Shared risk assessment: Assurance and improvement plan 2010–13

Stirling Council

social work inspection agency

THE SCOTTISH HOUSING REGULATOR

care commission

HMIe
improving Scottish education
leasachadh foghlam na h-Alba

AUDIT SCOTLAND

Contents

1. Introduction

The Assurance and Improvement Plan

1. This Assurance and Improvement Plan (AIP) sets out the planned scrutiny activity for Stirling Council for the period from April 2010 to March 2013. It sets out the basis of our risk assessment of the council, and the scrutiny response. The scrutiny activity is proportionate based on the assessed scrutiny risks.

2. This AIP is the product of a collaborative approach adopted by the following scrutiny bodies operating in Stirling Council:

   - Audit Scotland

   - Care Commission

   - HM Inspectorate of Education (HMIE)

   - Scottish Housing Regulator (SHR)

   - Social Work Inspection Agency (SWIA).

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

   - reports by Audit Scotland, including the annual audit report to the Controller of Audit and elected members for 2008/09

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

   - the council's performance reports, local and statutory performance indicators

   - customer satisfaction data such as the Scottish Household survey and residents' surveys.

What do we mean by scrutiny risk assessment?

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. A serious issue, well managed by the council may not represent a high risk. 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 (LAN) contacts, will maintain awareness of activity, including unit level inspection. As new information comes to light the 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 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 is required to provide assurance to the public?

    - How can we work together to minimise the impact of the scrutiny activity on the council?

Baseline scrutiny activity

11. The focus of the AIP is strategic scrutiny activity, ie scrutiny activity which is focused at corporate or whole service level. There will also be baseline scrutiny activity at establishment level throughout the period of the AIP; for example, school and residential home 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.

12. 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 addition, other work may be undertaken as a result of a specific Ministerial request or existing statutory requirements.

2. Summary

Overall, the council and its partners present a clear vision for the future of Stirling and based on available evidence the council's services perform satisfactorily. Further evidence is required to demonstrate the council's effectiveness in a number of important areas. There is some evidence that strategic priorities are progressing, but current outcome indicators are not yet sufficiently robust to allow a full assessment of progress across all priorities to be made. The council has embarked on a significant change programme and has made progress in reducing its cost base. The council needs to show that it has the capacity to deliver the change required whilst managing the impact on service delivery.

As a result our planned scrutiny activity is designed to better understand how well the council is doing overall and how well it is working with its partners – but recognises a need to allow some time for the impact of recent changes to be seen. It is targeted to those areas assessed as higher risk as set out in the remainder of this Assurance and Improvement Plan (AIP). The AIP gives an overview of the information that informed the risk assessment and shows how this links to the proposed scrutiny response.

13. The shared risk assessment process is designed to ensure that corporate scrutiny activity is proportionate and focused on risks. It also helps to identify areas for collaborative working between scrutiny bodies, helping to reduce overall scrutiny levels by removing potential areas of duplication and by creating the conditions for more innovative, joined-up scrutiny arrangements.

14. The council and its partners present a clear vision for the future of the area. There is some evidence that strategic priorities are progressing, particularly those for lifelong learning and community safety. However, outcome indicators are not yet sufficiently robust to allow a full assessment of progress across all priorities to be made. There is uncertainty over the impact of the recession on aims to improve the economy and opportunities and there is a growing divergence in income levels.

15. Overall, the council's services perform satisfactorily and there are few areas of significant concern. Education is generally performing well, although the council needs to ensure that standards of performance are maintained for all secondary pupils. Performance in social work and housing is more variable, with recent inspections identifying some good performance but also highlighting the need for improvement in certain areas.

16. All Scottish councils are facing an extended period of public spending constraint. This presents obvious risks to future performance levels. The council is planning for a reduction in its cost base of £25 million over the next four years, anticipating a 12 per cent real terms reduction in funding. It has embarked on a significant change programme, based on diagnostic reviews of a number of aspects of its business and has made progress in reducing its cost base.

17. However, the degree of change required to deliver the transformation necessary will, as for all councils, be significant. A key challenge for the council will be to deliver the extent of change required whilst managing its impact on service delivery. The council needs to show that it has the capacity to do this. A finely balanced political position presents challenges in maintaining a clear sense of priorities and direction in difficult circumstances. There has also been a major reorganisation of the

management of the council, including the appointment of a new chief executive, and it is too early to see the impact of this.

18. The council's corporate approach to self-evaluation is at an early stage of maturity. Consequently there is some uncertainty about the overall effectiveness of the council's corporate and partnership arrangements. Work is continuing to improve aspects of the council's arrangements, including review and evaluation processes, however progress in some areas appears slow. The efficiency and change programme is now well established, but better planning of the use of assets and people is required as the council manages its finances over the next few years. The council also needs to ensure its services are fully competitive – providing the best balance of cost and quality – considering a full range of options for how it delivers these, including opportunities for shared services and a more strategic approach to procurement.

19. There is some evidence that the council works effectively with its partners, however evidence is not consistently available across all areas. Partners have worked well together to develop the Single Outcome Agreement. There are indications that partnership working still needs to improve. A recent review of partnership governance arrangements has highlighted areas for improvement, including the involvement of elected members in community planning and better performance monitoring and reporting.

20. The local area network has planned scrutiny activity to consider risk areas, incorporating some collaborative working between the scrutiny bodies. A summary of planned scrutiny activity for the three year period 2010-2013 - including specific scrutiny work identified for Stirling Council, ongoing local baseline activity and baseline activity being undertaken as part of national scrutiny programmes - is presented in the table below.

Summary of planned scrutiny activity	
Specific work	Specific scrutiny exercises to be undertaken in response to identified risks will include: - 2010/11 – review of council's assessment of progress in addressing low achiever/ MCMC (More Choices More Chances) issues by HMIE. - 2010/11 – Supported self-evaluation leading to follow-up of social work inspection by SWIA. - 2010/11 – SHR verification of council's plans to fulfil its statutory obligations relating to unintentionally homeless people by 2012. - 2010/11 – audit of Best Value and Community Planning by Audit Scotland. - 2011/12 – Initial Scrutiny Level Assessment (desk top exercise) by SWIA. - 2011/12 – follow-up of progress of change programme and BV improvement plan by Audit Scotland. - 2012/13 – follow-up of progress in implementing housing improvement plan by SHR. - 2012/13 - follow-up of progress of change programme and BV improvement plan by Audit Scotland. - 2012/13 – targeted social work scrutiny based on results of ISLA.
Ongoing work	Baseline scrutiny activity being undertaken locally will include: - Inspection of education and care establishments by the Care Commission and HMIE. - Monitoring of performance and risk through link inspector contact by HMIE and SWIA. - Annual audit of accounts, governance and accountability, and financial position by Audit Scotland. - Ongoing monitoring of emerging risks to inform future risks assessment and scrutiny plans by all members of the LAN.
National work	Baseline scrutiny activity being undertaken as part of national scrutiny programmes targeted at priority risk areas will include: - 2010/11 - multi-agency review of child protection arrangements by HMIE. This will be integrated with annual reviews of adoption and fostering services by the Care Commission using a pilot approach. - 2010/11 – inspection of social work services in Cornton Vale prison by SWIA. - 2010/11 – review by SHR of council update on progress towards meeting Scottish Housing Quality Standard. - 2011/12 - annual reviews of fostering and adoption services by the Care Commission. - 2011/12 – inspection of support services for people with learning difficulties by Care Commission.

