CLACKMANNANSHIRE COUNCIL

Report to Clackmannanshire Council

Date of Meeting: 26 June, 2014

Subject: Clackmannanshire Council Assurance & Improvement Plan 2014-2017

Report by: Chief Executive

1.0   Purpose

1.1   The purpose of this report is to advise Council formally of the publication in June by Audit Scotland of the Clackmannanshire Council Assurance & Improvement Plan (AIP) Update 2014-2017 (attached as Appendix to this report).

1.2   While the Resources & Audit Committee will be invited to review this publication in more detail, given the overarching nature and corporate importance of the AIP, it is being submitted to full Council for information and noting.

2.0   Recommendations

2.1   It is recommended that the Council:

a)   welcomes and notes the recent publication by Audit Scotland of the Assurance & Improvement   Plan   Update   2014-17   for Clackmannanshire;

b)   notes the findings and intended planned scrutiny activity to March 2017.

3.0   Background

3.1   The first Assurance & Improvement Plan for the Council was published in July 2010. Subsequent reports have been submitted annually, being considered by both Council and the Resources & Audit (formerly Scrutiny) Committee.

3.2   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 which engage with the council. The shared risk assessment 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, including published inspection reports and other supporting evidence
- the Single Outcome Agreement 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.

3.3   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.

4.0   AIP Findings & Conclusions

4.1   The AIP is structured around four areas, viz:

- local priorities and public service reform
- corporate assessment
- service performance
- improving and transforming public services/public performance reporting.

4.2   The overall findings are positive, with some key points being:

I.   the Council demonstrates a strong commitment from officers and members to improving the work of the Council and continues to make good progress with its improvement agenda

II.   the council is adapting to the new challenges as part of public sector reform and is in the early stages of work in a number of areas such as health and social care reform

III.   in common with the public sector across Scotland, Clackmannanshire continues to face acute financial challenges but continues to respond well. The council continues to demonstrate strong leadership in a harsh economic climate with an ongoing requirement to make budgetary savings

IV.   the council, as part of the Clackmannanshire Alliance Community Planning Partnership has developed a new Single Outcome Agreement (SOA). The SOA is a credible and well presented document that provides good analysis that links to priorities and challenges over the next ten years.

4.3   The overall conclusions in the AIP are as follows:

"*The LAN, having considered the evidence from key management documents and performance indicators, has judged that the majority of risk assessments of corporate functions and service areas in the AIP remain as not requiring scrutiny.*

"There are no significant new concerns that require additional scrutiny, but this year the LAN will look to monitor a number of key areas such as health and social care integration, the business transformation programme, risk management and information management in the external audit plan and through validated self-evaluation and look for progress in these areas during 2014."

5.0   Areas for Monitoring & Scrutiny

5.1   There is a small number of areas which the LAN wishes to be monitored (either by the Council's external auditors or by validated self-evaluation) or further scrutinised (by representatives of the LAN). These are:

a)   health and social care integration - the LAN has expressed concern about progress in taking forward this legislative requirement. However, as members will be aware, there is a report on the agenda for this Council meeting formally addressing the issues of governance and shadow arrangements. The reference to monitoring risk management relates specifically to any risks associated with health and care integration;

b)   business transformation programme - the LAN's view is that it is too early to assess the impact of the work on Making Clackmannanshire Better and the external auditor will review progress in year. The focus of this review will be change management capacity and savings targets;

c)   information management - as reported to the Resources & Audit committee recently via an internal audit report, the Council is not meeting all the requirements of the Public Records Act. The LAN will ask the Council's external auditor to monitor progress in addressing the issues identified by internal audit;

d)   under "joint working", the AIP references the scrutiny of the Clackmannanshire Community Planning Partnership in respect of certain aspects of the joint inspection of services for children and young people. A report on that inspection is also on the agenda for this Council meeting;

e)   there will be a validated self-evaluation of shared education services.

5.2   Planned national scrutiny projects which are of relevance to the Council in 2014-15 will include:

- review of careers information, advice and guidance
- housing benefit risk assessment
- targeted follow-up of arms length external organisations
- targeted follow-up of major capital investment in councils.

