Falkirk Council

Assurance and Improvement Plan

2014–17

Contents

Introduction

1. This Assurance and Improvement Plan (AIP) sets out the planned scrutiny activity in Falkirk 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 Falkirk Council since the introduction of the shared risk assessment process.[1] 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, Audit Scotland

    *   evidence gathered from Audit Scotland, Education Scotland, the Care Inspectorate, 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.[2]

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.[3] 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.

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[1] 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

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

[3] 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.

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4. Scrutiny risk is assessed against the following criteria:

- 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 the scrutiny risks in a particular area.

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. The council and its community planning partners have revised the SOA for the area to reflect the six policy priorities contained in the guidance on Community Planning Partnerships (CPPs) issued by COSLA and the Scottish Government in 2012. Falkirk Council, in agreement with partners, has been selected as one of five sites for the second round of CPP audits conducted by Audit Scotland. This audit is ongoing and Audit Scotland will report its findings in June 2014.

7. The 2013-16 AIP identified risk management arrangements as an area where scrutiny was required. Since then the council has taken positive steps to improve its risk management arrangements, including the appointment of a corporate risk manager, the introduction of a revised risk policy and framework, and training across services. Management recognise that there are still further improvements to be made. The LAN is satisfied that the council has made sufficient progress in this area and has concluded that no further scrutiny is required at this stage. Audit Scotland will continue to monitor developments in this area through the 2013/14 annual audit process.

8. The 2013-16 AIP assessed a number of corporate areas as 'further information required'. This included performance management and challenge and improvement and the financial position (including rent arrears). In terms of performance management, the LAN agreed in the 2013-16 AIP to defer any best value scrutiny work to allow the council to implement planned improvements. Audit Scotland has noted a number of developments in this area, including the introduction of a peer scrutiny review process and the establishment of a performance panel to promote challenge and improvement across the council. The council's Public Sector Improvement Framework programme now covers all services over the period 2013 -2015. However, these developments are still in their very early stages and the LAN has concluded that scrutiny is required (see page 24 'improving and transforming public services') to ensure that all aspects of performance management and scrutiny are well progressed and working effectively in the coming year.

9. In respect of the council's financial position, the LAN noted that:

- The council's general fund balance increased by £5.194 million in 2012/13. This represented an underspend of £11.216 million against budget. This is in contrast to the 2011/12 financial position when the council reported a decrease in the general fund balance of £4.482 million, which was £3.258 million more than planned. Finance officers are now reviewing the base budget to ensure that it is aligned with future spending requirements.

- Audit Scotland carried out a targeted follow-up audit of their national report *Scotland's Public Finances: Addressing the challenges*. The report noted that progress had been made in strengthening the links between the budget and the council's corporate plan. It also highlighted that members regularly scrutinised the council's financial position through budget monitoring reports and reserve strategy updates. A number of improvements were

also identified and an action plan was agreed with management. Progress against this action plan will be monitored as part of the 2013/14 annual audit process.

10. On this basis, the LAN has now concluded that no specific scrutiny is required in this area. Audit Scotland will continue to review the financial position of the council as part of the 2013/14 annual audit process.

11. The Scottish Housing Regulator (SHR) published its report on the council's improvement progress in 2011. In response, the council put in place an Improvement Action Plan to address the areas of weakness identified. A review of the council's latest progress report (June 2013), and its 2012/13 performance indicators for housing and homelessness services, show improvements being recorded in most areas. However, this data also shows that the council's performance in relation to average time to re-let low demand houses and tenancy sustainment has deteriorated.

12. The LAN has assessed education, social care services and non-regulated services as 'no scrutiny required'. However, a number of concerns have been raised for aspects of the council's housing service as outlined above, resulting in a 'further information required' assessment. In addition, the LAN has raised concerns about the time being taken to fill the post of director of education on a permanent basis. The post has been vacant since September 2013 with no indication so far of a timescale for resolving this, although two senior education officers are covering the post on an interim basis. Management also indicated that as part of the public service reforms agenda they would be looking at how best to fill the post in future.