21. Our aim is to better understand how well the council is doing overall, and how well it is working with its partners. We will also review evidence of service improvement in a number of specific risk areas.

22. An Audit of Best Value and Community Planning (BV2) is planned to be undertaken by Audit Scotland in late 2010/11, to explore areas of uncertainty and establish the council and its partners' overall performance in addressing their strategic priorities and improving services. This audit will be timed to enable recent changes to political and management arrangements to bed in, but to ensure areas of uncertainty do not lead to performance concerns in the future. The BV2 audit will consider identified risk areas: the capacity of the council to deliver the extent of change required to reduce its cost base, while managing the impact on services; how the council uses the overall resources at its disposal to deliver on strategic priorities; how it ensures competitiveness and value for money; and how well the council is coordinating its efforts with partners in addressing key priorities.

23. Some targeted work will be undertaken before then to gather evidence in key risk areas and report on this. This evidence will be used to support the overall BV2 performance assessments. Following work with the council to support its own self-evaluation, the Social Work Inspection Agency (SWIA) will review progress in addressing issues highlighted in the recent inspection report. This will provide some evidence of how well the council is managing the change programme in relation to this service.

24. In later years planned work will include follow up of progress and impact of the change programme and any improvements agreed as a result of the BV2 audit, an initial scrutiny level review by SWIA in late 2011/12 and a review of progress in addressing specific concerns raised in the recent Scottish Housing Regulator (SHR) housing inspection in 2012/13. The council is obliged to agree a specific action plan for this with SHR over the next few months.

25. National risk priorities have been identified by the Scottish Government and these are reflected in the shared risk assessments for all councils. Planned scrutiny work will address the national scrutiny priorities as follows:

- Baseline service inspection programmes will examine the effectiveness of arrangements for protection, welfare and access to opportunities for vulnerable groups. These will be augmented by targeted follow-up of concerns previously identified in social work and housing.

- The BV2 audit will examine the effectiveness of the council in securing best value, assuring public money is being used properly. Baseline annual audit activity will also keep the stewardship, propriety and governance of public resources under review.

- The impact of the recession and the associated pressure on the council's finances will be kept under review through the baseline annual audit, follow-up work in social work and housing and will inform the BV2 audit.

3. The council's context

Stirling has a growing and relatively affluent population. This masks pockets of deprivation and high unemployment, and the area has one of the highest gaps between rich and poor in the UK. Much of the population is centred on the main urban settlement of Stirling itself and the surrounding communities. The council area extends far beyond this, however, meaning some challenges in providing services across its dispersed population.

26. The Stirling Council area lies at the heart of Scotland and covers 2,187 square kilometres making it geographically the ninth largest of Scotland's 32 local authorities. However the population is the eighth smallest with the General Register Office for Scotland (GROS) 2009 mid-year population estimates showing just under 89,000 residents. This gives a low population density of 41 people per square kilometre compared with the Scottish average of 67. GROS projects the population to increase by seven per cent over the next 25 years, in line with Scotland's total population. Almost half the population live in the City of Stirling, which includes the settlement of Bannockburn. Around one in six residents live in either Dunblane or Bridge of Allan. The remaining population is dispersed across the area's rural and outlying settlements.

27. Stirling Council borders the local authority areas of Argyll & Bute, Perth & Kinross, Clackmannanshire, Falkirk, North Lanarkshire, East Dunbartonshire and West Dunbartonshire. The area is relatively well served by transport links with several stations on major rail routes; however, in some of Stirling's outlying rural settlements, public transport services are limited.

28. The Stirling Council area has a high degree of social and economic polarisation, one of the highest spreads of rich and poor of all councils in the UK. In general, the area enjoys relative economic prosperity and high employment levels, with a relatively affluent population, but this masks pockets of deprivation which have high unemployment levels. Regeneration activities are underway to alleviate deprivation in these areas. Stirling's community is diverse, but its social and economic disparity presents a challenge to the council.

29. Compared to the Scottish average, there are more older people living in the Stirling area. projected increases of people of pensionable age are also higher than the Scottish average, which could place further strain on council services.

30. The current economic position and reducing public finances mean that the council faces the challenge of managing already tight budgets. This is a particular risk in demand led services such as social care. The council's financial strategy identifies the level of reserves considered necessary to provide a working balance and a contingency to cushion the impact of unexpected events or emergencies. As over £3 million of balances have been committed to fund Change Programme work streams, a strategy of restoring balances is being pursued. A medium term financial planning and management framework has been introduced to address the financial challenges faced by the council.

31. The development of the SOA and supporting arrangements has the potential to improve planning and performance management significantly. However, the long term and complex nature of many of the

outcome targets pose many questions for performance management. A key challenge will be integrating and aligning the council's plans and processes to support delivery of the desired outcomes – making sure that resources and efforts are directed to key priority areas.

Self-evaluation

The level of scrutiny activity planned is linked to the maturity and robustness of corporate self-evaluation arrangements. Where a council has robust arrangements and a track record of identifying and delivering improvement priorities, the level of scrutiny activity will be minimised. While Stirling Council uses a number of methods to evaluate its performance, its corporate approach to self-evaluation is at an early stage of maturity. There is, therefore, only limited corporate self-evaluation information available at this time, restricting the extent to which we can take assurance from it. We will continue to work with the council to help develop and support its processes and would anticipate being able to rely increasingly on these as they become more robust.

32. The council has employed a number of approaches to help it evaluate aspects of its performance and how it can improve its ways of working. This has included a programme of scrutiny and service review, with ad-hoc scrutiny committees established to oversee specific reviews. More recently the council has undertaken diagnostic reviews across the range of its services to identify the scope for savings in a number of areas and it now plans to fundamentally re-examine its cross-council spending as part of the medium term financial strategy.

33. Each year the council publishes an Annual Improvement Statement, which states the priorities for improvement throughout the year, compiled from a variety of sources, including: external audit and inspections; performance reporting mechanisms; internal scrutiny reviews, and; actions not yet completed from the Best Value Improvement Plan.

34. While the council uses a number of methods to monitor and evaluate its performance, it is at the early stages of introducing a corporate approach to self-evaluation to enable a more rounded view of its overall performance. The council previously piloted the Public Service Improvement Framework, an assessment tool based on the European Framework for Quality Management model, in two service areas and has recently decided to adopt this as its corporate framework across all services. The council also recognises the need to improve option appraisal, market testing and benchmarking to help demonstrate that its services offer best value.

35. As the council's self-evaluation information, particularly at corporate level, is limited, we will continue to work with the council as they develop their strategic approach. SWIA will be assisting the council with supported self-evaluation (SSE) in some areas of social care; this is reflected in Appendix 3. Before commencing any scrutiny work we will take stock of what evidence and information is already available and how robust this is.