6.0   Conclusion

6.1   The updated AIP is an external assessment of the Council's activities and operations. The report is a generally positive endorsement of the Council which highlights a small number of areas as presenting a degree of risk to be monitored. Those areas will be a focus for Council's management going forward and progress in making improvements will be routed via the appropriate political governance structures to allow assessment and scrutiny of progress and performance by elected members.

7.0   Sustainability Implications - N/A

8.0   Resource Implications - N/A

9.0   Exempt Reports

9.1   Is this report exempt?   No

10.0   Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1)   **Our Priorities** (Please double click on the check box ☑)

The Council is effective, efficient and recognised for excellence   ✓

(2)   **Council Policies** (Please detail)

11.0   Equalities Impact

11.1   Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations? N/A

12.0   Legality

12.1   It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers.   Yes
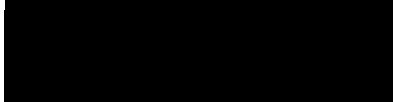
13.0   Appendices

13.1   Clackmannanshire Council Assurance & Improvement Plan 2014-2017

14.0   Background Papers

14.1   Have you used other documents to compile your report? No

Author(s)/Approved by:

NAME	DESIGNATION	SIGNATURE
Nikki Bridle	Depute Chief Executive	
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Clackmannanshire Council

Assurance and Improvement Plan

2014–17

May 2014

Contents

Introduction

1. This Assurance and Improvement Plan (AIP) sets out the planned scrutiny activity in Clackmannanshire 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 Clackmannanshire 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.

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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 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.

6. Clackmannanshire Council demonstrates a strong commitment from officers and members to improving the work of the council and continues to make good progress with its improvement agenda through the use of the Clackmannanshire Improvement Model. The LAN, this year, will seek to engage with the council to both support this work and build self-evaluation capacity. The council is adapting to the new challenges as part of public sector reform and is in the early stages of work in a number of challenging areas such as health and social care reform.

7. In common with the public sector across Scotland, Clackmannanshire continues to face acute financial challenges but continues to respond well. The council continues to demonstrate strong leadership in a harsh economic climate with an ongoing requirement to make budgetary savings. The council is presently re-designing its senior management structure. It is also adopting an ambitious business transformation programme to address these savings and to deliver services in new and effective ways. These changes, at the most senior level of the council's administration, occur during a time of significant change with a potential impact on the council's capacity to manage this change and corresponding risk. Whilst we plan no specific scrutiny response to this risk since it is too early to assess the impact of these changes, the LAN, through the external auditor and through regular engagement with the chief executive, will continue to monitor the effects of these changes on the work of the council.

8. The LAN, having considered the evidence from key management documents and performance indicators, has judged that the majority of risk assessments of corporate functions and service areas in the AIP remain as not requiring scrutiny. There are no significant new concerns that require additional scrutiny, but this year the LAN will look to monitor a number of key areas such as Health and Social Care Integration, the Business Transformation Programme, Risk Management and Information Management in the external audit plan and through validated self-evaluation and look for progress in these areas during 2014. If insufficient progress is being made on these areas, the LAN will undertake strategic scrutiny in next years AIP.

9. The council, as part of the Clackmannanshire Alliance Community Planning Partnership (CPP) has developed a new SOA. The SOA is a credible and well presented document that provides good analysis that links to priorities and challenges over the next ten years. The Clackmannanshire Alliance has identified two key priority areas - economy and growth, and community wellbeing. There are clear outcomes and areas for action that are established under a series of key themes with appropriate timescales. The LAN notes that there is an ongoing need to reflect on the role of the Clackmannanshire Alliance and its leadership role. This reflection should be with a view to strengthening accountability of partners and their collective contribution to scrutiny and performance management. There is a need to be clear about how the CPP marshals its resources to improve services and deliver better outcomes for individuals and communities.

10. There were two outstanding areas of scrutiny work from last years' AIP that took place in February 2014 when the LAN was developing the AIP. The Scottish Housing Regulator's (SHR) verification of council's progress towards meeting the Scottish Housing Quality

Standards, and the Care Inspectorate's joint inspection of children's services delivered by the Clackmannanshire CPP. The SHR found that the council's data gathering and systems were robust and the reported progress against the Scottish Housing Quality Standard was reliable. As a result, no further engagement is proposed. The result of the Care Inspectorate's joint inspection, while noting strengths, also found important areas of service where improvement is required. Based on the findings of the Joint Inspection of children's services, the LAN is not confident that the quality of services to protect children has improved to a satisfactory level. Within one year of the publication of its report, the Care Inspectorate and other bodies taking part in this inspection will revisit the partnership area. They will assess and report on progress made in meeting identified areas for improvement.

