports by HMIE, SWIA and the Care Commission reflect a strong performance in both education and social work services. Our scrutiny response takes account of these positive conclusions in prior assessments.

17. Waste management is an area of concern for the council. Although levels of waste sent to landfill have decreased in the previous two years the council is still one of six Scottish councils that exceeded their 2008/09 landfill allowance. The council is considering potential solutions to this issue but firm plans are not yet in place. Financial penalties may be imposed if landfill allowances are not met.

National risk priorities

18. A number of core national risk priorities will be applied to all 32 councils. These are:

- The protection and welfare of vulnerable people, including access to opportunities which is included in the council's strategic outcome 'Healthy, Caring Communities' and social work service area. We have identified that these are low scrutiny risk areas and consequently plan no specific activity beyond routine monitoring.
- Assuring public money is being used properly. In April 2008 the council approved its first Financial Strategy. Updates have been provided to take account of the changing economic climate and funding arrangements to ensure the delivery of outcomes can be supported by current and future financial resources. It was last reviewed in December 2009. The strategy has provided clear direction to the council in delivering its corporate objectives and plans. This area will be subject to review as part of Audit Scotland's routine annual audit activity.
- The impact of the greater financial pressure faced by councils associated with the current economic climate. Projections for local government as a whole in Scotland show reductions in funding which will present significant risks to the delivery of service provision within the resources available. These significant budget pressures require councils to consider the way in which they deliver services and the efficiency and effectiveness of processes. Again this risk area will be subject to review as part of Audit Scotland's routine annual audit activity.

3. The council's context

Operating environment

19. Inverclyde Council is a small local authority, with a population of 81,540 and covers an area of 61 square miles. Inverclyde has experienced a steady decline in population over a number of years. In the 1991 census the population was 90,103; by 2024 this is projected to have fallen to 71,191 due to net migration and a falling birth rate which is exceeded by the death rate.
20. Of particular concern is the decline in the number of young and working age people which is contrasted by a growing elderly population. 17.4 per cent of the entire population are over the age of 65 and this is expected to increase to 24.9 per cent by 2024.
21. Unemployment levels in Inverclyde are relatively high, with overall unemployment at 7.6 per cent compared to 5.9 per cent nationally³. Approximately 20 per cent of the working age adults in Inverclyde have no formal qualifications.
22. The health of Inverclyde residents, though improving slightly in recent years, lags behind the rest of Scotland and, in particular, Inverclyde has the third lowest life expectancy in Scotland for both men and women. Key areas of concern within Inverclyde are the misuse of alcohol and drugs with hospital admissions far exceeding the national average.
23. In 2008/09, the council spent £284.3 million on the provision of public services and £24.5 million on capital projects. The council's net operating expenditure in 2008/09 was £214.1 million. This was met by central government and local taxation of £194.7 million, resulting in a deficit of £19.4 million, 9.1 per cent of the net operating expenditure for the year.

Challenges

24. In November 2009 the council announced a revised corporate management structure. The new structure retains four directorates and incorporates the introduction of a CHCP through joint Inverclyde Council/National Health Service funding of a corporate director post and four heads of service posts. In addition to the changes at directorate level the number of council funded heads of service posts has reduced from 16 to 12. Further staff reductions have been facilitated through a planned voluntary severance programme. The impact on service delivery of these reductions in personnel cannot be assessed yet.

³ Labour Market Profile Jul 08 – Jun 09, NOMIS (Official Labour Market Statistics), Office for National Statistics. (<https://www.nomisweb.co.uk/reports/lmp/la/2038432138/report.aspx?#tabempunemp>)

25. Depopulation is a significant strategic issue for the council. It has fallen by 18 per cent between 1981 and 2001 and forecast to fall a further 14 per cent by 2024. The continued decline threatens the future viability of the area as a local government unit and may have a negative impact on public services.
26. The council faces challenges in reducing the tonnage of waste sent to landfill. Action to address this issue has resulted in the tonnage decrease from 40,526 in 2007/08 to 35,526 in 2008/09 (12.3 per cent decrease) however, despite this progress, it should be noted it still significantly exceeds Inverclyde's 2008/09 landfill allowance of 19,131. The Scottish Government are carrying out a review of the Landfill Allowance Trading Scheme and whilst this review is ongoing all potential penalties have been suspended.

Self-evaluation

27. The council has adopted the Public Sector Improvement Framework (PSIF) and this has been used for both corporate level and a number of service level assessments. The assessment outcomes have resulted in the production of improvement plans which are directly linked to directorate plans. To date the following areas have been subject to the PSIF process:
 - Criminal Justice
 - Property Resources and Facilities Management
 - Performance Management and Procurement
 - Environmental Services
 - Corporate Communications and Public Affairs
 - Community Learning and Development
 - Legal and Administration.
28. Education considered the PSIF and applied it to Community Learning and Development however, with agreement of CMT and Committee, they will utilise Quality Management in Education (QMIE3) to inform their preparations for a validated self-assessment (VASE) scheduled for completion in 2010/11. The council are to consider how social care and the CHCP will carry out strategic planning, self-assessment and performance management arrangements. Registered services with the Care Commission all complete annual self-evaluations.
29. Further PSIF reviews planned during 2010 include:
 - Customer Service and Business Transformation
 - Organisational Development, Human Resources and Performance
 - Planning and Regeneration
 - Finance
 - Safer and Inclusive Communities.

30. As the council's usage of PSIF is in its infancy it is considered too early to assess the impact it may have in assessing council services.
31. The council have carried out a self-assessment against four of the BV2 toolkits and are currently in the process of collating the findings from these reviews. The toolkits piloted were:
 - Vision and Strategic Direction
 - Planning and Resource Alignment
 - Competiveness
 - Public Performance Reporting

In addition the council has, through the groups established as a result of the OIP also conducted a self-assessment against a large number of additional toolkits to inform its preparations for BV2.

32. It is intended that a workshop with the CMT will be held in June 2010 which will review the council's approach to self-assessment and the outcomes which have resulted from it and provide an update on the BV2 toolkits which have been looked at as part of the council's preparation for BV2.
33. There are a number of performance reporting mechanisms in place across the council with regular directorate and corporate performance reports presented to committees. The council has recently procured a performance management system which aims to improve and consolidate performance management information across the council. This information will be critical in providing a mechanism for assessing the delivery of outcomes and determining subsequent action to be taken. Further development of performance information linked to outcomes is required to support difficult decisions being taken where limited resources are available.

4. Delivering outcomes for communities

34. In assessing whether the council is delivering outcomes for its communities, we considered relevant information from a number of key sources including: the Single Outcome Agreement (SOA) annual report, committee minutes, statutory performance indicators (SPIs) and other inspection/audit reports. The detail of our evaluation is contained at Appendix 1.

Educated, informed and responsible citizens

35. We do not consider there to be significant risk in this area and will not be undertaking any additional scrutiny activity. Despite being an area with relatively high levels of unemployment, poverty and deprivation Inverclyde's educational attainment levels and the general quality of its schools and pre-school centres demonstrate strong performance. HMIE reports have been largely very positive, Scottish Qualifications Authority (SQA) examination performance levels for S4 to S6 pupils have improved between 2006 and 2009 and overall, for every national SQA attainment measure, young people in Inverclyde perform better than young people in comparator authorities. It is further noted that the proportion of school leavers in Inverclyde entering positive destinations (further education, higher education, employment or training) was almost five per cent over the Scottish average in 2008/09.
36. The council are participating in a number of programmes relevant to this strategic priority. Good practice identified includes:
- Future Jobs Fund Scheme - aimed at creating jobs for unemployed people aged between 18 and 24 who have been unemployed for more than six months. This has been highlighted as the best performing in Scotland by the Department of Work and Pensions who have consequently extended funding for a further year for up to 40 new employees a month.
 - New Horizons - diversionary and disciplinary programme for young people aged 14-17, with a history of low level offending/antisocial behaviour. This aims to re-educate the young people by explaining the full impact of antisocial behaviour and its consequences. To date 48 young people have taken part and this has resulted in employment opportunities including in the Army and uptake of further education courses. The programme was nominated for a COSLA award in 2010.

