Angus Council

Assurance and Improvement Plan

Update 2013–16

Contents

Introduction

1.	The first Assurance and Improvement Plan (AIP) for Angus Council was published in July 2010. That document set out the planned scrutiny activity for the council for the period April 2010 to March 2013 based on a Shared Risk Assessment (SRA) undertaken by a local area network (LAN) made up of representatives of all of the main local government audit and inspection agencies. The aim of the SRA process was to focus scrutiny activity where it is most needed and to determine the most proportionate scrutiny response over a three year period. The LAN met again in November 2010 and in November 2011 to update the AIP. The last AIP update was published in May 2012 covering 2012-15.

2.	This update is the result of the SRA which began in October 2012. The update process drew on evidence from a number of sources, including:

•	The annual report to the Controller of Audit and elected members for 2011/12 from the council's appointed external auditors.

•	The council's own performance data and self-evaluation evidence.

•	Evidence gathered from Education Scotland, the Care Inspectorate and the Scottish Housing Regulator (including published inspection reports and other supporting evidence).

3.	A timetable for proposed audit and inspection activity between April 2013 and March 2016 which reflects the revised and updated scrutiny risk assessment is at Appendix 1.

4.	Following feedback about the clarity of the SRA, process we have amended our criteria to make it clearer what we mean. Our assessment criteria descriptions used last year have changed from 'significant concerns' to 'scrutiny required'; 'no significant concerns' to 'no scrutiny required'; and 'uncertainty' to 'further information required'.

Summary

5. In overall terms, Angus Council continued to demonstrate good or improving performance against most targets. The council is in the early stages of a significant organisational change programme. Following the council elections, where 11 out of 29 councillors were newly elected, a new management structure was approved and a new management team will be in post by April 2013.

6. There were no areas where scrutiny was required in the 2012/13 AIP update, although there were a number of areas where further information was required, particularly around homelessness, leadership and challenge and improvement. The Scottish Housing Regulator (SHR) requested self-evaluation activity from the council in respect of homelessness services but does not anticipate any consequent scrutiny activity. Developments in both leadership and challenge and improvement have been monitored as part of the 2011/12 annual audit process and will continue to be a key focus during the 2012/13 audit. In order to assess the impact of organisational change in the council, the LAN has considered it appropriate to schedule focused scrutiny activity in 2014/15.

7. In 2012, Angus was selected as a development site for the new joint inspection process for children's services and work was carried out in April/May 2012. In line with the agreed development approach no public report was produced, however, the findings have been used to inform the SRA process. In general, whilst some scope for improvement was identified in specific areas, the LAN concluded that no scrutiny was required.

8. The council's levels of attainment in secondary education continued to be below average in 2012 for comparator authorities. Follow-up inspection activity in Angus' secondary schools is scheduled and this, combined with Education Scotland's Lead Officer link meetings with the council, are considered sufficient in the short term to monitor performance.

9. Planned scrutiny activity in the next 12 months is set out in Appendix 1.

National risk priorities

10. Local councils are operating within a context of significant change as a result of the challenging financial environment and the public service reform agenda, including the review of community planning, health and social care integration, police and fire reform, college regionalisation, and welfare reform. The Local Government Scrutiny Co-ordination Strategic Group is currently considering how audit and inspection arrangements should collectively respond to these significant strategic developments, recognising the increasing importance of partnerships, place and outcomes for Scotland's public services.

11. A number of core National Risk Priorities are applied to all 32 councils. These are:

The protection and welfare of vulnerable people (children and adults) including access to opportunities:

12. At the request of Scottish ministers, the Care Inspectorate is developing a model of joint inspection of children's services in Community Planning Partnership (CPP) areas in Scotland, in co-operation with other scrutiny bodies (Education Scotland, Healthcare Improvement Scotland and Her Majesty's Inspectorate of Constabulary for Scotland). These inspections will focus on how well local public bodies (councils, the NHS, police, etc.) are working together to deliver effective outcomes for children and young people.

13. Development work involving Angus Council took place in April/May 2012. While this did not result in a published report, the findings have been used to inform the SRA. A programme of joint inspections, which will report publicly, began in Autumn 2012.