11. The Care Inspectorate, in partnership with the Association of Directors of Social Work and the Risk Management Authority, has been undertaking supported self-evaluation activity to assess the initial impact of the introduction of the assessment and case planning instrument LS/CMI across Scotland's criminal justice social work services. This activity started in June 2013 and will conclude with the publication of a national report by May 2014. Action plans arising from this activity will be implemented in 2014.

Planned scrutiny activity

12. In October 2014, Education Scotland will be reviewing the quality of careers information advice and guidance services delivered by Skills Development Scotland.

13. 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).

14. Audit Scotland will carry out a housing benefit risk assessment towards the end of 2014/15.

15. The council will participate in a validated self-evaluation of shared services in education across Clackmannanshire and Stirling councils in 2014, as was outlined in the AIP last year.

16. 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:

- 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.

17. Audit Scotland will 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.

18. The Care Inspectorate and its partners will follow-up on its recent inspection and will revisit the authority area to assess and report on progress made in meeting the areas for improvement identified.

19. 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.

20. A timetable for the planned audit and inspection activity in Clackmannanshire Council between April 2014 and April 2015 is at Appendix 1.

Local priorities and public service reform

21. 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

22. Clackmannanshire Council, with its Community Planning Partners in the Clackmannanshire Alliance, has developed a SOA. The LAN's view is that the new SOA is comprehensive and is based upon strong analysis of Clackmannanshire and the economic and social profile of the area, drawing upon both council and partner data. There are now two overarching key priority areas, economy and growth and community wellbeing, that relate closely to key challenges for the council and its partners. There are clear and detailed plans over both a three and ten year timescale. The LAN notes the need for the Clackmannanshire Alliance to focus more closely upon linking prevention activities to place based initiatives. This is specifically required for key priority groups such as older people and criminal offenders. There is a need to use commissioned key work to better understand communities to inform community profiles that inform delivery and joint plans for localities in response to specific need and inequalities. There is a need to reflect upon the role of the Alliance and its leadership role with a view to strengthening accountability of partners and their collective contribution to scrutiny and performance management and how the Partnership marshals' resources to improve services and deliver better outcomes for individuals and communities. This will better inform delivery and joint plans for localities in response to specific needs and inequalities.

Police and fire

23. In Clackmannanshire local scrutiny is conducted by a subcommittee of the Resources and Audit Committee. The committee has taken reports from both the police and fire services on several occasions since 1 April 2013. The reports are comprehensive and provide contextual information on police and fire service performance. HMICS conducted a thematic inspection of the new arrangements for local scrutiny in 2013 and believe that the new arrangements for

local scrutiny and engagement require more time to bed in and that it is therefore too early to assess the effectiveness of these arrangements.

24. 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.

25. 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.

26. 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

27. The Public Bodies (Joint Working) (Scotland) Bill was introduced by the Scottish Government in May 2013. The Bill aims to ensure that that the health and social care systems work together to improve outcomes for people by providing consistency in the quality of services, ensuring people are not unnecessarily delayed in hospital and maintaining independence by creating services that allow people to stay safely at home for longer. Arrangements for how services will be delivered are determined by councils and health boards based on what they believe is the best way to meet the care needs of their local populations.

28. Clackmannanshire Council, Stirling Council and NHS Forth Valley, are working together to agree a model framework for taking forward integration. There are regular, high level discussions between chief officers through the Joint Executive Group and also between elected members of both councils and NHS Board members through the joint Partnership Board. There is clear evidence of NHS Forth Valley, Stirling Council and Clackmannanshire Council working at an operational level to integrate services, for example, in mental health services. Although, at the time of writing, the councils and the health board had yet to agree formally an integration model to take forward health and social care reform, chief officers are confident that they will have formal arrangements in place by early summer to deliver integrated health and social care within the required timescales given the positive history of joint working between the agencies. The LAN has considered the council's public service reform arrangements and has concluded that the developments to date do present a significant risk of not achieving the implementation by April 2015. Whilst we plan no specific scrutiny response to this risk at this point in time, the LAN, through the external auditor and

through regular engagement with the chief executive, will continue to monitor Health and Social Care integration.