Healthy, caring communities

37. Although risks have been identified in this area we will be placing reliance on the improvement plans in place and the routine scrutiny activity carried out by SWIA and the Care Commission. No additional scrutiny activity is proposed. Alcohol and drug misuse are a particular problem in Inverclyde with deaths and hospital admissions related to drug and alcohol misuse more than double the national average. Inverclyde is ranked as 30th of the 32 local authorities in Scotland for life expectancy at birth

(2005-07) and death rates are also higher than the national average. The February 2008 report *A Community Health and Wellbeing Profile for Inverclyde* published by the Glasgow Centre for Population Health (<http://www.gcph.co.uk/content/view/110/96/>) does however highlight that life expectancy and mortality rates have improved in recent years. Also increasing between 2006 and 2009 is the number of prescriptions being given out to deal with issues relating to anxiety and depression.

38. The council have recognised that alcohol misuse and health inequalities are areas of major concern and have established multi-agency outcome delivery groups which focus on addressing the key issues associated with them. The groups have established key actions and progress against them is monitored through quarterly reports.

39. Particular improvement has been made in:

- Establishing the Inverclyde Alcohol and Drug Partnership as the delivery vehicle for all aspects of alcohol and drug services and initiatives.
- Working with partner organisations to finalise and implement a Joint Alcohol Strategy and develop a new Addictions Strategy to develop how people with addiction problems move on to positive destinations (ie higher education/further education/training/employment).
- Rebuilding the Wellpark Centre (scheduled for completion in April 2010) to provide a base for multi-agency work which promotes ease of access to alcohol and drug services.
- Establishing an alcohol home detoxification service in partnership with the NHS aimed at increasing the wellbeing and level of social functioning for people with alcohol addictions.
- Establishing a Young Person's Alcohol Team which has a programme of visits and events targeted at school children Primary 6 and above.
- Implementing a corporate parenting whereby elected members and senior council officers have supported individual children who are looked after and accommodated. The feedback received to date is encouraging.
- Encouraging healthier lifestyles by investing £23 million over the next five years to deliver new and refurbished leisure facilities in communities across Inverclyde.
- Launching Inverclyde Dementia Support and Development Service aimed at reducing and alleviating the isolation and stress experienced by people with dementia and assisting their carers.

Safe, sustainable communities

40. Significant risks have been identified in this area and the council have improvement plans in place to address the areas of concern. Audit Scotland will continue to monitor progress in these areas and report in their annual report to members.

41. Depopulation is a significant strategic issue for the council. In their SOA the council recognise that continued depopulation will result in an elderly, socially and economically deprived population. This may have a detrimental affect on local service delivery.
42. The council and its partners have established a multi-agency outcome delivery group focused on stabilising the population and slowing the rate of decline. This has identified three broad areas of activity and developed an action plan against which progress is actively monitored. These areas are:
 - Developing a detailed baseline population position statement with regard to population in Inverclyde.
 - Developing the concept of a Population Impact Assessment.
 - Promoting Inverclyde regionally and nationally.
43. Waste management is also an area of concern for the council. Action taken to address the levels of waste sent to landfill has seen the tonnage decrease by 12.3 per cent between 2007 and 2009 however the council are still one of six Scottish councils that exceeded their 2008/09 landfill allowance.
44. Official figures from Strathclyde Police which detail recorded crime highlight a downturn in Inverclyde. There were 255 fewer recorded crimes between April 2008 and March 2009 with the total falling from 13,638 to 13,383.

A thriving, diverse economy

45. Additional scrutiny is not proposed. Audit Scotland will monitor progress made in delivering plans and report in their annual report to members. The council responded quickly to the economic downturn and have established a working group to consider its impact on the council and services. An action plan has been developed which focuses on maintaining investment programmes and services in the medium term.
46. Inverclyde suffers from particularly high levels of unemployment. Between 1999 and 2002 Inverclyde lost around two per cent of its employment while employment levels Scotland wide increased by nearly two per cent. At June 2009 Inverclyde's current unemployment rate was 7.6 per cent compared to the national average of 5.9 per cent. Inverclyde is highly reliant on large companies for employment (60 per cent of jobs in the area are located in large companies). As a consequence the area is particularly susceptible to downturns.
47. The percentage of the population living in poverty has increased from 35 per cent to 46 per cent between 2004 and 2006. Furthermore, the Scottish Index of Multiple Deprivation 2009 report highlighted that significant concentrated multiple deprivation continues to exist within Inverclyde. Household incomes are lower than the national average and the area has well above average levels of benefit dependency. The need to create an environment which supports people to move from benefit dependency to employment is critical for the future success of the area.

48. Riverside Inverclyde is a joint initiative between the council, the Scottish Government and Scottish Enterprise to regenerate 330 acres of the Clyde Waterfront. This development is scheduled to run until 2016/17 with the main objective being to create a successful living, recreational and business environment in a quality location. Regeneration through this partnership working is already delivering significant improvements to the area through development projects.
49. In January 2010 a £180 million project to redevelop the historic James Watt Dock in Greenock was approved in principle by the council's planning board. The development will see more than 1,000 homes built along with 12,000 sq metres of retail and business space.

Services

50. Services within Inverclyde Council continue to perform well. Where improvement is required plans are in place to address weaknesses identified. The detail of our evaluation of council services is contained at Appendix 1. Below we have highlighted some of the key areas of both good performance and concern for each of the main council service areas.

Education

51. As detailed at paragraph 35 Inverclyde are demonstrating strong performance from the perspective of educational attainment and achievement and the quality of schools and pre-school centres. The previous corporate director of education and social care retired in 2009 and the head of education was acting as director until March 2010 when he was appointed as corporate director education and communities. Following the management re-structure in November 2009, three senior officers have accepted severance packages – this is a significant loss of capacity and experience
52. Inverclyde continues to aspire to lower class sizes and have made good progress in working towards 1:18 class sizes in P1-P3. Early years' education has been prioritised and there is a teacher in every local authority pre-5 establishment. The staffing formula contains an element for deprivation. With regard to Curriculum for Excellence, the council's view is that it is taking a longer term considered view and it is recognised that a policy paper has been produced and shared with schools and pre-5 centres. It features well in the SOA.
53. In July 2008, Inverclyde Schools Choir, consisting of 72 members aged 9-14, performed exceptionally at the World Choir Games in Graz Austria and won a Gold Diploma in the first round and a Silver Medal in the final. This was the only Scottish children's choir to compete in the World Choir Games and one of only three from Britain. Furthermore the concert band achieved a gold award at the 2009/10 Scottish Concert Band Festival finals and represented Scotland at the National Concert Band Festival in Birmingham on 11 April 2010. These achievements provide testimony to the excellent work carried out across Inverclyde by 'Inverclyde Music Service - Achieving Musical Excellence in Inverclyde Schools' which provides tuition and encouragement to primary and secondary pupils across a wide range of musical instruments both during, and outside, normal school hours.