14. In addition, the Care Inspectorate is working in co-operation with Healthcare Improvement Scotland to develop an approach to inspecting services providing care and health for adults, drawing on its experience of implementing joint inspections of child protection and children's services. Development work involving a number of local authorities is underway and will continue into the early part of 2013. Following this, the Care Inspectorate will implement a programme of these inspections. Further details of the schedule will be confirmed in due course.

15. Subject to ministerial approval, the Care Inspectorate, in partnership with the Association of Directors of Social Work (ADSW) and the Risk Management Authority (RMA), will undertake supported self-evaluation across the 32 local authority criminal justice social work services during the latter part of 2013. This will look at the impact of the Level of Service Case Management Inventory (LSCMI), otherwise known as the national assessment and care planning instrument. This particular approach is one of a number of approaches the Care Inspectorate will use in its current and future scrutiny and improvement work in this area.

16. The SHR plans to carry out a thematic inspection into the outcomes that local authorities are achieving by delivering a Housing Options and Prevention of Homelessness approach. The SHR will carry out this thematic inspection during the first half of 2013/14. This is likely to

involve fieldwork visits to a small sample of local authorities. The SHR is currently identifying potential fieldwork sites and will be contacting those councils in due course.

17. Adult social care services in Angus generally perform well. There is a higher than average life expectancy, early deaths from major illness are below average and it is one of the best performing councils supporting people in spending the final months of their life at home.

18. While Angus Council met its 2012 homeless targets, overall the performance of its homeless service is mixed. The council is completing a self-assessment which SHR will review in 2013 but no consequent scrutiny activity is anticipated.

19. The LAN therefore considers that in relation to this national priority, **no specific local scrutiny is required**.

Assuring public money is being used properly:

20. The annual audit of councils forms part of the baseline scrutiny of councils. This audit examines the financial management and controls in each council.

21. The council has sound governance arrangements in place. Regular financial and performance information is considered by elected members. An established business planning process is in place which focuses on key priorities and developments and how they will be funded. In September 2012, a full Scrutiny and Audit Committee was established which will extend the scrutiny function within the council. For several years, the council has experienced relative financial stability which has enabled uncommitted reserves of £7.7 million to be built up which is in excess of its working balance target of £4.25 million. However, the council is currently estimating a shortfall in the region of £20 million over the four years to 31 March 2016.

22. The council's financial position and governance arrangements have enabled the LAN to conclude there is **no local scrutiny required** other than monitoring as part of the local audit process.

How councils are responding to the challenging financial environment:

23. Recognising the significance of the uncertain financial context within which councils operate, Audit Scotland produced Scotland's Public Finances: Addressing the Challenges in August 2011. Follow-up work around the issues raised in the report will be undertaken in each council during 2013/14 to provide the Accounts Commission and the Auditor General for Scotland with evidence on the progress that public bodies are making in developing a strategic response to these long-term financial challenges. In addition, a specific piece of work on Reshaping Scotland's public sector workforce will be undertaken in 2013/14.

24. While Angus Council has financial challenges to address, so far these have not been of the magnitude experienced by other councils. Until now the council has continued to balance its budget through a programme of corporate efficiency reviews. However, it is about to embark on a priority based budgeting exercise which will inform subsequent budget setting processes.

25. As part of the implementation of the council's property asset management plan, a review of property utilisation across Angus was initiated and in principle the council adopted 'agile working' (ie flexible/home/mobile working/hot desking initiatives). Over the next three years,

the council plans to rationalise its estate, streamline its office accommodation and use space more effectively in line with staff needs and working practices.

26. On this basis, the LAN has concluded there was **no local scrutiny required** other than monitoring of the financial position through the local audit process.

27. At the request of Scottish ministers, Audit Scotland has piloted an approach to auditing (CPP and the delivery of local outcomes. The CPP audit model was tested during 2012/13 in three council areas (Aberdeen City, North Ayrshire and Scottish Borders). Following evaluation of the approach in 2013, a number of CPPs will be audited during the second half of 2013/14. Audit Scotland will shortly be contacting any likely audit sites.

28. The Equality and Human Rights Commission (EHRC) has commissioned a piece of work to assess the extent to which Scottish public authorities have complied with the specific duties of section 149 of the Equality Act 2010 during 2013. Analysis of public authorities' compliance with the duty to publish equality outcomes and employment information will be available later in 2013. The results of this activity will be reflected in future SRA work.

