



**Clackmannanshire
Council**

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Comhairle Siorrachd
Chlach Mhanann

Kilncraigs, Greenside Street, Alloa, FK10 1EB (Tel.01259-450000)

Meeting of Clackmannanshire Council

Thursday 8 February 2018 at 9.30 am

**Venue: Council Chamber, Kilncraigs,
Greenside Street, Alloa, FK10 1EB**

Date	Time
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There are 32 Unitary Councils in Scotland. Clackmannanshire Council is the smallest mainland Council. Eighteen Councillors are elected to represent the views of the residents and businesses in Clackmannanshire. The Council has approved Standing Orders that detail the way the Council operates. Decisions are approved at the monthly meetings of the full Council and at Committee Meetings.

The Council is responsible for approving a staffing structure for the proper discharge of its functions, approving new policies or changes in policy, community planning and corporate governance including standards of conduct.

The Council has further responsibility for the approval of budgets for capital and revenue expenditure, it also has power to make, alter or cancel any scheme made under statute and to make, alter or cancel any orders, rules, regulations or bye-laws and to make compulsory purchase orders. The Council also determines the level of Council Tax and approves recommendations relating to strategic economic development.

Members of the public are welcome to attend our Council and Committee meetings to see how decisions are made.

Details of all of our Council and Committee dates and agenda items are published on our website at www.clacks.gov.uk

If you require further information about Council or Committee meetings, please contact Committee Services by e-mail at customerservice@clacks.gov.uk or by telephone on 01259 452106 or 452004.

31 January 2018

A MEETING of the CLACKMANNANSHIRE COUNCIL will be held within the Council Chamber, Kilncraigs, Greenside Street, Alloa, FK10 1EB, on THURSDAY 8 FEBRUARY 2018 at 9.30 am.

**ELAINE McPHERSON
Chief Executive**

B U S I N E S S

	Page No.
1. Apologies	--
2. Declaration of Interests Elected Members are reminded of their obligation to declare any financial or non-financial interest which they may have in any item on this agenda in accordance with the Councillors' Code of Conduct. A Declaration of Interest form should be completed and passed to the Committee Services Officer.	--
3. Confirm Minutes of Meetings of Clackmannanshire Council (Copies herewith):	
(i) Meeting held on Tuesday 12 December 2017	07
(ii) Special Meeting held on Thursday 18 January 2018	13
4. Committee Meetings Convened Since the Previous Council Meeting on 12 December 2017 (For information only)	--
(i) Scrutiny Committee on 21/12/17	
(ii) Regulatory Committee on 16/01/18	
(iii) Audit and Finance Committee on 18/01/18	
(iv) Clackmannanshire Licensing Board on 23/01/18	
(v) Planning Committee on 25/01/17	
5. Committee Recommendations Referred to Council – report by the Chief Executive (Copy herewith)	15
6. Clackmannanshire Council Best Value Assurance Report – report by the Chief Executive (Copy herewith)	19

	Page No.
7. Social Services Review – report by the Head of Social Services (Copy herewith)	67
8. Local Code of Governance – report by Head of Resources and Governance (Copy herewith)	75

EXEMPT INFORMATION

It is considered that the undernoted reports be treated as exempt from the Council's general policy of disclosure of all papers by virtue of Schedule 7A, Part 1, Paragraphs 8, 9 and 1 of the Local Government (Scotland) Act 1973. It is anticipated (although this is not certain) that the Council will resolve to exclude the press and public during consideration of these items.

	Page No.
9. Sale of Land at Alloa West Business Park – report by the Executive Director (Copy herewith)	117
10. Chief Officer Establishment – report by the Service Manager(HR), Chief Accountant and Service Manager (Legal and Democracy) (report issued under separate cover)	- -

Clackmannanshire Council – Councillors and Wards

Councillors

Wards

Provost	Tina Murphy	1	Clackmannanshire West	SNP
Councillor	Darren Lee	1	Clackmannanshire West	CONS
Councillor	George Matchett, OPM	1	Clackmannanshire West	LAB
Councillor	Les Sharp	1	Clackmannanshire West	SNP
Councillor	Donald Balsillie	2	Clackmannanshire North	SNP
Councillor	Martha Benny	2	Clackmannanshire North	CONS
Councillor	Dave Clark	2	Clackmannanshire North	LAB
	(vacancy)	2	Clackmannanshire North	
Councillor	Phil Fairlie	3	Clackmannanshire Central	SNP
Councillor	Derek Stewart	3	Clackmannanshire Central	LAB
Councillor	Mike Watson	3	Clackmannanshire Central	CONS
Councillor	Chris Dixon	4	Clackmannanshire South	CONS
Councillor	Kenneth Earle	4	Clackmannanshire South	LAB
Councillor	Ellen Forson	4	Clackmannanshire South	SNP
Councillor	Craig Holden	4	Clackmannanshire South	SNP
Councillor	Graham Lindsay	5	Clackmannanshire East	SNP
Councillor	Kathleen Martin	5	Clackmannanshire East	LAB
Councillor	Bill Mason	5	Clackmannanshire East	CONS

Appointed Members (3)

Rev Sang Y Cha	Church of Scotland
Father Michael Freyne	Roman Catholic Church
Pastor David Fraser	Scottish Baptist Church

Nb. Religious representatives (Appointed Members) only have voting rights on matters relating to the discharge of the authority's function as education authority.



MINUTES OF MEETING of the CLACKMANNANSHIRE COUNCIL held within the Council Chamber, Kilncraigs, Greenside Street, Alloa, FK10 1EB, on TUESDAY 12 DECEMBER 2017 at 9.30 am.

PRESENT

Provost Tina Murphy (In the Chair)
Councillor Donald Balsillie
Councillor Martha Benny
Councillor Dave Clark
Councillor Chris Dixon
Councillor Archie Drummond
Councillor Kenneth Earle
Councillor Phil Fairlie
Councillor Ellen Forson
Councillor Craig Holden
Councillor Bill Mason
Councillor George Matchett, QPM
Councillor Les Sharp

IN ATTENDANCE

Elaine McPherson, Chief Executive
Nikki Bridle, Depute Chief Executive
Stephen Coulter, Head of Resources and Governance
Stuart Crickmar, Head of Strategy and Customer Services
Ahsan Khan, Head of Housing and Community Safety
Lindsay Sim, Chief Accountant
Lindsay Thomson, Service Manager, Legal and Democratic Services (Clerk to the Council)
Margaret Summers, Committee Services

Presentation – Callum Bonner, Modern Apprentice Painter and Decorator

In August, 2017 Callum Bonner received notification from SkillBuild 2017 that he was one of the highest scoring competitors from the Regional SkillBuild Competition qualifiers and was invited to compete in the UK National Final of SkillBuild 2017 at the NEC Birmingham in November 2017. Callum has been selected as a member of the Squad UK which means that he is in the first stage of a journey that could see him representing the UK in Russia in 2019.

On behalf of the Council, the Leader of the Council congratulated Callum on his achievements and presented him with a certificate from Clackmannanshire Council.

The Provost intimated that an item of urgent business had been submitted by Councillor Dave Clark. In terms of Standing Order 11.6, the Provost agreed to accept this item onto the agenda as the last item of business given the matter concerns the closure of bank branches in Clackmannanshire. The reason for accepting the item of urgent business was the potentially significant impact the intended closures could have on the public and business community of Clackmannanshire and the length of time until the next meeting of the Council on 8 February 2018.

CC.68 APOLOGIES

Apologies for absence were received from Councillor Darren Lee, Councillor Graham Lindsay, Councillor Kathleen Martin, Councillor Derek Stewart and Councillor Mike Watson.

CC.69 DECLARATIONS OF INTEREST

None

CC.70 MINUTES OF MEETING: CLACKMANNANSHIRE COUNCIL 9 NOVEMBER 2017

The minutes of the meeting of the Clackmannanshire Council held on 9 November 2017 were submitted for approval.

Decision

The minutes of the meeting of the Clackmannanshire Council held on 9 November 2017 were agreed as a correct record and signed by the Provost.

CC.71 COMMITTEE MEETINGS CONVENED SINCE THE PREVIOUS COUNCIL MEETING ON 9 NOVEMBER 2017

The Council agreed to note the Committee meetings that had taken place since the last ordinary meeting on 9 November 2017.