13. By April 2014, both the council and NHS Forth Valley had agreed a preferred 'Body Corporate' model of health and social care integration. Under this new arrangement, Falkirk Council and NHS Forth Valley will delegate accountability for the delivery of agreed health and social care services to a new Integrated Joint Board, which will have equal representation from both organisations. The LAN has assessed this as an area where more information is required and will continue to monitor developments in health and social care integration ahead of implementation from 1 April 2015.

14. 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.

15. In this year's shared risk assessment the LAN has concluded that scrutiny is required in the area of governance and accountability (see page 13 'governance and accountability'). Audit Scotland's annual audit report 2012/13 noted that new decision-making structures were approved by the council in 2012/13 with the first meetings taking place in May 2013. These new arrangements have only recently been implemented and not all members are participating in every aspect of the new decision-making structures. This could undermine

local governance and scrutiny arrangements. The LAN has agreed that scrutiny is required, potentially in the form of targeted best value audit work to establish the effectiveness of the new arrangements.

16. The scope and timing of this work will take cognisance of the council's plan to carry out a post implementation review of the new structure by the summer.

Planned scrutiny activity

17. Audit Scotland will be carrying out targeted Best Value audit work in two areas:

- governance and accountability, specifically the effectiveness of the council's new scrutiny arrangements (see page 13)

- improving and transforming public services, specifically how the performance management arrangements support scrutiny of the council's performance (see page 24).

18. A self-assessment is to be issued to the council in June 2014 as a follow-up to the inspection carried out in 2011 by the SHR. This will be carried out on a risk based approach, covering only areas of weaker performance highlighted by the council's own Improvements and Evidence Report and 2012/13 Statutory Performance Indicators. However, no on-site scrutiny is proposed.

19. The Care Inspectorate and Healthcare Improvement Scotland also plan to carry out an inspection of services relating to adults aged 65 and over in September/October 2014. This is part of the Care Inspectorate's wider programme of national work and not as a result of the LAN's assessment.

20. During 2014, Audit Scotland will carry out a targeted follow-up of two national performance audits - *Arm's-length external organisations (ALEOs): are you getting it right?* (June 2011) and *Major capital investment in councils* (March 2013).

21. There is some non-risked 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 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 be working in partnership with councils to carry out self-evaluation of education psychology services over a two year period beginning in 2014/15.

- Education Scotland will be reviewing the quality of Careers Information Advice and Guidance services delivered by Skills Development Scotland across all council areas over the next three years.

- 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.

22. Scheduled audit and inspection work will take place through the annual audit process. The ongoing inspection of school and care establishments by Education Scotland and the Care Inspectorate respectively will continue as planned. Individual audit and inspection agencies will continue to monitor developments in key areas of council activity and will provide support and challenge as appropriate. This will help to inform future assessment of scrutiny risk.

23. 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.

24. A timetable for the planned audit and inspection activity in Falkirk Council between April 2014 and March 2017 is at Appendix 1.

Local priorities and public service reform

25. 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

26. The council and its community planning partners have revised the SOA for the area to reflect the joint Statement of Ambition and guidance on Community Planning Partnerships (CPPs) issued by COSLA and the Scottish Government in 2012. The revised SOA is structured around six key priorities. These are to:

- Focus our key activity on tackling the most significant inequalities in our area and providing everyone with hope and opportunity.

- Take action where appropriate that cross organisational and structural boundaries in order to recognise that many of the challenges and inequalities we face are inter-connected.

- Pursue a preventative and early intervention approach which we know will be more effective at tackling the root causes of inequality.

- Ensure that we deploy our collective effort and resources in securing local outcomes.

- Be both transparent and accountable to local people and communities, giving them a say and a meaningful role and contribution in realising our vision.

- Be both innovative and creative in the solutions we develop and the way in which we change services to meet the demands of the modern world.

27. The community planning partners' SOA was reviewed and approved by an independent quality assurance team who praised the CPP for establishing a good sense of place on which to base their key strategic outcomes. The review also highlighted areas for further improvement. This included a better understanding of resources available to the CPP and how

these are directed to priority areas, and a greater focus on early intervention and prevention through the partnership.

