

Comhairle nan Eilean Siar

Assurance and Improvement Plan

Update 2013–16

Contents

Introduction	3
Summary	4
National risks	5
Areas that remain ‘no scrutiny required’	8
Areas that remain ‘scrutiny or further information required’	9
Areas with changed assessments	10
Scrutiny plans	13
Appendix 1	14

Introduction

1. The first Assurance and Improvement Plan (AIP) for Comhairle nan Eilean Siar was published in July 2010. That document set out the planned scrutiny activity for the comhairle 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 for the period 2011-14. 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 comhairle's appointed external auditors.
 - The comhairle'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. The comhairle has settled quickly into a new administration following the May 2012 elections and officers and elected members have been actively engaged in progressing some key areas identified in the last AIP including performance management and financial planning arrangements. Progress in relation to self-evaluation has been positive and piloting of the 'How good is our council' toolkit is encouraging those involved to take an increasingly corporate view. The follow-up Audit of Best Value and Community Planning was published in November 2012 and while it noted some very positive progress it is clear that there is still a requirement for further coordination and prioritisation to speed up the pace of improvement in a number of areas, notably in customer satisfaction, workforce development and asset management.
6. Following a range of public consultation processes, the comhairle agreed and published a new corporate strategy for 2012-17. The overall mission, priorities and objectives for the comhairle are set out within the strategy and the LAN have taken these new priorities as our focus for consideration within this AIP. The production and provision of a number of further external and internal reports has provided the LAN with a good level of information to inform our views.
7. At the time of writing, the decision in relation to the appeal against the judicial review on school closures is still under review. The comhairle have clear plans and measures in place to move forward once final decisions are reached.

National risks

8. 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.

9. 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:

10. 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 HMICS). 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. Development work involving Angus Council took place in April/May 2012. These joint inspections, which will report publicly, began in the autumn 2012.
11. 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 continued into the early part of 2013. The Care Inspectorate will implement a programme of these inspections during 2013-14.
12. 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
13. 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. 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. SHR is currently identifying potential fieldwork sites and will be contacting those councils that it would like to visit in early 2013.
14. With the exception of educational psychology services where Education Scotland have a planned follow-up visit, education and training services and care and social work services for

children, families and adults do not require additional scrutiny. Services for the protection of vulnerable people which had been previously identified as having risks are progressing slowly and the Care Inspectorate will continue to work with the comhairle and monitor overall progress. The comhairle continues to face significant challenges in delivering its statutory homelessness service and SHR will continue to monitor this year with a view to potential scrutiny in 2014-15 if required.

Assuring public money is being used properly:

15. The annual audit of councils forms part of the baseline scrutiny of councils. This audit examines the financial management and controls in each council.
16. While a number of areas including asset and risk management are progressing slowly our risk assessment of the corporate management of the comhairle does not indicate that there are areas requiring specific scrutiny work during 2013/14. The comhairle's external auditors, Audit Scotland and other LAN members will continue to monitor these areas closely and engage closely with colleagues to discuss progression.

How councils are responding to the challenging financial environment:

17. 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.
18. The comhairle continues to respond positively to the challenging financial environment and have published their long-term financial strategy. It has a responsive and innovative approach to budget planning through use of Budget Choices, an interactive budget setting tool which brings together an overview of potential savings and associated risks. Over the past three years, the comhairle has realised £10.2 million in savings to balance the budget; £5.2 million in efficiencies and £5 million of service reductions. Looking forward, the comhairle intend to achieve further savings in asset management, human resources (reduction of overtime and sickness absence) and service choices (such as service redesign, joint working, outsourcing and service reduction). The unallocated general fund balance was in excess of the comhairle's policy to maintain a minimum of £3 million uncommitted reserves.
19. 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 early 2013, a number of CPPs will be audited during the second half of 2013/14. Audit Scotland will be contacting any likely audit sites in spring 2013.
20. The 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.

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

Areas that remain 'no scrutiny required'

22. 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 comhairle'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:

Service Areas	Outcomes	Corporate Assessment
Development department	The outcome areas have been updated this year to reflect the priorities within the comhairle's updated corporate strategy. The new priorities are dealt with in the section below 'areas with changed assessments'.	Vision and Strategic Direction
Finance and corporate services		Partnership working – operational, and community leadership
Education and children's services		Community Engagement
		Governance and Accountability
		Challenge and improvement (Education Services)
		Use of resources (Efficiency, Competiveness, Financial Management, Managing People, Risk Management)
		Performance management
		Customer focus and responsiveness
		ICT
		Sustainability
		Equalities

Areas that remain 'scrutiny or further information required'

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

Area	Assessment	Update
Educational psychology services	Scrutiny required	Promising progress has been made on the main points for action agreed in the report published in February 2009 but HM Inspectors will carry out a further visit in 2013 to report on progress with the main points for action.