- (i) Audit and Finance Committee on 16/11/2017
- (ii) Regulatory Committee on 21/11/2017
- (iii) Planning Committee on 23/11/2017
- (iv) Clackmannanshire Licensing Board on 28/11/2017

CC.72 TREASURY MANAGEMENT UPDATE AT 30 SEPTEMBER 2017

A report which presented an update of Treasury Management activity for the period to 30 September 2017 was submitted by the Chief Accountant. The mid-year report ensures the Council is implementing best practice in accordance with the CIPFA Code of Practice for Treasury Management.

Motion

That Council agrees the recommendations set out in the report.

Moved by Councillor Ellen Forson. Seconded by Councillor Phil Fairlie.

Decision

Having agreed to note and consider the mid year review of the Council's Treasury Management activities, the Council agreed to approve a change to the Treasury Management Limits contained within the Treasury Management Strategy Statement 2017 as detailed in paragraph 3.12 of the report.

Action

Depute Chief Executive

CC.73 SCHEME FOR THE ESTABLISHMENT OF COMMUNITY COUNCILS

A report which provided Council with the outcome of the second consultation exercise on the content of a proposed new Scheme for the Establishment of Community Councils was submitted by the Head of Strategy and Customer Services.

Motion

That Council approves the proposed new Scheme for the Establishment of Community Councils attached as Appendix 1 to the report to go forward to the next stage of statutory consultation.

Moved by Councillor Phil Fairlie. Seconded by Councillor Ellen Forson.

Decision

The Council agreed to approve the proposed New Scheme for the Establishment of Community Councils attached as Appendix 1 to the report and to go forward to the next stage of statutory consultation.

Action

Head of Strategy and Customer Services

CC.74 HOUSING NEED AND DEMAND ASSESSMENT

A report which invited Council to approve an updated Housing Need and Demand Assessment (HNDA) was submitted by the Head of Housing and Community Safety. The HNDA sets out the research undertaken to identify housing needs in the area and the governance and consultation process needed to achieve 'robust and credible' status from the Scottish Government.

Motion

That Council approves the Housing Need and Demand Assessment (HNDA)

Moved by Councillor Craig Holden. Seconded by Councillor Donald Balsillie.

Decision

Having commented and challenged as appropriate, the Council agreed to approve the Housing Need and Demand Assessment (HNDA).

Action

Head of Housing and Community Safety

CC.75 STRATEGIC HOUSING INVESTMENT PLAN 2018-2023

A report which asked Council to approve the Strategic Housing Investment Plan (SHIP) and to note the intention to consider appointing a preferred development partner was submitted by the Head of Housing and Community Safety. The SHIP sets out the policy framework for affordable housing development in Clackmannanshire over the next 5 years, establishing the investment priorities.

An error in Appendix 1 was highlighted at paragraph 18.10; reference to "East Castle Street, Alva" should be amended to read "East Stirling Street, Alva".

Motion

That Council agrees the recommendations set out in the report.

Moved by Councillor Craig Holden. Seconded by Councillor Donald Balsillie.

Decision

The Council agreed to:-

- (i) Approve the Strategic Housing Investment Plan for 2018-2023, including the 5 year programme of housing sites, detailed in Appendices 1 and 2 of the report.
- (ii) Note the intention to carry out a process to appoint a Registered Social Landlord as preferred development partner.
- (iii) Note the remainder of the report having commented and challenged as appropriate.

Action

Head of Housing and Community Safety

CC.76 URGENT CAPITAL WORKS

A report which requested funding for proposals to deal with required capital works identified at the Speirs Centre and ABC Nursery was submitted by the Head of Housing and Community Safety.

Motion

That Council agrees the recommendations set out in the report.

Moved by Councillor Craig Holden. Seconded by Councillor Donald Balsillie.

Decision

The Council agreed to:-

- (i) Approve an additional £20k of capital funding for additional heating in the Speirs Centre.
- (ii) Bring forward from 2020-21 to this year, the £102k of capital funding previously identified for works to ABC Nursery.
- (iii) Note the remainder of the report having commented and challenged as appropriate.

Action

Head of Housing and Community Safety

CC.77 NOTICE OF MOTION IN TERMS OF STANDING ORDER 16.0 – UNSOCIAL HOURS

A notice of motion in terms of Standing Order 16.0 was submitted by Councillor Dave Clark.

Motion

This Council celebrates its staff and applauds their commitment to delivering services to the people of Clackmannanshire. It recognises, in humility, that they contribute 3% of their income voluntarily towards addressing the Council's financial difficulties. This Council, therefore, considers it abhorrent that their income is further attacked in the form of the withdrawal of the unsociable hours allowance paid to staff working antisocial hours and desists from implementing such a policy.

In doing so this motion proposes the reversal of the decision of Clackmannanshire Council of 27 March 2017 to remove the antisocial hours allowance as set out in paper 3 of the Council meeting of 27 March 2017, namely the general Services Revenue and Capital Budgets 2017/18.

Moved by Councillor Dave Clark. Seconded by Councillor Kenneth Earle.

Vote on the Motion

In terms of Standing Order 14.7, Councillor George Matchett, QPM, asked for a roll call vote. The Council agreed that a vote be taken by calling the roll and at this stage there were 13 members present who were eligible to vote. On the roll being called, the elected members present voted as follows:

For the motion (3 votes)

Councillor Dave Clark
Councillor Kenneth Earle
Councillor George Matchett, QPM

Against the motion (10 votes)

Councillor Martha Benny
Councillor Bill Mason
Councillor Chris Dixon
Councillor Craig Holden
Councillor Phil Fairlie
Councillor Donald Balsillie
Councillor Archie Drummond
Councillor Ellen Forson
Councillor Les Sharp
Provost Tina Murphy

Decision

The motion was defeated on a division of 10 votes to 3.

The Provost adjourned the meeting for 15 minutes at this point in the proceedings (11.25 am).

Councillor George Matchett, QPM, withdrew from the meeting at adjournment.

When the meeting resumed at 11.40 am, twelve (12) members remained present.

CC.78 NOTICE OF MOTION IN TERMS OF STANDING ORDER 11.5 – URGENT BUSINESS

A notice of motion in terms of Standing Order 11.5 was submitted by Councillor Dave Clark. This motion had been accepted as urgent by the Provost.

Motion

This Council condemns the announced closures of Alva's Bank of Scotland and Alloa's Royal Bank of Scotland branches given the impact these closures will have on members of the public and the business community.

It is proposed that Clackmannanshire Council, as the democratic representation of the people of Clackmannanshire, writes to the Head Office of both banks calling on them to reverse the decision of closure.

Moved by Councillor Dave Clark. Seconded by Councillor Kenneth Earle.

Amendment

Delete the paragraph commencing "It is proposed etc" and insert a new paragraph:-

"Council instructs relevant officers to report on possible options to transfer investments by this Council to financial institutions and banks that continue to invest in our community."

Moved by Councillor Les Sharp. Seconded by Councillor Archie Drummond.

Decision

The motion as amended was agreed without division. Accordingly, the Council agreed to support the motion as amended:

This Council condemns the announced closures of Alva's Bank of Scotland and Alloa's Royal Bank of Scotland branches given the impact these closures will have on members of the public and the business community.

Council instructs relevant officers to report on possible options to transfer investments by this Council to financial institutions and banks that continue to invest in our community.

Action

Depute Chief Executive

At this point in the proceedings, Councillor Les Sharp, Leader of the Council, gave notice under Standing Order 20.7 that proposals to amend standing orders would be brought before the next meeting of Council on 8 February 2018.

The Provost thanked the Council and extended best wishes to all elected members and employees for a happy and healthy festive period.

Ends 11.50 am



**MINUTES OF SPECIAL MEETING of the CLACKMANNANSHIRE COUNCIL held within
the Council Chamber, Kilncraigs, Greenside Street, Alloa, FK10 1EB, on THURSDAY 18
JANUARY 2018 at 9.00 am.**

PRESENT

Provost Tina Murphy (In the Chair)
Councillor Donald Balsillie
Councillor Martha Benny
Councillor Dave Clark
Councillor Kenneth Earle
Councillor Phil Fairlie
Councillor Ellen Forson
Councillor Craig Holden
Councillor Darren Lee
Councillor Graham Lindsay
Councillor Kathleen Martin
Councillor Bill Mason
Councillor George Matchett
Councillor Les Sharp
Councillor Derek Stewart

IN ATTENDANCE

Elaine McPherson, Chief Executive
Nikki Bridle, Depute Chief Executive
Garry Dallas, Executive Director
Stephen Coulter, Head of Resources and Governance
Derek Barr, Procurement Manager
Lesley Deans, Principal Transportation Planner
David Brown, Public Transport Project Officer (Stirling Council)
Elizabeth Hutcheon, Management Accountancy Team Leader
Lindsay Thomson, Service Manager, Legal and Democracy Services (Clerk to the Council)
Gillian White, Committee Services Officer, Legal and Democracy Services

SCC.01 APOLOGIES

Apologies for absence were received from Councillor Chris Dixon and Councillor Mike Watson.