28. Falkirk Council, in agreement with partners, has been selected as one of five sites for the second round of CPP audits conducted by Audit Scotland. The other CPP sites are Moray, West Lothian, Orkney and Glasgow. The audit will consider the CPP's recent performance and planned developments, focusing on four main areas:

- Vision and strategic direction
- Governance and accountability
- Collaboration
- Performance, impact and outcomes.

29. Audit Scotland will publish its findings in June 2014. These will be considered by the LAN in due course and will help inform discussions on future scrutiny activity. The LAN has assessed this area as 'no scrutiny required'.

Police and fire

30. Falkirk Council has delegated scrutiny of the performance of Police Scotland and the Scottish Fire and Rescue Services in respect of their local policy and fire plans to the Scrutiny Committee. The Scrutiny Committee has agreed a timetable for scrutinising performance reports from Police Scotland and the Scottish Fire and Rescue Service. It was agreed that each service would report performance information on a quarterly basis with meetings scheduled for 8 August 2013, 14 November 2013 and 13 February 2014. Additionally, induction packs were prepared for members in order to assist in the scrutiny process. The reports presented to the committee are comprehensive and provide contextual information on police performance. On this basis, the LAN has assessed this area as 'no scrutiny required'.

31. It is essential that elected members have the skills and expertise to provide effective challenge to local police and fire services. It is important that the council makes use of the non-statutory national guidance issued by the Scottish Government to ensure that members have the knowledge and understanding to challenge the performance of their local police and fire services effectively.[4] This position is complicated by the current situation where not all members are participating in the new decision-making structures (including scrutiny committee meetings). This poses a risk to the effectiveness of the council's new governance arrangements.

32. HMICS conducted a thematic inspection of the new arrangements for local scrutiny in 2013 and believes that the new arrangements for local scrutiny and engagement require more time to bed in and that it is therefore too early to assess the effectiveness of these arrangements.

33. In relation to the wider issue of the delivery of community safety, HMICS has seen no significant changes to partnership arrangements since the creation of a single police service

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[4] *A Collaborative Statement of Good Scrutiny and Engagement,* Scottish Government, 2013. The latest iteration is due in 2014.

model for Scotland. HMICS is considering community safety as a possible area of focus within its 2014-17 work plan.

34. 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.

35. 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

36. 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. For example, 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.

37. There is clear evidence of NHS Forth Valley and Falkirk Council working at a strategic and operational level to integrate services, with regular, high level discussions between the chief officers of both the NHS Board and the council through the Joint Executive Group. Falkirk Council agreed a preferred 'Body Corporate' model of health and social care integration in March. That model was also approved by NHS Forth Valley Board in April. Under these proposed new arrangements, Falkirk Council and NHS Forth Valley will delegate accountability for the delivery of agreed health and social care services to a new Integrated Joint Board, which will have equal representation from both organisations. The Board will also appoint a Chief Officer who will report directly and jointly to the Chief Executives of Falkirk Council and NHS Forth Valley

38. Work is ongoing to develop and agree an Integration Scheme which will set out the range of services and resources which will be delegated to the new Falkirk Health and Social Care Partnership. It will also describe the key national and local outcomes and priorities for the Partnership and outline how and when these will be achieved. Further work is also required to establish the budgets for all services within scope and to establish frameworks for financial control and monitoring.

39. The LAN has assessed health and social care integration as 'further information required' due to the early stage of development. LAN members will review the council's progress in this area

as part of their ongoing discussions with the council. Audit Scotland will report an update in the 2013/14 annual audit report.

Welfare reform

40. The council is well prepared for the introduction of welfare reform. Its website has a section dedicated to welfare reform where people can access information on the main changes arising from welfare reform. The information available is comprehensive and includes details of where to seek help and advice. Hardcopy information (leaflets, pamphlets, etc.) are widely circulated in the Falkirk area. In addition, helplines are available for anyone seeking further information.

41. Elected members receive regular updates on welfare reform and its impact locally so that they are well aware of the issues facing their local constituents. The council seeks to address the impact of these through education (prevention), intervention (support) and recovery actions (sanctions). The Community Planning Leadership Board also receives regular reports updating its members on welfare reform. In general, the council has been proactive in its planning for welfare reform and its likely impact on citizens.