Welfare reform

29. Clackmannanshire Council's main response to welfare reform is being coordinated by the Welfare Reform Working Group. The council and community partners meet regularly and the latest board meeting was given a detailed briefing on welfare reforms. The council utilises a third sector interface officer to communicate with the voluntary sector, and community partners are represented on the corporate Welfare Reform Working Group. Work is ongoing throughout the council to develop strategies linked to the welfare reform, including a review of housing services and allocations policies and the introduction of a housing options advice service. The council has noted that rent arrears have increased significantly post 1 April 2013. 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. The LAN will monitor this area through 2014.

Corporate assessment

30. 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
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	Clackmannanshire Council has worked well with partners to develop the new SOA. The SOA is clearly supported by a strong underpinning knowledge of local communities. The two new priority areas demonstrate a clear focus on addressing key issues for the community, particularly around older people and in reducing offending. The SOA is increasingly linked to local plans and community profiles. Leadership from officers is strong and effective and almost all objectives in the previous SOA were met. It is too early to assess the impact of the recent re-design of the senior management structure in February 2014 with the loss of a head of service, an increased focus on directors' strategic roles and the creation of a new deputy chief executive function. Accordingly the LAN will seek to monitor this area through the work of the external auditor in 2014 with a view to reviewing progress and possible scrutiny for next year's AIP.	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
Governance and accountability Whether governance arrangements are working effectively and whether good governance underpins council decisions and supports performance improvement.	No scrutiny required	There have been further improvements with regards to governance including the preparation of the Annual Governance Statement and operation of the council's decision-making and governance arrangements through council and service committees.	No specific scrutiny activity
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	There is a high level of focus on involving local communities in budget decisions. Officer budgetary proposals for the 2013-16 budget were published and opened for consultation with partners, staff and the constituents of Clackmannanshire. The council uses an effective variety of mediums including public meetings, press releases and social media to maximise engagement with constituents on proposals which would impact on models of service delivery. The work on 'Making Clackmannanshire Better' is still developing and the LAN will monitor this area in 2014.	No specific scrutiny activity
Financial management How effectively the council is planning and	No scrutiny required	Indicative budgets are in place for the next three years, which note that significant shortfalls are projected in future years. This is based on expected funding levels and increasing demand pressures in future years. As part of the budget approval process	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
managing its budgets.		for 2013/14, it was agreed that work would commence using a policy led budget approach to reduce these shortfalls. Accordingly the LAN will seek to monitor this area through the work of the external auditor in 2014 with a view to reviewing progress and possible scrutiny for next year's AIP.	
People management The effectiveness of the council's workforce planning and management arrangements.	No scrutiny required	The outcomes for 'Making Clackmannanshire Better' could directly contribute to national outcomes but the LAN would wish to see more detail from the council on progress at this point in time. The council launched its new People Strategy in October 2013. The strategy has been drafted to underpin the vision and objectives of 'Making Clackmannanshire Better'. In supporting the programme its underlying principles are: • Alignment • Communication • Customer Focus • Inclusion • Partnership • Sustainability To ensure the council can deliver 'Making Clackmannanshire Better', the strategy's aims are centred around three elements: • Make the organisation sustainable. • Make the workforce resilient.	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		• Make the culture inclusive and positive. A detailed action plan is being developed to support implementation of the People Strategy and this will be monitored by CMT. Supporting projects are also being progressed as part of Workstream 5: 'Making Clackmannanshire Better'. The LAN's view is that this work is at an early stage of development. Accordingly the LAN will seek to monitor this area through the work of the external auditor in 2014 with a view to reviewing progress for next year's AIP.	