SCC.02 DECLARATIONS OF INTEREST

None.

EXEMPT INFORMATION

The Council resolved in terms of Section 50(A) of the Local Government (Scotland) Act, 1973, that the press and public be excluded from the meeting during consideration of the following item of business on the grounds that it involved the likely disclosure of exempt information as detailed in Schedule 7A, Part 1, Paragraphs 8 and 9.

SCC.03 BUS SERVICES SUPPORTED BY CLACKMANNANSHIRE COUNCIL AND NHS FORTH VALLEY

A report, submitted by the Executive Director, updated Council on proposals for replacement of bus services C1 and C2 currently supported by Clackmannanshire Council, and bus services H1 and H2, currently supported by NHS Forth Valley.

The Executive Director circulated a proposed revision to the recommendation contained in the original report previously circulated on 11 January 2018.

Following a robust question and answer session and discussion, the Provost adjourned the meeting for 10 minutes at this point in the proceedings, to allow members the opportunity to consider the amended recommendations, (10.05 am).

Councillor Kathleen Martin withdrew from the meeting during the adjournment (10.05 am).

When the meeting resumed at 10.16 am 14 members remained present.

Motion

That Council changes the wording set out in the revised recommendation (as tabled at the meeting) at paragraphs 2.1 (a) and (b); agrees the new wording as set out below; and deletes paragraph 2.2:

- 2.1 It is recommended that Council
 - a. Agrees to award lots 1 and 2 in respect of bus services C1 and C2/C2A; and
 - b. Agrees to award lot 3 in respect of bus services H1/H2, subject to confirmation from NHS Forth Valley in compliance with the tender timescales.

Moved by Councillor Les Sharp. Seconded by Councillor Dave Clark.

Decision

The Council unanimously agreed:

- a. To award lots 1 and 2 in respect of bus services C1 and C2/C2A; and
- b. To award lot 3 in respect of bus services H1/H2, subject to confirmation from NHS Forth Valley in compliance with the tender timescales.

Action

Executive Director

Ends 10.20 am

Report to: Clackmannanshire Council

Date of Meeting: 8 February, 2018

Subject: Committee Recommendations Referred to Council

Report by: Chief Executive

1.0 Purpose

- 1.1. The purpose of this report is to seek Council approval of recommendations which have been made by the Audit and Finance Committee on 16 November, 2017.
- 1.2. Under the Council's decision-making framework, Council has delegated certain matters to committees and has reserved certain powers. Included in the latter are the approval of main policies and strategies (Scheme of Delegation 3.2), the approval of budgets (Scheme of Delegation 3.19) and the spending of money not budgeted for (Scheme of Delegation 3.20).
- 1.3. Standing Order 8.4 requires that where a Committee passes a report to Council, the full Committee report shall not be included again on the Council agenda and that officers should prepare a brief report that refers to the relevant Committee report and recommendation(s).

2.0 Recommendations

- 2.1. It is recommended that Council:
 1. from the **Audit and Finance Committee of 16 November, 2017** in relation to the report entitled "*Council Financial Performance 2017/18 August Outturn*"
 - Approves the rephrasing of the current capital budget for Telecare and the use of the budget to support a new call system within Menstrie House.
- 2.2. The minute and report relating to this item are available on Clacksweb.

3.0 Sustainability Implications

- 3.1. N/A

4.0 Resource Implications

4.1. *Financial Details*

4.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

4.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

4.4. *Staffing*

5.0 Exempt Reports

5.1. Is this report exempt? No

6.0 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)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all

Our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

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

7.0 Equalities Impact

7.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
Yes No

8.0 Legality

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

9.0 Appendices

9.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

None.

10.0 Background Papers

10.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

a) Agenda, together with Minute of the Audit and Finance Committee of 16 November.

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Elaine McPherson	Chief Executive	452002

Approved by

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	Signed: E McPherson

Report to: Clackmannanshire Council

Date of Meeting: 8 February, 2018

Subject: Clackmannanshire Council Best Value Assurance Report

Report by: Chief Executive

1.0 Purpose

- 1.1. The purpose of this paper is to introduce the formal presentation to Council of the recently published *Clackmannanshire Council Best Value Assurance Report* and the Accounts Commission's findings on that Report.
- 1.2. The Report will be presented to Council by a representative of Audit Scotland.

2.0 Recommendations

- 2.1. It is recommended that Council:
 - a) notes the contents of the Best Value Assurance Report (Appendix 1), commenting and challenging as appropriate;
 - b) notes and considers the findings of the Accounts Commission on that Report (Appendix 2) commenting and challenging as appropriate; and
 - c) agrees that an action plan is brought to the March, 2018, Council meeting to progress the recommendations contained in the Best Value Assurance Report.

3.0 Background

- 3.1 There is a statutory duty of best value for local councils. As part of this, once every five years, a Best Value Assurance Report on each council is submitted by Audit Scotland to the Accounts Commission.
- 3.2 Such reports seek to provide the Accounts Commission with assurance on councils' statutory duty to deliver best value, with a particular focus on the Commission's strategic audit priorities covering:
 - the clarity of council priorities and the quality of long-term planning to achieve these
 - how effectively councils evaluate and implement options for significant changes in delivering services
 - how effectively councils ensure that councillors and officers have the right knowledge, skills and time to lead and manage delivery of council priorities
 - how effectively councils involve citizens in decisions about services

- the quality of council public performance reporting to help citizens gauge improvement.

3.3 The audit work for this Council's Best Value Assurance Report took place between September and November of 2017 and included:

- interviews with councillors, senior officers and partner organisations
- observation of a range of council and committee meetings
- focus groups with council staff
- review of documents and performance information, including previous audit and inspection reports.

4.0 Considerations

4.1 The Best Value Assurance Report for Clackmannanshire Council is attached as Appendix 1 to this report and a representative from Audit Scotland will be in attendance at the Council meeting to present the Report.

4.2 As part of the formal process, the Report was considered by the Accounts Commission at its meeting on 11 January, 2018. Further to that consideration, the Accounts Commission issued its findings on 25 January. These findings are set out in full at Appendix 2 to this report. In summary, the Commission has accepted the Controller of Audit's Report, endorsed the Report's recommendations and intimated its expectation that the Council will act upon them.

4.3 Audit Scotland's recommendations are that:

- 1) councillors and officers should build on their constructive working relationships to provide the coherent, combined leadership necessary to secure the council's financial position;
- 2) the council should consider savings options and decide how best to direct resources to priorities; it should work with communities to develop options and prepare for the difficult decisions it has to make;
- 3) the council should further develop its working relationships with community planning partners to ensure their combined resource is directed towards the strategic local outcomes; and
- 4) the council should balance the drive for savings with the need for sufficient officer time and skills to support change. It should also consider how it could make more use of external assistance to support improvement.

4.4 In its findings, the Accounts Commission is also requiring (by June, 2019) a further report by Audit Scotland on the Council's progress in taking forward these recommendations.

4.5 Finally, it is standard practice for the Accounts Commission to seek a meeting to discuss the report and its own conclusions with all-party representatives of the Council and the Commission Chair has written to the Chief Executive. The purpose of this meeting is for:

- a) the Council to feed back its views on the Report's findings
- b) the Council to advise of what improvement steps it is considering
- c) the Accounts Commission to confirm the next stage of the best value process
- d) the Council to feedback its views on the audit process and any learning points.

5.0 Next Steps

5.1 As noted above, the Accounts Commission expects the Council to act on the recommendations contained in the Best Value Assurance Report, making particular reference to the need for urgent and decisive action.

5.2 The Council is well-placed to act, since in the last year Council has already taken a number of strategic decisions on organisational transformation and financial sustainability, notably:

a) agreed in the *Taking Clackmannanshire Forward* document a three step approach for operating in an increasingly challenging economic and financial environment;

b) agreed an overall Strategic Change Framework within which to undertake whole organisation redesign;

c) agreed a set of organisational design principles and a broad design for the organisation;

d) researched and piloted a number of core operating models to design and build services around; and

e) signed up to a Local Outcome Improvement Plan with community planning partners which sets out key strategic priorities for Clackmannanshire.

