

North Ayrshire 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 North Ayrshire 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 North Ayrshire 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
 - 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.

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.

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 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. The conclusion of this years shared risk assessment is that there are currently no scrutiny risks identified which require specific scrutiny by the LAN this year. This is the same position as in the previous year. Scrutiny activity undertaken in the last 12 months was either at the request of the council or part of national activity, as no specific areas of risk were identified in the previous AIP. A number of reports have been issued on this work.
7. During 2013, the Care Inspectorate led a pilot Joint Inspection of services for children which looked at: how well the lives of children and young people are improving, how well services are working together to improve the lives of children, young people and families, and the effectiveness of leadership and direction of services for children and young people. Eight quality indicators were evaluated as adequate and above (four very good, three good and one adequate).
8. 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.
9. Following its national thematic inquiry into Housing Options and Prevention of Homelessness, the Scottish Housing Regulator (SHR), assisted by Audit Scotland, carried out a piece of targeted scrutiny on the council's services for the homeless. The results were reported to the council recently. The council's response to these findings will be monitored by the LAN over the coming year. SHR plans to carry out a further piece of focussed scrutiny later in 2014/15 to ensure that improvements have been effective. The exact timing for this work will be discussed with the council.
10. Since the last AIP was published, Education Scotland has completed a validation of the self-evaluation exercise undertaken by the council's Education Services. Education Scotland found the self-evaluation to be robust and comprehensive and concluded that North Ayrshire Education and Skills Department has a very good capacity for continuous improvement.
11. Audit Scotland carried out a follow up to the *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 taken appropriate steps to address the challenging financial climate and the reductions in financing that it faces over the next few years. This is underpinned by the ten year financial strategy for 2013/14 to 2022/23 and by the good quality financial information available when setting the annual budget and identifying medium term saving requirements. Audit Scotland will report on the steps taken by the council to manage its three year funding gap of £16.261 million as part of the annual audit.

12. The council has clear priorities. The Single Outcome Agreement (SOA) key priorities are based around the vision 'North Ayrshire – A Better Life'. This shared vision is about championing and developing the positive aspects of life in North Ayrshire, whilst also working hard to remove poverty and disadvantage in all of its forms. North Ayrshire Community Planning Partnership's (CPP) improvement plan to address the recommendations within the 2012 CPP audit report is on target to achieve most of the improvement actions. Minor slippage has been reported against six of the fifteen actions.
13. Phase one of the council's change programme, which was created to address the substantial demographic and financial pressures recognised by the council, is nearing completion. Key programmes implemented in this phase include the reshaping of social services, improving outcomes for vulnerable children in North Ayrshire, and a centralised transport hub which includes enhanced planning, budgeting, scheduling and procurement. The council has commenced work to identify the most appropriate areas of change going forward for phase two.
14. In 2013 the council undertook a second council-wide self-assessment as a prelude to meeting its 2014 vision stated in the Performance Management strategy. This used the Public Service Improvement Framework (PSIF) method of self-assessment. A corporate improvement action plan has been developed to address the areas identified for improvement by the self assessment. Additionally, to demonstrate its commitment to continuous improvement, the council has enrolled in and achieved the Committed to Excellence award from Quality Scotland. Having achieved the Committed to Excellence award, the council is now working towards the Recognised for Excellence (R4E) award from Quality Scotland.
15. The LAN has considered the council's response to the public service reform agenda and has concluded that no scrutiny is required, in recognition of the progress and action taken by the council and its partners. Good progress has been made agreeing and developing the preferred model for managing and delivering health and social care integration in North Ayrshire.
16. In response to the welfare agenda the council has established a welfare reform working group and an action plan has been developed. While the reforms have had an impact on rent arrears, discretionary housing payments to council tenants has helped to counteract this impact.
17. Local arrangements for the scrutiny of police and fire are in place and a subcommittee of the CPP is tasked with delivering on the outcomes, actions and indicators relating to the 'Safer' priority within the SOA.

Planned scrutiny activity

18. 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).

19. There is some 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:
- 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.
 - The SHR will carry out 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.
20. 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.
21. 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>.
22. A timetable for the planned audit and inspection activity in North Ayrshire Council between April 2014 and March 2017 is at [Appendix 1](#).

