

# **Argyll and Bute Council**

## **Assurance and Improvement Plan**

**2014–17**

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# Introduction

1. This Assurance and Improvement Plan (AIP) sets out the planned scrutiny activity in Argyll and Bute Council between April 2014 and March 2017. The AIP is based on a shared risk assessment undertaken by a local area network (LAN). There is a LAN for each council, comprising representatives of all the scrutiny bodies who engage with the council. The aim of the shared risk assessment process is to focus scrutiny activity where it is most needed and to determine the most proportionate scrutiny response over a three year period.
2. This is the fifth AIP for Argyll and Bute Council since the introduction of the shared risk assessment process.<sup>1</sup> It is the result of the shared risk assessment which began in October 2013. The process drew on evidence from a number of sources, including:
  - the annual report to the Controller of Audit and elected members for 2012/13 from the council's appointed external auditors
  - evidence gathered from Audit Scotland, Education Scotland, the Care Inspectorate and the Scottish Housing Regulator and Her Majesty's Inspectorate of Constabulary (HMICS), including published inspection reports and other supporting evidence
  - the Single Outcome Agreement (SOA) and associated development plan for the council area
  - the council's own performance data and self-evaluation evidence
  - analysis of data from the SOLACE/COSLA/Improvement Service Local Government Benchmarking Framework.<sup>2</sup>
3. The shared risk assessment process was reviewed in 2013, in the context of a significantly changed scrutiny landscape and the evolving public service reform agenda.<sup>3</sup> Based on the findings of the review, this year's shared risk assessment focused on identifying the council's current position in implementing the Scottish Government's reform agenda. It also placed more emphasis on scrutiny risk in relation to the council's improvement and transformation agenda. This change in approach is reflected in the structure of the AIP for 2014-17, which covers four areas:
  - local priorities and public service reform
  - corporate assessment
  - service performance
  - improving and transforming public services/public performance reporting.
4. Scrutiny risk is assessed against the following criteria:

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<sup>1</sup> Assurance and Improvement Plans for each council since 2010 are available on the Audit Scotland website: <http://www.audit-scotland.gov.uk/work/scrutiny/aip.php>

<sup>2</sup> The indicators used in the framework can be found on the Improvement Service website: <http://www.improvementservice.org.uk/benchmarking/>

<sup>3</sup> The review of the shared risk assessment process was one of four work streams taken forward by the Strategic Group for Local Government Scrutiny Co-ordination during 2013.

- No scrutiny required - there are no significant concerns, so no scrutiny work is necessary.
  - Scrutiny required - there are concerns about performance, services or outcomes, resulting in the need for scrutiny work.
  - Further information required - there is insufficient information to reach a judgement about performance.
5. The National Scrutiny Plan for 2014/15 is available on the Audit Scotland website. It provides a summary of planned scrutiny activity across all councils in Scotland, based on the AIPs for each council.

# Summary

6. As set out in the introduction to this report, the AIP is structured around four areas; local priorities and public service reform, corporate assessment, service performance and improving and transforming public services/public performance reporting.
7. The previous AIP identified one area where scrutiny was required - Leadership and culture: member to member and member to officer relationships. This was the focus of targeted Best Value (BV) audit work undertaken between May and August 2013. As a result of this work, in October 2013 the Controller of Audit made a statutory report, to the Accounts Commission, under Section 102(1)(b) of the Local Government (Scotland) Act 1973.
8. The Commission's findings on the report say that it is seriously concerned about substantial risks to the council caused by the instability of leadership by elected members since the last council election. The council's ability to set and maintain a clear strategic direction is at risk of being compromised and the Commission is concerned that this will, in time, negatively affect the services that the council provides for the people of Argyll and Bute. The Commission also recorded its concern about the negative effect that this is having on the council's reputation.
9. The report acknowledges widespread acceptance within the council that rapid improvement is needed. The Commission has requested a further report by the Controller of Audit on the progress made by the council over the six month period after publication of its findings.
10. The LAN shares the concerns, included in the report that the issues reported were beginning to inhibit strategic planning and decision-making in council services. For example, officers had completed a range of actions to help inform decisions about the strategic commissioning of adult care services but an approach to strategic commissioning has still to be agreed. This work has now moved on significantly and a draft joint commissioning plan is shortly to commence a programme of public consultation.
11. In conclusion the LAN has assessed all corporate assessment framework areas as 'no scrutiny required', with the exception of leadership and direction which has been assessed as 'scrutiny required'. The council's plans to implement the improvements identified from the report, will be monitored and reported by Audit Scotland on behalf of the LAN.
12. Overall the LAN has assessed all local priorities and public service reform areas as 'no scrutiny required' reflecting progress and action taken by the council. The LAN noted that progress is being made in determining the arrangements for health and social care integration. Whilst the arrangements are not yet concluded, the council and NHS Highland have recently agreed on the model of integration for their board. Arrangements are now to be put in place for a project team, shadow integration board and to progress the appointment of a chief officer.
13. The council as part of the Community Planning Partnership (CPP) has set out an ambitious set of outcomes for the future in the SOA 2013-23 that are based around reversing the trend of population decline and achieving economic growth. The SOA has been scrutinised and approved through the Scottish Government's quality process.
14. The LAN has assessed all service performance areas as 'no scrutiny required'. During the year, Argyll and Bute CPP area was a pilot site for a joint inspection of services for children

and young people which took place in March and April 2013, with findings published in September 2013. Eight quality indicators were evaluated as adequate and above (one being very good, four being good and three adequate). The inspection report commented positively on the capacity of the CPP to achieve the necessary improvements. No further scrutiny is planned in social care services this year.