5.3 The next stage is to build on those foundations to move the transformation process to the next stage by:

a) taking forward whole organisation redesign and service transformation based on already agreed frameworks and principles;

b) agreeing which operating models should be used on a consistent basis across the organisation as redesign is progressed;

c) agreeing key priorities for future workforce development to enable and support redesign and change;

d) establishing a governance process and structure to drive, oversee and monitor the redesign and change process;

e) putting in place project management and governance arrangements, as well as other capacity, required to support the transformation process.

- 5.4 It is recommended, therefore, that an action plan is brought to the March meeting of Council which incorporates the above intentions, as well as other actions to address the recommendations contained in the Best Value Assurance Report.
- 5.5 Council should note that it is a requirement that to notify the Accounts Commission of any decisions made further to the consideration of its findings on the Best Value Assurance Report.

6.0 Sustainability Implications - n/a

7.0 Resource Implications - n/a

8.0 Exempt Reports - this report is not exempt.

9.0 Declarations

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

Our Priorities

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all
Our families; children and young people will have the best possible start in life
Women and girls will be confident and aspirational, and achieve their full potential
Our communities will be resilient and empowered so that they can thrive and flourish

10.0 Equalities Impact

10.1 n/a

11.0 Legality

- 11.1 In adopting the recommendations contained in this report, the Council is acting within its legal powers.
- 11.2 The Report is made by the Controller of Audit under section 102 of the Local Government (Scotland) Act 1973.
- 11.3 The Accounts Commission's powers are set out in the Local Government in Scotland Act 2003 at section 3.

12.0 Appendices

- 1 - Clackmannanshire Council Best Value Assurance Report (Audit Scotland)
- 2 - Account's Commission Findings

13.0 Background Papers

1 - Letter from Audit Scotland dated 20, December, 2017

2 - Letter from Accounts Commission dated 17, December, 2017

3 - Letter from Accounts Commission dated 23, January, 2018

NAME	DESIGNATION	TEL NO / EXTENSION
Elaine McPherson	Chief Executive	Signed: E McPherson

Clackmannanshire Council

Best Value Assurance Report



Prepared for the Accounts Commission by the Controller of Audit
January 2018

The Accounts Commission

The Accounts Commission is the public spending watchdog for local government. We hold councils in Scotland to account and help them improve. We operate impartially and independently of councils and of the Scottish Government, and we meet and report in public.

We expect councils to achieve the highest standards of governance and financial stewardship, and value for money in how they use their resources and provide their services.

Our work includes:

- securing and acting upon the external audit of Scotland's councils and various joint boards and committees
- assessing the performance of councils in relation to Best Value and community planning
- carrying out national performance audits to help councils improve their services
- requiring councils to publish information to help the public assess their performance.

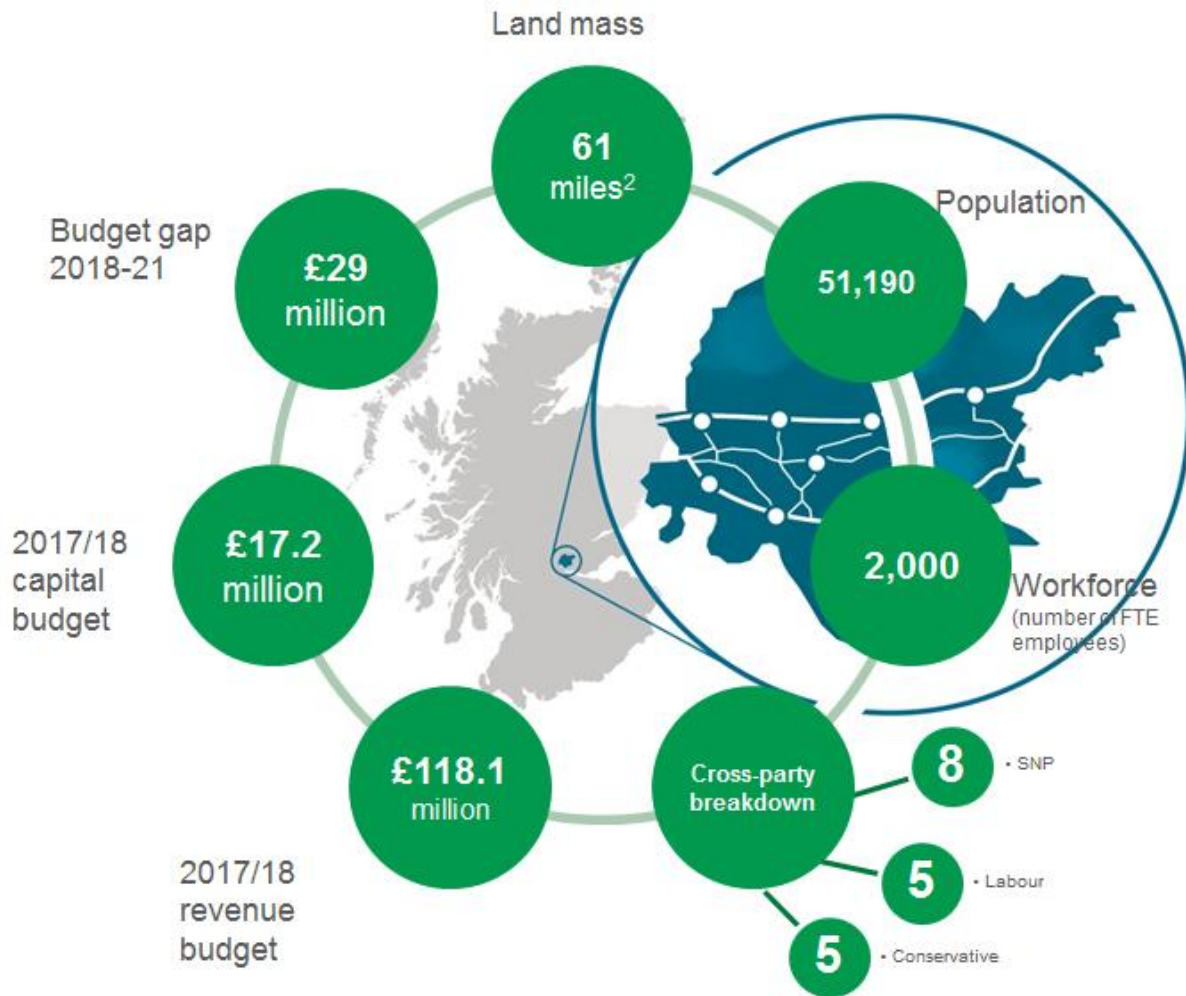
You can find out more about the work of the Accounts Commission on our website: www.audit-scotland.gov.uk/about-us/accounts-commission

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

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Key facts



Capital expenditure includes spending on buildings and other assets needed to provide services, such as houses, schools and vehicles.








Revenue expenditure is day-to-day spend, such as employee costs and supplies and services.

Audit approach

1. The statutory duty of Best Value was introduced in the Local Government in Scotland Act 2003. The audit of Best Value is a continuous process that forms part of the annual audit of every council. Audit conclusions are reported each year through the Annual Audit Report, addressed to the Controller of Audit and the councillors. In addition, the Controller of Audit will present a Best Value Assurance Report (BVAR) to the Accounts Commission at least once during the five-year audit appointment for each council. This is the first BVAR on Clackmannanshire Council under the revised arrangements.
2. This report seeks to provide the Accounts Commission with assurance on the council's statutory duty to deliver Best Value, with a particular focus on the Commission's Strategic Audit Priorities covering:
 - the clarity of council priorities and the quality of long-term planning to achieve these
 - how effectively councils evaluate and implement options for significant changes in delivering services
 - how effectively councils ensure that councillors and officers have the right knowledge, skills and time to lead and manage delivery of council priorities
 - how effectively councils involve citizens in decisions about services
 - the quality of council public performance reporting to help citizens gauge improvement.
3. We are looking for councils to demonstrate Best Value by showing continuous improvement in how they deliver their priorities. The pace, depth and continuity of improvement are key to how well councils meet their priorities in future. Throughout this report we comment on the council's improvement over time and reflect our conclusions in the key messages.
4. Our audit approach is proportionate and risk-based: it reflects the context, risks and performance of the individual council. It also draws on the intelligence from audit scrutiny work carried out in previous years. In keeping with this approach we did initial work to define the scope of our audit. This included reviewing previous audit and inspection reports, council documents, initial meetings with senior officers and reflecting on our wider public sector knowledge and experience. [Exhibit 1](#) (page 6) shows the key areas we focused on for our audit of Clackmannanshire Council.