42. A Welfare Reform Governance Group has been established to coordinate and take forward the council's approach to welfare reform. This working group has representatives from all relevant council services. Four work streams have also been established to provide support to the group. Their work includes empowering citizens to manage with less, providing better support to customers affected by welfare reform, sustaining tenancies and reducing arrears.

43. Within the corporate plan 2012-17, a priority outcome is to 'address issues of poverty and inequality in line with the council's poverty strategy'. A key element of the strategy is to 'seek to address issues raised by welfare reform and support local communities, citizens and staff through these significant changes'. In the longer term the council has identified welfare reform as an area where it must ensure robust delivery plans and have milestones in place, and give added attention to achieving required outcomes.

44. The Council Service Performance Plans for 2012/13 to 2016 set out the priorities for each service area. The Corporate and Neighbourhood Services Plan looks to promote equality and equity of access in all services, in particular, addressing the impact of welfare reform. Corporate and Neighbourhood Services plays a leading role within the council to mitigate the impacts of welfare reform through, for example, supporting local Citizen's Advice Bureaux and Credit Unions to ensure that local people are prepared to meet the new needs associated with reform. This service is also leading the long-term transformation process so services continue to meet the needs of vulnerable local people. Furthermore, all heads of service are charged with monitoring and preparing services for the ongoing impact of welfare reform.

45. 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.

46. The LAN has assessed this area as 'no scrutiny required'.

Corporate assessment

47. 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).[5]

Area	Risk assessment	Current position	What we plan to do
Leadership and direction 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.	No scrutiny required	The council's Corporate Plan 2012-17 clearly sets out the council's vision and outlines its planned contribution to achieving local outcomes. The plan also sets out goals for the local area and the outcomes necessary to achieve these goals. This is supported by service performance plans where objectives are linked to corporate goals and objectives. A CPP audit is currently underway within the council but findings are not due to be reported formally until June 2014. These will be considered by the LAN and will inform any decisions about future scrutiny activity.	No specific scrutiny activity
Governance and accountability Whether governance arrangements are working effectively and whether good	Scrutiny required	The council introduced a new decision-making structure in May 2013. As reported in Audit Scotland's 2012/13 Annual Audit Report, the Annual Governance Statement recognises that there will inevitably be a period of adjustment while the council's new decision-making structures bed in. However, not all members are participating in the new structure. This is evidenced by non-attendance of some members at the executive and scrutiny	Targeted Best Value work on the effectiveness of the decision making and scrutiny arrangements

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[5] The Local Government in Scotland Act 2003. Best Value Guidance, Scottish Executive, 2004.

