

# West Lothian Council

## Assurance and Improvement Plan

### Update 2013–16

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# Introduction

1. The first Assurance and Improvement Plan (AIP) for West Lothian Council (WLC) 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 December 2011 to update the AIP. The last AIP Update was published in May 2012, covering the three year period 2012-15.
2. This update is the result of the SRA which began in November 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. The LAN has carried out the shared risk assessment in relation to specified Service Areas, Outcome Areas and Corporate Assessment Areas. The LAN has noted improvements in service areas, continued progress against the majority of the outcomes defined in the Single Outcome Agreement (SOA), and continuous improvement across corporate activity areas. As previously, no significant scrutiny risks have been identified by the LAN scrutiny bodies. This is reflected in the low level of additional scrutiny activity which has been proposed outwith regular mandatory levels.
6. Service Areas: the LAN risk assessment for council services was very positive. The only additional scrutiny planned is in relation to homelessness, where further information is required to enable the Scottish Housing Regulator to fully understand the reasons for recent movements in the Service's homelessness performance indicators. The LAN also recognised the inherent uncertainty around impending welfare reform, and how this will impact on both the council's service users and benefits administration functions. A further development is that the council is working with the Care Inspectorate and will be a pilot organisation for a joint inspection of services for older people (Adult Services).
7. Outcome Areas: The majority of National Outcome (NO) areas were found to be on target or ahead of target, with West Lothian comparing favourably with Scottish averages in most areas. There is consequently no additional scrutiny planned as a result of performance against the key outcomes within the council's SOA.
8. Corporate Assessment Areas: The council demonstrates strong corporate processes in all areas. Based on the continuous improvement demonstrated, there are consequently no plans for best value review over the period 2013/14 to 2015/16.

# National risks

9. 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.

10. 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:**

11. 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.

12. These joint inspections, which will report publicly, began in the autumn of 2012. West Lothian Council is not scheduled for a joint Children's Services Inspection.

13. 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. West Lothian Council along with two other councils is a pilot organisation for joint inspection of services for older people (Adult Services).

14. Subject to ministerial approval, the Care Inspectorate, in partnership with the Association of Directors of Social Work and the Risk Management Authority, 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.

15. The Scottish Housing Regulator (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.

16. The Care Inspectorate Initial Scrutiny Level Assessment (April 2011) presented few concerns; targeted and proportionate scrutiny (June 2011) confirmed the council's own self-evaluation processes. Care Inspectorate Inspections of WLC Fostering and Adoption Services were carried out in 2012. Both inspections were low intensity, focussing on quality of care and support, management and leadership. Overall both inspections identified positive practices.
17. Again the council's education performance indicators demonstrate positive trends for attendance, positive destinations and Scottish Qualification Authority (SQA) results. Half of the adult social work performance indicators are worsening in the latest results. However, these still compared favourably against the Scotland average. All indicators have an improving long term trend.
18. The council is planning ahead for the Welfare Reform Act and has established a corporate Welfare Reform Working Group, chaired by the Head of Finance and Estates. Quarterly update reports are being presented to the appropriate council scrutiny panel to ensure that members are informed of issues as they arise. A Business Impact Analysis has been prepared, with projections for numbers of households and tenancies affected, and possible financial losses through withdrawal of benefit. A Communications Strategy and a Welfare Reform Action Plan have also been drafted. This will be an area that LAN members will keep under review.

#### **Assuring public money is being used properly:**

19. The annual audit of councils forms part of the baseline scrutiny of councils. This audit examines the financial management and controls of each council. As noted in paragraphs six and eight there are no plans for a best value review over the period 2012/13 to 2015/16 based on the continued improvement in performance demonstrated by the council.
20. The council has a proactive approach to financial planning, identifying savings and having a contingency strategy in place including staff reduction proposals. The council also has a strategic approach to capital planning, which is integrated with asset management planning.
21. Performance management and reporting arrangements operate effectively with performance against indicators within the council's public performance reporting framework continuing to improve. Performance in terms of Statutory Performance Indicators (SPIs) has also continued to improve.
22. A revised Risk Management Policy and Strategy, incorporating a business continuity management strategy, was approved by the council in February 2012. The council has approximately 220 risks identified in its Covalent performance management system, which are reported, with performance. The LAN has not identified any significant scrutiny risks for this national risk priority.