Exhibit 1

Key areas of focus for our audit

	The council's vision and priorities
	Performance and outcomes against the council's priorities
	Financial management and financial planning
	Community engagement so that residents have a say in how services are provided
	Partnership working
	Self-evaluation
	Plans for achieving transformation

Source: Audit Scotland

5. The detailed audit work for this report took place between September and November 2017. Our audit work included:
 - interviews with councillors, senior officers and partner organisations
 - observing a range of council and committee meetings
 - holding focus groups with council staff
 - reviewing documents and performance information.
6. This report reflects the work done on the key areas of focus noted above. Our work covers a number of Best Value characteristics included in the statutory guidance (2004), but does not cover them all. Our audit work in the future, as part of the annual audit of the council, will include follow-up on the findings from this report. It will also include more detailed audit work on other Best Value areas, as appropriate.
7. We gratefully acknowledge the cooperation and assistance provided to the audit team by all councillors, officers and partners we contacted during the audit.

Key messages

- 1.** Clackmannanshire Council faces an acute financial position which requires it to achieve further savings of around £29 million over the next three years. This is a substantial saving in the context of the council's annual budget of £118 million. The council receives good quality information about its finances and has a clear understanding of the scale of the financial challenge.
- 2.** The council has made significant savings over recent years but has yet to make the transformational changes necessary to secure its financial position. It has used reserves to balance budgets; this is not sustainable and the council must now make difficult decisions about the services it can afford to deliver. It is reviewing how it operates, and will have to balance the drive for savings with the need for sufficient officer time and skills to support change.
- 3.** The council has well-established strategic priorities. But political instability in recent years has affected its focus and ability to make the decisions needed for lasting progress. Recently there are signs of more effective working relationships across political groups; this will be tested as the council deals with the difficult decisions it faces. Members and officers work constructively on a day-to-day basis. There is less evidence of coherent, combined political and officer leadership necessary to implement and maintain change.
- 4.** Clackmannanshire has several areas of comparatively high deprivation and economic activity is lower than the Scottish average. Over a period of budget reductions and service cuts, the council has maintained service performance and customer satisfaction in a number of key areas. But the pace of improvement is slow in some areas and not evident in others.
- 5.** The council works well with its partners to identify local priorities and to help deliver services. It worked closely with stakeholders in developing the new local outcome improvement plan (LOIP), which will be implemented by community planning partners, the Clackmannanshire Alliance. The LOIP includes a more focused set of local priorities, including specific geographic areas and particular groups of people, such as children and women. These provide a clear basis for prioritising resources in future.
- 6.** In our report on Best Value and Community Planning in 2007 we concluded that the council faced significant challenges with limited resources. The council has made improvements in some areas, but the financial challenges are much more significant meaning that it now needs to take urgent and decisive action. Only then will the council be in a position to demonstrate the pace, depth and continuity of improvement associated with Best Value.

Part 1

Does the council have clear strategic direction?



The council has well-established strategic priorities. But political instability in recent years has affected its focus and ability to make decisions needed for lasting progress

Recently there are signs of more effective working relationships across political groups; this will be tested as the council deals with the difficult decisions it faces.

Members and officers work constructively on a day-to-day basis. There is less evidence of coherent, combined political and officer leadership necessary to implement and maintain change.

The council is reviewing how it operates, and will have to balance the drive for savings with the need for sufficient officer time and skills to support change.

Clackmannanshire faces many challenges

8. Clackmannanshire is the smallest mainland council in Scotland. It serves more than 51,000 people over a 61 square mile area. The area's transport links have improved significantly in recent years with the reopening of the Stirling to Alloa railway and the construction of the Clackmannanshire Bridge.
9. Like most areas of Scotland, the population of Clackmannanshire is ageing; by 2033, one in four people in the council area will be over 65. Over the next 20 years the population is expected to decrease by 2.4 per cent, against a national expected increase in population of 8.8 per cent in the same period.
10. Clackmannanshire has significant concentrations of deprivation, including Alloa South and East and Tullibody North and South. People living in deprived areas have fewer resources and opportunities, for example in health and education. Nationally, Clackmannanshire has the eighth highest concentration of deprivation of the 32 Scottish councils. Full-time jobs in Clackmannanshire pay less than the Scottish average, and pay has fallen by six per cent since 2013, in contrast to a two per cent increase across Scotland.
11. The proportion of school leavers entering higher education in 2014/15 was 26 per cent, well below the Scotland rate of 38 per cent. There are around 9,000 children in Clackmannanshire, with around 2,000 (22 per cent) living in workless households and 2,400 (27 per cent) living in poverty.

The council has well-established strategic priorities

12. The council's vision and priorities are set out in the Council Plan 2012/17: *Taking Clackmannanshire Forward*. The vision is to deliver better services, better opportunities and better outcomes, for example improving people's

health and wellbeing, the area's economic strength and building strong communities. The Council Plan has nine priorities ([Exhibit 2](#)). Part 2 of this report considers progress against these priorities.

Exhibit 2

Clackmannanshire Council's strategic priorities 2012 to 2017

The Council Plan 2012/17 set out nine priorities:

- The area has a positive image and attracts people and businesses
- Our communities are more cohesive and inclusive
- People are better skilled, trained and ready for learning and employment
- Our communities are safer
- Vulnerable people and families are supported
- Substance misuse and its effects are reduced
- Health is improving and health inequalities are reducing
- The environment is protected and enhanced for all
- Our public services are improving.

Source: Council Plan 2012/17: *Taking Clackmannanshire Forward*

13. In September 2017 the council endorsed Clackmannanshire's 2017-2027 local outcome improvement plan (LOIP). The LOIP was developed by Clackmannanshire's Community Planning Partnership, the Clackmannanshire Alliance, and provides a collective vision and focus for the area. The LOIP includes a more focused set of priorities which reflects the social and economic challenges that people in Clackmannanshire face. The council is developing a new corporate plan that sets out how it will achieve the new priorities.

Political instability in recent years has affected the council's focus and ability to make the decisions needed for lasting progress

14. The council's acute financial position, which requires it to achieve further savings of around £29 million over the next three years, presents a major challenge to it achieving its strategic priorities.

15. In 2013, the SNP led council introduced a business transformation strategy, Making Clackmannanshire Better (MCB), as its response to the financial difficulties the council faced. MCB sets out how the council will reduce costs, deliver services in new and cost-effective ways and target resources effectively to the council's priorities. [Exhibit 3](#) shows the links between MCB and the council's budget strategy, council and service plans.

Exhibit 3

The council's strategy for delivering services

The aims of MCB are reflected in its budget strategy, council and service plans.



Source: Making Clackmannanshire Better booklet, Clackmannanshire Council

16. The council has used MCB to better involve councillors in setting policy and making decisions. It set up a member forum and members receive monthly updates on corporate developments and the council's progress in delivering savings.
17. In 2014 the council's external auditors reported that the council had developed three new target operating models for integrated services. The council intended to replicate these models across the council as a whole. In December 2014 the council rejected proposals for target operating models.
18. In 2015 the external auditors assessed the progress of MCB. Their findings and recommendations for improvement were presented to the Resources and Audit Committee in September 2015 in a report, *Delivering Change and Financial Sustainability*. The report highlighted concerns about the pace and scale of delivery.
19. In May 2016 the SNP administration resigned, following which Labour formed a new minority administration. In August 2016 the Labour administration presented an alternative to MCB, *Putting Customers First*, to improve services and more effectively achieve priority outcomes. This included community

consultation and proposals for reversing budget decisions by the previous administration. In February 2017 the Labour administration resigned following the council's failure to agree a budget for 2017/18 ([Case study 1](#)).

Case study 1

Councillors reversed decisions designed to improve the council's financial position

At the council meeting on 9 February 2017, two reports were presented by the chief executive and deputy chief executive promoting and reiterating the need for transformational change and financial sustainability. This was to protect the council's financial position over the medium and long term. The reports clearly set out the financial challenges faced by the council, the need for organisational redesign, and the limited progress made in reducing its workforce through voluntary severance and redundancy. Councillors agreed:

- that compulsory redundancies could be used as a last resort once alternative approaches to severance had been exhausted
- to tender for external expertise to review and redesign how the council provides services.

A special council meeting took place on 23 February 2017 to agree the 2017/18 budget. The revenue budget presented incorporated the decisions agreed at the council's previous meeting. The administration put forward an amendment to reverse the decisions which it had proposed and voted through two weeks earlier. The amendment required a vote on changes to standing orders, which was defeated. The Labour administration resigned during the special meeting and the decision on the budget was deferred.