Area	Risk assessment	Current position	What we plan to do
governance underpins council decisions and supports performance improvement.		committee meetings and scrutiny and policy development panels. This poses a significant risk to the effectiveness of the council's new governance arrangements.	
Community engagement and empowerment 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.	No scrutiny required	The council's website has a section entitled 'Respond to a consultation' which provides details of how to provide feedback on council services and on the communities where people live. The council also operates a Citizens Panel with more than 1,500 people volunteering to complete three to four surveys each year. Additionally, customer satisfaction surveys are carried out and monitored to assess levels of satisfaction with services provided by the council and whether these are improving or deteriorating. The council also produces Citizens Panel feedback reports that provide updates on consultation. The council also recently held a conference for residents entitled 'Your Community, Your Place'. The LAN is satisfied that this is not an area of particular risk.	No specific scrutiny activity
Financial management How effectively the council is planning and managing its budgets.	No scrutiny required	The general fund reported a net surplus for 2012/13 of £5.194 million, increasing the general fund balance to £37.428 million as at 31 March 2013. This represented an underspend of £11.216 million against budget. The general fund balance is made up of earmarked commitments of £23.311 million leaving an unallocated general fund balance of £14.117 million, which exceeds the council's stated reserves strategy to retain uncommitted reserves of between £7 million and £10 million. This is in contrast to the 2011/12 financial position where the	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		council reported a decrease in the general fund balance of £4.482 million, which was £3.258 million more than planned. In addition, the council reported cash efficiency savings of £4.011 million in 2012/13 against a target of £3.515 million.	
		Going forward, finance officers are now reviewing the base budget to ensure that it is aligned with future spending requirements. In July 2013, Audit Scotland published *Scotland's Public Finances: addressing the challenges: a targeted follow-up report,* which highlighted a number of good practices including the ongoing work to strengthen the link between the budget and the council's corporate plan and the council's participation in the SOLACE benchmarking project. Also, members regularly scrutinise the council's financial position through budget monitoring reports and reserve strategy updates. Additionally, Audit Scotland identified a number of areas of challenge and improvement for the council.	
		On this basis the LAN is satisfied that no scrutiny is required and that this area is no longer categorised as 'further information required'. The financial position of the council is an area that is subject to close monitoring as part of the normal audit process.	
People management The effectiveness of the council's workforce planning and management arrangements.	No scrutiny required	Data from the Audit Scotland report *Managing Early Departures in the Scottish Public Sector* shows that Falkirk Council has reduced the workforce in recent years through a series of initiatives, such as: • Changes to employee terms and conditions. • Re-graded posts.	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		• Reducing use of overtime. • Reducing use of agency/temporary workers. • Various early release schemes. An Audit Scotland national report on *Scotland's public sector workforce* was published in November 2013 and, as part of normal audit work, Audit Scotland will monitor the arrangements in place for reviewing and discussing national reports and their impact locally.	
Asset management The council's arrangements for managing assets and how this key resource is used to support effective service delivery.	No scrutiny required	The Property Asset Management Plan supports the Corporate Asset Management Strategy and is coordinated by the Corporate Asset Management Working Group. It is also supported by the Asset Management Unit. A close working relationship exists between the council's Corporate Asset Management Working Group and the Capital Planning and Review Officer Working Group. This is to support the integration of asset management planning and investment decision making. This includes cross representation in both groups by relevant officers. The Statutory Performance Indicator (SPI) data shows that the proportion of internal floor area of operational buildings in satisfactory condition improved in the latest results (2012/13) from 82 per cent to 84.4 per cent, and that the proportion of operational buildings that are suitable for their current use is also improving in the latest results with 87.7 per cent compared to 81.6 per cent in 2011/12.	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
Procurement How effectively corporate procurement contributes to the council maximising value for money in the goods and services it uses to deliver its services.	No scrutiny required	The council's procurement capability assessment (PCA) scores have shown a steady increase over the last few years as illustrated below: • 2010 - 29 per cent • 2011 - 34 per cent • 2012 - 56 per cent • 2013 - 60 per cent The council's overall performance is categorised as 'improved performance' and is one of the better performing councils in Scotland. In four categories of the PCA assessment, the council is nearing 'superior performance' (ie procurement leadership and governance; procurement strategy objectives; people procurement commodity; and project strategy and collaborative procurement). The council's procurement team were also selected as the 'Team of the Year' at the National GO Procurement Awards.	No specific scrutiny activity
Risk management 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	No scrutiny required	Risk management arrangements were highlighted as an area for improvement in the 2013-16 AIP. Audit Scotland has noted that the council has taken positive steps towards developing corporate risk management arrangements. At the Audit Committee meeting of 23 September 2013 members were advised that good progress has been made in implementing the risk management workplan and that risk training was being provided to both members and officers. The Committee also considered a revised risk policy and framework of operations which	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
public services.		was subsequently agreed by the Executive. A Corporate Risk Register is in place and risk registers are also included within each service performance plan for the period 2013-15. While there has been an improvement in risk management procedures, it is still too early to make a judgement on their effectiveness. Risk management arrangements are subject to regular monitoring by external audit to assess progress being made in implementing improvements.	
Information management The effectiveness of the council's arrangements for managing information as a key resource in delivering services.	No scrutiny required	An ICT service review was carried out by Audit Scotland as part of the 2012/13 audit process. A number of good practices were reported but some areas where the council is exposed to a degree of risk were also identified. An ICT review follow-up is planned for 2013/14 to gauge progress made by the council in implementing agreed improvement actions. This is due to be reported in July 2014. The council received Public Services Network (PSN) certification in November 2013 based on revised security arrangements. There are a number of areas where the council still needs to install permanent solutions. Our ICT auditor will continue to monitor the council's progress in this area.	No specific scrutiny activity
Joint working Progress with any significant shared services initiatives, in particular in relation to	No scrutiny required	The council are involved in a CPP which is currently the subject of an audit by Audit Scotland. There are a number of other joint working initiatives in place involving Falkirk such as the Forth Valley Geographical Information System, Falkirk's Children's Commission, and a joint procurement arrangement for CCTV involving Falkirk,	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
governance or pace of implementation.		Stirling and Clackmannanshire councils, as well as Police Scotland. A commentary on joint working progress will be included within Audit Scotland's 2013/14 Annual Audit Report. This is also the mechanism for raising any concerns.	
Efficiency How effectively the council is improving its efficiency in response to the budget challenges being faced.	No scrutiny required	The council has adopted a system of self-assessment (Public Sector Improvement Framework - PSIF) in order to ensure that it continues to identify areas for efficiency and improvement. The council has a programme to cover all areas of service over the period 2013 to 2015. The council, in completing its efficiency statement to COSLA, reported: - Total cash efficiency savings of £4.011 million in 2012/13. Savings of £1.724 million have also been reported for procurement activity and £0.466 million for improved asset management. - A considerable amount of work has been undertaken by continuing to review procurement processes. - Residential care is now retained within the council as opposed to private sector placements. - The council has successfully recovered a higher than budgeted value of Council Tax but with no change to staffing levels.	No specific scrutiny activity
Equalities Whether the council is providing effective	No scrutiny required	The council's equality outcomes and mainstreaming report entitled "Ane for A" was developed in consultation with community planning and other public sector partners. The report outlines action being	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
leadership of equalities and is meeting its statutory obligations.		taken or planned by the council to mainstream equality into everyday working. It also provides information and analysis on equality outcomes as well as information on the gender pay gap. There are also good links to the corporate plan which has equality issues embedded within it. Equality is also embedded within service plans. These set out legislative sensibilities and what actions are being taken (or planned) to meet these responsibilities. Additionally training is provided to staff to raise their awareness of the equalities agenda. Furthermore, staff can access various guidance and reference material (eg cultural awareness handbook) to enhance their knowledge and understanding of equality issues.	