Social work

54. Overall, the council's social work service performs very well in terms of delivering good outcomes for the people who use social work services. Inverclyde Council and NHS Greater Glasgow and Clyde are creating a new CHCP which will formally be established by December 2010. A director of the CHCP was appointed in December 2009. All social work services will be managed within the new CHCP arrangements. This is a very significant change for the council's social work services and brings risks and opportunities for the future. Some examples of this good performance are:
- Inverclyde ranks 4 out of 30 local authorities for the percentage of adults with learning disabilities who have a person centred plan.
 - 100 per cent of Inverclyde care leavers are still in touch with social work services – this compares favourably to the Scotland average figure of 81 per cent.
55. SWIA carried out an Initial Scrutiny Level Assessment (ISLA) of the council's social work services in September 2009. SWIA's ISLA process determined that the council's social work services are level one – low risk, good performance and good improvement work. The ISLA identified a small number of areas, which require some further scrutiny activity.
56. HMIE's joint inspection of services to protect children in the council area was published in February 2009. All 18 quality indicators were evaluated very positively, with 15 evaluated as very good, one as good and two (vision, values and aims and leadership and direction) as excellent.
57. Care services regulated by the Care Commission have demonstrated consistently steady improvement with generally high grades being achieved across the range of services. Managers responded positively to any recommendations and requirements made by the Care Commission. The Care Commission found the quality of care and support to be consistently good and very good quality across services with children's homes achieving some grades of excellent.

Housing

58. The council has no landlord functions and is now a strategic housing authority, responsible for discharging legislative duties in relation to the homeless. All of the council's houses were transferred to a new Registered Social Landlord (RSL), River Clyde Homes, in December 2007 following a successful ballot of tenants.
59. In August 2008 the SHR published an inspection report on the council's services for the homeless. This resulted in the award of a "C" grade – "Fair" performance. An improvement plan was subsequently agreed to address the weaknesses highlighted. The council's report to its Health and Social Care Committee in October 2009 indicated progress being made in delivering the required actions. However a recent internal audit of the homeless service, dated February 2010, highlighted that the service still had a significant number of areas that required improvement.

60. The Homelessness etc (Scotland) Act 2003 sets a target that all homeless people who are unintentionally homeless will be entitled to permanent accommodation from 2012. A report was presented to the Health and Social Care Committee in March 2010 highlighting the significant pressures this will place on the council in accessing temporary accommodation, if it is to meet its new legislative obligations. The council is at present developing a new Homeless Strategy to assist it and their partners in supporting the delivery of services to homeless people. In relation to the council's homeless functions the factors highlighted cumulatively represent an area of uncertainty.

Environmental services

61. The council face a challenging time to reduce the tonnage of waste they send to landfill. Action to address this issue has resulted in the tonnage decrease from 40,526 in 2007/08 to 35,526 in 2008/09 (12.3 per cent decrease) however, despite this progress, it should be noted that it still exceeds Inverclyde's 2008/09 landfill allowance of 19,131. The Scottish Government are carrying out a review of the Landfill Allowance Trading Scheme and whilst this review is ongoing all potential penalties have been suspended. The council currently has £1.35 million within earmarked reserves to pay these penalties should they be introduced.
62. In November 2008 the council developed a Local Energy Savings Scheme (LESS) which is a partnership project aimed at tackling fuel poverty through improving home insulation, promoting sustainable energy use and maximising household income through reduced heating bills and benefit take up. This project was nominated for a COSLA award in 2010 due to its success so far.

Cultural services

63. The cultural and community services SPIs for 2008/09 highlight general improvement over the three year period 2006/07 – 2008/09. Attendance at pools has increased slightly and attendance at other indoor sport facilities are well above the national average. The council has approved additional funding support of £0.5 million for the Arts Guild new home to be built on the waterfront, bringing its total contribution to £2.5 million. In July 2009 a new arrivals hall was built at Greenock Ocean Terminal. This enhances the services provided to passengers in preparation for a year which looks to build upon the 34 per cent increase in the number of passengers docking at Greenock during the 2009 April to October cruise season.

Roads and street lighting

64. SPIs for traffic light repair, street light failure and age of street lighting columns show minor increases in 2008/09 when compared with 2007/08. However they also highlight that 42.5 per cent of Inverclyde's roads should be considered for maintenance treatment. Inverclyde, like most local authorities, incurred further damage to its roads and footpaths due to the extreme conditions during the recent winter period. In February 2010 the council announced investment totalling £0.6 million to repair this damage.

65. Inverclyde has serious problems associated with flooding during periods of heavy rain. The council has a Flood Action Plan Working Group with representation from the police, Transport Scotland, Scottish Water, the Scottish Environmental Protection Agency, Scottish Natural Heritage, Network Rail, Ardgowan Estates, Historic Scotland, Amey and relevant council services. It is working to produce a costed flood action plan by May 2010. In February 2010 the council announced an initial allocation of £0.5 million for projects designed to alleviate some of these flooding problems.

Implications for scrutiny activity

66. HMIE will continue with the planned programme of inspection of schools and pre-school establishments (sometimes jointly with the Care Commission). Following Ministerial request, HMIE will carry out the Joint Inspection of Services to Protect Children and Young People. The evaluations from all these inspections will contribute to the National Performance Framework. This may also result in some follow-through inspection activity. HMIE will inspect Community Learning and Development concurrently with any non-denominational secondary school inspection. HMIE will also be involved in scrutiny activity as a result of Ministerial requests, other statutory obligations and as a result of their likely statutory role in school consultations. The District Inspector (DI) or member of the DI team will continue to support and challenge education services regularly as appropriate.

67. SWIA will carry out seven additional scrutiny sessions in respect of social work services. These scrutiny sessions will take two SWIA inspectors approximately two days and relate to:

- the new CHCP and partnership working
- self-evaluation and improvement work
- general service capacity for children's services and services for adults⁴ which includes:
 - levels of unallocated work
 - waiting lists for services
 - waiting times for assessment and for service deployment.

68. SWIA are carrying out a national inspection of prison based social work services. This is due to take place in April 2010 and inspectors will be on-site at HMP Greenock for approximately two days.

69. In addition we will consider opportunities for joint working between SWIA and Audit Scotland when SWIA carry out inspection activity which includes financial management.

⁴ SWIA will carry out on-site scrutiny in respect of these issues, because of their critical importance to service users, not because SWIA is aware of any significant deficits in these areas.

70. The Care Commission will continue with their planned programme of inspection of all registered services. This will generally focus on the quality of care and support and staffing. Participation in services by service users and stakeholders will continue to be assessed.
71. In the final quarter of 2010/11 the SHR intends to ask the council for a self-assessment of its progress in improving its services for the homeless. Following appraisal, the SHR will liaise with the LAN Lead and the council regarding any validation or further inquiry work necessary.
72. Audit Scotland's annual audit process will monitor key service developments and performance within the council including any areas of service reform and the council's progress in responding to the current economic downturn.
73. As the CHCP has only recently been formed consideration will be given to exploring opportunities for joint scrutiny activity within existing arrangements and with involvement of health sector colleagues.

5. Corporate assessment

74. The council's corporate assessment highlighted a number of areas of strong performance where no significant scrutiny risks were identified. The council are fully aware of the areas of uncertainty and recognise the need to manage these risks. The risks identified feature in the council's risk registers and are monitored as part of the risk management procedures.
75. In determining the corporate assessment for the council, we considered the corporate performance and arrangements in place. The detail of our evaluation is contained in Appendix 2.
76. Inverclyde Council was the subject of a Best Value and Community Planning audit, the findings of which were published in June 2005. Progress was initially slow and a number of follow-up reports were requested by the Accounts Commission. The latest report published in January 2009 recognised the significant progress that had been made in delivering the improvement agenda. Progress has overall been good in delivering the OIP prepared in response to the audit. The report highlighted that 'the council has set a clear direction in new community and corporate plans, improved its medium to long term planning and implemented changes to its political management arrangements.' There has however been slippage in delivering the agreed actions in relation to workforce planning and procurement. Revised timescales have been set and the council are working towards delivery of these objectives.
77. The report also commented positively on the constructive working relationship between the chief executive and council leader and the impact this was having in the delivery of objectives. The Strategic Leadership Forum within the council has led to a greater feeling of inclusiveness in the decision-making process between Members and council officers. Members and council officers should continue to work cohesively to deliver the council's improvement plan and objectives. An extended CMT has been formed to create additional management capacity to support the improvement agenda.
78. The council has recently announced a corporate re-structure which will result in the appointment of two replacement corporate directors and a reduction in the number of heads of service. This significant change in structure creates an opportunity for council services to evolve in the current climate of scarce financial resource. It also represents a number of risks associated with loss of expertise and acquired knowledge, including insufficient resource to maintain and improve current service levels, and a potential impact on staff morale.
79. The restructure includes a number of posts jointly funded with the NHS including a new corporate director post. This joint funding is designed to support the introduction of a CHCP to integrate the provision of health and social care.
80. There are well-defined scrutiny structures in place with clear reporting lines established and appropriate debate at elected member level. The council has an approved Scheme of Delegation in

place but this requires to be reviewed along with other key governance documents in line with the new corporate management structure.