4. Delivering outcomes for communities

There is evidence that the council and its partners are progressing their strategic priorities in some areas, particularly those for lifelong learning and community safety, but evidence of progress is not consistently available across all areas. Current outcome indicators are not yet sufficiently robust to allow a full assessment of progress to be made. There is therefore uncertainty about the impact of the council and its partners' actions to achieve outcomes in a number of areas including economy and opportunities, health and wellbeing and the environment. There is also uncertainty about the impact of the recession on aims to improve the economy and opportunities, and there is a growing divergence in income levels.

Overall, the council's services perform satisfactorily and there are few areas of significant concern. Performance in social work and housing is more variable, with recent inspections identifying some good performance but also highlighting the need for improvement in certain areas. Planned scrutiny work is targeted to these, and the action being taken to support the achievement of improved outcomes over the medium term.

Strategic priorities

Economy, jobs and opportunities

36. The data on which evidence of progress with this priority can be measured is not easily available. Some of it is taken from national sources and predates the recession, with more up to date statistics not yet available. There is a risk that the council and its partners cannot demonstrate the impact of their joint work. Further work on appropriate outcome indicators is required if progress is to be appropriately evaluated. For example, while the council has delivered improvements in accessibility for businesses, visitors and residents, relevant outcome indicators are not available. Nor are there indicators to monitor the number of rural businesses.

37. As with most parts of Scotland, the council and its partners face a number of challenges to ensure a vibrant economy locally in the face of the economic downturn. Unemployment in Stirling, traditionally low, is increasing faster than the national average and is higher in deprived areas. Business confidence has remained relatively high but the rise in the number of vacant shops is causing concern. An Economic Strategy, 'Open for Business', has been developed by the council and its partners and action plans for delivery are being finalised. It is too early to see the impact of the strategy on Stirling's economy.

Lifelong learning

38. There are generally high attainment levels in schools and good school inspection reports in Stirling. In terms of the lower achievers, the proportion of pupils achieving no awards has not improved, remaining at two per cent. The attainment of looked after children is improving but is still a long way from target levels. Increasing the use of alternative accreditation and vocational college courses is proving important in raising standards for lower achieving young people. Indicators in this area are

under development. Inspection evidence shows that adult literacy services have had a positive impact on adult learners. No significant concerns have been raised in the area of lifelong learning.

Health and wellbeing

39. Life expectancy and healthy life expectancy in Stirling are above the national average, but this masks some health inequalities. The council is focused on reducing the inequality gap but can't yet ascertain meaningful trends in health inequality information against long term planned outcomes. A healthier lifestyle baseline has been established, but there is no data on improvement yet. Increased sports and leisure provision is leading to increased participation. A number of service improvements intended to deliver better outcomes for older people have been implemented following the Multi-Agency Inspection of Services for Older People.

Community safety

40. Progress is being made against this strategic priority. No significant scrutiny risks have been identified. Indicators show a reduction in key crime categories and detection rates remain steady. Indicators also show a reduction in fire incidents and deaths. There has been an increase in road casualties, and work is continuing with Central Scotland Police to improve road safety. However, the number of reported domestic abuse incidents in Stirling is increasing at a significant rate.

Environment

41. The council is committed to protecting the environment and reducing the carbon footprint of the Stirling population, but indicators on protection of the environment still need to be developed. The area's ecological footprint is above the Scottish average, and indicators show deterioration in air quality. Baseline figures on carbon emissions have been established but there are no progress figures yet.

Inclusive society

42. There is still a big divergence in income levels in the Stirling area (one of the most polarised in the UK). Addressing this polarisation is a long term process; it is too early to demonstrate trends of improvement. Regeneration projects in Raploch, Cornton and Cultenhove are delivering physical improvements, although the recession has slowed regeneration efforts. The rate of house building in Stirling is below target, although new social housing builds are planned. The settlement of unintentionally homeless people has improved, but deprivation is worsening. An example of good practice is the Compass for Life Partnership, which provides a support service for vulnerable young people who need extra help to make a successful transition from school. The partnership has achieved a number of national awards for its work with young people. Since 2001, Compass partners have supported over 1,000 young people to develop their personal and work related skills, and participate positively in the economic, cultural and social life of the area.

Services

43. The Scottish Housing Regulator carried out an inspection of the council's landlord services in September 2009. Both its Housing Management and Asset Management & Response Repairs service were awarded 'C' or Fair grades. A number of significant weaknesses were identified, for example, its ICT system, allocation policy, performance management framework and procurement. The council was aware of many of these shortcomings and had plans and remedial actions in hand. These are expected to feature in an improvement plan currently being discussed with SHR.

44. SWIA undertook a performance inspection of social care services in 2009. The report evaluated services as "good" in one area, as "adequate" in seven areas and "weak" in the remaining two areas. An action plan was approved by the council and is being implemented. It is too early to assess the impact of action taken to date. Progress will be followed up by SWIA in September 2010.

45. A Multi-Agency Inspection of Services for Older People (MAISOP) report was published in 2008 recommending some improvements in the provision of services for older people. In 2009 SWIA reviewed the service's progress in implementing improvement actions. It found that there was more to do. SWIA will take a further look at progress in September 2010.

46. No significant concerns have been identified in relation to education services. There are generally good levels of attainment and schools are receiving positive inspection results. The council recognises the ongoing challenge of delivering improvements for the lowest attaining pupils.

47. Roads maintenance has been a priority area for council investment in recent years, and the quality of roads is improving, but is still below the national average. The severe winter weather at the start of 2010 has had an additional impact on the quality of road surfaces.

48. The council recently won the "Best Local Environmental Quality Award" at the Scottish People & Places conference dinner and awards ceremony, for its Community Local Environmental Audit and Management System. This was developed to assist with service planning and engage with the people living in the Stirling area about the condition of their local environment, helping the targeting of resources.

49. Waste services' performance remains generally well above average, however costs are also substantially higher than average. The level of customer complaints is also of concern. The council has one of the highest recycling rates for municipal waste (41.5 per cent in 2008/09) but still faces the challenge of increasing rates to the Scottish Government's target of 50 per cent by 2013 (increasing to 60 per cent by 2020). A range of activities are in place to help with waste reduction and increased recycling. As part of the regeneration activity in Raploch, the council's arms length company Raploch Urban Regeneration Company Ltd. recycled 95 per cent of materials following the demolition of four schools. The project was recognised as Best Practice in Sustainability by Waste Recycling Action Programme (WRAP), and was also awarded Exemplar status by the Scottish Government under the Scottish Sustainable Communities Initiative.

Implications for scrutiny activity

50. In social work and housing, the relevant inspectorates will follow-up the council's progress in addressing improvement areas previously reported. This scrutiny activity will be designed to establish progress and the impact of actions that the council has taken. It will be focused on agreed improvement actions and will seek to confirm the council's own assessment of progress.