Local priorities and public service reform

23. 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

24. The SOA key priorities are based around the vision 'North Ayrshire – A Better Life'. This shared vision is about championing and developing the positive aspects of life in North Ayrshire, whilst also working hard to remove poverty and disadvantage in all of its forms. Additionally, the SOA has three over-arching themes of reducing local inequalities of outcome, building capacity, prevention and early intervention. These inform and guide the outcomes to create:
- a working North Ayrshire
 - a healthy and active North Ayrshire
 - a safe and secure North Ayrshire.
25. In the last AIP, it was noted that there were a number of indicators in the SOA where data was provided but no targets were set. In the SOA 2013-16 targets have now been set for all indicators. Analysis of the indicators which have targets in 2012/13 shows that the long term trend was improving for just over 70 per cent of these indicators.
26. North Ayrshire CPP was selected as a pilot site for the audit of Community Planning Partnerships. The audit, which was carried out during 2012/13, highlighted that community planning in North Ayrshire is well established and reported that the CPP has a good awareness of the key issues facing the community. The report also highlighted areas for improvement. Overall, it was concluded that community planning in North Ayrshire, while not yet yielding significant results in changing wider outcomes, is moving in a positive direction. The findings from the CPP audit were used to help inform the development of the SOA 2013-16.

27. An improvement plan has been drafted to address the recommendations within the CPP audit report. This was approved by the CPP Board in June 2013. Actions are monitored on a quarterly basis using the Covalent performance management system. The CPP Board considered the first progress report at its meeting in December 2013. This noted that the CPP is on target to achieve most of the improvement actions, however, there is minor slippage against six of the fifteen actions. Areas of slippage include the timescale for the draft inequalities strategy being slightly adrift, along with work to determine how resources can be targeted and aligned towards SOA outcomes.

Police and fire

28. Local scrutiny of police and fire is carried out by the Police and Fire and Rescue Committee which meets quarterly and is made up of ten councillors. The Safer North Ayrshire Strategic Partnership (SNAP) is a Strategic Partnership of the CPP. SNAP is tasked with delivering on the outcomes, actions and indicators relating to the 'Safer' priority within the SOA. The membership and remit of SNAP is wide-ranging and covers all aspects of community safety and is not limited to police and fire and rescue. There are links, however, in cross-cutting memberships. The chair of the committee is a member of the CPP Board and of SNAP, and the chair of SNAP, a chief inspector, is also a representative on or attends all three groups.
29. The role of a chief inspector as the director of community safety within the CPP is of particular note. Working within the council, the officer has responsibility for the delivery of the Safe and Secure North Ayrshire element of the SOA and has built a strong working relationship with council officials that enable local community safety priorities to be addressed quickly with the right resources. This approach is considered by the council to have made a significant contribution to achieving community safety outcomes for North Ayrshire. The role requires the officer to attend a number of partnership and council meetings to report on community safety performance.
30. The fire service structure within North Ayrshire includes a member of staff who works extensively with the CPP to deliver local outcomes and support the CPP. The local senior officer (LSO) emphasised the value of this approach which enables the service to engage with and influence partners, and build the relationships that are required to improve outcomes.
31. 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 (LSE) require more time to bed in and that it is therefore too early to assess the effectiveness of these arrangements.
32. 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 model for Scotland. HMICS is considering community safety as a possible area of focus within its 2014-17 work plan.
33. 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 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.

34. 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.
35. Overall, the LAN is satisfied with the steps the council have taken to date to put scrutiny arrangements in place. On this basis, the LAN has assessed this area as 'no scrutiny required' at a local level.

