

Shared risk assessment: Assurance and improvement plan 2011–14

East Dunbartonshire Council



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Assurance and Improvement Plan

Update 2011–14

Introduction

1. The first Assurance and Improvement Plan (AIP) for East Dunbartonshire Council was published in July 2010, setting out the planned scrutiny activity for the council for the period April 2010 to March 2013. This AIP was based on a shared assessment of scrutiny risk (the shared risk assessment or SRA) involving local representatives of the main scrutiny bodies (the Local Area Network or LAN). The aim of the shared risk assessment process was to focus scrutiny activity where it is most needed and to determine the most proportionate scrutiny response over a three year period. The AIP gave an overview of the information that informed the risk assessment and showed how this links to the proposed scrutiny response.
2. As part of this annual process, the local area network met again in early 2011 to update the AIP, revise its risk assessments and reconsider the level of scrutiny required for the council based on any new evidence. This update summarises any changes to risk assessments, scrutiny responses and provides a revised timetable for proposed scrutiny activity at Appendix 1.
3. The updated AIP draws on evidence from a number of sources, including:
 - The annual report to the Controller of Audit and elected members for 2009/10.
 - The council's own website and supporting evidence.
 - Evidence gathered from Her Majesty's Inspectorate for Education (HMIE), Social Work Inspection Agency (SWIA), the Scottish Housing Regulator (SHR) and the Care Commission (including published inspection reports and other supporting evidence).
 - Review of published performance information, including Single Outcome Agreement performance and statutory performance indicators.

Summary

4. The 2010/11 AIP did not identify any areas of significant scrutiny risk and recognised the challenging financial context that the council faced while attempting to implement a new Strategic Operating Model (SOM), aimed at delivering service improvements and efficiency savings. A fundamental review of performance reporting arrangements was completed during 2009-10. As a result of this review, there was limited performance reporting during 2009-10. This lack of information led to a number of areas of uncertainty being identified, as well as the centrality of the SOM providing capability to the council to respond to severe financial pressures and ensure the sustainability of services. The council has now

implemented a revised Strategic Planning and Improvement Framework and four new strategic committees and scrutiny panels have been established to enhance scrutiny arrangements. Business and Improvement plans have been submitted to these committees for each of the council's service areas together with six-monthly How Good Is Our Service reviews going forward.

5. The 2011 refresh confirms this position. There are no areas assessed as of significant concern, although a number of areas of uncertainty remain. A number of changes have been made to risk assessments made in the AIP 2010/11 and these are outlined below. As a result of the initial scrutiny level assessment undertaken by SWIA in 2010/11 a small number of areas of uncertainty were identified and SWIA/SCSWIS will therefore undertake targeted scrutiny in May 2011. In addition, SHR has identified two specific areas of uncertainty within the housing service and plans to undertake focused work on these areas in October 2011.

Changes to 2010/11 risk assessments

6. Areas where risk assessments have changed from that identified in the AIP 2010/11 as a result of updated evidence.

Area	2010/11 Risk Assessment	Updated 2011/12 Risk Assessment	Reason for change	Proposed scrutiny action
Social Work	No significant concerns	Area of uncertainty	SWIA concluded an initial scrutiny level assessment (ISLA) in 2011. A number of improvements and sustained performance were noted. There were no perceived risks in childcare (including child protection) and criminal justice services, but there were some areas of uncertainty identified in community care services, especially in relation to the pace of change for older peoples services. Other areas of uncertainty identified that will require a scrutiny response were partnership working with health, staffing and financial planning.	SCWIS scrutiny of social work services in May 2011. Joint work will be undertaken with the external auditor on service spend and projected savings.
Housing	No significant concerns	Area of uncertainty	The housing service continues to perform well overall but there are two specific areas of uncertainty which the SHR has identified as requiring to be reviewed. These relate to the council's compliance with the Scottish Housing Quality Standard (SHQS), where reporting to Audit Scotland and SHR has shown inconsistencies	SHR will undertake focused onsite work with the council in October in relation to homelessness and SHQS compliance.

Area	2010/11 Risk Assessment	Updated 2011/12 Risk Assessment	Reason for change	Proposed scrutiny action
			between reporting of compliant properties and the percentage of elements that are compliant. In addition, while homelessness SPIs show a relatively positive performance, SHR has identified a need to examine how the council will meet the 2012 requirements.	
Environmental services	Area of uncertainty	No significant concerns	The council is planning to introduce a revised collection regime, which includes alternate weekly collections of residual waste along with other complementary initiatives, such as an extended organic waste collection. The council is actively participating in the Clyde Valley partnership proposal to develop waste treatment infrastructure and associated municipal waste treatment services. Work has been undertaken to gauge public opinion on changes to waste collection and to keep elected members appraised.	None
Regulatory services	Significant concerns	No significant concerns	This area has been reassessed based on improvements in performance for processing planning applications and noise complaints where significant concerns were previously identified.	None
Use of resources –ICT	Area of uncertainty	No significant concerns	A significant number of ICT projects came on stream during 2009/10 and the council is performing well in a number of areas, including customer satisfaction, resolution of ICT incidents and low cost of delivering an ICT service.	None