Service performance

48. 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
Education The quality of local education services and the resulting outcomes (including early years).	No scrutiny required	Falkirk Council has improved its performance across almost all performance measures over the period 2008 to 2013. Attainment at Scottish Credit and Qualifications Framework (SCQF) level three is better than national and comparator averages. 2013 pre-appeal data on performance in SQA examinations shows a slight dip in some aspects of performance. However, data over the five year period presents a strongly improving trend. Implementation of Curriculum for Excellence (CfE) is supported by an effective curriculum development team which make effective use of ICT to disseminate examples and promote discussion of effective and innovative teaching and learning. The council is providing effective support for the implementation of CfE. The post of director of education is currently filled on a temporary basis through two heads of service sharing the additional responsibilities, pending council decisions on revised organisational structures. Further temporary arrangements have been put in place at head of service level. Further detailed information is required on restructuring plans and how educational leadership will be sustained in	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		the longer term. The post has been vacant since September 2013 with no indication so far of a timescale for resolving this. This will be monitored through the Education Scotland Area Lead Officer.	
Social care services The quality of local social work and care services and the resulting outcomes (including adult care, older people's services, learning disability services, criminal justice services, mental health services, children and families).	No scrutiny required	Follow-up evidence to the 2012 Care Inspectorate scrutiny report reflects improvement in a number of areas. The latest figures supplied by Falkirk indicate that they meet or exceed targets across the service with the exception of social background reports in relation to delayed discharges and sickness/absence days lost. Falkirk's national statistics are generally close to the national average. Overall, Falkirk are progressing slowly with service redesign and are reviewing their care home provision. The LAN, however, agree that there are no significant risks and no scrutiny is required at this point in time. Specific concern had been raised around the building maintenance of two care homes in the Falkirk area following some work carried out by the Care Inspectorate. However, assurance has been provided by the director of social work that the council are committed to responding to the problems that the Care Inspectorate have identified.	Adult (aged 65 and over) services inspection to be carried out in September/October 2014.
Housing and homelessness The quality of housing and homeless services and the resulting outcomes.	Further information required	Following SHR's targeted on-site scrutiny it published its report on improvement progress in October 2011. The report acknowledged improvements in the council's self-awareness and highlighted progress. However, the report also identified a number of weaknesses, many of which related to its homelessness service and some of which were significant.	A self-assessment is to be issued to the council in June 2014 which will focus on weaker performance highlighted by the council's own