Health and social care integration

36. The Public Bodies (Joint Working) Bill sets out the proposed principles for integrating health and care in Scotland. Plans to integrate adult health and social care, which aim to improve the quality and consistency of care for older people, are progressing within the council. An option appraisal undertaken by North Ayrshire Council on the two possible models for integration recommended adopting the body corporate model. It is intended that the Health and Social Care Partnership (HSCP) with NHS Ayrshire and Arran will be in place by April 2014 and fully operational by April 2015.
37. Proposals from the Scottish Government specify the minimum services which require to be integrated. In North Ayrshire, it is intended that all services currently managed in the Social Services and Health Directorate, with the exception of housing services, will be managed within the partnership. Social work/social care services to children and the Money Matters service will be included together with services to adults and older people. It is proposed that criminal justice social work services will be managed in the partnership until the Scottish Government announces the outcome of its review of the criminal justice system.
38. Good progress has been made around the establishment of the Health and Social Care Partnership governance arrangements. A Transition Integration Board (TIB) has been established consisting of four elected members and four executive/non-executive directors of the Health Board. This board oversees the arrangements being put in place to allow a Shadow Integration Board (SIB) to assume responsibility for the delivery of a social work and health service from 1st April 2014. Pan-Ayrshire work has been coordinated with South and East Ayrshire and NHS Ayrshire and Arran, and a programme management plan is in place. The council has established an Internal Programme Board to ensure a corporate approach to the development of the HSCP.
39. The recently appointed director of health and social care for the North Ayrshire Health and Social Care Partnership was previously responsible for the council's social services and health

directorate. She commenced this role in December 2013, and will oversee the transfer of services from the council and NHS Ayrshire and Arran to a new integrated partnership.

40. The LAN is satisfied with the progress that the council and NHS Ayrshire and Arran have made to date and has assessed this as 'no scrutiny required'. The LAN will, however, continue to monitor the council's progress in this area as part of their ongoing discussions with the council.

Welfare reform

41. The council has put in place a number of arrangements to manage the changes resulting from the welfare reform agenda. In addition to establishing a welfare reform working group, the council has developed an action plan that focuses on assessing the impact on the community and the council, providing support in the community, raising awareness, developing a training strategy, working with partners, and ensuring the council's IT systems are fit for purpose.
42. The welfare reform action plan provides ten areas that will have an impact on the council and key actions are listed. Impact areas include the council tax reduction scheme, discretionary housing payments and the introduction of personal independence payments. Progress on implementation of the action plan is monitored by the Cabinet at regular intervals along with an update on welfare reform and its impact locally (including the impact of rent arrears).
43. The council's website has a section dedicated to welfare reform where the public can access information on the main changes arising from welfare reform. Staff training has also taken place to ensure that council staff are informed and prepared for the reforms. A new Welfare Advice Team has been established to offer assistance and support to council tenants affected by the reforms. During August and September 2013 a number of welfare reform communication events took place to raise awareness.
44. The council have identified the impact of welfare reform on its rent collection levels. As at September 2013, the council reported an increase in rent arrears of £0.302 million since the end of March 2013. Rent arrears relating entirely to under occupation accounted for £0.113 million of this amount. While the reforms have clearly had some impact the payment of £0.287 million discretionary housing payments to council tenants has helped to counteract this impact.
45. Welfare reform and its impact locally are identified as a significant concern for CPP partners. In the 'Working North Ayrshire' section of the SOA there are themes to tackle worklessness, and to positively impact areas of deprivation.
46. On the basis of the pro-active actions taken to date, 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).⁴

Area	Risk assessment	Current position	What we plan to do
<p>Leadership and direction</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>	No scrutiny required	<p>The council's Performance Management Strategy 2012-15 demonstrates clearly how the council's vision and strategic objectives cascade through its service planning process down to the objectives of individuals.</p> <p>The SOA states a vision 'North Ayrshire - A Better Life' and outlines the community planning priorities of the council and partners. The Council Plan (2012-2017) is the next level linked to the SOA. This clearly describes the council's aims and ambitions and sets out a vision for North Ayrshire. Progress is reported to Cabinet six monthly against the SOA and council annual action plans and indicators.</p> <p>Service plans ensure there is a clear responsibility for the indicators and projects/actions included in the SOA Action Plan and the Council Plan. All Service plans are approved by committee and progress reports are prepared and reported regularly.</p> <p>As part of the validated self-evaluation Education Scotland found</p>	No specific scrutiny activity