15. Education Scotland was invited by the council to carry out a validated self-evaluation working with Education Services. The report published in February 2013 identified several high level strengths. The report also identified areas for further development but indicated a good capacity for improvement. As a result no further scrutiny is planned other than monitoring the council's improvement actions. The LAN has assessed improving and transforming public services and public service reporting as 'no scrutiny required'. The latest update report on the Corporate Improvement Plan shows the council is broadly on track. The council is in the process of developing proposals for a service prioritisation process.
16. Since the last AIP, Audit Scotland carried out a follow-up to its Scotland's public finances national report that was originally published in 2011. The findings were reported to the Audit Committee in September 2013. The report concluded that the council has identified a potential funding gap over the period 2013/14 to 2019/20 of £40.635 million and that achieving the significant year on year incremental savings will require fundamental decisions to be made by elected members about service provision and delivery. Audit Scotland will continue to review the financial position of the council as part of the 2013/14 annual audit process.
17. The Care Inspectorate, in partnership with the Association of Directors of Social Work and the Risk Management Authority, has been undertaking supported self-evaluation activity to assess the initial impact of the introduction of the assessment and case planning instrument LS/CMI across Scotland's criminal justice social work services. This activity started in June 2013 and will conclude with the publication of a national report by May 2014. Action plans arising from this activity will be implemented in 2014.

## Planned scrutiny activity

18. In October 2013, the Controller of Audit presented a statutory report to the Accounts Commission on leadership and culture at Argyll and Bute Council (specifically the effectiveness of councillor to councillor and councillor to officer working relationships). The Commission made findings on the report and asked the Controller of Audit to provide a further report on the progress made to improve over the following six months.
19. Audit Scotland will carry out Best Value follow-up work, examining the council's progress in, responding to the Accounts Commission's expectation of urgent progress. The follow-up work will consider progress up to April 2014.
20. Education Scotland will be reviewing the quality of careers information advice and guidance services delivered by Skills Development Scotland as part of planned programme of work across all council areas over the next three years. The date for their review at Argyll and Bute Council has been confirmed as April 2014.

21. There is some non-risk based scrutiny activity planned across councils in 2014/15, but where scrutiny bodies are yet to determine which specific council areas will be included. This includes the following:
- The Scottish Housing Regulator (SHR) recently carried out a thematic inquiry into the outcomes that councils are achieving by delivering housing options and prevention of homelessness services. A sample of councils were selected to take part in this as case studies. The findings from this work could potentially lead to further engagement with some councils. The SHR will carry out further thematic inquiries between 2014/15 and 2015/16. If a council is to be involved in a thematic inquiry the SHR will confirm this with the council and the appropriate LAN lead.
  - HMICS will be inspecting local policing across Scotland over the next three years. This will examine, amongst other things, local scrutiny and engagement between Police Scotland and councils. The geographic areas to be inspected during 2014-15 have yet to be determined.
  - Education Scotland will continue to engage with councils for the purpose of validated self-evaluation (VSE). The scheduling of VSEs will be arranged by negotiation between Education Scotland and individual councils.
  - Education Scotland will be working in partnership with councils to carry out self-evaluation of education psychology services over a two year period beginning in 2014/15.
  - Audit Scotland will carry out a housing benefit risk assessment during the first quarter of 2014/15.
22. Scheduled audit and inspection work will take place through the annual audit process and the ongoing inspection of school and care establishments by Education Scotland and the Care Inspectorate respectively will continue as planned. The individual audit and inspection agencies will also continue to monitor developments in key areas of council activity and will provide support and challenge as appropriate. This will also help to inform future assessment of scrutiny risk.
23. Audit Scotland will follow-up two national performance audits during 2014. This will involve targeted follow-up of *Arm's-length external organisations (ALEOs): are you getting it right?* (June 2011) and *Major capital investment in councils* (March 2013). Audit Scotland will also carry out a programme of performance audits during the period of this AIP that will involve work with councils. The performance audit programme for 2014/15 is available at <http://www.audit-scotland.gov.uk/work/forwardwork.php?year=2014>. A timetable for the planned audit and inspection activity in Argyll and Bute Council between April 2014 and March 2017 is at [Appendix 1](#).

# Local priorities and public service reform

24. Local councils are operating within a context of significant change as a result of the challenging financial environment and the public service reform agenda. The Scottish Government's reform agenda emphasises the importance of place, people, partnership, prevention and performance in public services. This year's shared risk assessment identified the council's current position in implementing the Scottish Government's reform agenda, specifically in relation to:
- community planning and new Single Outcome Agreements
  - police and fire oversight arrangements (following the introduction of new national police and fire services)
  - health and social care integration
  - welfare reform.