Area	Risk assessment	Current position	What we plan to do
		In response to the Regulator's report, in July 2012, following extensive consultation with service users, the council put in place an Improvement Action Plan to address the areas of weakness identified. Regular reports are being provided to elected members, updating them of progress. The council's 2012/13 performance indicators for its housing and homelessness services show improvements being recorded in most areas. However, this data also shows the council's performance around average time to re-let low demand houses and tenancy sustainment has deteriorated. It is also evident that while the rent arrears position has improved slightly, it remains above the national average. In response, the council has recently put in place a Rent Arrears Improvement Plan (January 2014).	Improvements and Evidence Report and 2012/13 SPIs. However, no on-site scrutiny is proposed.
Non-regulated services Particular strengths and challenges in the range of non-regulated services provided by the council, and any significant changes to performance.	No scrutiny required	Service performance was assessed using SPI data covering the period 2010/11 to 2012/13. In addition, the latest available SOLACE data covering the period 2010/11 to 2011/12 was considered. Falkirk shows strength across a number of performance indicators with some specific areas for improvement. However, these were not significant enough to detract from overall service performance. Overall, the LAN does not consider this an area of scrutiny risk.	No specific scrutiny activity

Improving and transforming public services/public performance reporting

49. 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
Improving and transforming public services The council's arrangements for continuing to deliver services with reducing resources and growing demand, and what impact this is having on service outcomes.	Scrutiny required	Following the 2013-16 AIP, Audit Scotland has had regular meetings with the head of policy, technology and improvement to keep abreast of ongoing improvements. There have been a number of general developments in the area of performance management, however the improvements are in the very early stages of development and the challenge for the council is to ensure that the new arrangements are effective in practice. The first meeting of the recently set up Performance Panel took place in late November 2013. It replaced the Best Value Forum which last met in April 2013. In the intervening period there has been no scrutiny of service performance by members. The Performance Panel focused on scrutinising the 2012 annual performance report for each service. This meeting was well attended and demonstrated a high level of scrutiny. The LAN's view is that some performance targets still need to be reviewed to ensure that they are specific and challenging in the interest of promoting continuous improvement.	Targeted Best Value work on how the performance management arrangements support scrutiny of the council's performance

Area	Risk assessment	Current position	What we plan to do
Public performance reporting (PPR) The progress that is being made by councils in meeting their PPR obligations.	No scrutiny required	The council's website includes a 'Performance Zone' which contains performance information such as SPIs, as well as service specific performance information. This is kept up to date and is made readily available to the public through the council's website. From 2013/14, the suite of SPIs will be reduced and only SPI 1 (covering corporate management) and SPI 2 (covering service performance) will be required by the council for public performance reporting. The assessment of Falkirk's arrangements for meeting reporting requirements for these two SPIs was mixed, however only one area of 18 was not being met, with seven fully being met and ten partially being met. Public performance reporting is subject to annual audit review as part of the audit process.	No specific scrutiny activity

Appendix 1: Scrutiny plan

FALKIRK COUNCIL	2014/15											
Scrutiny activity year 1	**Apr**	**May**	**June**	**July**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**
Audit Scotland - targeted Best Value - performance management, and governance and accountability						x	x					
Care Inspectorate - adult (aged 65 and over) services inspection						x	x					
National or supported self-evaluation work year 1												
Scottish Housing Regulator - improvement plan follow-up self assessment			x									
Audit Scotland - follow-up of Audit Scotland national report *Arm's-length external organisations (ALEOs): are you getting it right?*		x										
Audit Scotland - follow-up of Audit Scotland national report *Major capital investment in councils*			x									

FALKIRK COUNCIL	2015/16											
Scrutiny activity year 2	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
National or supported self-evaluation work year 2												

FALKIRK COUNCIL	2016/17
Indicative scrutiny activity for third year	**Potential scrutiny bodies involved**

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 with their responsibilities under the Public Services Reform (Scotland) Act 2010.