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

Area	Risk assessment	Current position	What we plan to do
		strengths in the strong and effective leadership with a clear vision provided by elected members, the chief executive, the director of education and skills and other senior council officials.	
<p>Governance and accountability</p> <p>Whether governance arrangements are working effectively and whether good governance underpins council decisions and supports performance improvement.</p>	No scrutiny required	<p>The current governance structure was last reviewed in 2012 following the council elections and is working effectively. Under these arrangements the full council has overall responsibility for corporate governance at North Ayrshire Council. The Cabinet is the key decision-making committee, comprising the leader of the council, the depute leader and five members of the administration, each with a specific portfolio of duties. The Scrutiny and Petitions Committee reviews decisions taken by the Cabinet, amongst other responsibilities, and the Audit Committee considers all matters in relation to internal and external audit and risk management.</p> <p>Our review of reports to full council, the Cabinet and committees confirm that these provide an effective mechanism for documenting evidence for decisions. Reports are required to indicate the justification for each action proposed, and consultations undertaken in its development, together with feedback from consultees.</p> <p>The council has identified areas (such as a new programme of elected member development) where it plans to further strengthen its existing corporate governance arrangements.</p>	No specific scrutiny activity
<p>Community engagement and empowerment</p>	No scrutiny required	A community engagement strategy, which aims to ensure that clear channels of communication are in place with the local community, was approved by the CPP in December 2012. This	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
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>has now been fully implemented.</p> <p>The council operates a People's Panel which helps it gauge the attitudes of 2,000 local people on issues such as employment, safety and community involvement and welfare reforms and to determine what its priorities should be. In June and July 2013, a sample of 3,000 residents from across North Ayrshire were given the opportunity to share their views of the council and its services in the North Ayrshire Council Household Survey. Improvement Plans have been created to ensure the council responds effectively to the results of the panel and survey.</p> <p>The council's website has a section entitled 'Consultation' which provides information on current consultations. This section allows the public a chance to have their say and help to influence decision-making at the council.</p> <p>The council has held 'Straight Talking' sessions in recent years. These face to face events, with both the leader of the council and the chief executive, were attended by representatives from local community groups and voluntary organisations. Issues considered include the council's change programme and the financial pressures facing the council. From late 2012 the nature of these events has changed to focus on strategic issues arising from the council's priorities (as outlined in the Council Plan).</p>	
Financial management How effectively the	No scrutiny required	Financial management arrangements operated effectively during the 2012/13. The council generated an accounting surplus of £6.253 million in the year prior to transferring £2.719 million to	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
<p>council is planning and managing its budgets.</p>		<p>other usable reserves. The general fund balance increased by £3.534 million to £32.636 million at 31 March 2013. Of the year end balance, £26.607 million was committed to earmarked projects or to support the council's transformation programme.</p> <p>In 2012/13 Audit Scotland issued <i>Scotland's Public Finances: addressing the challenges a targeted follow-up report</i> which highlighted a number of good practices. Overall, it was concluded that the council has taken appropriate steps to address the challenging financial climate.</p> <p>The council has an established process for preparing three year budgets, supported by a comprehensive package of budget papers aligned to the council's priorities. More recently, the council have approved a ten year financial strategy which recognises the longer term national priorities and estimates the impact of demography and other social/ economic factors.</p> <p>When approving the 2013/14 budget, the council identified a funding gap of £22.168 million over the three year period to 2015/16. At that stage, the council also approved a package of strategic savings that reduced the gap to £3.778 million.</p> <p>When the Council set its budget for 2013/14, this also delivered a balanced budget for 2014/15. The formal setting of the budget for 2014/15 was an amendment to the decisions which had been taken previously. When amending the 2014/15 budget the council also noted the funding gap of £11.483 million in 2016/17 for the first time. After formally setting its budget for 2014/15 the council</p>	