   - The council is obliged to agree an Improvement Plan with the Scottish Housing Regulator to address all the weaknesses identified in its recent report. It will carry out a follow up in 2012/13 on progress against the improvement plan agreed in response to the recent inspection. The extent and scope of this work will be determined by information available on progress considered through future shared risk assessment processes. The SHR has also recently requested from all local authorities with a landlord role, an update on progress towards meeting the Scottish Housing Quality Standard.

   - The Scottish Housing Regulator will meet with Stirling Council during 2010/11 in order to verify progress and seek assurance that plans are in place to ensure that by 2012 the council can fulfil the entitlement of all unintentionally homeless households to settled accommodation. This may involve some form of self-evaluation by the council and potentially, on-site enquiry where it is considered that this would inform Ministers and assist the local authority involved.

   - SWIA will be involved in Supported self-evaluation activity during 2010/11, leading up to a follow up on progress made by the council since their 2009 inspection. This will be followed by an initial scrutiny level assessment (ISLA) in 2011/12 which will help to determine the extent of further scrutiny. The information from the year 1 follow up will be used to inform the ISLA process.

51. The HMIE district inspector will request a report on the impact of strategies to support low achievers and those at risk of not going on to education, employment or training (NEET) after leaving school.

52. Prison based social work services provided by local authorities have not been inspected since 1992. Criminal justice policy and practice has developed considerably since that time and it was considered appropriate for SWIA to undertake a programme of inspections in 2010 with assistance from Her Majesty's Inspectorate of Prisons. Ministerial approval was obtained for this national inspection programme and Cornton Vale had an on site visit in April 2010.

53. In response to Ministerial requirements, HMIE carried out a multi-agency inspection of services to protect children and young people (CP2) starting in March 2010. This exercise piloted a co-ordinated approach combining CP2 with the Care Commission's review of fostering and adoption services. As part of pre-existing regulatory requirements the Care Commission will carry out an annual review of fostering and adoption services in 2011/12. We would also anticipate the ISLA being coordinated with this work to avoid any duplication and minimise the impact on the council and its partners.

54. An Audit of Best Value and Community Planning (BV2) is planned to be undertaken by Audit Scotland in late 2010/11, to establish the council and its partners' overall performance in addressing their

strategic priorities and improving services. This audit will rely on the results of the scrutiny activity outlined above with detailed work targeted at areas where evidence of outcomes is unclear – considering the most up-to-date information on progress against strategic priorities and, where this remains inconclusive, exploring the nature and impact of underlying activity. The audit will also consider the overall effectiveness of the council's corporate arrangements (see paragraphs 69 to 72). The audit will draw on the results of the council's self-evaluation as its approaches are further developed.

55. The LAN will continue to monitor outcome and performance information as it emerges, discussing relevant aspects of this with the council on an ongoing basis. This will include regular HMIE District Inspector meetings and other regular contact with HMIE Link Inspectors, SWIA, Care Commission and Audit Scotland. Such discussions will also cover any corporate or partnership issues emerging from establishment/unit inspections. Any emerging issues or risks will be reflected in future risk assessments, and may lead to further scrutiny work where these are considered significant.

5. Corporate assessment

The council has embarked on a significant change programme based on diagnostic reviews of its business and has made progress in reducing its cost base. The degree of change required to deliver the transformation necessary in this extended period of public spending constraint will, as for all councils, be significant. A key challenge for the council will be to deliver the extent of change required whilst managing its impact on service delivery. The council needs to show that it has the capacity to do this. The council and its partners have a clear vision for the future of the area, but there is some uncertainty about the overall effectiveness of the council's corporate and partnership arrangements.

Work is continuing to improve many aspects of the council's arrangements including the introduction of more robust review and improvement processes. While the council has had some early success in reducing its costs, progress in some other areas appears slow. Better planning of the use of assets and people is required as the council manages its finances over the next few years. There have been significant changes to political and management arrangements and it is too early to see the impact of these. Planned scrutiny work is targeted at risks in these areas, with a BV2 audit planned toward the end of 2010/11.

Corporate assessment

56. The council and its partners present a clear vision for the future of the area. The Single Outcome Agreement (SOA) and community plan are at the centre of the council's planning framework. The development of the SOA and supporting arrangements have the potential to improve planning and performance management significantly. However, the long term and complex nature of many of the outcome targets pose many questions for performance management. A key challenge will be integrating and aligning the council's processes to support delivery of the desired outcomes – making sure that resources and efforts are directed to key areas.

57. There are areas of uncertainty in terms of the effectiveness of partnership working. Although some areas of good practice have been identified, there are other areas where improvement could be made. The council recently commissioned its internal audit service to review the governance arrangements supporting partnership working within the Community Planning Partnership. The report highlighted a number of areas for improvement including elected member involvement in community planning and better performance reporting.

58. All Scottish councils are facing an extended period of public spending constraint. This presents obvious risks to future performance levels. The council has recently agreed a medium term financial planning and management framework. This sets out a planned reduction in its cost base of £25 million over the next four years, anticipating a 12 per cent real terms reduction in funding. The council has recognised that efficiency savings alone will not deliver the spending reductions necessary, and has planned a fundamental review of its spending across the council and detailed scrutiny of base budgets for each service.

59. The council has recognised that to meet future financial and demographic demands, a level of transformational change will be required. It has embarked on a significant change programme, based on diagnostic reviews of a number of aspects of its business, and has made good initial progress in

action to reduce management and administrative overheads. This meant the council was well placed in balancing its 2010/11 budget. Significant further savings will be required for the council to meet the forecast public sector spending reductions over the coming years. In their 2009 Performance Inspection report, SWIA expressed concern that "the scale and timescales for achieving savings proposals could complicate the process of implementing improvements" (in social care services) and "could have an adverse impact on services for some vulnerable people". A key challenge for the council will be to deliver the scale of change required, while managing the impact on service delivery.

60. Significant changes have recently been made to the council's management arrangements. A new chief executive has been in post for less than a year and a new organisational structure has been introduced. These arrangements will take some time to bed in and it is too early to see the impact of these changes.

61. A finely balanced political position presents challenges in maintaining a clear sense of priorities and direction in difficult financial circumstances. The political administration has changed during the lifetime of the current council and the position remains finely balanced.

62. Work is continuing to improve many aspects of the council's arrangements including the introduction of more robust review and improvement processes. Previous progress in some areas – such as the oversight of arms length companies, improving the quality of the roads network, implementation of shared services, development of corporate self-evaluation, strategic resource planning to ensure effective targeting of resources at priorities - appears slow. The efficiency and change programme is now well established, but better planning of the use of assets and people is required as the council manages its finances over the next few years. The medium term financial strategy needs to be underpinned by clear strategies and plans for how the council will deploy its resources.

63. The council also needs to ensure its services are fully competitive – providing the best balance of cost and quality – considering a full range of options for how it delivers these, including opportunities for shared services and a more strategic approach to procurement. The council previously invested significant effort investigating the scope for large scale shared service projects with neighbouring councils. The proposals did not proceed at that time. There remains a risk that the complexity of such projects, both operationally and politically can make them difficult to progress.