At the meeting on 23 February, despite not having an agreed budget, the council agreed to increase council tax by the maximum allowed, three per cent. Setting council tax without reference to an agreed budget is an exceptional situation but the council had a legal requirement to set its council tax. The council finally agreed its 2017/18 budget on 27 March 2017. The budget reversed the decisions agreed on 9 February.

-
20. The May 2017 local government elections resulted in an SNP minority administration. It reinstated MCB, bringing it together with the Council Plan under the heading of *Taking Clackmannanshire Forward*.
 21. The council has not been able to achieve the transformation and change envisaged in MCB. A lack of consensus on the difficult decisions to be made has led to political instability. This has contributed to the council's lack of progress in implementing MCB and addressing its financial difficulties.
 22. Following the May 2017 election, there are signs of more effective working relationships across political groups. There is broad consensus about the scale of the financial challenge facing the council and indications of a greater willingness to work together. Working relationships will be tested as the council deals with the difficult decisions it faces. A clear focus on the fact that the duty of Best Value is for the council as a whole and not only the administration of the day is central to making lasting progress.
 23. The Accounts Commission has highlighted that good governance in councils requires good working relationships between members and officers. Getting these relationships right has a significant bearing on how well councils perform. Members and officers work constructively on a day-to-day basis. There is less evidence of coherent, combined officer and political leadership necessary to implement and maintain transformational change.

The council must now make difficult decisions to deliver services more efficiently

24. There have been notable differences in the level of savings agreed by the council across services. In recent years, corporate and housing services have made the largest savings relative to their overall budgets. This is already having an impact on services, which is considered in part 2 of the report.

25. Social services and education continue to make the lowest savings relative to their overall budgets. This is largely due to these services having been protected compared to other services. The council needs to consider whether it can continue to protect services to this degree given its financial difficulties.
26. The council agreed a new strategic model for providing services in March 2017. It plans to make initial annual savings of £1 million and create the conditions for improved services and further savings. The design includes three broad categories of council service:
 - People - services focused on individuals, families or groups of individuals with certain needs
 - Place - services focused on environments and geographic areas
 - Performance - services which enable the council to deliver its people and place priorities.
27. The new model focuses on greater integration of services, with new ways of working across departments. The council plans to review all services to determine the level at which they are most effectively and efficiently delivered. It aims to generate savings by reducing the level of resources required to deliver services. In reviewing how it operates, the council will have to balance the drive for savings with the need for sufficient officer time and skills to support change.
28. The chief executive has discussed the draft organisational design with all elected members, trade union representatives and service managers. The proposals for implementing the strategic model, elements of which were first considered by the council in 2014, are still to be agreed by members. The council must now agree how it will deliver services under its new model to secure the anticipated savings.

Part 2

How well is the council performing?



Over a period of budget reductions and service cuts, the council has maintained service performance and customer satisfaction in a number of key areas. But the pace of improvement is slow in some areas and not evident in others

The council has maintained high performance in some areas, but areas of poor performance have more than doubled to around a third of all indicators.

The council's shared service arrangement with Stirling Council, for education and social services, ended. The council used this opportunity to redesign services, with early signs of improvement.

The council has maintained performance in a number of key areas despite financial pressures

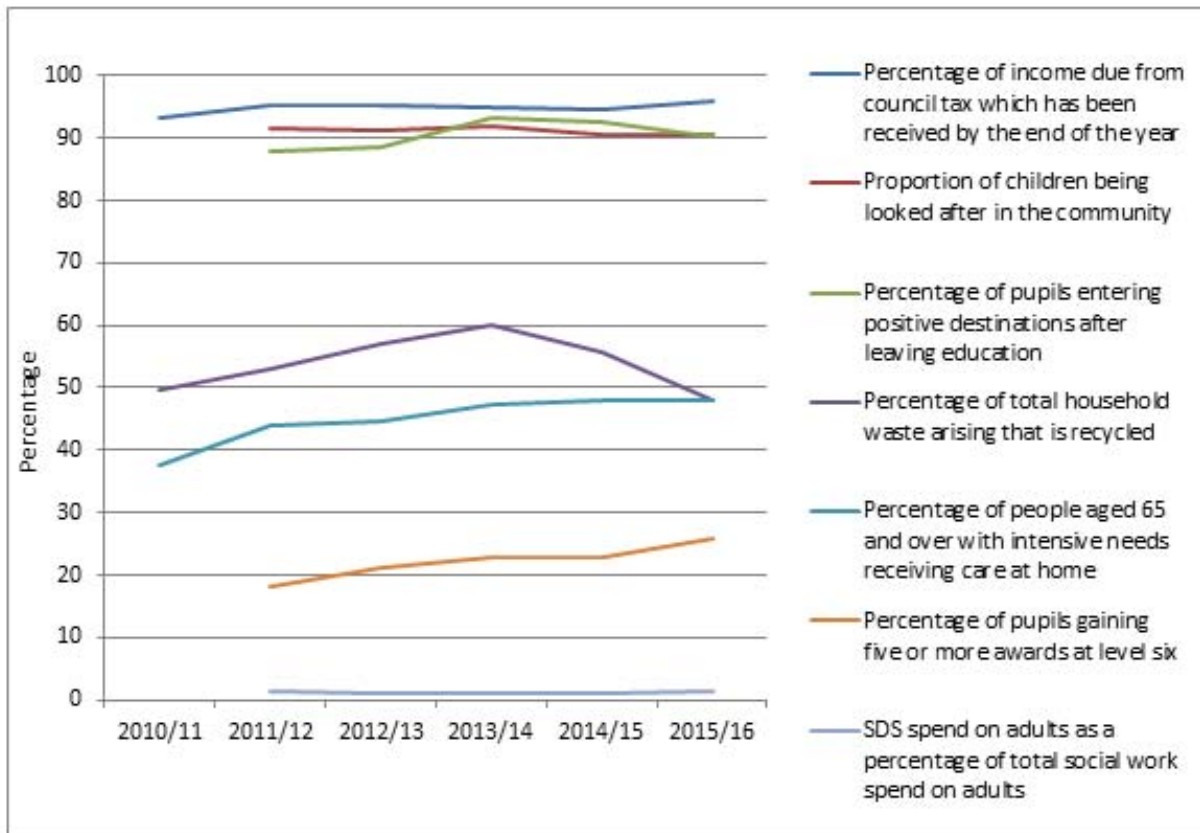
29. The council's latest self-evaluation was presented to the Corporate Management Team in November 2016.¹ This highlighted that the benefits of MCB were not being realised. It also noted that the unplanned ending of shared education and social services with Stirling Council in 2015 had led to additional pressures at a time of rising demands for social services.
30. In 2007 we reported that the council's performance varied across services. It had an above average proportion of performance indicators among the best performing councils in Scotland but also a slightly above average number among the worst performing councils². Between 2011 and 2016 the council has maintained performance against a number of key indicators ([Exhibit 4](#)).

¹ PSIF Self Assessment: November 2016

² Audit Scotland, Clackmannanshire Council: the Audit of Best Value and Community Planning (2007)

Exhibit 4

Clackmannanshire Council's performance against selected indicators, 2010/11 to 2015/16
The council has maintained performance against a number of key indicators over the last five years.