81. The council has progressed to phase two of their Modernisation and Efficiency Programme which includes designing, building and implementing the council's Future Operating Model (FOM). The FOM is based on improvement to both corporate and service level efficiency opportunities through modernisation of current working practices. The development of a new customer service centre, which opened in October 2009, which allows customers to access a range of council services in a single location is expected to deliver significant improvements to customers over the next two years. The council need to ensure that the FOM delivers the projected efficiency savings and the intended improvements in service delivery.
82. The council agreed in December 2009 how it would respond to a number of the recommendations made in the November 2009 Arbuthnott Review which highlighted the potential to integrate a range of council services in the eight local authority areas of the Clyde Valley. Inverclyde Council along with East Renfrewshire Council are leading on a review of shared support services.
83. The council demonstrates a strong commitment to partnership working where it considers it provides an opportunity to obtain clear benefits. Some examples of this are:
 - The Riverside Inverclyde initiative which is having a very visible and positive impact on the waterfront from Port Glasgow to Greenock.
 - Inverclyde Alliance which manages the community planning process and has developed, and supported the delivery of, an area-wide SOA.
 - Partnership working and the sharing of information, with Safer Communities, River Clyde Homes and Strathclyde Police which has led to a reduction in recorded crime rates.
84. A strategic business continuity plan has been prepared for the council based on the output of business continuity management workshops held in October and November 2008 and will be refined once individual business continuity plans for services have been finalised. Once finalised the council will work in conjunction with the Joint Civil Contingencies Unit (Inverclyde Council, East Renfrewshire Council and Renfrewshire Council) to test the plans by means of comprehensive rehearsals. These rehearsals are expected to take place in 2010. The council currently has no disaster recovery facility to provide for recovery and restoration of critical systems in the event of a major disaster. Agreement has been given in principle to create a new data centre and the expectation is that work on this will commence in 2012/2013.
85. The council's approach to performance reporting is an established and integral part of how the council operates. The Strategic Planning and Performance Management Framework integrate planning and performance management to facilitate the delivery of corporate and service initiatives. The council is progressing the implementation of the PSIF and has developed an OIP for 2009-2012 which identifies five key organisational work-streams to be targeted in order to achieve change and improvement. The council are currently reviewing their arrangements for Directorate and Corporate Performance

reporting to support the implementation of the new electronic performance management system, the SOA and the new structure implemented in April 2010.

Use of resources

86. The council faces significant financial challenges and has strengthened its arrangements for financial management over the past 12 months. The council has built on the success of the detailed two year Budget agreed in February 2009 to develop a structured approach to addressing the challenges it will face over the next few years. This includes the ongoing success of the Joint Budget Group of CMT and trades unions which have made a real difference to the budget process in recent years.
87. The council reacted quickly and positively to the economic downturn by identifying the potential risks. A working group was established which created an action plan to manage the downturn and prepare for recovery. The council has presented a series of reports detailing the council's response to the economic downturn including an action plan setting out how the council is dealing with the downturn and the agreement of a set of indicators to measure the recovery, or otherwise. The working group's primary concern is the impact the contraction in public resources will have in an area like Inverclyde where there is a high level of dependence on public sector employment.
88. The general fund reserve is projected to be £6.65 million at 31 March 2010 which is £2.45 million greater than the minimum level of reserves recommended by the chief financial officer. Consequently the council is limiting its exposure to financial risk and provides capacity to deal with unforeseen costs or losses.
89. In April 2008 the council approved its first Financial Strategy designed to provide clear direction on how to manage and structure its financial resources to ensure they are utilised effectively and are clearly directed at achieving the council's corporate objectives in the medium to long term. The strategy is reviewed regularly to identify required amendments to take account of any significant policy or financial developments both at a local, and national, level.
90. Although the Financial Strategy makes reference to other strategic plans (ie the SOA, Corporate Plan and Community Plan) there are no clear links to ensure that the Financial Strategy is directing resources to achieve corporate objectives. The council recognised this in the June 2009 revision of the Financial Strategy stating 'one of the key tasks for the next year is to strengthen the link between the Strategy and our Directorate plans. '
91. A Strategic Procurement Framework was compiled and was presented to the September 2009 Policy and Resources Committee. Considerable slippage has arisen in the timescale for developing the framework and the council need to increase momentum to develop current procurement practices to achieve and embed the approach outlined in the new framework. The recent restructure has resulted in the procurement function being transferred to the chief financial officer. It is too early to assess the impact this change will have.

92. Audit Scotland's 2008/09 Annual Report to Members highlighted that in March 2009 the council had approved the council's Corporate Asset Management Strategy: Land, Property and Buildings to cover the period from January 2009 – January 2014. This strategy was designed to provide a strategic vision for future property investment and office rationalisation. The council is working toward the creation of asset management plans for the outstanding asset types. The Open Spaces, Vehicles and Fleet Management, and ICT Asset Management Plans, are scheduled to be completed in 2010 and the Roads Asset Management Plan is scheduled to be completed in March 2012.
93. The council has made progress towards the completion of a workforce plan through the creation of a Workforce Development Strategy and Action Plan however the timescales for completion have slipped on a number of occasions. The Workforce Development Strategy and Action Plan were presented to the Policy and Resources Committee in May 2009 and components of the strategy are being piloted within organisational development and human resources. An employee survey was issued to all employees in March 2009. The output from this survey was presented to elected members and appropriate officers in November 2009.

Implications for scrutiny activity

94. Audit Scotland's annual audit process will continue to monitor the council's use of resources and implementation of Best Value Improvement Plans.

6. Conclusion

Next steps

95. On-going monitoring of the risks identified within this report by the appropriate scrutiny body will inform future risk assessments and the levels of scrutiny activity.
96. The proportionate scrutiny activity planned for the council is based on the risks identified within the assessment and is detailed in Appendix 3. Appendix 3 excludes baseline scrutiny activity and scrutiny activity at individual unit level, such as a school. Although some areas have been classified as “green” (no significant scrutiny risks), there may be some specific identified risks within each area that require some limited scrutiny activity.