Area	Risk assessment	Current position	What we plan to do
		<p>has a funding gap of £16.271 million. The gap relates to the 2015/16 and 2016/17 financial years. Audit Scotland considers that the council has good financial management arrangements in place, but the increase in the funding gap that is not covered by proposed efficiency savings is an area of concern. The steps being taken to address the strategic savings gap will be monitored and reported by the Audit Scotland as part of the annual audit.</p>	
<p>People management The effectiveness of the council's workforce planning and management arrangements.</p>	<p>No scrutiny required</p>	<p>The council's Organisational Development (OD) Strategy 2011-2014 recognises the connection between people management and organisational effectiveness to deliver high performance results through its people. This strategy has now been fully implemented and the council are currently developing a People Management Strategy which will provide an integrated and aligned approach to HR plans.</p> <p>Reducing sickness absence levels and associated costs continues to be a key council priority. Actions include closer monitoring and reporting of the Maximising Attendance procedures together with offering employees support from Occupational Health and other professionals. A joint working group incorporating input from Trades Unions, Service Managers and HR professionals was established during 2013 to review the Maximising Attendance procedure. The revised procedure was launched with effect from February 2014, following an extensive communications and training programme.</p> <p>The Performance and Personal Development strategy and</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
		<p>process has now been rolled out. All actions in relation to the implementation of the strategy have been reported as being fully completed.</p>	
<p>Asset management The council's arrangements for managing assets and how this key resource is used to support effective service delivery.</p>	<p>No scrutiny required</p>	<p>The council's internal audit team recently completed a review of the council's asset management arrangements. This concluded that the council has made improvements to its asset management over recent years.</p> <p>During 2012/13 the council approved a ten year Corporate Asset Management Strategy to improve its management of assets. The council's first ten year capital investment programme has been developed with a clear programme for the first five years and indicative proposals for the following five years. The programme outlines projects to the value of £233.256 million.</p> <p>The council has a Capital Programme and Assets Group (CPAG) in place. This group of senior officers from across council services considers business cases in relation to proposed capital projects and monitors the delivery of the council's capital programme.</p> <p>The council has also been updating its arrangements for monitoring the delivery of major capital projects, with the establishment of a 'Service Project Board' for each major project.</p> <p>A working group with representation from Estates, Planning, Economic Development and Financial Management has been established to develop a longer term strategy for disposal of surplus assets. In addition, the council's Property Asset Management Action Plan supports the transfer of assets through</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
		<p>exploring partnership opportunities and option appraisals on the disposal of surplus assets.</p> <p>A Community Asset Transfer Policy was approved by the council in February 2013. This provides a framework which enables and manages the transfer of assets from the council to voluntary or community organisations. Key assets to the delivery of essential services will not be considered suitable for transfer. A guidance pack is available which has been used to support a number of community groups in preparing for asset transfer options.</p> <p>The council has asset management plans for each of its six core asset groups.</p>	
<p>Procurement</p> <p>How effectively corporate procurement contributes to the council maximising value for money in the goods and services it uses to deliver its services.</p>	<p>No scrutiny required</p>	<p>The council has a Corporate Procurement Strategy 2013-16 and associated action plan in place to provide a framework for the council to develop a plan to achieve continuous improvement in the council's procurement activity.</p> <p>The council's Procurement Capability Assessment (PCA) scores have shown a steady increase over the last few years as illustrated below:</p> <ul style="list-style-type: none"> • 2011 - 34% • 2012 - 51% • 2013 - 61% <p>The score of 61% for the 2013 assessment exceeded the 60% target set by the council. The council's overall performance is categorised as 'Improved Performance' and is one of the better</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
		performing councils in Scotland. The target for the council is to reach 67% by 31 December 2015.	
<p>Risk management</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>The council has taken steps to improve its risk management framework in recent years. A risk management improvement plan identifying six areas for improvement was delivered throughout 2012/13. This included the establishment of a Corporate Risk Management Group.</p> <p>The council's risk management strategy sets out the roles and responsibilities of officers and members and outlines the processes in place to determine strategic and operational risk. To ensure the framework is being adhered the council has monitoring and reporting arrangement in place. The audit committee considers all matters in relation to risk management.</p> <p>A revised Risk Management Strategy for 2013/14 and Strategic Risk Register were considered by the audit committee in May 2013. The 2013/14 Strategic Risk Register includes ten risks (one more than 2012/13). Two of these risks are assessed as medium and eight are assessed as high risk. The top risks relate to welfare reform, financial environment, and economic inequalities.</p>	No specific scrutiny activity
<p>Information management</p> <p>The effectiveness of the council's arrangements for managing information as a key</p>	No scrutiny required	An ICT service review was carried out by Audit Scotland as part of the 2012/13 audit. This concluded that good ICT governance arrangements are in place which are fully embedded into the wider governance arrangements within the council. The ICT strategy 2011-2016 sets out how the council will use ICT resources over the five year period to ensure that the infrastructure and systems	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
resource in delivering services.		<p>exist to enable the council to deliver its objectives.</p> <p>The council has a centralised ICT Service, with responsibility for delivering all ICT related activity across the council. Performance of the ICT service is monitored in the directorate service plan progress reports prepared twice a year. The ICT Service is currently being reviewed in accordance with the council's Supporting Services Review. This will evaluate which model of service delivery offers the council best value. The existing ICT strategy will also be reassessed in line with the outcome of the Supporting Services Review.</p> <p>Recent work by the SHR, assisted by Audit Scotland, identified some issues with data management in the council's homeless services. The council's response to these findings will be monitored by the LAN in the year. If further scrutiny is then required by the LAN, this will be discussed with the council.</p>	
<p>Joint working</p> <p>Progress with any significant shared services initiatives, in particular in relation to governance or pace of implementation.</p>	No scrutiny required	<p>A Shared Services Executive has been in place since 2006. This comprises the neighbouring Ayrshire councils and NHS Ayrshire and Arran. The council is involved in the delivery of shared services in a number of areas. The three Ayrshire councils established a shared services joint committee in 2013 known as The Ayrshire Councils' Joint Committee. This is responsible for all specific, agreed shared council services in Ayrshire.</p> <p>The council participates in the joint procurement framework for minor civil works with the other Ayrshire councils.</p> <p>To maximise the economies of scale associated with the</p>	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		<p>procurement of residual waste treatment facilities the council has joined the Clyde Valley (Residual Waste) Partnership consisting of five councils.</p> <p>Joint working is being further strengthened through actions in the CPP Audit Improvement Plan. This requires that the CPP should identify the success factors in joint-working initiatives, such as the Multi-Agency Problem Solving Group, and, where appropriate, apply these to wider CPP activities.</p> <p>As part of the validated self-evaluation, Education Scotland found strong partnership working across council departments and community planning partners leading to greater impact and shared sense of purpose.</p> <p>The Care Inspectorate led a pilot Joint Inspection of services for children in March and April 2013. Eight quality indicators were evaluated as adequate and above (four very good, three good and one adequate). The impact that services had on improving the well being of children and young people was very good as was participation of children and families in policy, planning and service development. Providing help and support at an early stage was good, as was planning for individual children. However, assessing and responding to risks and needs was adequate.</p> <p>The inspection identified several good practice examples including the strong commitment of the CPP to promoting prevention and early intervention; partnership working; and helping young people to stay at home with their families. Three areas for on-going</p>	