Source: Audit Scotland and Local Government Benchmarking Framework, Improvement Service, 2015/16

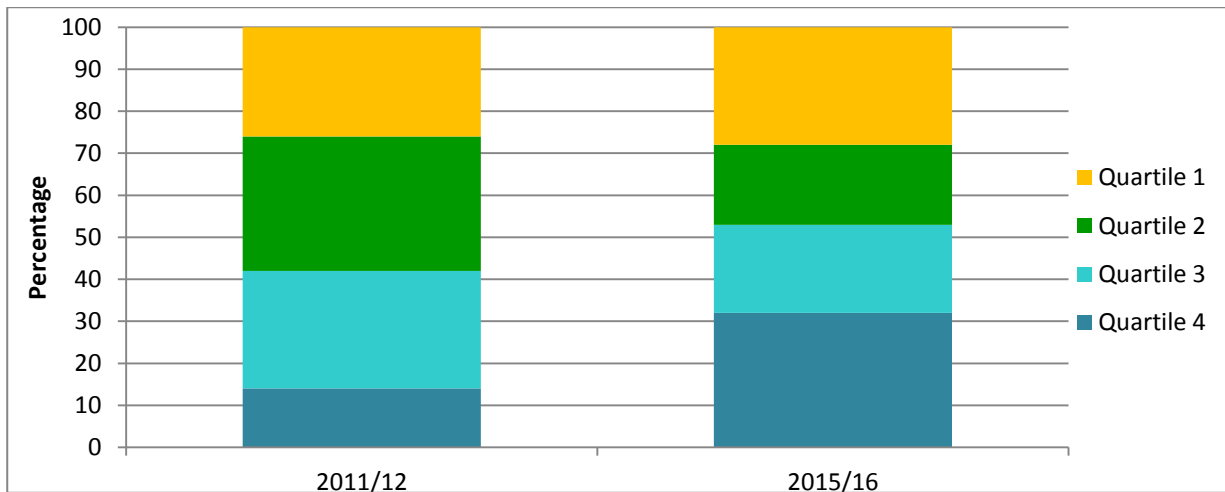
The council performs well in some areas, but areas of poor performance have increased

31. Similar to other councils in Scotland, the council has to deal with pressures including an ageing population, reduced social benefits, rising living costs, increasing poverty and vulnerability, and budget cuts. The council does however have more significant economic and social challenges compared to most other council areas. The council is trying to address these challenges alongside an acute financial position.
32. [Exhibit 5](#) sets out how the council is performing relative to other councils using the Local Government Benchmarking Framework (LGBF). Between 2011/12 and 2015/16, the council has slightly increased the proportion of indicators where its performance is among the best in Scotland from 26 to 28 per cent. Over the same period the proportion of indicators where its performance is among the worst in Scotland has increased markedly, from 14 to 32 per cent.

Exhibit 5

Comparing the council's performance against other councils

The percentage of indicators where the council's performance is above average decreased from 58 per cent in 2011/12 to 47 per cent in 2015/16.



Note: measuring council performance involves considering how all councils are performing, from lowest to highest for each indicator. From this it is possible to see how one council compares to all councils. Relative performance against other councils is divided into four equal bands, or quartiles. The first quartile contains the best -performing councils for that indicator and the fourth quartile includes the poorest performing councils.

Source: Audit Scotland and Local Government Benchmarking Framework, Improvement Service, 2015/16

33. Children's and adult services account for half of the council's top scores. Children's services also account for nearly half of its lowest scoring indicators. Satisfaction levels are high despite outcomes remaining comparatively poor. In our Best Value report in 2007 we highlighted educational attainment was poor and required improvement. Average attainment levels at S4 have risen over time and are now around the national average. The proportion of pupils gaining five or more awards at level five and six remains in the bottom quartile and pupils entering positive destinations after school are among the lowest in Scotland.
34. In 2011/12 the council performed comparatively well across its corporate services indicators, but these now make up a third of the areas where the council's performance is poor. Part 1 of this report notes that corporate services budgets have had larger percentage cuts in recent years than other services, though there may be other reasons for the decline in performance. For example, the introduction of new centralised invoicing processes has been highlighted by the council as a reason for short-term decline in service performance.
35. Despite the challenges the council faces, in recent years it has won awards for elements of its services. In 2013 the council received a four star recognition for excellence from the European Foundation for Quality Management. It has also been recognised by the Convention of Scottish Local Authorities. For example, in 2017 the council won the Excellent People, Excellent Outcomes Award for its young parents project with NHS Forth Valley.

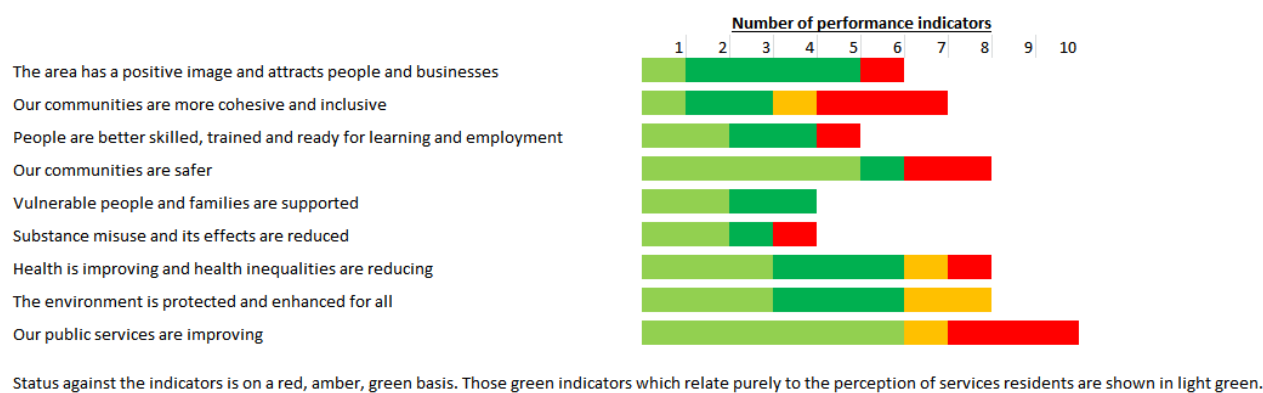
The council has maintained customer satisfaction despite falling performance in some areas

36. It is reasonable that all councils will have a mix of indicators across the quartiles. This is because councils will prioritise the budgets or services that support their overall priorities, meaning that lower priority services can be expected to score less well. Clackmannanshire's self-evaluation includes performance indicators organised under its nine priority areas. [Exhibit 6](#) draws on the council's self-evaluation to show progress against these priorities.

Exhibit 6

Clackmannanshire Council's self-evaluation against its priorities

The council shows current status against priorities, but some information is not available and around half of the positive indicators (green) relate to perceptions of residents.



Source: Clackmannanshire Council self-evaluation reported to the corporate management team in November 2016

Note: Indicators in green are those that the council judges have met target. Those in light green relate to indicators met which relate purely to the perception of services by residents. Amber indicators are those in progress towards achievement. Red indicators are those which are below the council's targets and require attention.

37. Residents of Clackmannanshire have a positive perception of the services they receive. The 2016 Citizen's Panel results reveal highly positive perceptions of Clackmannanshire and its attractiveness to people and business: 96 per cent of residents feel they have good access to nature and open spaces, 91 per cent believe Clackmannanshire is a good place to live, and 74 per cent believe it has a good physical environment. Of the 43 indicators making up the green status in exhibit 6, 25 (58 per cent) relate directly to resident perceptions of services.

The council's shared service arrangement with Stirling Council, for education and social services, ended. The council used this opportunity to redesign services, with early signs of improvement

38. The council began discussions with Stirling Council for a shared service for education and social care in 2010 and agreed to have joint heads of service. A strategic agreement was reached in 2013. The councils were aiming to improve service quality and efficiency while maintaining their independence. The shared services worked on a lead authority model, with Stirling Council acting as lead for education services and Clackmannanshire Council as lead for social services. This covered management-level arrangements and some operational arrangements but separate governance arrangements continued within each council. This included separate reports being taken to each council by the shared services.
39. In 2015, the two councils commissioned a review of the shared service arrangements. The consultants concluded that over £1 million a year was being saved between the two councils and fully integrating services would create a further marginal saving.
40. The two councils agreed in August 2015 to continue considering options for shared services. In September 2015 Stirling Council issued a media statement that it intended to end the shared services. This was agreed by Stirling Council in October 2015 and was accepted by Clackmannanshire Council later that month.

41. Since the decision to end the shared service, the council has redesigned social care and education services and focused on improving performance. The council has appointed senior officers to lead the individual services. The shared service arrangement officially ended in March 2017.

Performance in social services declined during the transition from the shared service but the council is taking action to address this

42. The council had a short period of time to react to the end of the shared service. Its initial focus was on developing new strategies and ensuring that services continue to be delivered. The council appointed a new head of service who is also its chief social work officer in October 2016.
43. The end of the shared social work service meant the end of an arrangement to share the payroll costs of 28 staff with Stirling Council. The council also lost access to specialist support in areas including policy and planning and data analysis. This made service redesign more difficult.
44. Sickness rates among staff in the service had been high and increased during the transition to a single service. In adult care services the average number of days lost increased from 15.1 days in 2015/16 to 21.0 days in 2016/17. This is an increase of 39.2 per cent, and is well above the target rate of ten days. In child care services sickness rates increased from 7.4 days to 12.5 days, again against a target rate of ten days.
45. Other indicators show declining performance. The council is required to help people leaving care to plan their future. This is called a pathway plan. The percentage of people over 16 leaving care with an allocated pathway provider and a pathway plan has fallen from 89 per cent in 2014/15 to 55 per cent in 2016/17. The proportion of people leaving care with just an allocated pathway provider also fell from 100 per cent to 55 per cent over the same period.
46. The council has taken action to address declining performance with early signs of improvement. The 2017/18 Social Services Business Plan sets out how the council will redesign services for children and families and justice social work. The council has produced a Children's Services Plan and carried out a scrutiny review of social services. It has also reviewed intensive family support services. This has included a campaign to increase the number of local foster carers, and investment in independent living accommodation and self-directed support packages for looked after children. The council is currently forecasting a £642,000 underspend in its 2017/18 residential placements budget, compared to a £636,000 overspend last year.