Appendix 1

Performance Assessment Inverclyde Council			
Strategic priorities / service area	Initial risk assessment	Evidence/rationale	What we plan to do
Educated, Informed, Responsible Citizens	No significant scrutiny risks	<ul style="list-style-type: none"> ▪ Educational attainment levels demonstrate strong performance. ▪ HMIE inspections (including pre-5 centres) have been largely very positive. Out of 50 quality indicator evaluations carried out at nursery, primary and secondary schools there have been 3 'excellent', 11 'very good', 25 'good', 10 'satisfactory' and only one 'weak' . ▪ Proportion of school leavers entering 'positive destinations' almost 5% over 2008/09 Scottish average. ▪ Council's Future Jobs Fund scheme highlighted as the best performing in Scotland by the Department of Works & Pension – funding extended for a further year. ▪ Inverclyde Construction Plus, a partnership scheme to guarantee local training and job opportunities formally launched June 2009. Too early to assess outcome. ▪ Diversionary and disciplinary programme for people aged 14-17 with low level offending (New Horizons) launched in October 2008. Aims to re-educate young people by explaining the impact and consequences of anti-social behaviour. ▪ Children's Champion Scheme evidences improving outcomes for individual young people and is raising awareness of Looked After Children in the community. 	<ul style="list-style-type: none"> ▪ HMIE – On-going district inspector monitoring of attendance and attainment - Year 1, 2, 3. ▪ Audit Scotland - Monitor progress via standard scrutiny process.
Healthy, Caring	No significant	<ul style="list-style-type: none"> ▪ Inverclyde is ranked 30th out of the 32 Scottish local for residents life 	<ul style="list-style-type: none"> ▪ Audit Scotland - Monitor

Performance Assessment Inverclyde Council			
Strategic priorities / service area	Initial risk assessment	Evidence/rationale	What we plan to do
Communities	scrutiny risks	<p>expectancy at birth (2005-07) and death rates are higher than the national average.</p> <ul style="list-style-type: none"> ▪ Alcohol and drug misuse are an issue with deaths and hospital admissions related to drug and alcohol misuse more than double the national average. ▪ Joint Alcohol Strategy being finalised and rolled out across partner organizations. ▪ Partnership work is taking place to develop a new Addictions Strategy. ▪ Young Person's Alcohol Team became operational in March 2009 which has a programme of visits and events targeted at school children Primary 6 and above. ▪ Plans announced to spend £23m over the next five years to deliver new and refurbished leisure facilities in communities across Inverclyde. It is too early to assess the impact of this development. ▪ Inverclyde Dementia Support and Development Service launched. Aims to reduce the isolation and stress experienced by people with dementia as well as carers. ▪ The Housing Demonstrator of Older People's Housing, Support, Health and Care initiative commenced in October 2008. ▪ Partnership working with Trust Housing to support Housing & Care Development and with River Clyde Homes to focus on allocation of housing for older people and also sheltered housing. ▪ 2008/09 saw 9.9% increase in the number of overnight respite services provided to older people over 65 and a 16.2% increase in the service to adults aged 18-64. 	<p>progress via standard scrutiny process.</p> <ul style="list-style-type: none"> ▪ SWIA – The SWIA link inspector will monitor progress. ▪ The Care Commission will assess the quality of care and support in all registered services via planned inspections.

Performance Assessment Inverclyde Council			
Strategic priorities / service area	Initial risk assessment	Evidence/rationale	What we plan to do
Safe, sustainable communities – Depopulation	Significant risks identified	<ul style="list-style-type: none"> ▪ Depopulation is a significant concern and strategic issue. The population has fallen by 18% between 1981 and 2001 and forecast to drop a further 14% by 2024. This threatens the viability of the area and may impact negatively on public services. ▪ The council have established a multi-agency outcome delivery group focused on reducing the rate of decline and it has identified three broad areas of activity for which an action plan has been developed with progress actively monitored. These areas are: <ul style="list-style-type: none"> ▪ Developing a detailed baseline population position statement with regard to population in Inverclyde. ▪ Developing the concept of Population Impact Assessment. ▪ Promoting Inverclyde regionally and nationally. 	<ul style="list-style-type: none"> ▪ Audit Scotland – Monitor progress made by the outcome delivery group and report progress in the 2009/10 Annual Report to Members
Safe, sustainable communities - Other	No significant scrutiny risks	<ul style="list-style-type: none"> ▪ Official crime rate figures as per www.scotland.gov.uk highlight 256 fewer recorded crimes in Inverclyde in 2008/09 than 2007/08 (falling from 6,506 to 6,250). ▪ Strategic Housing Investment Plan 2010-2015. Final draft of the 2010-2015 SHIP was presented to members on Nov 27th, 2009. It sets out the investment priorities in affordable housing over the 5 year period to achieve the outcomes detailed in the Local Housing Strategy for Inverclyde. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Monitor progress via standard scrutiny process.

Performance Assessment Inverclyde Council			
Strategic priorities / service area	Initial risk assessment	Evidence/rationale	What we plan to do
A thriving diverse economy	Area of uncertainty	<ul style="list-style-type: none"> ▪ Working group established to consider the impact of the economic downturn on the council. Action plan developed focusing on maintaining investment programmes and services in the medium term, reviewing delivery arrangements and ensuring the council can manage the downturn and prepare for recovery. ▪ Inverclyde suffers from high levels of unemployment. Between 1999 and 2002 Inverclyde lost around 2% of its employment while Scotland increased by nearly 2%. (At June 2009 Inverclyde's level was 7.6% in comparison to the national average of 5.9%). ▪ Inverclyde is reliant on large companies for employment (60% of jobs located in large companies). Consequently the area is particularly susceptible to changes in the economy/employment. ▪ The percentage of the population living in poverty has increased from 35% to 46% between 2004 and 2006. ▪ Scottish Index of Multiple Deprivation 2009 Report highlighted that significant concentrated multiple deprivation continue to exist within Inverclyde. ▪ Household incomes are lower than the national average and the area has well above the average levels of benefit dependency. ▪ Riverside Inverclyde is a joint initiative between Inverclyde Council, the Scottish Government and Scottish Enterprise to regenerate 330 acres of the Clyde Waterfront scheduled to run until 2016/17. The development has an estimated potential and value of £342 million and will take ten years to complete, with the main objective being to create a successful living, recreational and business environment in a quality location. ▪ A £180m project to redevelop the James Watt Dock in Greenock has been approved in principle by the council's planning board. This will see more than 1,000 homes built along with 12,000 sq metres of retail and business space. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Monitor progress via standard scrutiny process.

Performance Assessment Inverclyde Council			
Strategic priorities / service area	Initial risk assessment	Evidence/rationale	What we plan to do
Education - Leadership	Area of uncertainty	<ul style="list-style-type: none"> ▪ The previous Corporate Director of Education and Social Care retired in 2009 and the Head of Education was acting as Director until March 2010 when he was appointed as Corporate Director Education and Communities. Following the management re-structure in November 2009, three senior officers have accepted severance packages – this is a significant loss of capacity and experience. ▪ The council has put in place interim management arrangements to provide continuity of leadership, to ensure school/pre-school centre performance is maintained and to minimise any delays in the implementation of the Curriculum for Excellence. ▪ A secondary head teacher was employed centrally until June 2009 to develop a leadership programme which influenced staff at all levels. In partnership with James Watt College, several heads and deposes from early years establishments participated in a 10 week certificated course in leadership. 	<ul style="list-style-type: none"> ▪ HMIE – On-going district inspector monitoring leadership and capacity building. ▪ Audit Scotland - Monitor progress via standard scrutiny process.

Performance Assessment Inverclyde Council			
Strategic priorities / service area	Initial risk assessment	Evidence/rationale	What we plan to do
Education - Strategic	No significant scrutiny risks	<ul style="list-style-type: none"> ▪ Service proactive in addressing a number of complaints. ie officers have organised parents' evenings on dyslexia and invited HMIE colleagues to participate. ▪ Over the past 3 years there has been considerable investment in the Continuing Professional Development of staff with the aim of enhancing their professional ability and improving learning and teaching. There are several examples of strong inter-authority working to facilitate professional development. ▪ In terms of recruitment, while most vacancies are filled timeously, head teacher and certain subject vacancies have proved to be a more challenging in attracting suitably qualified and experienced applicants. ▪ Government targets for providing places for probationer teachers have not always been realised. ▪ Inverclyde aspires to lower class sizes and have made good progress in delivering reduced class sizes in P1-P3. ▪ Early years education has been prioritised. There is a teacher in every local authority pre-5 establishment which is helping to ensure the best start in life for every child. The staffing formula contains an element for deprivation. ▪ HMIE noted that the implementation of Curriculum for Excellence has been slower than in other councils. There is scope to extend the implementation of Curriculum for Excellence beyond schools. It is noted that a policy paper has been produced and features in the SOA. ▪ During 2008-2010 progress was made against the School Estate Management Plan with a number of new schools opened or refurbished and good progress on the four new PPP schools. 	<ul style="list-style-type: none"> ▪ HMIE – On-going district inspector monitoring of attendance and attainment - Year 1, 2, 3. ▪ Audit Scotland - Monitor progress via standard scrutiny process.