Asset management The council's arrangements for managing assets and how this key resource is used to support effective service delivery.	No scrutiny required	There have been no issues arising from asset management processes to date. The LAN notes that a new fixed asset system is being installed which should significantly improve the ability to manage assets. This is an integral part of 'Making Clackmannanshire Better' and there is a specific workstream with work already commenced in some areas, such as the school estate review. The LAN will monitor this area in 2014.	No specific scrutiny activity
Procurement How effectively corporate procurement contributes to the council maximising value for money in the goods and services it	No scrutiny required	The council recognises that performance on procurement is significantly below national averages and has identified this as an area for improvement in the Annual Governance Statement. The council has put in place a corporate officer network. This area will be monitored by the LAN in 2014 with a review of progress in the AIP of 2015. Audit Scotland is carrying out a national audit on procurement in local government and has published a report in	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
uses to deliver its services.		April 2014. The council should consider the lessons learned and recommendations in that report. Accordingly the LAN will seek to monitor this area through the work of the external auditor in 2014 with a view to reviewing progress and possible scrutiny for next year's AIP.	
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 public services.	No scrutiny required	The LAN considered a number of management documents and the External Audit report. There is sufficient focus on identifying managing and mitigating risks. Of the nine areas identified as significant risks, none were found to be of concern and the council is managing the risks acceptably. The council should consider the risks associated with Health and Social Care integration, particularly as sharing information is key to successful integration. The LAN will monitor this area closely and this area will feature in the work of the External Auditor, with a view to potential scrutiny in 2015.	No specific scrutiny activity
Information management The effectiveness of the council's arrangements for managing information as a key resource in delivering	No scrutiny required	Clackmannanshire Council does not meet the requirements of the Public Records (Scotland) Act 2011 (PRSA). Significant gaps exist between what the Act requires and the arrangements the council currently has in place. There are examples of good document management and information governance practices and processes being demonstrated by council services on a daily basis. However these practices tend to be restricted to a specific service and are not replicated corporately.	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
services.		The Governance Service and Senior Management have recognised this and are in the process of drafting a scope for a project to start addressing issues such as:	
		nominating a senior manager to be responsible for the overall strategic management of records	
		appointing a suitably qualified and skilled officer with specific operational responsibility for records management	
		rolling out the agreed records management policy	
		implementing a corporate document disposal/destruction policy	
		agreeing a corporate policy on document archiving and transfer	
		developing a vital records list for inclusion in business plans	
		ensuring adequate secure filing and storage of physical records.	
		The council should consider the risks associated with Health and Social Care integration, particularly as sharing and managing information is key to successful integration. The LAN will monitor this area closely and this area will feature in the work of the External Auditor, with a view to potential scrutiny in 2015.	