Area	Risk assessment	Current position	What we plan to do
		improvement were identified and will form the basis of an improvement plan in 2014. These were: implementing systematic approaches to joint self-evaluation across services, developing an effective joint commissioning strategy, and continuing to improve the joint assessment of risks and needs for individual children and young people.	
<p>Efficiency</p> <p>How effectively the council is improving its efficiency in response to the budget challenges being faced.</p>	No scrutiny required	<p>The council's change programme seeks to address demographic and financial pressures through council-wide transformational change. Change projects are implemented through integration with the council's service planning and budgeting process rather than as a standalone project. Workstreams within the change programme collectively have identified potential savings in excess of £9 million over three years from 2010/11.</p> <p>The business change team assists services across the council to identify, design and execute transformational change. At the early stages of phase one the council appointed a strategic partner (iMPOWER) to provide assistance to services in the development of change projects as well as providing outside challenge.</p> <p>Members are involved throughout the budget setting process in identifying efficiencies. Officers held seminars for each service with all members, presented the proposed efficiencies and provided them with an opportunity to discuss and question them. Service directors outlined the priorities and pressures facing each service and explained the implications of each efficiency saving.</p>	No specific scrutiny activity
Equalities	No scrutiny	The council has made progress integrating equality principles	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
Whether the council is providing effective leadership of equalities and is meeting its statutory obligations.	required	<p>throughout the council, ensuring that Equality Impact Assessments are completed for new policies and functions and undertaking a programme of assessments for existing policies. A report outlining the progress made by the council in mainstreaming the equality duty in North Ayrshire Council was published in April 2013. This also contains an annual breakdown of the information gathered under the duty to gather and use employee information, publish gender pay gap information and publish statements on equal pay.</p> <p>To comply with the Equality Act 2010 the council have introduced a set of equality outcomes which are structured under the council's four core objectives. The set of outcomes were approved in April 2013. An Equality Action Plan 2013/14 has been agreed to deliver these objectives.</p> <p>The Corporate Equality Group champions equalities and ensures consistency across the council. This group is also responsible for coordinating the delivery of the Equality Action Plan for 2013-14.</p>	