Performance Assessment Inverclyde Council			
Strategic priorities / Service area	Initial risk assessment	Evidence/rationale	What we plan to do
Social work - Leadership	No significant scrutiny risks	<ul style="list-style-type: none"> ▪ The Director with responsibility for Social Work retired in the summer of 2009 (acting up arrangements were in place). A new Director was appointed in December 2009 with the new post (Corporate Director Community Health & Care Partnerships) being a joint Inverclyde Council / NHS funded post. It remains to be seen if this split in responsibility impacts upon service delivery. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Monitor progress via standard scrutiny process. ▪ SWIA – The link inspector will monitor progress.
Social work	No significant scrutiny risks	<ul style="list-style-type: none"> ▪ The Social Work strategic plan sets out the overarching vision for social work services and is linked to the council's overall corporate plan. ▪ The current structure of the Social Work department requires review to ensure it is aligned to the new CHCP arrangements. ▪ In November 2007 SWIA followed up on their 2006 performance inspection and noted that nine of the sixteen recommendations had been fully implemented and progress noted in the remaining seven. A January 2009 council report noted progress on all remaining recommendations and recognised that some will be completed over a longer timescale due to the nature and complexity of the recommendations. ▪ Older People's Services – The council has no care homes. The Commissioning & Contracts section closely monitor the performance of purchased services. ▪ Care at Home – Managers have large caseloads however strategies are in place to effectively manage this. A training programme is in place for all care staff. ▪ All services have been assessed as low risk services. ▪ Children's Services: Staff training given high priority. Although ongoing development of schools estates has impacted on nursery accommodation, well planned transitions to temporary and improved accommodation has taken place. ▪ Children's residential units have grades of Very Good and Excellent and adoption and fostering services are rated as very good. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Monitor progress via standard scrutiny process. ▪ SWIA will carry out seven additional scrutiny sessions in respect of social work services. These scrutiny sessions will relate to: <ul style="list-style-type: none"> ▪ the new CHCP and partnership working ▪ self-evaluation and improvement work ▪ general service capacity for children's services and services for adults, which includes: <ul style="list-style-type: none"> ○ levels of unallocated work ○ waiting lists for services ○ waiting times for assessment and for service deployment.

Performance Assessment Inverclyde Council			
Strategic priorities / Service area	Initial risk assessment	Evidence/rationale	What we plan to do
		<ul style="list-style-type: none"> ▪ SWIA's last overall inspection of Criminal Justice Services in Inverclyde was in 2005. Overall SWIA's assessment of the Inverclyde criminal justice service was relatively positive. ▪ Council working well to prevent children becoming looked after and good progress has been made to improve the educational attainment of looked after children. ▪ Number of children on the child protection register is less than the Scottish average although it is noted that the level of child protection referrals (17.2 per 1,000) is higher than the average of 13.0. ▪ Good progress made reducing the number of persistent young offenders. ▪ Inverclyde are in the top four Scottish authorities for adults with learning difficulties having a personal life plan and attending a day care centre full time. ▪ Adult protection procedures have been deemed as good and file reviews carried out did not raise any concerns about the handling of adult protection cases by social work services. 	<ul style="list-style-type: none"> ▪ SWIA will support Inverclyde criminal justice services in their self- evaluation for their implementation of the recommendations of the national report on the management of high-risk offenders. ▪ The Care Commission will carry out planned inspections in all registered services.
<p>Strategic housing authority</p> <p>(Council has no landlord function following stock transfer to local RSL, River Clyde Homes)</p>	Area of uncertainty	<ul style="list-style-type: none"> ▪ The Scottish Housing Regulator issued an inspection report on homelessness services in August 2008. Overall assessment of grade C – 'fair performance for services to homeless people'. The progress report presented to the Health and Social Care Committee in October 2009 indicates that progress has been made in delivering the required actions. The council is developing a Homelessness Strategy 2009-11 to further support delivery of homelessness services. ▪ The Housing regulator agreed an improvement plan with the council and is scheduled to receive a progress report in January 2011. ▪ Internal Audit reported on their review of the homelessness service in February 2010. Overall conclusion was that the control environment required improvement. Fifteen issues were raised, eleven of which were amber and four green. 	<ul style="list-style-type: none"> ▪ Scottish Housing Regulator - Perform a review of the council's self assessment which is due to be provided in quarter 4, 2010/11. Following appraisal, SHR will liaise with the LAN Lead and the council regarding any validation or further inquiry work necessary.

Performance Assessment Inverclyde Council			
Strategic priorities / Service area	Initial risk assessment	Evidence/rationale	What we plan to do
Environmental services (Waste management)	Significant risks identified	<ul style="list-style-type: none"> ▪ Action to address the levels of waste sent to landfill resulted in 12.3% tonne decrease between 2007/08 and 2008/09. Despite this progress it is noted that it exceeds the 2008/09 landfill allowance. ▪ The council will continue to encourage its residents and local businesses to participate in its Waste Strategy Initiative (which has resulted in an increase in recycling levels). ▪ The council's proposed solution to waste management (to transfer waste to an Energy from Waste plant in Glasgow by rail) is no longer being considered due to Scottish Government limits on the volume of waste that can be transferred. New solutions are being considered but firm plans are not yet in place. ▪ Future targets are expected to be extremely challenging and the council has recognised that this is an area of major concern. ▪ In the 'Keep Scotland Beautiful' average cleanliness ratings Inverclyde received the lowest ratings along with Glasgow. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Report on progress via Annual Report to Members incorporating input from all scrutiny bodies.
Environmental services (Carbon management)	Area of uncertainty	<ul style="list-style-type: none"> ▪ Council's carbon management plan (CMP) sets a target to reduce emissions by 15% by 2012/2013. Availability of funding may prevent the development of measures to achieve this target. ▪ The CMP has performance information in it, however the council are not currently monitoring their progress against the targets set out in the plan. It is intended that this will be part of a new joint Carbon Management/Energy Officer role. The council can't currently demonstrate monitoring and can't deliver the action plan until a team is in place. ▪ The Corporate Director with responsibility for waste and carbon management left his post in March 2010. This may impact on progress. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Monitor progress via standard scrutiny process.