## Community planning and Single Outcome Agreements

25. The overall objective of the SOA for the ten years to 2023 is: Argyll and Bute's economic success is built on a growing population. This is a demanding objective given the challenges facing Argyll and Bute however the alternative is a future which is based on managing decline. To achieve this objective the Community Plan and SOA has identified six long term outcomes that will support the overall objective. These are:
- The economy is diverse and thriving.
  - We have an infrastructure that supports sustainable growth.
  - Education, skills and training maximises opportunities for all.
  - Children and young people have the best possible start.
  - People live active, healthier and independent lives.
  - People live in safer and stronger communities.

These six outcomes address the six national policy priorities that were set out in the national guidance on community planning.

26. Feedback from the Scottish Government's SOA quality assurance team was positive. Argyll and Bute CPP has and continues to revisit its focus and priorities. The quality assurance team is confident that with the current full and active commitment of all of the CPP partners behind its development, the current draft will be a sound platform for a strong SOA. In particular, the QA team welcomes the recognition of challenges to be addressed and ambition to do so on the part of the CPP. The long-term outcome of a diverse and thriving economy already demonstrates a clear alignment with major challenges for the area. Some development priorities were identified. A timetable of development actions was prepared to achieve a final SOA with delivery plans for each of the six outcomes by May 2014.



27. Adopting an appropriate budget strategy will be critical to ensuring the council is able to support the SOA by allocating resources to underpin delivery of SOA outcomes.

## Police and fire

28. Local scrutiny of police and fire is performed by the Performance Review and Scrutiny (PRS) Committee which reports to the full council as necessary. Police and fire and rescue strategic plans are reviewed by the PRS Committee as part of the consultation process. Police and fire and rescue performance reports are presented to the PRS Committee for review. The police service is also well represented at the Adult and Child Protection Committees.
29. HMICS conducted a thematic inspection of the new arrangements for local scrutiny in 2013 and believe that the new arrangements for local scrutiny and engagement (LSE) require more time to bed in and that it is therefore too early to assess the effectiveness of these arrangements.
30. The council is committed to creating and supporting safer and stronger communities and tackling antisocial behaviour. This is led through the community safety partnership, a council led partnership with representatives from the council, police, fire and rescue, health, education and the third sector. HMICS has seen no significant changes to partnership arrangements for the delivery of community safety since the creation of a single police service model for Scotland. HMICS is considering community safety as a possible area of focus within its 2014-17 work plan.
31. Fire reform is also still at an early stage and HM Fire Service Inspectorate (HMFSI) has not as yet undertaken any detailed examination of the way in which community safety and engagement activities are delivered across local authority areas in Scotland. HMFSI published *An Overview of the Scottish Fire and Rescue Service (SFRS)* in 2013. In its report, HMFSI highlighted that local senior officers (LSOs), who have responsibility for overseeing partnership working with local authorities in the delivery of community safety and engagement, are clearly sighted on their responsibilities and are keen to make local partnerships work in an effort to optimise community outcomes.
32. The SFRS is consulting on a suite of local fire and rescue plans. HMFSI is not currently proposing any specific scrutiny on local planning and consultation processes, but may consider this in its future inspection plans.

## Health and social care integration

33. The Public Bodies (Joint Working) (Scotland) Bill was introduced by the Scottish Government in May 2013. The Bill aims to ensure that the health and social care systems work together to improve outcomes for people by providing consistency in the quality of services, ensuring people are not unnecessarily delayed in hospital and maintaining independence by creating services that allow people to stay safely at home for longer. Arrangements for how services will be delivered are determined by councils and health boards based on what they believe is the best way to meet the care needs of their local populations.
34. Discussions are progressing with NHS Highland on health and social care integration. These have yet to reach a conclusion although proposals on the model of integration were considered

and endorsed by the council in March and NHS Highland in April. The council and NHS Highland have endorsed the body corporate model outlined within the Bill as the partnership's preferred model. They have also agreed the establishment of a shadow integration board and a joint project board to take forward the preparatory work required to deliver the preferred model. They have also agreed to delegate responsibility for the recruitment of a chief officer for health and social care to both chief executives. Whilst these negotiations were taking place, the council's project team on integration have been completing significant baseline and preparatory work which will contribute to the arrangements for integration.

35. In addition partnerships are expected to develop and publish a joint strategic commissioning plan. This has yet to be completed for the Argyll and Bute partnership, although consultation is currently underway. The previous lack of agreement on the preferred model for the health and social care integration has impacted on progress on joint commissioning work.

## Welfare reform

36. The council has been proactive in planning for the impact of the Welfare Reform Act 2012. In 2012/13 preparations were completed to implement the housing benefit under occupancy restrictions, to replace council tax benefit with the new council tax reduction scheme and to deliver the new Scottish welfare fund from 1 April 2013. In March 2013 the council approved new policies for discretionary housing payments and financial inclusion.
37. The council also prepared for the implementation of the benefit cap from July 2013 although this is only expected to affect a handful of households. The council is working closely with Registered Social Landlords and other organisations through its welfare reform working group to mitigate against these impacts through a range of interventions including income maximisation checks, information and advice. Preparation is also underway for the provision of appropriate local support services to support the introduction of universal credit.
38. In 2013-14, the SHR surveyed social landlords and published findings on the early impact of welfare reform on rent arrears. It will continue to gather information on rent and arrears through the annual return on the Scottish Social Housing Charter in order to monitor the impact of welfare reform on social landlords and their tenants.