#### **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. Budget monitoring for 2012/13 predicts an underspend for the year of £3.921 million arising from savings in staffing and other costs. These savings have been earmarked to cover future costs arising from welfare reform and other developing expenditure areas. The council have also identified a potential funding gap of around £34.4 million for the five year period 2013/14 to 2017/18. Prudent and realistic financial plans, and savings targets have been developed, in wide consultation with council management and stakeholders, to meet the forecast funding gap for 2013/14 and succeeding years.
25. 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.
26. 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.
27. 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'

28. 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
Education and cultural services	SQA results for 2012 show continuing improvement in performance overall. The council has focused emphasis on More Choices More Chances with increasing numbers of school leavers achieving positive destinations.
Customer and support services (excluding homelessness element of housing)	There were no significant concerns in relation to the council's housing and asset management. Housing and asset management indicators support this. (The council has many indicators within the top 10 of all councils) The council has a Welfare Reform Working Group to consider the council's preparedness for introduction of these changes.
West Lothian Community Health & Care Partnership and social policy	The Care Inspectorate Initial Scrutiny Level Assessment (April 2011) presented few concerns; targeted and proportionate scrutiny (June 2011) confirmed Council's own self-evaluation processes. The council's adult social work performance indicators are above the average for Scottish councils.
Development and environmental services	No particular issues were noted in relation to development and environmental services. SPI data reflects good performance and is generally above the Scotland average.
Improving opportunities for young people	All indicators for attendance, positive destinations and SQA results have positive trends. Both national outcomes are also showing improvement. Parent satisfaction with their child's school and education rated as good or excellent was 84.4%. There are no concerns expressed about social work services for young people.
Protecting the environment and communities	Environmental indicators demonstrate some mixed performance. While, in relation to crime related indicators, the council demonstrates improving performance overall. Safer neighbourhood teams are deployed in all nine wards providing a multi-agency response to anti-social behaviour.

Area	Update
Planning for population growth	One of three development services performance indicators worsened in the latest results however all were better than the national position. There is effective school roll forecasting and there are clear strategies for managing the impact of population growth on the school estate. However, major housing developments planned for Winchburgh will present significant challenges as well as opportunities.
Making services as efficient as possible	<p>National Outcome 15 (Our public services are high quality, continually improving, efficient and responsive to local people's needs) demonstrates good progress.</p> <p>The 2011/12 Customer Service Excellence standard assessment, carried out during the year, included praise from the assessor on development of "customer insight", quality of service delivery and commitment to keeping customers aware of performance and engaged with service provision.</p> <p>Corporate Performance Report – All Care for our Customers indicators had positive trends with 2 achieving 100%.</p>
Vision and strategic direction	The council's main emphasis in 2011/12 was the review of progress against the Corporate Plan focussing on West Lothian families, children and young people, older people, housing, the environment and improving services through partnership working. The council has approved a new Corporate Plan for 2013-17 with broadly similar themes/priorities, which have been directly influenced by 'Delivering Better Outcomes Consultation'.
Leadership and culture	The view reflected in the Best Value audit of WLC several years ago was that the council is well led and has a culture of continuous improvement. This view of the council remains and since then all regulators have applied a low level of additional scrutiny to WLC.
Planning and resource alignment	A new 'Corporate Plan for 2013-17' has been approved by the council, which will be underpinned by a 'Strategy and Activity Map', logically linking in a matrix to council priorities, outcomes, strategies, activities, objectives, services, WLAM units, calibrated scores, current staffing, revenue budget (activity) and future revenue budget (activity). The aspirations in the community plan are linked to national outcomes and the single outcome agreement to enable a joined up approach to delivering key outcomes.
Partnership working and community leadership	<p>Partnership centres, including the £53m Civic Centre, have now been successfully established, providing services across health, social work, education and community facilities from one location, sharing services and costs, and making access easier for customers.</p> <p>The aspirations in the community plan overseen by the West Lothian CPP are linked to national outcomes and the single outcome agreement to enable a joined up approach to delivering key outcomes.</p>