Performance Assessment Inverclyde Council			
Strategic priorities / Service area	Initial risk assessment	Evidence/rationale	What we plan to do
Cultural Services	No significant scrutiny risks	<ul style="list-style-type: none"> ▪ Cultural & community services SPIs for 2008/09 generally highlight gradual improvement against the 2007/08 figures. ▪ Sport and recreation performance remains above average with attendance at indoor facilities in particular well above average. ▪ Visits to the McLean Museum for Q1 in 2009/10 are projected to be 11% up on Q1 2008/09. ▪ In July 2009 a new arrivals hall was built at Greenock Ocean Terminal. This enhances the services provided in preparation for a year which saw a 34% increase in the number of passengers docking at Greenock during the April to October cruise season. ▪ The council has approved additional funding support of £0.5m for the Arts Guild new home to be built on the waterfront, bringing their contribution to £2.5m. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Monitor progress via standard scrutiny process.
Roads and Street Lighting	Area of uncertainty	<ul style="list-style-type: none"> ▪ 2008/09 SPIs for traffic light repair, street lights failure and age of street lighting columns show minor increases in 2008/09. ▪ 42.5% of Inverclyde's roads should be considered for maintenance treatment. This is an area requiring focus and improvement. ▪ Generally performance is mixed. Traffic delays are better than average, but carriageway condition is poorer than average. ▪ Inverclyde has problems associated with flooding during periods of heavy rain. The council, in conjunction with relevant partners, has a Flood Action Plan Working Group which is working to produce a costed flood action plan by May 2010. In February 2010 the council allocated an initial £0.5m to projects designed to address the flooding problems. ▪ Inverclyde has seen its road infrastructure damaged by the extreme winter weather. In February 2010 they announced a one-off investment of £0.6m to repair damage caused to roads and footpaths. 	<ul style="list-style-type: none"> ▪ Audit Scotland (National Report) - Road maintenance: a follow-up report due for release Autumn 2010. ▪ Audit Scotland – Monitor progress of Flood Action Plan via Annual Report to Members

Appendix 2

Corporate Assessment Inverclyde Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Vision and strategic direction	No significant scrutiny risks	<ul style="list-style-type: none"> ▪ The council's leadership has been commended in previous BV reports. The Chief Executive has recently been re-appointed which will provide a degree of stability. ▪ In November 2009 the council agreed a new management structure (taking effect April 2010). This changes the directorate structure and reduces the number of Heads of Service from 16 to 10 council funded posts, four joint-funded with the NHS and one post fully funded by the NHS. This is likely to impact on the configuration of service delivery across the council. ▪ The council administration is made up of the Labour Party in coalition with one Independent and one Conservative Councillor to ensure a majority vote. Control is therefore susceptible to a power swing. ▪ An elected member is facing court action over allegations of benefit fraud. The implications this may have are not yet clear. ▪ The council's corporate and community plans clearly set out the priorities of the council however there are no clear links between these strategic documents and the Financial Strategy to ensure financial resources are clearly directed at achieving the council's corporate objectives. The council has committed to improving linkages between Service Planning & Resources. ▪ The new Customer Service Centre which forms part of the Modernisation & Efficiency programme was opened in October 2009. Ongoing implementation of the M&E will result in further changes to service provision and the manner in which the council interacts with the public. 	<ul style="list-style-type: none"> ▪ Audit Scotland are carrying out a study is to demonstrate the impact of roles, responsibilities and relationships of elected members and officers in achieving best value. Inverclyde are part of this study. ▪ Audit Scotland - Monitor progress via standard scrutiny process.

Corporate Assessment Inverclyde Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Partnership working and community leadership – CHCP and social work	Area of uncertainty	<ul style="list-style-type: none"> ▪ Inverclyde Council and NHS Greater Glasgow and Clyde are creating a new CHCP which will formally be established by December 2010. A new Director was appointed in December 2009 with the new post being a joint IC/NHS funded post. CHCP arrangements will need to be in place before the effectiveness of the partnership can be assessed. ▪ SWIA could not assess the effectiveness of social work services partnership working. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Report on progress via Annual Report to Members.
Partnership working and community leadership	No significant scrutiny risks	<ul style="list-style-type: none"> ▪ Community planning partners jointly developed the area wide SOA to take account of priorities across Inverclyde. ▪ Inverclyde Alliance's (which brings together community partners) Memorandum of Understanding was revised in June 2009 to support delivery of the SOA outcomes. ▪ The council has jointly established and consolidated the work of Riverside Inverclyde urban regeneration company. This is a £400 million public/private sector initiative that is regenerating over four and a half miles of waterfront from Port Glasgow to Greenock. It involves the creation of harbour and marine developments, waterfront apartments, and modern business and industrial space. ▪ There are discussions with the Improvement Service on the possible application of PSIF to the Alliance. ▪ The Clyde Valley Community Planning Partnership have prioritised the workstreams identified to take forward the recommendations in the Clyde Valley review report published in Nov 2009. Ten workstreams have been identified with the top three priorities being waste management, health & social care and single transport solution. In addition Inverclyde and East Renfrewshire Council are taking a lead role in developing a shared approach to the back office functions. ▪ Community Learning Development (CLD) has effective partnerships with James Watt College, Strathclyde Police, NHS Greater Glasgow and Clyde, Community Councils and other providers of Learning in Voluntary sector. Inspection of the Port Glasgow High School learning community suggested 	<ul style="list-style-type: none"> ▪ Audit Scotland - Monitor progress via standard scrutiny process. ▪ SWIA – The SWIA link inspector will monitor progress.

Corporate Assessment Inverclyde Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
		<p>that the partnership between CLD and James Watt College could be further developed.</p> <ul style="list-style-type: none"> HMIE Child Protection inspection report (Feb 2009) evaluated the vision, values and aims related to child protection as excellent and that, overall, the Social Work service was effective in carrying out its statutory duties in relation to child protection. 	
Community engagement	No significant scrutiny risks	<ul style="list-style-type: none"> A Community Engagement Strategy has been developed and the Alliance Board are in the process of developing an action plan to support the strategy. Within Education Services there is clear evidence of strategies which have engaged communities, community and voluntary organisations, local businesses and employees. The council has a Citizen's Panel made up of 1,000 residents from across Inverclyde. Membership was selected at random and is considered to provide a broad representation of the area. Council's new Customer Service Centre was opened on 19 October 2009. This forms part of the ongoing Modernisation & Efficiency programme. Ongoing implementation of the M&E will shape future service provision and a more streamlined customer experience. 	<ul style="list-style-type: none"> Audit Scotland - Report on progress via Annual Report to Members. The Care Commission will continue to assess levels of participation in all registered services.
Governance and accountability	Area of uncertainty	<ul style="list-style-type: none"> A new structure was implemented on 1 April 2010. This may impact on governance and accountability arrangements due to loss of knowledge, changes in reporting lines and reduction in staff numbers. Personal development plans (PDP) for members were introduced in October 2008. All members had an agreed PDP in place by March 2009. These are currently being refreshed. The council has an approved scheme of delegation in place but this needs reviewed along with other key governance documents in line with the new management structure. The completion of this is 'on hold' until the new structure is implemented. There is a risk that formalised governance arrangements are not on place. 	<ul style="list-style-type: none"> Audit Scotland - Report on progress via Annual Report to Members.

Corporate Assessment Inverclyde Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
		<ul style="list-style-type: none"> ▪ A business continuity plan (BCP) has been prepared and will be refined then tested once service specific BCPs are finalised. ▪ There is no disaster recovery facility to provide recovery and restoration in the event of disaster. There is agreement to create a new data centre with work commencing in 2010/11. ▪ The council has continued to improve on its approach to managing risk. Regular reporting to the Audit Committee keeps members informed and ensures progress is sustained. 	
Performance management and improvement	Area of uncertainty	<ul style="list-style-type: none"> ▪ The council's approach to performance reporting is an established and integral part of how the council operates. We note that reporting to the public requires improvement. ▪ A staff survey was carried out in March 2009 – the results have not yet been published. ▪ The council are progressing the implementation of the Public Service Improvement Framework. ▪ SWIA analysed the SWIA criminal justice self-evaluation but found that the plan seemed process oriented and they couldn't tell how well service was performing. ▪ SWIA have seen no evidence that social work services have used the SWIA self-evaluation tool. ▪ SWIA noted that the performance management framework was relatively new and that social work did not include benchmarking information and had problems reporting on some statutory performance indicators ▪ An Organisational Improvement Plan for 2009-2012 is in place which targets five key workstreams. The Corporate Performance Report has been restructured to reflect these workstreams. ▪ The council is considering BV2 processes and has taken steps to prepare for the next phase of the Best Value audit. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Report on progress via Annual Report to Members. ▪ The Care Commission plan to continue with their schedule of inspections of all registered services run by the council. ▪ SWIA will convene a focus group covering issues relating to self-evaluation & improvement activity. ▪ SWIA to hold specific meeting(s) with relevant managers in children's services and adult services about: <ul style="list-style-type: none"> ○ levels of unallocated work ○ waiting lists for services ○ waiting times for assessment and for