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
<p>Education</p> <p>The quality of local education services and the resulting outcomes (including early years).</p>	No scrutiny required	<p>Since the last AIP was published Education Scotland has completed a validation of the self-evaluation exercise undertaken by the council's education services. This was found to be robust and comprehensive and it was concluded that North Ayrshire education and skills department has a very good capacity for continuous improvement.</p> <p>The validated self-evaluation exercise commented on strong additional support for learning provision which continues to be good practice, particularly for children with social and emotional difficulties. Children and young people who need it receive additional support in school to successfully remove barriers to learning and improve attainment.</p> <p>There is very effective early years work leading to effective prevention and early intervention across the sector and within the communities. Much of this work is innovative practice.</p> <p>Children of all ages are receiving very helpful support to promote all aspects of their wellbeing. This is improving their day to day experiences and creating better life chances. They are benefiting from the wide range of services that contribute to the health and wellbeing</p>	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		<p>curriculum in schools.</p> <p>The authority had made significant progress in its identification of key areas for further improvement in attainment and achievement and provided very good support and challenge to address the issues. It continues to ensure that appropriate action is taken so that schools improve further attainment in national qualifications at SCQF levels 4, 5 and 6. The three years averages for attainment at SCQF levels 3,4,5 and 6 continues to show improvement. In particular, this year there have been improvements in young people's performance at the end of S4 in SCQF levels 3,4 and 5.</p> <p>The authority is improving the number of young people who go onto to further education, training or employment on leaving school.</p> <p>The findings from the Care Inspectorate led Joint Inspection of services for children in March and April 2013 are reported in the 'Joint Working' section above.</p>	
<p>Social care services</p> <p>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,</p>	No scrutiny required	<p>The finding from recent inspection activity in social care services was overall positive. Good practice examples were also identified across a number of areas including building safer communities for children and young people, and helping young people to stay at home with their families. In general the profile of regulatory findings for regulated services in North Ayrshire does not differ markedly from the profile for all local authority areas across Scotland. There were no areas of concern noted for community care services.</p> <p>The findings from the Care Inspectorate led Joint Inspection of services for children in March and April 2013 are reported in the 'Joint</p>	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
children and families).		<p>Working' section above.</p> <p>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.</p>	
<p>Housing and homelessness</p> <p>The quality of housing and homeless services and the resulting outcomes.</p>	<p>No further scrutiny required</p>	<p>A recent tenant satisfaction survey in 2013 concluded that performance is satisfactory. While not completely comparable to previous survey questions, the direction of travel trend is positive.</p> <p>The housing service has recently achieved Recognised for Excellence status and Investors in People Gold standard.</p> <p>Following its national thematic inquiry into Housing Options and Prevention of Homelessness, the SHR, assisted by Audit Scotland, carried out a piece of targeted scrutiny on the council's services for the homeless. The results were reported to the council recently.</p>	<p>The council's response to these findings will be monitored by the LAN over the coming year. SHR plans to carry out a further piece of focussed scrutiny later in 2014/15 to ensure that improvements have been effective. The exact timing for this work will be discussed with the council.</p>