Area	Risk assessment	Current position	What we plan to do
Joint working Progress with any significant shared services initiatives, in particular in relation to governance or pace of implementation.	Scrutiny required	Clackmannanshire and Stirling councils evaluated the ongoing implementation of the shared service arrangements across education and social services in a 'taking stock' exercise. As a consequence of the most recent review each council reaffirmed its commitment to shared service arrangements. Both councils agreed to establish a Strategic Partnership Agreement (SPA) and commissioned a review of managerial, partnership and political governance arrangements. The review established the principle that business cases for further and deeper integration across the operation of shared services should be prepared and committed both education and social services to the preparation of service delivery strategies. The risks associated with shared educational and social work services will be monitored through Education Scotland and Care Inspectorate links and external audit. The Care Inspectorate led a Joint Inspection of Services for Children in the Clackmannanshire CPP early in 2014 found that: • Significant developments have taken place over the last few years in the key services that support children, young people and their families. • Staff across all services are highly committed to improving the lives of children, young people and families and overall this is making a positive impact on children and young people in Clackmannanshire.	Joint validated self-evaluation event in 2014. Care Inspectorate with other bodies will revisit to assess and report on progress in 2015/16.

Area	Risk assessment	Current position	What we plan to do
		• There are still important weaknesses in processes to assess risks and needs which need to be improved as a matter of priority • Leaders across the partnership now need to articulate a shared, coherent vision and accelerate strategic planning for the integration of services for children and young people and increase the capacity for improvement to deliver planned changes at the pace needed to improve outcomes for children, young people and families.	
Efficiency How effectively the council is improving its efficiency in response to the budget challenges being faced.	No scrutiny required	The budgetary pressures from a challenging financial climate continue to present challenges. Consideration is being given to a new model and transformation programme that will consider the services that are delivered by the council and other bodies and work out whether services need to be delivered, who is best placed to deliver them, and in what form. The council is still to agree a financial savings target for the programme but this is due to be set shortly. The transformation programme is at an early stage but is seen by the council as a key enabler in achieving the required savings over the next five years. Accordingly the LAN will seek to monitor this area through the work of the external auditor in 2014 with a view to reviewing progress and possible scrutiny for next year's AIP.	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
Equalities Whether the council is providing effective leadership of equalities and is meeting its statutory obligations.	No scrutiny required	The LAN considered a range of documentary evidence on this area. The council is fully committed to equality of opportunity in relation to the planning and provision of goods and services. Its performance against key performance measures is better than national averages. The council published Mainstreaming Equality and Diversity in Clackmannanshire Council in May 2013. Clackmannanshire Council has established and deployed a number of initiatives which support delivery of the equalities act. These include: • Competency Framework which demonstrates commitment to behavioural competencies that support delivery of equalities policies. • Development of an Equality and Diversity module on E-Learning systems to raise awareness and knowledge of employees. This forms part of the employee induction process. Revised Equality Impact Assessment Toolkit which provides a simplified process for carrying out EQIAs. A checklist for ensuring EQIAs are carried out on council strategies and policies. This is monitored through council reporting protocols. Implementation of a new integrated HR and payroll system which enables analysis of employee information including occupational segregation by role and by grade. The council demonstrates its commitment to encouraging the	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		recruitment of people with disabilities through its adoption of the "Two Ticks" scheme which guarantees an interview for all applicants with a disability who meet the essential criteria on a person specification and thereafter to consider them on their abilities. The council has well established procedures for dealing with harassment issues within the workforce and also has staff trained in mediation.	

Service performance

31. 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	Three year average data for all National Performance Framework attainment targets at levels three to six continue to show improvement in young people's attainment in national examinations. The figures for young people leaving school with awards in English and maths at level three, and for the percentage of young people achieving five or more awards at level three are above the national figure. Those who achieve five or more awards at level four is in line with the national figure. All other measures are below the national figure. Around half of young people leave school with five or more level five awards. However the majority of young people do not achieve three or more Highers. Post school positive destinations continue to be lower than the national and in comparator authorities. Exclusions in primary schools have reduced but exclusions in secondary schools remain a cause for concern.	This area will be the focus of a validated self-evaluation (VSE). Areas for support and challenge in 2014-15 arising from the VSE will be identified in the Education Scotland Partnership Agreement with Clackmannanshire Council.
Social care services The quality of local social work and care services	Scrutiny required	The Care Inspectorate led a joint inspection of services for children in Clackmannanshire CPP early 2014. These inspections take account of the full range of work within CPP areas including services provided by	Care Inspectorate with other bodies will revisit to assess and

Area	Risk assessment	Current position	What we plan to do
and the resulting outcomes (including adult care, older peoples services, learning disability services, criminal justice services, mental health services, children and families).		health visitors, school nurses, teachers, doctors, social workers, police officers and the voluntary sector. Therefore, the findings from this inspection are covered within joint working. Adult care and older people services: Performance indicators within older people services show that Clackmannanshire is consistently supporting more people at home with higher care needs and are performing slightly better than the Scotland figures. Criminal justice: 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. (The Level of Service/Case Management Inventory is the main current tool in Scotland for assessing the likelihood of further offending based on risk/needs and planning intervention for adult offenders). 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. Regulated services: Regulated services published grades as at 31 October 2013 show that overall grades for services provided by Clackmannanshire were of four or above Fostering and adoption: The fostering and adoption inspections took place in summer 2013. Evaluation for both services showed	report on progress in 2015/16.