# Corporate assessment

39. The following table provides an assessment of scrutiny risk relating to the council's management arrangements (including how it is meeting its Best Value obligations).<sup>4</sup>

Area	Risk assessment	Current position	What we plan to do
<p><b>Leadership and direction</b></p> <p>How the council's vision is designed around its knowledge of its local communities and how this is translated throughout all the council's plans and strategies.</p>	Scrutiny required	<p><b>Statutory report under Section 102(1)(b) of the Local Government (Scotland) Act 1973</b></p> <p>The last AIP identified one area where scrutiny was required - leadership and culture: member to member and member to officer relationships. This was the focus of targeted BV audit work undertaken between May and August 2013.</p> <p>As a result of this work, the Controller of Audit decided to make a statutory report under Section 102(1)(b) of the Local Government (Scotland) Act 1973.</p> <p>The statutory report was submitted by the Controller of Audit to the Accounts Commission on 17th October 2013. The Accounts Commission published their findings on 29th October 2013. These included:</p> <ul style="list-style-type: none"> <li>the Accounts Commission is seriously concerned about substantial risks to Argyll and Bute Council caused by instability in its political leadership since last year's</li> </ul>	Audit Scotland will follow-up findings from the statutory report during 2013/14.

<sup>4</sup> The Local Government in Scotland Act 2003. Best Value Guidance, Scottish Executive, 2004.

Area	Risk assessment	Current position	What we plan to do
		<p>elections</p> <ul style="list-style-type: none"> <li>• the quality of leadership of the council has been inadequate</li> <li>• the current political management arrangements are not fit for purpose</li> <li>• the role that the full council plays is unsustainable</li> <li>• progress in securing effective scrutiny has also been inadequate.</li> </ul> <p>The Accounts Commission said it was encouraged that the council had recognised the need for change and was taking steps to make this happen.</p> <p>The Accounts Commission have asked for a further report on progress made by the council over the six months period since publication of their findings.</p> <p>Since the 2012 election, there has been increasing instability in the political dynamics of the council and there has been a lack of consistent political leadership. For example, in addition to the change of leader immediately following the 2012 election there have been two further changes of leader in one year. From May 2013, until September 2013, the council had no depute leader and there was no clear administration. The council established a new administration in September 2013.</p> <p>At its June 2013 meeting, the council agreed to establish a short</p>	

Area	Risk assessment	Current position	What we plan to do
		<p>life working group to consider proposals for new political management arrangements and structures. Revised political management arrangements recommended by the short life working group were approved by the council on 23 January 2014.</p>	
<p><b>Governance and accountability</b></p> <p>Whether governance arrangements are working effectively and whether good governance underpins council decisions and supports performance improvement.</p>	<p>No scrutiny required</p>	<p>Despite the council's political arrangements having not been effective, the underpinning governance arrangements were deemed to be adequate in 2012/13.</p> <p>Following discontinuation of the Executive Committee in 2012 full council meetings had very full agendas resulting in very long meetings. This practice was not sustainable and the revised political management arrangements referred to above included 3 strategic committees - Policy &amp; Resources, Community Services and Economic Development and Infrastructure, which have commenced in April 2014.</p> <p>The recently established Performance Review and Scrutiny (PRS) Committee focuses on the monitoring and scrutiny of council performance. Progress with setting up and developing the PRS Committee was slow. It met for the first time in February 2013 and has now met four times in accordance with its timetable. There is an independent chair. A programme of meetings for 2014/15 is in place which will see the PRS meet four times per year.</p> <p>Following the May 2012 elections, the council continued its audit committee arrangements with revised membership. The Audit Committee retains its role in monitoring the council's processes</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
		within its wider remit of monitoring audit, risk management and meeting business standards. The Audit Committee chair and vice-chair are non-executive, unelected members.	
<p><b>Community engagement and empowerment</b></p> <p>Whether the council is giving local people a greater say in local budget decisions and giving communities a right to challenge local public service delivery.</p>	No scrutiny required	<p>A Community Engagement Strategy was agreed and adopted by the CPP in May 2009. The council also has a Community Engagement Action Plan which is reported to the Community Planning Partnership Management Committee.</p> <p>The council uses a citizen's panel, made up of approximately 1,250 people who live in Argyll and Bute. Members of the panel are recruited to be broadly representative of the wider population of the area.</p> <p>The council's corporate complaints procedure complies with the model complaints handling procedure proposed by the Scottish Public Services Ombudsman (SPSO).</p>	No specific scrutiny activity
<p><b>Financial management</b></p> <p>How effectively the council is planning and managing its budgets.</p>	No scrutiny required	<p>The council's financial management arrangements are sound and the overall increase in the council's total usable reserves in 2012/13 indicate a stable financial position going forward into 2013/14.</p> <p>In October 2012 the council adopted a medium/longer term approach to managing its budget by reviewing its financial position over a seven year period.</p> <p>A potential funding gap of £40.6 million (equivalent to around 2.9%</p>	No specific scrutiny activity although Audit Scotland will monitor the impact of budget reductions on services.