Corporate Assessment Inverclyde Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
		<ul style="list-style-type: none"> ▪ The council is still to develop information to evidence that service improvements improve customer satisfaction. ▪ Review of the SOA annual report (to the Scottish Government) highlighted concerns over the degree to which delivery of outcomes can be determined. The council are working toward producing an SOA progress report for the public. It is anticipated that this will be completed in June 2010. 	<ul style="list-style-type: none"> ○ service deployment ○ general service capacity and workload issues
Use of resources – Financial management	No significant scrutiny risks	<ul style="list-style-type: none"> ▪ The council has estimated a revenue funding shortfall of £28 million over the three year period 2011/14. A savings strategy identifying estimated savings of £21.9 million to be achieved by March 2013 has been agreed. Any shortfall between the savings actually required and the savings delivered will be predominantly met by service reductions and withdrawal. From August 2010 regular updates will be reported to Committee in order to monitor progress against these targets. ▪ The council faces a challenge to deliver the Financial Capacity Development Plan. ▪ Planned restructure of the Finance Service may impact on the delivery of services during the transition to the new structure. ▪ There is a risk that the financial closure planning process does not take account of the requirements of International Financial Reporting Standards. ▪ At 31 January 2010 there is a projected underspend of £2.55m on the 2009/10 revenue budget. £1.85m of this relates to service expenditure with remaining £0.7m being projected underspends in loans charges. The General Fund Reserve is projected to be £6.65m at 31 March 2010 which is £2.45 greater than the minimum level of reserves recommended by the Chief Financial Officer. ▪ At March 2010 the four year Capital programme (2009/14) has a projected shortfall in resources of £1.04m (1.4% of available resources) – the main cause is an anticipated reduction in the capital grant to be provided by the Scottish Government in the next year spending review. ▪ In 2008/09 the council raised the profile of budget monitoring with monthly updates and review at a corporate management level and introduced 	<ul style="list-style-type: none"> ▪ Audit Scotland – ongoing monitoring of financial position and financial management as part of annual audit. ▪ Audit Scotland – opinion on financial statements as part of the certification process.

Corporate Assessment Inverclyde Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
		<p>improved policies and procedures at an operational level.</p> <ul style="list-style-type: none"> ▪ The council's 2008/09 Annual Efficiency Statement identifies £1.6 million of efficiencies in 2009/10 and £4.9 million in 2010/11. 	
Use of resources - Procurement	Area of uncertainty	<ul style="list-style-type: none"> ▪ A Strategic Procurement Framework has recently been compiled and presented to the Policy and Resources Committee. ▪ Considerable slippage has arisen in the timescale for developing the framework. Increased momentum is required to significantly develop current procurement practices to achieve and embed the approach outlined in the new framework. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Report on progress via Annual Report to Members.
Use of resources – Asset management	Area of uncertainty	<ul style="list-style-type: none"> ▪ The council is working toward the completion of a comprehensive asset management plan. ▪ School Estate Management Plan (SEMP) has progressed well with a number of establishments being either opened or refurbished in the year. The next stage of the Schools Estate Management Plan has been approved and work is underway on the new PPP schools. ▪ A project to conduct an examination of the title to the council's heritable property within Inverclyde has commenced. An up to date register is not yet in place which differentiates between common good and council property. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Report on progress via Annual Report to Members.

Corporate Assessment Inverclyde Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Use of Resources – ICT	No significant scrutiny risks	<ul style="list-style-type: none"> Internal and external reviews of data security and governance highlighted some concerns about data security issues and the general culture surrounding data security. An action plan has been devised to address the issues highlighted. 	<ul style="list-style-type: none"> Audit Scotland - Report on progress via Annual Report to Members.
Use of Resources – People management	Area of uncertainty	<ul style="list-style-type: none"> Progress toward the completion of a workforce plan has been made through the creation of a Workforce Development Strategy and Action Plan however timescales for completion have slipped. The need for a staff appraisal system has been recognised however limited progress has been made in to implement this. The council's early release programme has resulted in a high number of social work team leaders accepting voluntary redundancy packages. Impact of this is still to be assessed. A new integrated Human Resources / Payroll system is being implemented in a phased approach. Some initial delays were experienced due to concerns over whether the system was meeting finance user requirements. This will require ongoing monitoring as additional payrolls come online. 31 managers have commenced CMI development programme at James Watt College. This programme is ongoing and we are currently unable to assess impact. Sickness absence levels have dropped below 4% for the first time (3.81% for period 3). 	<ul style="list-style-type: none"> Audit Scotland - Report on progress via Annual Report to Members. The Care Commission will assess all registered services in relation to staffing during the next inspection year.

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Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Equalities	Area of uncertainty	<ul style="list-style-type: none"> ▪ Equality impact assessments have been developed to critically assess the impact of policies on equality groups. This process still needs to be fully embedded. ▪ An equality impact assessment framework has been developed. An annual audit of departments carried out by OD&HR to ensure relevant council functions support assessment of new policies. ▪ Individual equality schemes are in place for race, gender and disability. Consideration is being given to developing a generic equality policy to incorporate the three existing equality strands. ▪ The Inverclyde Equality Champions Network is a unique project based on collaboration between partnership organizations. This is the first of its kind in Scotland. ▪ Inverclyde Council has worked with mental health charity SAMH and the Scottish Trades Union Congress (STUC) to develop a training programme in equality, diversity and human rights. ▪ Within Social Work the equality champion's network has been developed and there is evidence of substantial training and promising work with partners on equality in the workplace. 	<ul style="list-style-type: none"> ▪ Audit Scotland - Report on progress via Annual Report to Members.
Sustainability	N/A	<p>Sustainability issues are covered elsewhere in Appendix 1. In particular:</p> <ul style="list-style-type: none"> ▪ Depopulation – Safe, Sustainable Communities ▪ Waste Management – Environmental Services ▪ Carbon Management - Environmental Services 	N/A

Appendix 3

This is a three year rolling programme.

2010-11 (Year 1)												
Scrutiny activity	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
HMIE – Joint inspection of services to protect children and young people												
HMIE – Inspection of Educational Psychology Services												
Care Commission – Inspection of Adoption and Fostering Services												
Her Majesty's Inspectorate of Constabulary Scotland/Audit Scotland – Best Value Audit of Strathclyde Police												
SWIA – Initial Scrutiny Level Assessment (ISLA) review												
SHR – review of a self assessment by the council demonstrating its progress in delivering improvements to the Homeless service.												
SWIA – National inspection of prison based social work services												

2011-12 (Year 2)	
Issues for scrutiny/improvement	Scrutiny bodies/council potential involvement
On going district inspector monitoring of <ul style="list-style-type: none"> • positive and sustained destinations for young people • attendance and attainment 	HMIE
On going monitoring and support for self-evaluation by SWIA link inspector. Reviews of the Shared Risk Assessment & the Assurance and Improvement Plan may identify risk domains which require additional scrutiny.	SWIA

2012-2013 (Year 3)	
Issues for scrutiny/improvement	Scrutiny bodies/council potential involvement
On going district inspector monitoring of <ul style="list-style-type: none"> • positive and sustained destinations for young people • attendance and attainment 	HMIE
On going monitoring and support for self-evaluation by SWIA link inspector. Reviews of the Shared Risk Assessment & the Assurance and Improvement Plan may identify risk domains which require additional scrutiny.	SWIA
Best Value 2 Review	Audit Scotland with support from Local Area Network