Area	Update
Community engagement	<p>Citizen Led Inspections of council services focused on 'winter maintenance programme' and 'pupil placements'. The feedback provided help to target areas for improvement, such as the planning for the 2011/12 winter maintenance programme.</p> <p>'Delivering Better Outcomes' is a public consultation that has been used to inform and set the priorities of the council for the next planning period (2013-17) and will also help to shape the Single Outcome Agreement for the next three years.</p>
Governance and accountability	<p>The council's annual report for 2011/12 notes that the standards of the Code of Corporate Governance were substantially met. The council will focus on identifying actions to improve the levels of compliance with the Code's standards across the council.</p> <p>Continued improvements in internal control are being effected with the full implementation of the council's new complaints handling procedure in March 2013.</p>
Customer focus and responsiveness (excluding Welfare Reform)	<p>The council's Customer Services Strategy 2011/14 is organised around four main themes - Customer Involvement, Excellent Customer Service, Improving Access, and Transforming Services. A detailed Action Plan has been developed. The 2012 Customer Service Excellence standard assessment identified West Lothian Council as a high performing customer focused organisation.</p>
Risk management	<p>A revised Risk Management Policy and Strategy, incorporating business continuity management strategy, was approved by the council in February 2012. The council has approximately 220 risks identified in its Covalent performance management system, which are reported with performance.</p>
ICT	<p>Audit Scotland's review of the Information and Communication Technology controls within West Lothian Council established that IT is a well-managed service.</p>
Use of resources - efficiency	<p>The council's 2011/12 review of procurement has resulted in updated procedures being introduced from June 2012. In addition, it's Modernisation and Efficiency Agenda is reported to be delivering intended financial and service benefits through a range of measures.</p>
Use of resources - competitiveness	<p>Service areas make use of benchmarking, where possible, to enable comparison with other providers and a new Customer Services Strategy is designed to transform services to reflect customer requirements.</p>
Use of resources - asset	<p>The council has a strategic approach to capital planning, which is integrated with asset management planning. The two property indicators relating to condition and suitability of operational buildings were improving and better</p>

Area	Update
management	<p>compared to Scotland.</p> <p>A new asset register system has been implemented for 2012/13.</p>
Use of resources - managing people	<p>Council's Performance Review and Personal Development Planning process has been implemented across the whole organisation to ensure training and development of staff is addressed in line with organisational goals. Staff reductions to date have been well managed. Sickness absence levels for 2011/12 improved further, with the majority of service areas below or around the council targets.</p>
Use of resources - financial planning	<p>The council has a proactive approach to financial planning and identifying savings; a contingency strategy in place including staff reduction proposals.</p>
Use of resources - procurement	<p>The Corporate Procurement Strategy 2011 – 2014 is aligned to the council's Financial Strategy. The council has performed an evaluation of its procurement activity and an improvement plan has been produced which contains actions aligned to the gaps shown by the Procurement Capability Assessment. This is to be implemented by the newly appointed procurement manager.</p>
Equalities	<p>The council performs well on indicators for top earners who are women. Improvements in the number of accessible buildings for disabled have been recorded, but the council is 2% below the Scottish average.</p> <p>A diverse range of equality groups are supported by the council and CPP.</p>
Sustainability	<p>Recycling levels have increased steadily since 2006 and are now 43% of kerbside waste. The council plans to meet the Scottish Government target of 50% recycling by 2013.</p> <p>A new waste treatment facility is to be operational by the end of 2013.</p>