Area	Risk assessment	Current position	What we plan to do
		<p>of service revenue budgets year on year) over the next seven years was identified, requiring annual incremental savings of £5.8 million. The council has identified the required 2013/14 savings and an approach is being developed to identify the further required savings of £34.8 million over the following six years.</p> <p>At its November 2013 meeting, the council agreed its budget strategy for 2014-15. Taking account of the commitments in the SOA, the challenging financial outlook and the current stability offered by the proposed flat cash finance settlement, it agreed to set a savings target for 2014-15 and 2015-16 of 1%. The savings are to be achieved by efficiency savings that do not have policy implications. Over the next six months, as the SOA delivery plans are developed, an updated framework, criteria and guidance for the service prioritisation process will be developed.</p> <p>It was also agreed that the two year period (2014-15 and 2015-16) is to be used to develop and put in place proposals to address the longer term funding outlook on a strategic and structured basis considering how resources are aligned to the SOA and priorities, future savings and options for additional income.</p>	
<p><b>People management</b> The effectiveness of the council's workforce planning and management arrangements.</p>	<p>No scrutiny required</p>	<p>The council has a workforce planning framework in place which informs a five year workforce planning strategy. All staff reductions have taken place as part of an integrated approach to transformation/modernisation. All service reviews have addressed workloads, job descriptions and have detailed implementation plans associated with them. There is no evidence thus far that the</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
		<p>workforce reductions have impacted on the delivery of services or resulted in increased overtime and the use of temporary contractors.</p> <p>There are likely to be further redundancy costs incurred as the council is required to make further savings to balance the budget in future years</p> <p>The council has developed and commenced delivery of an extensive programme of management and leadership training which is underpinned by a comprehensive competency framework.</p> <p>Also since the last AIP, Audit Scotland published a report in May 2013 entitled, "Managing early departures from the Scottish public sector". The report is an aid to help public bodies improve their management and reporting of early release schemes. The council is referred to in the report in Part 3 Section 29 under the heading principles of best practice. An action plan to address the key findings in the report was submitted to the Audit Committee in June 2013.</p>	
<p><b>Asset management</b></p> <p>The council's arrangements for managing assets and how this key resource is used to support effective service</p>	<p>No scrutiny required</p>	<p>The council has a corporate asset management programme in place. The programme prioritises work based on a risk assessment and on "spend to save" programmes.</p> <p>Updated corporate asset management strategies, corporate asset management plans and service asset management plans are approved as part of the annual budget setting process.</p> <p>In October 2011, following a procurement exercise, a new</p>	<p>No specific scrutiny activity</p>