64. The council makes widespread use of arms length and external organisations to help it deliver some of its objectives. Recent internal reviews have identified a number of concerns about the strength of the council's governance arrangements in relation to some council companies, limiting accountability and effective oversight by the council.

65. The council is committed to the equality agenda and encouraging mainstreaming across all services; however, there is uncertainty over the success of mainstreaming equalities within services and the impact of equalities actions on service users.

66. In line with its strategic priority of improving sustainability, Stirling Council is making good progress in recycling of municipal waste. The council is committed to reducing the carbon footprint of the organisation and of Stirling citizens, but the ecological footprint of Stirling is higher than the Scottish average and has increased in recent years. The council and its partners need to understand what is driving this increase in order to take appropriate action to address it.

Implications for scrutiny activity

67. An Audit of Best Value and Community Planning (BV2) is planned to be undertaken by Audit Scotland in late 2010/11, to assess the council's overall prospects for improvement – examining key areas of uncertainty. The audit will focus on how well the council has driven improvement in the use of public resources and how well placed it is to further improve. It will be timed to enable recent changes to political and management arrangements to bed in, but to ensure areas of uncertainty do not lead to performance concerns in the future. The audit will draw on the results of the council's self-evaluation as its approaches are further developed.

68. The BV2 audit will include work to explore the capacity of the council to deliver the extent of change required to reduce its cost base, while managing the impact on services. It will consider:

- leadership of the change programme, including the contribution of elected members

- clarity of funding plans

- arrangements for oversight and scrutiny of progress and impact

- the effectiveness of new organisational arrangements.

69. The BV2 audit will investigate further how the council uses the overall resources at its disposal to deliver on strategic priorities, and how it ensures competitiveness and value for money. It will consider:

- how well the council manages its resources at a strategic level

- plans for the use of physical assets and the council's workforce to support efficient and effective services over a geographically dispersed area

- the effectiveness of self-evaluation, challenge and review processes in identifying alternative options for the procurement and provision of services and the extent to which these support improved value for money.

70. The BV2 audit will explore how well the council is coordinating its efforts with partners in addressing key priorities. It will consider:

- the effectiveness of partnership working and community leadership, focussing on strategic issues

- the impact of reducing public spending on the strength of relationships between key partners.

71. The annual audit includes a review of the effectiveness of the council's governance of its arms length companies, reviewing arrangements for a sample of these. The results of this will inform the BV2 audit.

6. Conclusion

Summary of planned scrutiny activity

72. The appendices to this plan show a summary of the evidence we considered and the overall risk assessments made by the local area network (LAN) on the outcome, service and corporate risk assessments. They show what scrutiny response the LAN has decided is appropriate in each area. The shared risk assessment process is designed to ensure the level of scrutiny activity is proportionate based on the assessed risks.

73. These results are then reflected in the AIP at Appendix 3 which sets out the basis of our scrutiny risk assessment and the planned scrutiny activity for Stirling Council for the period from April 2010 to March 2013. The plan covers a three year rolling period and includes all scrutiny activity at corporate and service level.

74. National risk priorities have been identified by the Scottish Government and these are reflected in national scrutiny priorities which have been considered in the shared risk assessments for all councils. The national scrutiny priorities are:

- **Protection, welfare and access to opportunities for: children, adults in need of support and protection, and older people.** This priority will be addressed through baseline service inspection programmes – including a joint HMIE/Care Commission CP2 child protection/fostering/adoption services inspection; SWIA and SHR's follow-ups of progress against improvement plans; Care Commission inspection of support services for people with learning difficulties; a request by HMIE for an update on low achievers and those at risk of missing out and an HMIE focussed visit for post-school psychological services.

- **Assuring public money is being used properly.** This priority will be addressed through the BV2 audit, which will examine the effectiveness of the council in securing best value. Baseline annual audit activity will also keep the stewardship, propriety and governance of public funds under review.

- **The impact of the recession.** This priority and the associated pressure on the council's finances will be kept under review through the baseline annual audit, and through aspects of follow-up work in social work and housing. This will inform the BV2 audit.

75. 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.

Appendix 1

Strategic priorities risk assessment Stirling Council			
Strategic priorities	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Economy Making Stirling a place with a vibrant economy that is open for business Making Stirling a place with jobs and opportunities for all (NO1, NO2)	**Area of uncertainty**	Outcome indicators are not currently robust or comprehensive enough to allow full assessment of progress. Economic strategy is not yet supported by delivery action plans. Uncertainty over full impact of recession, but unemployment (traditionally low) increasing faster that national average. ▪ Business panel launched which gives local businesses a voice in strategic planning. Annual business survey conducted on business issues in the Stirling area. ▪ Work being undertaken to improve accessibility (transport) but need to develop outcome indicators. ▪ No indicators which allow monitoring of number of rural businesses. ▪ Number of people claiming Job Seekers Allowance has doubled, rate of increase above national average. ▪ Qualification levels high and improving, but businesses identify shortages of qualified staff.	▪ The BV2 audit will assess progress against strategic priorities, considering the most up-to-date information on this. ▪ Where this remains inconclusive, the BV2 audit will explore the nature, effectiveness and impact of underlying activity.

Strategic priorities risk assessment Stirling Council			
Strategic priorities	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Lifelong learning Making Stirling a place with jobs and opportunities for all Making Stirling a place where lifelong learning is valued and encouraged (NO3, NO4)	**No significant concerns**	Good direction of travel but scope to improve achievement for the lowest attaining 20%. This will have a long-term impact on lifelong learning. ▪ HMIE aspect review of Adult Literacy was very positive. ▪ Major recent investment in PPP schools and Raploch Community Campus – improved learning environments. ▪ Performance trends in positive and sustained school leaver destinations for looked after children. ▪ Improvement in the attainment levels of looked after children, but still far from target levels. ▪ The proportions of school leavers entering higher education, training and employment are higher than the national average. Partly as a consequence of this, the proportion entering further education has been well below the national average for the past three years.	▪ No specific scrutiny activity planned.

Strategic priorities risk assessment Stirling Council			
Strategic priorities	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Health and wellbeing Making Stirling a place where improved well-being adds life to years, not just years to life. (NO5, NO6, NO8)	**Area of uncertainty**	Good direction of travel, but some concerns over the pace of improvement. Continuing strategic challenge in relation to Stirling's health inequalities gap linked to social and economic disparity. Baseline data is not yet able to demonstrate a meaningful trend. ▪ All schools are health promoting, in line with Education Authority guidelines ▪ The council's very strong emphasis on promoting sports and other activities has resulted in high levels of participation in a wide range of games and cultural activities. ▪ The council has effective systems in place for monitoring the educational progress and health of looked after and accommodated pupils. ▪ Increased sport provision now showing increased usage (previously low ranking performance).	▪ The BV2 audit will assess progress against strategic priorities, considering the most up-to-date information on this. ▪ Where this remains inconclusive, the BV2 audit will explore the nature, effectiveness and impact of underlying activity.
Community safety Making Stirling a place with safe, strong and resilient communities (NO9, NO11)	**No significant concerns**	Overall pattern of improvement across indicators, although some exceptions (eg an increase in the rate of domestic abuse incidents). ▪ The percentage of adult residents stating their neighbourhood as a "very good" or "fairly good" place to live rose slightly from 93% (2006) to 94% (2007/08). ▪ The indicator recording "residents reporting fear of crime impacting on quality of life" needs to be revised as the Scottish Household Survey no longer collects this data. ▪ School children are taught how to keep themselves safe. ▪ Regeneration of deprived areas has started, but the impact of the recession on planned developments in regeneration areas is not yet fully apparent. ▪ Strong community engagement.	▪ No specific scrutiny activity planned.