29. The LAN is committed to maintaining its engagement with the council between now and the next SRA cycle so that we can retain an overview of how the council is managing its response to the significant financial challenges that it and all other Scottish public bodies face.

Areas that remain 'no scrutiny required'

30. This update focuses predominantly on those areas assessed as 'scrutiny required' and 'further information required'. However, in the interest of providing a broader view of the council's overall risk assessment, it is important to highlight those areas that were previously assessed as requiring no scrutiny which continue to be so. The LAN identified no scrutiny is required in the following areas:

Area	Update
Service Areas	
Neighbourhood Services (Excluding Homeless) Infrastructure Services Social Work and Health	Based on a review of the council's performance information, indicators are good or improving. In addition, Care Inspectorate inspections of registered social work services were generally good or very good. Audit Scotland's follow-up work in respect of Roads Maintenance did not highlight any significant concerns.
Education (including community, learning and development)	With the exception of secondary inspections, performance is generally good with improving attainment. Secondary attainment levels show improvement but are still lower than the average for comparator authorities in most measures and are lower than the majority of national averages. There will be ongoing Education Scotland Link Officer involvement in the inspection programme with follow up visits during school session 2013-14.
Corporate Assessment	
Vision and strategic direction	The council's corporate plan 2011-15 continues to provide the main vision and strategic direction for the council.
Planning and Resource Alignment	An established service planning process is in place involving annual reporting by services.
Partnership working and community leadership	Leadership of community planning continues to be good. Strategic partners work well together to deliver outcomes.

Area	Update
Community engagement	Established processes continue to operate eg Citizens Survey, budget consultation process.
Performance management	The council continues to develop Covalent as the system used to manage and produce performance information across services. Key performance indicators (KPIs) are included within the Corporate Improvement Plan Annual Performance Report. Regular and detailed performance information is produced for each committee.
Risk management	The chief internal auditor's annual report concluded that the council has made good progress in implementing the objectives of its risk management strategy and identified a number of areas of good practice. Further work is required to fully implement the arrangements and to further embed risk management. Risk registers are in place.
Use of resources - efficiency, asset management, managing people, procurement, financial management	Efficiency reviews covering arrangements for charging customers and maximisation of debt collection have been undertaken during the year. The council has had relative financial stability supported by reasonable general fund balances. A reduction of 500 posts in established has been/will be delivered through natural wastage and vacancy management. The council has not been in the position of having to offer voluntary early release schemes.
Equalities Sustainability Customer focus and responsiveness	Based on a review of the council's performance information, indicators are good or improving.
Governance and Accountability (including public performance reporting)	Satisfactory governance arrangements and internal controls confirmed by internal audit and external audit in respect of 2011/12 financial year. Each service produces an annual report outlining successes achieved in the year.
Outcomes	
Sustainable Safe and Strong	Based on a review of the council's performance information, indicators are good or improving.

Area	Update
Prosperous and Fair	Mixed performance was observed for this outcome area. While the employment rate is high and people claiming benefits is low, weekly earnings are low and worsening as is the dependency ratio, which is the 3rd highest in Scotland. Nonetheless, the number of people who are income deprived is lower than the Scottish average.
Learning and Supportive	With the exception of aspects of secondary school attainment, based on a review of the council's performance information, indicators are good or improving.
Caring and Healthy	Based on a review of the council's performance information, indicators are generally satisfactory with fair to middling performance.

Areas that remain 'scrutiny or further information required'

31. The LAN identified that, in common with the SRA last year, scrutiny or further information is required in the following areas:

Area	Assessment	Update
Leadership and Culture	Further information required	The 2012 elections produced an SNP led administration. A cross party Member Working Group was established to consider options for a revised management structure. Recommendations were approved by the council in September 2012. The appointment process was concluded in January 2013. From April 2013, with the exception of the chief executive, there will be an entirely new senior management team in the council.
		Already a new Leadership Group involving members and officers are meeting to take forward priorities. This included the launch of a Leadership and Management Development Programme to support and increase capacity across the council.
		This is a significant watershed for the council. An extensive change agenda is in progress and will be implemented and developed over the next 12-18 months.
		Developments in this area will continue to be monitored through the local audit process. While the change process is evolving, it is too early for the LAN to assess impact. Due to the scale of change and the time needed for the council to make the transition, the LAN has assessed this area as one where further information is required. In order to assess the impact of change, the LAN has proposed focused scrutiny activity in 2014/15.
Challenge and improvement	Further information required	The council established the Scrutiny and Audit Committee as a full committee within the meeting cycle. This provided an increased membership and