Areas of on-going risk and uncertainty

7. There following remain as areas of scrutiny risk or uncertainty from the 2010/11 AIP:

Area	R/A/G	2011/12 Update
Improving health and wellbeing	Uncertainty	Whilst it is acknowledged East Dunbartonshire Council is taking important steps to improve its performance in this area, for example by strengthening its leadership of the community planning partnership, streamlining a range of strategic plans and revising its performance management arrangements, there is still a need for more outcome data. It has also undertaken work to reach agreement with strategic partners on who is accountable for which aspects of the community planning process. Plans for the re-design of services for older people, such as creating a single point of entry to health and social care services and adopting a re-ablement approach are still at too early a stage to assess their impact. The LAN will continue to monitor performance in this area.
Investing in improvement	Uncertainty	<p>The Strategic Operating Model (SOM) adopted by the council has been slower than expected to deliver the savings required due to on-going discussions with trades union representatives and non-achievement of SOM savings has been incorporated at a service level into the council's year end forecasts. The council has taken steps within financial year 2010-11, to mitigate the delay in realising the financial benefits of the SOM through robust vacancy management, use of internal redeployment of existing employees and non-filling of essential vacancies. The most recent forecast is a £700,000 deficit as at 31 March 2011. This would reduce the uncommitted general reserve balance to £2.5 million which is line with the level approved by members.</p> <p>The SOM implementation process is on-going with tier five completed and tier six and seven vacancies currently advertised internally. In addition, as part of achieving the savings required to deliver a balanced budget in 2011-12 and subsequent years, further voluntary severance schemes are planned to commence in 2010-11. Managers are confident that adequate savings will be identified by the time the budget is presented to council for approval in February 2011. In view of the scale of workforce reductions the LAN will continue to monitor this area.</p>
Performance management and Improvement	Uncertainty	During 2010-11, with the implementation of the strategic planning and improvement framework the council has made significant progress in performance management and improvement with the implementation of performance reporting to strategic committees on a quarterly basis and subsequent scrutiny of performance undertaken by scrutiny panels. Work is taking place with community planning partners to continue to improve the coverage of outcome data. The LAN will continue to monitor implementation of performance management and improvement.
Use of resources – finance	Uncertainty	<p>Financial management is sound but the council continues to experience financial pressures. The council's most recent financial forecast outturn is a £0.5m deficit and the forecast uncommitted general fund balance at 31 March 2011 is likely to be close to the council's target of £2.5m.</p> <p>Savings of £8m were approved as part of the council's budget for 2011-12 and further savings totalling £11.1 and £21.4m are required in 2012-13 and 20113-14 respectively, in order to deliver a balanced</p>

Area	R/A/G	2011/12 Update
		<p>budget.</p> <p>The LAN previously reported that the council was experiencing significant delays in realising capital receipts, which were required to fund the cost of change associated with implementation of the SOM. The council has received two major capital receipts and is in the process of legal proceedings to recover a remaining outstanding substantial sum. As a result, the considerable additional borrowing incurred in 2008/09 and 2009/10 continues to be maintained. The capital receipts will be used to fund the cost of change associated with the SOM and voluntary severance scheme. The LAN will monitor this area through routine external audit activity.</p>

National risk priorities

8. East Dunbartonshire Council's position on topics identified as being of national importance is as follows:
9. **The protection and welfare of vulnerable people (children and adults) including access to opportunities.** The LAN has not identified any significant scrutiny risks for the council for this national risk priority as a result of its risk assessments for the relevant local outcome areas and for the council services involved in providing services to vulnerable people. The Care Commission, SWIA and HMIE report an overall positive picture. However, SWIA has identified community care services, especially in relation to older adults, as an area of uncertainty requiring further information and clarification. There are concerns about the slow pace of service redesign in the face of projections of increasing demand and pressure on resources. SCSWIS is therefore scheduled to undertake scrutiny work in May 2011, and will examine financial planning on a joint basis with the external auditor on financial planning.
10. **Assuring public money is being used properly** – No significant scrutiny risks. Assurance on the financial position of the council is obtained through the annual audit process conducted by KPMG on behalf of Audit Scotland. In 2009/10 no significant risks were identified requiring scrutiny work, although the implementation of the SOM and the strategic planning and improvement framework, and addressing financial pressures being faced were all highlighted as key issues. The strategic planning and improvement framework was developed during 2009/10 and replaces the corporate planning and improvement framework. Following the introduction of the revised and refocused SOM, the new strategic planning and improvement framework aims to provide a range of information to support the council in developing strategic plans and delivering improvements. The new framework is now in place and all actions and performance is being monitored by the council. The councils resource management arrangements are broadly sound. The LAN has concluded that this will provide the council with a solid platform to assuring public money is being used properly and that there are no significant scrutiny risks. KPMG will continue to monitor this through its routine annual audit programme.
11. **How councils are responding to the challenging financial environment** - The Comprehensive Spending Review covering public sector expenditure for the period 2011/15 was announced in October 2010 and the Scottish Government responded to it by announcing a single year Scottish budget for