Area	Risk assessment	Current position	What we plan to do
<p>Non-regulated services</p> <p>Particular strengths and challenges in the range of non-regulated services provided by the council, and any significant changes to performance.</p>	<p>No scrutiny required</p>	<p>In reviewing service performance, Statutory Performance Indicator (SPI) data covering the period 2010/11 to 2012/13 was used. In addition, the latest available SOLACE data covering the period 2010/11 to 2011/12 was also considered.</p> <p>The council shows strength across a number of performance indicators (such as achieving the Scottish Government's recycling target of 50 per cent by 2013) within non-regulated services. Also, some specific areas for improvement have been identified but are not significant to detract from overall service performance. Overall the LAN does not consider this an area of scrutiny risk.</p>	<p>No specific scrutiny activity</p>

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
<p>Improving and transforming public services</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>	<p>No scrutiny required</p>	<p>The council created the Change Project following the 2010/11 budget setting process due to the significant financial pressures that were imminent. Phase one is nearing completion and progress to date includes:</p> <ul style="list-style-type: none"> • the reshaping of social services to transform the way social work services are delivered and to act as a catalyst to take forward service integration with the NHS • early intervention and prevention, which set out to improve outcomes for vulnerable children in North Ayrshire • a centralised transport hub which includes enhanced planning, budgeting, scheduling and procurement. <p>The emphasis on phase two is outcome focused and also on giving greater value. The council recognises the need to improve the linkages between its priorities and allocation of financial resources. An outcome based budgeting approach is therefore being introduced in 2014/15 to contribute to the development of the council's change agenda.</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
		<p>The council's performance management strategy for 2012 to 2015 places significant focus on culture and improvements in self-assessment and is supported by an action plan. In 2013 the council undertook a second council-wide self-assessment. This used the Public Service Improvement Framework (PSIF) method of self-assessment. A corporate improvement action plan has been developed to address the areas identified for improvement by the self assessment. The PSIF self-assessment forms part of the council's preparations for the R4E submission.</p> <p>The council is participating in the SOLACE benchmarking framework with all other Scottish councils. The council have determined the most comparable peer authorities against which to compare costs and performance. The Scottish Local Government Benchmarking Framework project board has agreed to develop a pilot approach to test the dynamics and methodology to make family groups work. The council will participate in two pilot projects.</p>	
<p>Public performance reporting (PPR)</p> <p>The progress that is being made by councils in meeting their PPR obligations.</p>	<p>No scrutiny required</p>	<p>PPR is integrated into the council's performance management framework and complements the council's Communications Strategy.</p> <p>Progress on SOA, Council Plan, Performance Management Strategy annual action plans is considered by the Cabinet twice a year. Services report performance biannually to Cabinet. The detailed reporting of service plans is supported by the use of Covalent, which is now embedded throughout the council.</p> <p>The council has a section of its website dedicated to performance, 'North Ayrshire Performs' which is accessible to the public. This provides a range of information including performance indicators, the performance</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
		<p>management strategy, financial information and service plans.</p> <p>The council publishes an annual performance report which shows areas which are worsening as well as those which are improving to give a balanced view.</p> <p>The Corporate PSIF Improvement Plan identified the development of a Corporate Balanced Scorecard, showing progress against key priorities, as an action to be progressed by the council in 2013/14.</p>	

Appendix 1: Scrutiny plan

NORTH AYRSHIRE COUNCIL

2014/15

Scrutiny activity year 1	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
SHR plans to carry out some focussed scrutiny later in 2014/15 to ensure that improvements identified following the thematic inquiry into housing options and homelessness have been effective. The exact timing for this work will be discussed with the council.												
National or supported self-evaluation work year 1												
Audit Scotland: targeted follow-up of <i>Arm's-length external organisations (ALEOs): are you getting it right?</i>		X										
Audit Scotland: targeted follow-up of <i>Major capital investment in councils</i>			X									

NORTH AYRSHIRE COUNCIL

2015/16

Scrutiny activity year 2	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Planned national scrutiny work is described at paragraphs 19-21. Whether and/or when this includes												

NORTH AYRSHIRE COUNCIL**2015/16**

North Ayrshire Council has yet to be determined.												

NORTH AYRSHIRE COUNCIL**2016/17**

Scrutiny activity year 3	
Planned national scrutiny work is described at paragraphs 19-21. Whether and/or when this includes North Ayrshire 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.