Areas with changed assessments

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

Area	2012/13 Risk Assessment	2013/14 Risk Assessment	Reason for Change
Services			
Education and Children's Services and Social and Community Services - Community Care and Criminal Justice	Significant concerns	No scrutiny required	There has been some progress in relation to areas previously identified for improvement, including self-evaluation, ICT, and communication with staff. The Care Inspectorate will undertake further engagement and monitoring as part of the follow-up to the 2012 scrutiny report.
Technical services: waste management	Uncertainty	No scrutiny required	The comhairle have published their waste management strategy and while progress in this area remains slow the LAN will monitor progress through the external auditors.
Technical services: commercial operations	Uncertainty	No scrutiny required	In previous years the comhairle has reported its Building Maintenance trading operation as an STO. Following a review in December 2011, this was reclassified as a trading operation and is no longer considered to

Area	2012/13 Risk Assessment	2013/14 Risk Assessment	Reason for Change
			be a STO. The reclassification is due to service changes which have led to the operation being down-sized.
Outcomes	No direct assessments for past year due to change in corporate strategy priorities.		
Population		No scrutiny required	The LAN considered SPI and outcome data
Economy		No scrutiny required	The LAN considered SPI and outcome data and the Outer Hebrides Community Planning Partnership's Economic Strategy
Education and Training		No scrutiny required	The LAN considered SPI and outcome data.
Health and Wellbeing		No scrutiny required	The LAN considered SPI and outcome data
Communities		No scrutiny required	The LAN considered SPI and outcome data and the comhairle's Homelessness Annual Report.
Natural and Cultural resources		No scrutiny required	The LAN considered SPI and outcome data and the comhairle's waste management strategy
Corporate assessment			
Planning and resource alignment	Uncertainty	No scrutiny required	The LAN considered SPI and outcome data, the new corporate strategy and the follow-up audit of best value and community planning.

Area	2012/13 Risk Assessment	2013/14 Risk Assessment	Reason for Change
Partnership working-strategic	Significant concerns	No scrutiny required	The LAN considered SPI and outcome data, and the follow-up audit of best value and community planning.
Governance and Accountability	Uncertainty	No scrutiny required	The LAN considered SPI and outcome data, and the follow up audit of best value and community planning
Challenge and improvement (excluding education services)	Significant concerns	No scrutiny required	The LAN considered SPI and outcome data, and the follow up audit of best value and community planning
Risk management	Uncertainty	No scrutiny required	The LAN considered SPI and outcome data and took account of the action plan developed by the Strategic Risk Management Group
Use of resources – asset management	Uncertainty	No scrutiny required	The LAN considered SPI and outcome data, and the follow up audit of best value and community planning
Use of resources-procurement	Uncertainty	No scrutiny required	The LAN considered SPI and outcome data

Scrutiny plans

25. Scheduled audit and inspection work will take place through the annual audit process and the ongoing inspections of schools and care establishments carried out by Education Scotland and the Care Inspectorate. Outcomes of these will inform future risk assessment work.
26. The council has approached Education Scotland for support in undertaking a validated self-evaluation of education. This work will be undertaken during December 2013 and February 2014.
27. There are seven areas where we have changed our assessment to no scrutiny required. Progress is positive but has been slow in a number of areas. The comhairle's external auditors, Audit Scotland and other LAN members will continue to monitor areas closely and engage closely with colleagues to discuss progress.
28. The comhairle continues to face significant challenges in delivering its statutory homelessness service and SHR will continue to monitor this year with a view to potential scrutiny in 2014-15 if required.

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.

Comhairle nan Eilean Siar 2013-14												
Scrutiny activity year 1	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Follow through inspection of Educational Psychology Services		X										
National or supported self evaluation work year 1												
Validated self-evaluation of shared services in education (Education Scotland)									X		X	
Audit Scotland - Reshaping Scotland's public sector workforce	X											
Audit Scotland: Follow-up of Audit Scotland's national report "Scotland's Public Finances – addressing the challenges" (Timing to be confirmed)												
Supported self-evaluation of the impact on quality of the newly introduced national assessment and care planning instrument (LSCMI) in local criminal justice social work services (Timing to be confirmed).												

Comhairle nan Eilean Siar 2014-15												
Scrutiny activity year 2	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
No Scrutiny work currently planned												
National or supported self evaluation work year 2												
No work currently planned												

Comhairle nan Eilean Siar 2014-15	
Indicative scrutiny activity for rolling third year	Potential scrutiny bodies involved
No work currently 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