Area	Assessment	Update
		extended remit from the previous sub-committee. The first meeting was in September 2012 and its role will continue to evolve in the coming months. As part of the previous AIP, the LAN highlighted that the council needed to do more to demonstrate how consideration of performance information led to improvement and/or how it linked with priorities. A review of performance information is in progress with a view to identifying a smaller number of key indicators which would provide more effective decision making information. Recommendations from the review are expected in Spring 2013. Longer term, the council is developing a priority based budgeting approach which is intended to inform the 2014/15 budget setting process. In order to assess the impact of change, the LAN has proposed focused scrutiny activity in 2014/15.
ICT	Further information required	The council is shifting from distributed IT services to central services with an emphasis on service management and improvement. While action was continuing, the 2011/12 annual report to members highlighted the apparent low profile and progress of this project. Further work will be undertaken as part of the 2012/13 annual audit process.
Use of resources - competitiveness	Further information required	Refer to challenge and improvement comments above.

Areas with changed assessments

32. The following table relates to assessments of scrutiny risk that have been changed from the 2012/13 update.

Area	2012/13 Assessment	2013/14 Assessment	2013/14 Update
Homeless	Further information required	No Scrutiny Required	2012 homeless targets achieved, mixed performance across service being monitored by SHR through self-assessment activity.

Scrutiny plans

33. During the year the following scrutiny activities were concluded. Key points to note were:

- Development work in respect of the new joint inspection process for Children's Services was carried out in Angus. Due to the nature of this work, no formal report was issued.

- A SHR self-assessment review was completed by the council focusing on homelessness.

- Audit Scotland completed follow-up work on the national report, Maintaining Scotland's Roads.

34. These reviews have informed the 2013/14 risk assessment process.

35. Changes to the scrutiny plan arising from this updated SRA are reflected in Appendix 1. Focused scrutiny work has been identified for 2014/15 (year 2) to assess the impact of the council's leadership and change programme following its management restructuring exercise. The scrutiny plan covering 2013/16 also includes scrutiny activity arising from the following areas of national follow-up work or work requested by ministers:

- Scotland's Public Finances: Addressing the challenges (Audit Scotland: year 2013/14).

- Reshaping Scotland's public sector workforce (Audit Scotland: year 2013/14).

- Housing Benefit Audit (Audit Scotland: year 2013/14).

- Supported Self-Evaluation of the impact on quality of the newly introduced national assessment and care planning instrument in local criminal justice social work services (Care Inspectorate: Date to be confirmed).

36. The updated scrutiny plan is attached at Appendix 1.

Appendix 1

National scrutiny activity does not result from the shared risk assessment but is either at the request of the council eg supported self-evaluation work or national activity eg national follow-up work or work requested by ministers.

ANGUS COUNCIL	2013-14											
Scrutiny activity year 1	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
No local scrutiny work planned.												
National or supported self evaluation work year 1												
Follow-up of Audit Scotland national report 'Scotland's Public Finances: Addressing the Challenges' (Audit Scotland)	X											
Reshaping Scotland's public sector workforce (Audit Scotland)	X											
Audit Scotland Housing Benefit Audit			X									
Supported Self Evaluation of the impact on quality of the newly introduced national assessment and care planning instrument in local criminal justice social work services (Care Inspectorate: Date to be confirmed)												

ANGUS COUNCIL 2014-15												
Scrutiny activity year 2	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Focused scrutiny activity to assess the impact of the council's leadership and change programme (Date to be confirmed)												
National or supported self evaluation work year 1												
No national scrutiny work planned												

ANGUS COUNCIL 2015-16	
Indicative scrutiny activity for rolling third year	Potential scrutiny bodies involved
No scrutiny work planned	

Footnotes:

The focus of the AIP Update 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 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. 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. Education Scotland, through the District Inspector, will continue to support and challenge Education Services regularly and as appropriate. The Care Inspectorate will continue to regulate care services and inspect social work services in accordance their responsibilities under the Public Services Reform (Scotland) Act 2010.