Area	Risk assessment	Current position	What we plan to do
		deterioration from the previous year. The service continues to be adversely affected by numerous management changes and the lack of progress in the development of a shared Fostering and Adoption service with Stirling Council.	
Housing and homelessness The quality of housing and homeless services and the resulting outcomes.	No scrutiny required	The council has identified the main issues facing them with regards to homelessness applications and action plans are in place and are being monitored by SHR. The council's performance was better than the national average with regards to the amount of rent arrears owed in 2012/13 (5.4% compared to 6.8% nationally). The council is well ahead of the national average for properties that meet the Scottish Housing Quality Standard. The LAN does not have any immediate concerns with regards to the council's performance in any areas of housing and homelessness. An on-site examination of the council's systems and progress was conducted in March 2014 by SHR. This found the council's data gathering and systems were robust and the reported progress against the Scottish Housing Quality Standard was reliable. As a result, no further engagement is proposed. The LAN will monitor the council's performance during 2014/15 with regards to its plans to improve its homelessness service and on rent arrears. This monitoring will be fed into the shared risk assessment process for the AIP in 2015.	No specific scrutiny activity
Non-regulated services Particular strengths and challenges in the range of non-regulated services	No scrutiny required	Of the seven main areas, the council performs well, with performance levels that are slightly above average or in line with national averages. The main areas of concern where SPI performance is lower than average relates to roads maintenance. There are regular reports to	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
provided by the council, and any significant changes to performance.		councillors on performance.	

Improving and transforming public services/public performance reporting

32. 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.	No scrutiny required	The context for transforming council services is clearly set out in the SOA, which demonstrates a clear understanding of the financial challenges and demographic demands. The council have also set the policy and planning to take account of reducing resources. The council is continuing to develop its approaches to Shared Services with Stirling Council on Education and Children's Services. The LAN's view progress on these areas will be addressed through inspection and validated self-evaluation activities during 2014. The 'Making Clackmannanshire Better' transformation programme is seen as the major enabler of improved services and outcomes for citizens but is also key to the council achieving the required budget savings over the next three years. In addition the programme will impact on all council services. It is therefore essential that the appropriate best in class transformation and change management approach is applied to ensure the objectives of the programme are delivered. Appropriate change management capacity	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		and capability will be essential.	
		The LAN's view is that it is too early to assess the impact of this work. It will be a focus of the External Auditor's work in 2014.	
		Progress and monitoring:	
		2012/13 End of Year Key Performance Indicator Report (report to council June 2013)	
		Overall:	
		42.2% of Indicators improving	
		6.7% of Indicators remaining consistent	
		43.8% of Indicators declining	
		7.8% of Indicators not known at time of reporting	
		Analysis of the areas where performance has declined shows that the bulk of decline has been in Housing and Corporate Services.	
		Quartile performance	
		40% of Indicators are in the top quartile (static from last year but increasing trend)	
		29.1% are in the 2nd quartile (static from last year, mixed trend)	
		23.6% are in the 3rd quartile (static from last year, mixed trend)	
		7.3% are in the bottom quartile (static from last year, mixed trend).	

Area	Risk assessment	Current position	What we plan to do
		The LAN will monitor this area in 2014 through the work of the external auditor.	
Public performance reporting (PPR) The progress that is being made by councils in meeting their PPR obligations.	No scrutiny required	The council has improved its performance in respect of Statutory Performance Indicators and was ranked second out of 32 councils. The assessment of PPR councils' arrangements for meeting reporting requirements for SPI1 & 2 found the council was: SPI1: Fully meeting 2 areas (employees, sustainable devpt.), partially meeting 3 areas (responsiveness to its communities, procurement, equalities & diversity), not meeting 1 area (assets). SPI2: Fully meeting 3 areas (benefits administration, protective services, waste mgt.), partially meeting 8 areas (community care, criminal justice social work, cultural & community services, planning, education of children, child protection & children's social work, housing & homelessness, roads & lighting), not meeting 0 area. The LAN has considered the council's arrangement for collecting, recording and publishing accurate and complete information and identified no significant issues.	No specific scrutiny activity

Appendix 1: Scrutiny plan

CLACKMANNANSHIRE COUNCIL 2014/15												
Scrutiny activity year 1	**Apr**	**May**	**June**	**July**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**
Education Scotland - review of Careers Information Advice and Guidance							x					
Audit Scotland: housing benefit risk assessment (end of 2014/15 - timing TBC)												
National or supported self-evaluation work year 1												
Audit Scotland: Targeted follow-up of Arms length external organisations (ALEOs)		x										
Audit Scotland: Targeted follow-up *of Major capital investment in councils*			x									
Education Scotland: Validated self-evaluation of shared services in education across Clackmannanshire and Stirling councils			x									

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 and Local Partnership Agreement, 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.