Strategic priorities risk assessment Stirling Council			
Strategic priorities	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Environment: Making Stirling a place with a high quality environment Making Stirling more sustainable (NO10, NO12, NO14)	**Area of uncertainty**	Strong commitment to the environment and sustainability but evidence of impact is not easily available. Outcome indicators not currently sufficiently robust or comprehensive to allow full assessment of progress. ▪ All primary schools and some nurseries are registered as Eco Schools. The number of schools achieving Eco Schools awards has grown steadily. ▪ Good recycling rate for municipal waste: 41.5% (ranked 6th in Scotland). The council is aiming for 50% by 2011, ahead of the Scottish Government target of 50% by 2013.	▪ The BV2 audit will assess progress against strategic priorities, considering the most up-to-date information on this. ▪ Where this remains inconclusive, the BV2 audit will explore the nature, effectiveness and impact of underlying activity.

Strategic priorities risk assessment Stirling Council			
Strategic priorities	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Inclusive society: Encouraging participation and responsibility (STh2) Equalities and diversity (NO7, NO13)	**Area of uncertainty**	Social and economic disparity amongst communities remains a challenge for the council and its partners. A number of positive actions and initiatives are in place however evidence of impact overall is unclear. Strong commitment to equalities and community engagement, but evidence of impact on outcomes is unclear. - High quality provision for pre-school and early years children is a key ingredient in the council's approach to addressing inequalities in the lives of children and families. - There are good arrangements to promote adult literacy and numeracy. - The council remains committed to helping pupils express their views and take an active part in decision-making. The student forum has been involved in national consultations. A number of education establishments have gained national awards for citizenship. - The Multi-agency Resource Group (MARG) has worked at a strategic level to support vulnerable children. A wide range of approaches has been developed to meet the needs of pupils with additional support needs. Staged intervention procedures are very well implemented across schools. The council has developed some effective approaches to help the most vulnerable pupils attain appropriate levels of performance.	- The BV2 audit will assess progress against strategic priorities, considering the most up-to-date information on this. - Where this remains inconclusive, the BV2 audit will explore the nature, effectiveness and impact of underlying activity. - Care Commission inspection of support services for people with learning difficulties - HMIE "PSPS" focussed visit to look at impact of the work of post-school psychological services

Service risk assessment Stirling Council			
Council services	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Education	**No significant concerns**	**Overall:** Education provision continues to have a high reputation nationally in a number of areas. The Educational Psychology Service recently received a positive follow-through report.	▪ The HMIE district inspector will request a report on the impact of strategies to support low achievers and those at risk of missing out/becoming NEET.
		Pre-school	
		Pre-school provision is very strong. The most recent INEA report (2007) concluded that the quality of pre-school provision remained high. Overall, inspections since then have served to confirm this.	
		Primary	
		Performance in reading, writing and mathematics in primary schools continues to have important strengths. In recent years, performance in these areas has been sustained and overall improved. Attainment did not improve in 2009. The council has scrutinised results and identified the stages which have contributed to the decline in performance in writing and mathematics in 2008/09.	
		Level of absences is below the national average and level of exclusions well below the national average.	
		Secondary	
		Levels of attainment in secondary schools have remained high overall, but the performance of lower ability pupils is less positive. At S4 and S5, performance is above the national average in all key areas except those achieving 5+ awards at SCQF Level 3. By the end of S6, performance in key measures at SCQF Levels 3 and 4 are below the national average.	
		The level of absences is above the national average. The level of exclusions is well below the national average.	

Service risk assessment Stirling Council			
Council services	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Social work: • Social care	**Area of uncertainty**	Variable service performance: some areas of strength identified by inspections, but the impact of actions taken by the council to address weaknesses identified in inspections are not yet clear. There is also uncertainty over the impact on services of the recent management restructure. Strengths include: very good local area co-ordination services; above average performance in relation to the educational attainment of children looked after away from home; above average provision of respite for children with disabilities; and a very active professional development unit providing good training opportunities for many staff. Inspection highlighted a number of weaknesses: slow progress in modernising services for older people; the need for a quicker pace to modernise services for adults with learning disabilities; the need to improve outcomes for young people leaving the care of the authority; and the need to address the drift in planning to meet the longer term needs of looked after children. The local authority has an action plan to tackle these weaknesses.	▪ SWIA Supported self-evaluation prior to follow-up inspection. ▪ SWIA follow-up of progress against action plans will look for evidence of improvement. ▪ SWIA inspection of prisons ▪ CP2 Child Protection/ Fostering/ Adoption joint review by HMIE and Care Commission
Housing	**No significant concerns**	The Scottish Housing Regulator carried out an inspection of the council's landlord services in September 2009. Both its Housing Management and Asset Management & Response Repairs service were awarded 'C' or Fair grades. A number of significant weaknesses were identified, for example, its ICT system, allocation policy, performance management framework and procurement. The council was aware of many of these shortcomings and had plans and remedial actions in hand. The council will now be obliged to agree with the Regulator an Improvement Plan to address all the weaknesses identified in the report. Progress will be monitored, assessed and validated through the Shared Risk Assessment process.	▪ Over the first quarter of 2012/13 SHR will request from the council a self assessment of its progress achieved. This should demonstrate the changes made and point to evidence of improved outcomes for service users. Following appraisal of the council's submission SHR will discuss with the LAN lead any need for validation or further inquiry.

Service risk assessment Stirling Council			
Council services	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Homelessness	**Area of uncertainty**	The Scottish Housing Regulator published its report following an inspection of the council's Homelessness service in April 2005. The council's Homelessness service was awarded a 'C' or Fair grade. An Improvement Plan was agreed with the council and progress was assessed as adequate and was signed off early in 2008. The Homelessness etc. (Scotland) Act 2003 introduced a target that all unintentionally homeless households would be entitled to settled accommodation by 2012. A recent review by Scottish Government has highlighted a number of local authorities, including Stirling Council, where progress has been limited and there is an emerging risk that they may fail to meet their obligations outlined in the Act.	▪ Over 2010/11, the Scottish Housing Regulator will meet with Stirling Council, to verify progress and seek assurance that plans are in place to ensure that it can fulfil its statutory obligations by the specified deadline. This may involve some form of self-evaluation by the council and potentially, on-site enquiry where it is considered that this would inform Ministers and assist the local authority involved.
Environmental services/ Regulatory services: • Planning, regulation and waste	**No significant concerns**	Performance in these areas presents no significant concerns but costs are generally higher than average. Planning: Performance remains above average, but costs have increased substantially and are now well above average. Trading Standards: Performance remains around average as are costs, although they have increased significantly from last year. Environmental Health: Overall performance remains well above average. Costs remain significantly higher than average. Waste services – Major investment in recent years leading to service improvement and higher customer satisfaction regarding refuse collection. But high service costs associated with these improvements. Waste recycling % one of the highest in Scotland at 41.5% for 2008/09. The council is aiming for 50% by 2011, ahead of the Scottish Government target of 50% by 2013. Low levels of customer satisfaction regarding some services: planning, trading standards, building control, street cleaning.	▪ No specific scrutiny activity planned.