2011/12 and this creates an uncertainty over medium term financial planning. The financial climate will impact on the council's ability to deliver its outcome targets and maintain service performance into the future. The extent of this is currently uncertain and will be kept under review by LAN members. The council has gone about identifying savings for potential service reform in a thoughtful and structured way, however the scale and pace of change required for implementation of its ambitious SOM has caused occasional difficulties. The LAN has therefore concluded that this is an area of uncertainty. No additional scrutiny work is planned but it should be noted that this is a core feature of the existing annual audit process and the external auditor will routinely continue to monitor the financial position of the council, with additional in-depth work to assess the implementation of the SOM.

12. The LAN is committed to maintaining its engagement with the council between now and the next SRA/AIP refresh so that we can retain an overview of how the council is managing its response to the significant financial challenges that it and all other Scottish public bodies face. The LAN therefore plans to meet with the council's management team during the late summer/early autumn to discuss progress in this area prior to the start of the 2012 SRA/AIP refresh process. As part of that meeting the LAN will consider how best to approach the planned scrutiny activity in 2012-13. This work will assess the extent to which the council, working with its partners, is delivering the planned improvements in efficiency and cost reduction and securing better outcomes for citizens and service users.

Scrutiny plan changes

13. The scrutiny plan for 2011/12 commences with SWIA/SCSWIS undertaking targeted scrutiny in May 2011, based on its initial scrutiny level assessment, which was identified as part of the scrutiny plan for 2010/11. In addition, SHR will undertake specific focused work with the council in October 2011. KPMG will continue to monitor through on-going scheduled audit activity. No additional scrutiny work is identified for the rolling third year 2013/14.

Review of 2010/11 planned activity

14. All planned scrutiny work for 2010/11 was completed. This included SHR undertaking a review of the housing service's self-evaluation and SWIA undertaking an ISLA, both of which have led to planned scrutiny activity in 2011/12. The HMIC/Audit Scotland joint Best Value audit of Strathclyde Police Authority is currently underway.

Appendix 1 Summary of scrutiny activity

EAST DUNBARTONSHIRE SCRUTINY PLAN	2011-12											
Scrutiny activity year 1	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Targeted scrutiny of social work services by SCSWIS, including joint work with the external auditor on financial planning												
SHR will undertake focused onsite work with the council on homelessness and SHQS compliance												
Audit Scotland Fire and Rescue												
	2012-13											
Scrutiny activity year 2	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
A housing benefit audit will be undertaken (date tbc)												
No other specific audit/ inspection work is planned beyond on-going audit work, inspection work at establishment level and through liaison with district/link inspectors												
	2013-14											
Indicative scrutiny activity for rolling third year	Potential scrutiny bodies involved											
No additional work identified												

Footnotes

- The focus of the AIP is strategic scrutiny activity, that is scrutiny activity which is focused at corporate or whole service level, but there will also be baseline scrutiny activity at unit level on-going throughout the period of the AIP. This will include, for example, school and residential home inspections. Scrutiny bodies also reserve the right to make unannounced scrutiny visits. These will generally be made in relation to care services for vulnerable client groups. The annual audit of local government also comprises part of the baseline activity for all councils and this includes work necessary to complete the audit of housing benefit and council tax benefit arrangements. HMIE, through the District Inspector, will continue to support and challenge Education Services regularly and as appropriate.
- The new body, Social Care and Social Work Improvement Scotland (SCSWIS), will be in place from April 1st 2011 and will regulate care services and inspect social work services based on the Public Services Reform (Scotland) Act 2010.
- SCSWIS will undertake supported self evaluation work with councils during 2011. Planning is currently taking place and SCSWIS will contact LAN leads when the detail of the fieldwork is established.
- HMIE and Learning and Teaching Scotland are to form a new quality and improvement agency on 1 July 2011.

- The Accounts Commission has decided to undertake Best Value audits of Fire & Rescue Services and Authorities during 2011. Planning is currently taking place and Audit Scotland will contact LAN leads when the detail of the fieldwork is established
- Audit Scotland also undertakes a series of national performance audit studies. Field visits to individual local authorities often form part of this work. When a visit is planned to a council this will be communicated to the council through the LAN lead.
- In April 2008, the Accounts Commission agreed to a request from the Department for Work and Pensions (DWP) to take over the Benefit Fraud Inspectorate's responsibility for inspecting housing and council tax benefit (benefits) services in Scotland. As Audit Scotland has no inspection function, this 'benefits performance audit' work has been incorporated into the annual audit of local government. The Highland Council's benefits performance audit was carried out during 2010. The timing of any future audits will be confirmed through the LAN lead.