Area	Risk assessment	Current position	What we plan to do
delivery.		<p>proprietary asset management software package "CONCERTO" was purchased. Work is ongoing to populate the new system. It is anticipated that this new tool will help streamline the management of property assets and will better integrate areas of property maintenance, capital programme delivery and asset management. The implementation of the system is being carried out in a phased manner.</p> <p>The Commission on the Delivery of Rural Education, established in August 2011, published its report in April 2013. The report was considered by the council in May 2013. It made 38 recommendations covering a wide range of related areas.</p> <p>The council agreed to develop an action plan in response to the recommendations once the Scottish Government has revised relevant legislation (the Schools Consultation Scotland Act 2010) and issued further statutory guidance.</p> <p>The council also agreed to defer any consideration of the council's school estate strategy until the statutory guidance is published and legislative changes are undertaken.</p>	
<p><b>Procurement</b></p> <p>How effectively corporate procurement contributes to the council maximising value for money in the goods and services it</p>	No scrutiny required	<p>In 2009 the Scottish Government introduced an annual evidence-based assessment, the procurement capability assessment (PCA), to monitor public bodies' adoption of good purchasing practice and as a basis for sharing best practice. The council's PCA scores have shown steady increase over the last few years, from 36% in 2010 to 63% in 2013. The council met the national PCA target of 50% by March 2013 and its current score</p>	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
uses to deliver its services.		<p>demonstrates a significant improvement from 53% in 2012. The council is ranked 6th out 32 councils in terms of its PCA score and classed as having 'improved performance status'. The council has reported procurement related efficiency savings of £0.991 million in 2012/13.</p> <p>An updated Procurement Strategy 2012-15 was approved by the council in September 2012. It is complimented by an updated procurement manual. This strategy is aimed at ensuring the council procures the goods, services and works it needs in the most economically advantageous manner and ensuring that these accord with the overall aims and objectives of the council.</p>	
<p><b>Risk management</b></p> <p>The effectiveness of the council's arrangements for identifying, managing and mitigating risks and how its management of risk contributes to the successful delivery of public services.</p>	No scrutiny required	<p>Risk management arrangements at both a corporate and service level are well embedded across the council. Quarterly reports on risk management are presented to the Audit Committee.</p> <p>A quarterly strategic risk register monitoring report is presented to the PRS Committee.</p>	No specific scrutiny activity
<p><b>Information management</b></p>	No scrutiny required	Our overall conclusion was that the controls surrounding the management of the ICT service within the council are sound.	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
<p>The effectiveness of the council's arrangements for managing information as a key resource in delivering services.</p>		<p>A revised ICT Strategy 2013-16 was approved in September 2013. This ICT Strategy looks at the major challenges ICT faces over the next three years and complements the council's corporate objective to become a "forward looking and ambitious" organisation.</p> <p>Business continuity plans ensuring that critical activities can be recovered quickly following any major incident are in place.</p> <p>During the year the Government replaced the Government Secure Internet (GSI) with the Public Service Network (PSN). From November 2012 all applicants had to apply to connect to PSN which requires compliance with the stricter PSN Code of Connection. The new code of connection is challenging and uncompromising about security measures and aims to provide a substantial level of trust between organisations.</p> <p>The council's initial application in early 2013 was not successful however after continued work with Cabinet Office assessors the council was able to meet the enhanced compliance requirements for continued connection to PSN and is now accredited till September 2014.</p>	
<p><b>Joint working</b> Progress with any significant shared services initiatives, in particular in relation to governance or pace of</p>	<p>No scrutiny required</p>	<p>As a rural authority Argyll and Bute Council recognises that there are limited opportunities to develop and share services with neighbouring authorities. However, shared services and joint working continue to be considered with other councils and across community planning. Discussions are progressing with NHS Highland on health and social care integration.</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
implementation.			
<p><b>Efficiency</b></p> <p>How effectively the council is improving its efficiency in response to the budget challenges being faced.</p>	No scrutiny required	<p>Following completion of the three year programme of service reviews the council is in the process of developing proposals for a service prioritisation process but it is currently on hold.</p> <p>The service prioritisation process is critical to ensuring the council's resources are aligned to and support delivery of the SOA. It is proposed that as the SOA delivery plans are developed over the next six months then the framework, criteria and guidance for the service prioritisation process are reviewed and developed with involvement of elected members through members' seminars.</p> <p>The 2012/13 Annual Efficiency Statement recorded a total cash efficiency of £6.077 million which was in excess of the targeted efficiencies expected by the Scottish Government.</p> <p>Both Significant Trading Operations, roads and lighting and catering and cleaning achieved their statutory objective to break even over a three year period.</p>	No specific scrutiny activity although Audit Scotland will monitor the council's progress with its service prioritisation process.
<p><b>Equalities</b></p> <p>Whether the council is providing effective leadership of equalities and is meeting its statutory obligations.</p>	No scrutiny required	In April 2011, the Equality Act 2010 introduced a new public sector 'General Duty' which encourages equality to be mainstreamed into public bodies' core work so that it is not a marginal activity but part and parcel of how public bodies operate. One of the key requirements of the legislation is for public bodies to publish a set of equality outcomes (and reporting requirements) no later than 30	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		<p>April 2013.</p> <p>The council's equality outcomes and mainstreaming report was developed in consultation with community planning and other public sector partners. The report sets out the council's approach to mainstreaming equality. It provides details of their seven quality outcomes (2013-2017) which cover all of the protected characteristics and employment data.</p> <p>The council also has a number of initiatives to embed the equality agenda in its work. These include, for example:</p> <ul style="list-style-type: none"> <li>• a revised equality and diversity policy was approved in December 2012</li> <li>• promoting commitment to equality in the corporate plan</li> <li>• inclusion of "promoting equality" in service planning guidance</li> <li>• reinstatement of the employee equality forum</li> <li>• carrying out equality impact assessments on new policies and functions.</li> </ul> <p>The council is proactive in promoting the equality agenda and is well placed to mainstream equality within everyday work.</p>	

# Service performance

40. The following table provides an assessment of scrutiny risk relating to the performance of the council's main inspected public services (education, social care services and housing) and non-inspected services (eg corporate services, culture and leisure services, environmental services).

Area	Risk assessment	Current position	What we plan to do
<b>Education</b> The quality of local education services and the resulting outcomes (including early years).	No scrutiny required	<p>The quality of education overall in the area continues to be positive and offers good outcomes for most learners. Primary and early years inspections have been positive in the past two years, with some aspects of additional support identified. However self-evaluation is not as consistently strong as it could be and the authority are targeting support in this area at head teacher level to increase understanding within establishments. Education Scotland have offered additional support to primary schools on curriculum design as this was highlighted as an area of potential concern during recent inspections.</p> <p>Argyll and Bute schools have continued to perform well in the Scottish Qualifications Authority (SQA) examinations. Despite decreases in S5, the authority remains above or equal to the national and 'family' averages in most measures. 42% of S4 pupils gained 5+ level 5 passes, the highest result for five years and well above the national average. Also of note is the highest ever performance at Advanced Higher achieved by pupils at S6.</p> <p>During the 2012-13 academic session 83.5% of Education Scotland</p>	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		<p>evaluations were graded as either good or better.</p> <p>Although still positive overall in relation to comparator education authorities, there is variation in secondary school attainment. The council is aware of this and are moving towards increasing support and challenge across head teachers to identify creative solutions and improve consistency.</p> <p>The report by Education Scotland on the validated self-evaluation (VSE) of Argyll and Bute Council was published on 19 February 2013. The report included an assessment of the quality of the Education Service's self-evaluation process. It also summarised the high level strengths of the service as well as the actions planned to ensure continuous improvement. The report identified several high level strengths through the VSE. The report also identified areas for further development but indicated a good capacity for improvement.</p>	
<p><b>Social care services</b> The quality of local social work and care services and the resulting outcomes (including adult care, older peoples services, learning disability services, criminal justice services, mental health services,</p>	No scrutiny required	<p>The pilot joint inspection of services for children and young people in the Argyll and Bute CPP area took place over three weeks in March 2013 and April 2013. The report was published in September 2013. It covered the range of services that had a role in providing services to benefit children, young people and families across the Argyll and Bute CPP area.</p> <p>This was a positive inspection and inspectors identified key strengths in outcomes for children and young people, the positive impact of the services are having on the lives young people, how well services</p>	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
children and families).		<p>provide help and support at an early stage and the leadership of improvement and change. Evaluation against the 8 quality indicators was as follows: 1 very good, 4 good and 3 adequate. A number of areas for development have been identified and the inspection team were positive about the capacity to deliver the necessary improvements. The Care Inspectorate will monitor the implementation of the partnership improvement action plan.</p> <p>Argyll and Bute Council is showing a gradual improvement in the level of care at home provision to people in the area, although this remains below the average for Scotland. Over the last year the council has commissioned most of its home care services from external providers in the voluntary and private sectors.</p> <p>Overall progress with strategic commissioning in Argyll and Bute has been significantly delayed over the last year due to the changes in political leadership and unless progressed as a priority this will impact on taking forward planned reshaping of services. Officers had completed a range of actions to help inform decisions about the strategic commissioning of adult care services but an approach to strategic commissioning has still to be agreed although this work has now moved on significantly and a draft joint commissioning plan is shortly to commence a programme of public consultation in relation to strategic commissioning of adult care services. Although there have been delays in progressing strategic commissioning which may impact on releasing resources to change services the strategy is now ready for consultation.</p> <p>Continued high performance exists in provision of free personal care</p>	