Service risk assessment Stirling Council			
Council services	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Cultural services: • Community & culture • Adult learning • Sport & leisure	**No significant concerns**	**Community and culture** Libraries usage in the area is well above the national average. Museum attendances increased last year (largely attributable to the successful Da Vinci exhibition). A new SOA indicator has been introduced as from 2008/09 to measure attendance at cultural events. **Adult Learning** - literacy Stirling Council was part of a national aspect inspection of adult literacy. Overall, HMIE feedback was very positive. Clear impact of adult literacy programmes on the lives of learners. **Adult Learning** - CLD Overall good provision for young people and adult learners in areas of regeneration. Provision in some communities outside the regeneration areas could be improved. (CLD inspection 2005 and follow-through inspection 2006) **Sport and leisure** Increased sports and leisure provision eg Sports Village, community facilities in Raploch, are leading to increased usage. (Stirling previously low-ranked in SPIs.)	▪ No specific scrutiny activity planned.

Service risk assessment Stirling Council			
Council services	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Roads & street lighting: • Roads, transport and open space	**No significant concerns**	Roads maintenance performance is mixed: traffic congestion around average but carriageway condition is significantly below average. Costs remain much lower than average. (Per MORI analysis). Carriageway condition has been recognised by the council as an area for improvement. Lighting maintenance performance is around average; street light repair has deteriorated significantly, although traffic light repair has improved. Costs remain significantly lower than average. (per MORI analysis) City transport strategy leading to improved accessibility, eg Park & Ride services. The council recently won the "Best Local Environmental Quality Award" at the Scottish People & Places conference dinner and awards ceremony, for its Community Local Environmental Audit and Management System.	▪ No specific scrutiny activity planned.
Corporate services: • Finance and procurement • Improvement and customer service • Governance • Assets, property & facilities management	**No significant concerns**	Good financial stewardship demonstrated by the council. The council is active in continuous improvement of governance arrangements. Experienced, knowledgeable finance team; prudent approach to financial management; consistently unqualified audit certificate. Second highest ranking for in-year council tax collection in 2008/09 SPI. HBCTB and NDR well managed. Procurement arrangements improving but a recent Internal Audit report identified areas which need to be addressed. Asset management arrangements improving: asset strategy in place but still need detailed asset management plans to show how this will work in practice.	▪ No specific scrutiny activity planned.

Appendix 2

Corporate assessment Stirling Council			
Corporate assessment area	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
Vision and strategic direction	**Area of uncertainty**	The council and its partners present a clear vision for the future of the area. However there are some areas of uncertainty where it is too soon to determine the impact of recent changes upon the leadership and resources required to deliver this vision. The SOA and community plan are at the centre of the council's planning framework and cascade to service plans. The council has set targets to demonstrate progress towards this vision. For each National Outcome, relevant national indicators have been identified. Local outcomes are clearly stated, with related local indicators. Baseline information is provided where available and targets are identified for each year from 08-09 to 10-11, and longer term where appropriate. Actions required to achieve outcomes are clearly stated, with lead responsibility and risk assumptions. **Leadership and culture** The council has experienced some significant changes in political and management arrangements and the impact of these will only be seen over time. The council has recognised the need to develop a leadership and management programme and has started work on this. **Planning and resource alignment** The council has recognised the need to improve financial management and has introduced some changes (eg medium term financial planning framework). Continued work is required to implement strategic and joined up approaches to the management of the council's resources, covering longer term financial planning, asset management planning and people strategies.	▪ Audit Scotland's annual audit process will monitor the council's progress in implementing a joined-up, strategic approach to longer term resource planning (asset management planning, workforce planning, financial planning). ▪ BV2 audit will look at the effectiveness of the council's leadership and management arrangements in pursuing its vision.
Partnership working and community	**Area of uncertainty**	Variable performance: some areas of good practice and some areas for improvement identified. Significant changes experienced	▪ BV2 audit will consider the effectiveness of the council's community leadership

Corporate assessment Stirling Council			
Corporate assessment area	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
leadership		since the last BV and Community Planning audit eg council elections, introduction of Single Outcome Agreement. Community Planning partners have worked well together to develop the SOA. The council's internal audit service recently reported that there is little involvement in community planning by elected members, other than the Portfolio Holder for Community Planning, and performance and progress reporting could be improved.	and partnership working. ▪ CP2 Child Protection inspection will consider the effectiveness of partnership working in delivering improvements in child protection.
Community engagement	**No significant concerns**	The council demonstrates a strong commitment to community engagement. It has a track record of working with local communities and taking a systematic approach to defining their needs. Engagement with service users is good in a number of services, although evidence of impact is less clear. ▪ Housing Service: good arrangements in place with elected members and tenant representatives working with officers of the council. A variety of vehicles used by the Housing Service to allow service users to influence decision makers. ▪ However, performance against standards contained in the Tenant Participation Strategy is not monitored and there is no evidence of the implementation plan being agreed and monitored. SHR also saw no regular monitoring and review of consultation with tenants and the effectiveness of their participation in decision-making. ▪ The educational psychology service has developed strong partnerships with families and other agencies. ▪ The council has adopted the national model scheme for establishment of community councils which has reviewed areas including ensuring the community councils are	▪ No specific scrutiny activity planned.

Corporate assessment Stirling Council			
Corporate assessment area	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
		genuinely representative of their communities and that the interfaces with local authority decision making processes were clear.	
Governance and accountability	**Area of uncertainty**	**Scrutiny** The council has well established arrangements that operate effectively. Service performance is scrutinised by Service Delivery & Performance Committee. Ad hoc scrutiny panels are used to address areas of concern and propose solutions/ improvements. The Governance & Audit Committee operates in a very effective manner and makes an excellent contribution to scrutiny in the areas of its remit. It is well attended and its remit and working practices are in accordance with good practice principles. **Governance** The council keeps its corporate governance arrangements under review. It is currently undertaking a review of its local code of corporate governance. As part of these arrangements the council should ensure that Financial Regulations, Standing Orders, schemes of delegation are updated and readily available to staff. Governance is essential in determining the services required and provided from third parties including associated companies. Recent reviews have identified a lack of monitoring procedures to allow the council to determine whether agreed service delivery standards are being achieved. There are risks around political stability and leadership in the council, which has a fine political balance and a minority SNP administration. (7 SNP members; 8 Labour; 4 Conservative; 3	▪ Audit Scotland will monitor scrutiny arrangements as part of the annual audit process (including attending Governance & Audit committee meetings). The adequacy of governance arrangements will also be monitored. ▪ Audit Scotland local audit review of the council's governance of its arms length companies. ▪ BV2 audit will consider the council's political leadership and accountability.