# Areas that remain 'scrutiny or further information required'

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

Area	Assessment	Update
Use of resources - financial position	Further information required	<p>Budget monitoring at month 9 predicts an underspend for the year of £3.921 million arising from savings in staffing and other costs. The savings have been earmarked to cover future costs arising from welfare reform and time limited investments etc.</p> <p>The council have identified a potential budget shortfall of £34.4 million for the five year period 2013/14 to 2017/18. However, they are still planning to deliver increasing expenditure on council services over the period. To fund the budget shortfall, and provide the planned services, efficiency measures for 2013/14 of £7.7 million and for 2014/15 of £7.2 million have been approved, leaving a further £17.6 million of efficiencies still to be identified. The results from the recent major public consultation on spending priorities have assisted in determining how these further efficiencies will be delivered. Detailed budget figures for 2013/14, and for 2014/15, have been approved by the council at the end of January, 2013.</p>
Customer and support services - homelessness	Further information required	<p>Recent homelessness performance indicators indicate that this is an area where further information is required to enable the Scottish Housing Regulator to fully understand the reported position. The council will be asked to complete a homelessness enquiry submission to provide the Regulator with the additional information required.</p>
Customer focus and responsiveness (Welfare Reform)	Further information required	<p>The Welfare Reform Act is the biggest reform of the UK welfare system for 60 years and creates a new Universal Credit for working age claimants. It will result in a number of significant changes for how local authorities deliver services and bring an end to devolved administration of housing benefit. It is not yet clear what the exact role of councils will be</p>

Areas that remain 'scrutiny or further information required'

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Area	Assessment	Update
		in the delivery of welfare reforms although there is an expectation that councils will provide some face to face support to benefit claimants. The council has established a corporate Welfare Reform Working Group.

# Areas with changed assessments

30. 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
Performance management and improvement	Uncertainty	No scrutiny required	<p>Performance management and reporting arrangements operate effectively. A new 'Corporate Plan' has been approved by the council. Performance in terms of SPIs and other performance indicators has continued to improve.</p> <p>The council, through the West Lothian Assessment Model, has robust self assessment in place. External challenge is also provided by the annual Customer Service Excellence assessment that has a particular focus on customer results and indicators.</p>
Making the economy stronger	Uncertainty	No scrutiny required	<p>In the current economic climate, the council is performing relatively well and, in some cases, better than the national average eg employment rates and business survival rates. However, the percentage of householders feeling that they are coping well financially, and that have savings, is worse than the national average. Wage level indicators have improved significantly; however, they still lag behind the Scottish average.</p>
Improving the health and wellbeing of communities	Uncertainty	No scrutiny required	<p>There is an overall improving trend in health, housing and social care national outcomes demonstrating positive impacts of council and partner initiatives.</p>

# Scrutiny plans

31. Previously planned scrutiny work has been completed to timetable during 2012/13 or is being carried forward into 2013/14. West Lothian Council has invited Education Scotland to work with them on a Validated Self-Evaluation of the Education Service early in 2013.
32. The Scottish Housing Regulator is considering arranging for a Homelessness Enquiry Submission to be carried out by the council, to obtain additional information in relation to WLC's Homelessness position. The Care Inspectorate will be working with WLC on a pilot joint inspection of services for older people (Adult Services) in 2013
33. Audit Scotland will be carrying out a follow up review on the findings from their August 2011 report Scotland's Public Finances: addressing the challenges. This will involve looking at what action has been taken and what difference this has made. Audit Scotland's Performance Audit Group will carry out a series of national studies as detailed in their 2012/13 Work Programme. The timing and scope of this work has still to be confirmed.



# 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.

WEST LoTHIAN COUNCIL												
2013-14												
Scrutiny activity year 1	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Scottish Housing Regulator – Homelessness Enquiry Submission (date tbc)												
Care Inspectorate -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. (date tbc)												
Care Inspectorate - pilot for a joint inspection of services for older people (Adult Services)	X	X	X									
Audit Scotland - follow up review on the report Scotland's public finances: addressing the challenges					X							
Audit Scotland - Reshaping Scotland's public sector workforce	X											

**WEST LOTHIAN COUNCIL****2014-15**

<b>Scrutiny activity year 2</b>	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
No specific work												

**WEST LOTHIAN COUNCIL****2015-16**

<b>Indicative scrutiny activity for rolling third year</b>	Potential scrutiny bodies involved
No specific work	

## 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 on-going 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 Area Lead Officer, 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 with their responsibilities under the Public Services Reform (Scotland) Act 2010.