Area	Risk assessment	Current position	What we plan to do
		<p>at home. There is also continued improvement in performance in the provision of home care services both in total number and flexibility during weekends and evenings.</p> <p>There has been a continued movement towards care at home for older people as an alternative to residential care. Those service users who are admitted to care homes are increasingly high dependency with much shorter length of stay. There are zero older persons awaiting free personal care within their homes for over 4 weeks.</p> <p>Delayed discharge performance continues to be excellent with the council achieving nationally recognised levels of performance.</p> <p>The conditions of service for day services staff have been re-negotiated in order to respond to greater expectation of flexible community based services and prepare for the implementation of self directed support in April 2014.</p> <p>The development of Telecare services continues to assist vulnerable people live at home when combined with other care services. The Telecare service is both cost effective and consistent with people's wishes to be cared for at home.</p> <p>Self Directed Support, due for implementation by April 2014, will present major challenges to how the council provides and commissions services for all social work clients. The emphasis is the empowerment of service users to have much greater control of the design of their service and who provides it. The council recognises this as a challenge and is developing plans to support the changes required.</p>	

Area	Risk assessment	Current position	What we plan to do
<p><b>Housing and homelessness</b></p> <p>The quality of housing and homeless services and the resulting outcomes.</p>	No scrutiny required	<p>The SHR carried out an inspection of the council's homelessness service in 2010 and the council submitted a progress update in 2012.</p> <p>The number of homeless applications reduced by 23.5% between 2011/12 and 2012/13. The national figures recently published by the Scottish Government show an overall reduction of 11% for the year up to June 2013.</p> <p>The latest available figures for 2012/13 show continued improvement and the council compares favourably against the national averages for its homelessness service. Improvements have been made in repeat applications numbers, the number of homeless people that the council has lost contact with and speed of assessment.</p> <p>There were no reported breaches of the unsuitable accommodation order. The council has also made good progress in its aim to further reduce its use of B&amp;B accommodation.</p>	No specific scrutiny activity
<p><b>Non-regulated services</b></p> <p>Particular strengths and challenges in the range of non-regulated services provided by the council, and any significant changes to performance.</p>	No scrutiny required	<p><b>Leisure Services:</b></p> <ul style="list-style-type: none"> <li>There is a mixed picture with good attendances at swimming pools but poor attendances at libraries and other indoor sports and leisure facilities.</li> </ul> <p><b>Waste Management</b></p> <ul style="list-style-type: none"> <li>The net cost of refuse collection and disposal has fallen over the 3 years. However, the council are above the Scottish average and ranked 28 and 29 out of 32 councils based on SPI Data. This reflects the remote, rural and island nature of</li> </ul>	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		<p>the council's area where population dispersion is recognised as a key factor in driving costs.</p> <ul style="list-style-type: none"> <li>The percentage of household waste that is recycled has increased over the last two years however the council's performance ranks it 26th out of Scotland's 32 councils.</li> <li>The council intends to introduce increased recycling provision including alternate weekly collections in various parts of its PPP area during 2014/15 which will help reduce collection costs and increase recycling rates</li> </ul> <p><b>Road Maintenance Services</b></p> <ul style="list-style-type: none"> <li>The council has made significant investment in improving the road network over the last few years and this has resulted in fall in the percentage of roads that should be considered for maintenance last year. The targeted investment means the council no longer has the highest proportion of A class roads requiring maintenance. For Class B and C roads, the council is the highest in Scotland (Solace Data). The annual status and options report submitted to council in October 2013 details improvements to the road network, supports the current strategy and confirms current funding will see a year on year improvement in the road network.</li> </ul> <p><b>Protective Services</b></p> <ul style="list-style-type: none"> <li>The average time to deal with all major planning applications is 13.6 weeks compared to the Scottish average of 12.8 weeks (SPI Data) The council had above average</li> </ul>	