Corporate assessment Stirling Council			
Corporate assessment area	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
		Liberal Democrat.) **Public performance reporting** The council is revising its approach to be more outcomes focused. Performance information is publicly available on the Council's website in the Stirling Performs section (www.stirling.gov.uk/stirlingperforms). The section includes information on: Stirling Stat, Statutory Performance Indicators, Quarterly Performance Reports, Annual Improvement Statement 2009 and Best Value. An annual report is included in Focus magazine (sent to all households in Stirling area).	
Performance management and improvement	**Area of uncertainty**	**Customer focus and responsiveness** Surveys indicate increased customer satisfaction but evidence of a structured approach to improving customer service is less clear. **Performance management** The council has made significant improvements to support more effective performance management. Performance reports are regularly compiled and monitored by managers and members. There is scope for further improvements, in particular with the cascade and discussion of performance information within local teams. The roll out of Personal Review and Development provides the opportunity for individual and team targets and performance to be clearly linked to council priorities and objectives. **Efficiency** The council is very active in pursuing efficiencies. It has recognised that the level of savings required over the coming years will require significant change. It is adopting a strategic approach to this based on diagnostics reviews of its business. A	▪ Audit Scotland's annual audit process will monitor the council's planned improvements to risk management and performance management and also the progress of the Change Programme (and any other planned options for savings). ▪ BV2 audit will consider the effectiveness of performance management and improvement, eg effectiveness of the Change Programme, political leadership of change and improvement, development of robust self evaluation etc.

Corporate assessment Stirling Council			
Corporate assessment area	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
		key challenge will be to manage the change process and its impact on service delivery. **Challenge and improvement** Effective scrutiny arrangements are in place, including ad hoc scrutiny panels where necessary. The council has yet to introduce a corporate approach to self-evaluation to take a more rounded view of its overall performance and to systematically identify key areas for improvement. The council also recognises the need to improve option appraisal, market testing and benchmarking. **Risk management** The council has an established risk management framework and approach which the management team is in the process of updating. A recent internal audit review has identified some areas for improvement.	
Use of resources	**Area of uncertainty**	**Financial management** The council's financial stewardship is good. There is good evidence that sound financial management processes are in place. The current economic climate may expose the council to a number of financial risks: ▪ significant savings are required if council tax is to be maintained at current levels. Difficult decisions may be required about delivering cuts in services. ▪ potential increases in bad debts due to unemployment and business closures; difficulty in generating capital receipts; increasing demands on certain council services such as homelessness and social work. ▪ the council needs to integrate financial planning, asset management planning and workforce planning for the longer	▪ Audit Scotland's annual audit process will monitor the council's progress in implementing a joined-up, strategic approach to longer term resource planning (asset management planning, workforce planning, financial planning) to achieve its strategic priorities. ▪ The annual audit process will also monitor the council's response to the recession and the need to make considerable savings in the near future. ▪ BV2 audit will look for evidence of a planned, sustainable approach to the use of resources to deliver planned outcomes in the face of continuing significant financial constraints.

Corporate assessment Stirling Council			
Corporate assessment area	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
		term to ensure resources are aligned with strategic priorities.	
		Asset management	
		The council has agreed an asset strategy but more detailed asset management plans have still to be developed to show how the strategy will be implemented in practice.	
		▪ 25% of council buildings assessed as in poor condition.	
		▪ Addressing the increasing school roll and ensuring appropriate facilities for the provision of education and care is a recognised council challenge.	
		Managing people	
		The council is making progress with workforce planning but still needs to develop and integrate longer term workforce planning with financial and asset planning to ensure resources are aligned within strategic priorities.	
		The council has recently adopted an HR Strategy but it is too early to assess its impact.	
		Procurement	
		The council has a Procurement Strategy and plan in place. Training has been delivered to all staff involved in procurement activity. There is further scope for improvement and procurement is included within the council's strategic change programme.	
		The council is not currently a member of Scotland Excel. This position is reviewed annually.	
		Information & Communications Technology (ICT)	
		The council makes good use of ICT to support and deliver services. It has a clear strategy for the future development of ICT that is clearly linked to the council's objectives and service redesign proposals.	
		There is scope for further improvement within specific areas,	

Corporate assessment Stirling Council			
Corporate assessment area	**Initial risk assessment**	**Evidence/rationale**	**What we plan to do**
		including the housing management system.	
Equalities	**Area of uncertainty**	The council has a strong commitment to equalities and diversity set out in its equalities policy framework and statutory equalities schemes. Evidence of impact is, however, less clear and in some aspects the information base is limited. ▪ Lack of information on ethnic minority population (which is smaller than Scottish average). ▪ Not fully acted upon equalities research previously commissioned (Housing service). ▪ The council accepts that only limited data being gathered by Housing at present from tenants, applicants and service users.	▪ The BV2 audit will look for evidence of the impact of the council's equalities and consider whether the pace of improvement is satisfactory.
Sustainability	**Area of uncertainty**	The council demonstrates a strong commitment to sustainability and there is some evidence of improved outcomes, particularly waste recycling. A number of council plans and strategies address issues of sustainable development but evidence of impact is less clear. ▪ Raploch regeneration by RURC – 95% recycling of materials following demolition of 4 schools, project recognized as Best Practice in Sustainability by Waste Recycling Action Programme (WRAP). Award of Exemplar status by Scottish Government under Scottish Sustainable Communities Initiative.	▪ The BV2 audit will look for evidence of the impact of the council's various strategies and plans and consider whether the pace of improvement is satisfactory.

Appendix 3

Stirling Council assurance and improvement plan 2010-13: Summary of scrutiny and improvement

The AIP is a three year rolling programme.

Scrutiny activity	2010-11 (Year 1)											
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
SWIA inspection of social work services in prisons	■											
SWIA follow-up						■						
SHR verification of council's plans to fulfil its statutory obligations relating to unintentionally homeless people by 2012.								■				
BV2 audit										■	■	
Adoption and fostering (CC)									■			

2011-12 (Year 2)	
Issues for scrutiny/improvement	**Scrutiny bodies/council potential involvement**
Initial scrutiny level assessment (desk top risk assessment)	SWIA
Follow up of progress of change programme and BV improvement plan	Audit Scotland
Reviews of fostering and adoption services	Care Commission

2012-2013 (Year 3)	
Issues for scrutiny/improvement	**Scrutiny bodies/council potential involvement**
Housing inspection follow up	Scottish Housing Regulator
Follow up of progress of change programme and BV improvement plan	Audit Scotland
Targeted social work scrutiny based on results of ISLA	SWIA

References are made throughout this document to activity by HMIE (child protection), SWIA and the Care Commission. From April 2011 these activities will be carried out by Social Care and Social Work Improvement Scotland (SCSWIS), a new organisation aimed at improving the quality of social care and social work services in Scotland.