Area	Risk assessment	Current position	What we plan to do
		<p>performance in 9 of the last 10 years based on the previous measure of % planning applications processed within specific timescales. The lower level of performance on the new measure reflects targeting of legacy applications during 2012-13 and the first part of 2013-14. Performance to date in 2013-14 has seen the average time reduce to 12.2 weeks.</p> <ul style="list-style-type: none"> <li>• The average time to attend a complaint has increased dramatically over the 3 year period (10/11 – 10.7 hours, 11/12 – 10.5 hours, 12/13 – 122.9 hours) and the council is in the worst performing quartile (Rank 29) (SPI Data).</li> <li>• The percentage of consumer complaints for trading standards that are dealt within 14 days has fallen slightly over the 3 years; however this is slightly above (84.2%) the Scottish average (80.1%) (SPI Data).</li> <li>• The percentage of business advice requests dealt within 14 days has improved significantly over the 3 year period despite the number of business complaints received in the same period increasing by 50%. This demonstrates improved performance although the council remains below the Scottish average by a considerable margin (SPI Data).</li> </ul>	

# Improving and transforming public services/public performance reporting

41. The following table provides an assessment of scrutiny risk relating to how the council is improving and/or transforming public services, and the extent to which it is meeting its public performance reporting obligations under the Local Government in Scotland Act 2003.

Area	Risk assessment	Current position	What we plan to do
<p><b>Improving and transforming public services</b></p> <p>The council's arrangements for continuing to deliver services with reducing resources and growing demand, and what impact this is having on service outcomes.</p>	No scrutiny required	<p>The Planning and Performance Management Framework (PPMF) remains a core component of the improvement process for the council, helping to monitor delivery of the Corporate Improvement Plan.</p> <p>The council uses a performance management software system (Pyramid) to record performance information and generate performance scorecards.</p> <p>Quarterly performance reports including council and departmental scorecards are presented to the PRS Committee. The reports outline performance during the period including a review of successes, key challenges and improvement actions for the coming period. Service annual performance reviews for all 12 services are also presented to this committee. These include key successes, key challenges and key improvement actions to address the challenges. An annual report is also produced as part of the public performance reporting strategy.</p> <p>In August 2012, the council developed an updated Corporate Improvement Plan to take forward corporate improvement, deliver the annual requirement for efficiency savings and support continuous</p>	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		<p>improvement. It was considered by the council in November 2012. The plan includes 12 projects (including Productivity &amp; Service Improvement, workforce planning and Health and Social Care Integration) which are intended to make a significant contribution to the public sector reform agenda. The Strategic Management Team is responsible for overseeing the successful delivery of the plan. Update reports are submitted by the board to the PRS Committee. The update report submitted to the PRSC meeting of 21 November 2013 records that the Corporate Improvement Plan is broadly on track with 8 of the 12 projects having a green status and 4 having amber status.</p> <p>As noted above the council is in the process of developing proposals for a service prioritisation process</p>	
<p><b>Public performance reporting (PPR)</b></p> <p>The progress that is being made by councils in meeting their PPR obligations.</p>	<p>No scrutiny required</p>	<p>The council uses a performance management software system (Pyramid) to record performance information and generate performance scorecards.</p> <p>Quarterly performance reports, annual service performance reviews and annual reports are available on the council website.</p> <p>At the September council meeting the chief executive instructed a review of the council's Public Performance Reporting.</p>	<p>No specific scrutiny activity</p>

# Appendix 1: Scrutiny plan

ARGYLL AND BUTE COUNCIL 2014/15												
Scrutiny activity year 1	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Audit Scotland - statutory report follow-up work	X											
Audit Scotland - housing benefit risk assessment	X											
Education Scotland - review of Careers Information Advice and Guidance	X											
<b>National or supported self-evaluation work year 1</b>												
Audit Scotland - follow-up of Audit Scotland national report, <i>Arm's-length external organisations (ALEOs): are you getting it right?</i>		X										
Audit Scotland - follow-up of Audit Scotland national report, <i>Major capital investment in councils</i>			X									

ARGYLL AND BUTE COUNCIL 2015/16												
Scrutiny activity year 2	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar

ARGYLL AND BUTE COUNCIL 2015/16												
<b>National or supported self-evaluation work year 2</b>												
Planned national scrutiny work is described at paragraph 21. Whether and/or when this includes Argyll and Bute Council has yet to be determined.												

ARGYLL AND BUTE COUNCIL 2016/17	
Indicative scrutiny activity for third year	Potential scrutiny bodies involved
Planned national scrutiny work is described at paragraph 21. Whether and/or when this includes Argyll and Bute Council has yet to be determined.	

**Note:** The focus of the AIP is strategic scrutiny activity - that is, scrutiny activity which is focused at a corporate or whole-service level. However, there will also be baseline scrutiny activity ongoing at a unit 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. 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 their responsibilities under the Public Services Reform (Scotland) Act 2010.