The council is working as a 'challenge authority' to improve the performance of its education service

47. During 2016/17 the council appointed a new chief education officer and a new management team for its education service. The council's initial focus has been on implementing policies and procedures to support the new service.
48. The education service team has built on previous plans set up under the shared service and has appointed an analyst to improve evidence-based monitoring of improvement. The council reports improved attendance in schools and reduced exclusions. Local satisfaction with the education system is notably higher than the Scottish average (87 per cent compared to 78 per cent nationally).
49. In June 2016 Education Scotland provided the council with a report on the quality of its primary education based on inspection results between 2011 and

2015.³ Forty per cent of primary schools were assessed as weak or satisfactory during this period. Across Scotland only 14 per cent of primary schools on average are classified as weak or satisfactory, with the vast majority receiving a more positive assessment.

50. There has been gradual improvement in outcomes for secondary school pupils. Attainment levels have risen and positive destinations for school leavers have increased, from 87 per cent ten years ago to 93 per cent in 2015/16.
51. In October 2017 the council reported progress against the Insight Benchmarking Tool developed by the Scottish Government. This allows councils to view progress against the national picture and a virtual comparator based on pupils with similar backgrounds. In most cases the council is in line with the virtual comparator. Education Scotland is planning to review the council's progress in more depth in 2018.
52. The council has been identified as one of nine challenge authorities by the Scottish Government. As a challenge authority it receives additional support. The council has been working with Education Scotland and the Scottish Government through this period of change. The council has also changed the structure of the service to allow closer working between local schools.

³ *The Quality of Primary Education in Clackmannanshire*, presented to councillors June 2016

Part 3

Is the council using its resources effectively?



The council faces an acute financial position which requires it to achieve further savings of £29 million over the next three years

The council receives good quality information about its finances and has a clear understanding of the scale of the financial challenge.

The council has made significant savings over recent years but has yet to make the transformational changes necessary to secure its financial position.

The council has used reserves to balance budgets; this is not sustainable and the council must now make difficult decisions about the services it can afford to deliver.

The council receives good quality information about its finances and has a clear understanding of the scale of the financial challenge

53. The council has effective arrangements for financial planning. Its budget strategy sets out its financial planning assumptions and indicative savings for a rolling four-year period. The council uses scenario planning to forecast funding gaps in a best, median (most likely) and worst case scenario. These scenarios, which it regularly reviews, are based on different sets of assumptions for variables such as Scottish Government funding and inflation.
54. The council is forecasting annual funding gaps for 2018/19 to 2020/21 of £13.1 million, £7.9 million and £7.7 million respectively. This is a cumulative funding gap of £28.7 million. As a proportion of net expenditure this is among the highest funding gaps of any Scottish local authority.
55. Making Clackmannanshire Better (MCB) is the council's response to its financial challenge. The business transformation strategy aims to:
 - reduce expenditure
 - maximise income
 - redesign service provision
 - implement other targeted initiatives to deliver high quality services from a sustainable cost base.
56. The council's budget strategy and its process for agreeing the annual budget are aligned with the aims of MCB. The council's process for setting its budget is well-established and involves:
 - officers putting forward savings options, management efficiencies and suggestions for service redesign

- consultation with residents on savings options
- monthly member meetings to develop the budget and consider officer savings options
- consultation with trade union representatives.

57. Councillors have been made aware, for some time, of the scale of the challenge the council faces and are satisfied with the information provided by officers on the financial position. They receive regular, clearly set out reports updating them on predicted funding gaps and the council's progress in achieving agreed savings.
58. Detailed scrutiny of financial performance is delegated to the Audit and Finance Committee, which receives regular revenue and capital monitoring reports. These reports provide an overall picture of the budget position at a service level. The reports also forecast the outturn position for the year and include explanations for significant variances against budget. They provide detailed information which allows councillors to scrutinise the council's finances.

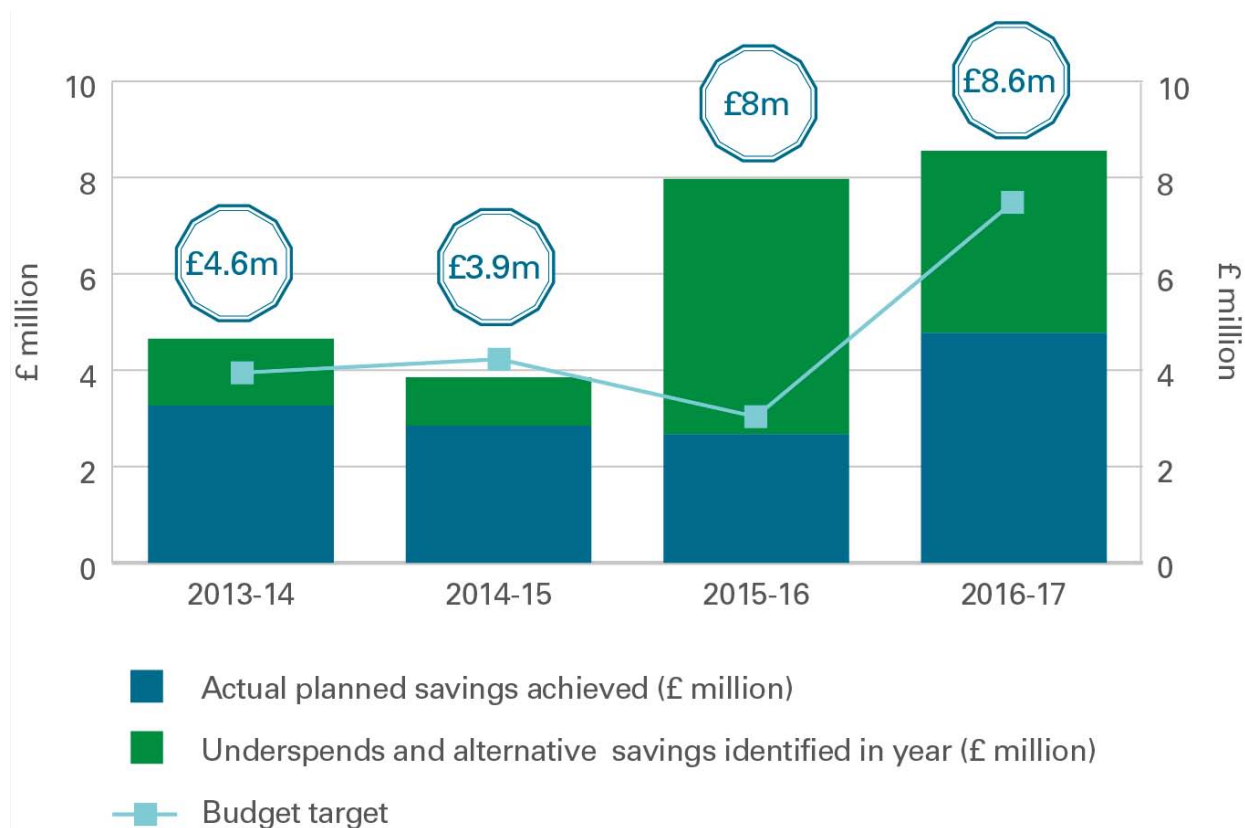
The council has made significant savings over recent years but has used reserves to balance budgets, which is not sustainable

59. The council has managed its financial position in recent years through a combination of achieving agreed savings, use of reserves and underspending against budget.
60. In 2016/17 the council recorded an underspend of £1.2 million against its 2016/17 revenue budget of £118.1 million. The council did not achieve the full level of savings agreed in the 2016/17 budget but was able to deliver services within budget by identifying alternative savings, restricting spending and making net underspends within services. [Exhibit 7](#) compares the savings made between years.

Exhibit 7

Breakdown of savings achieved against budget

The council has not fully achieved savings targets but has identified alternative savings and underspends



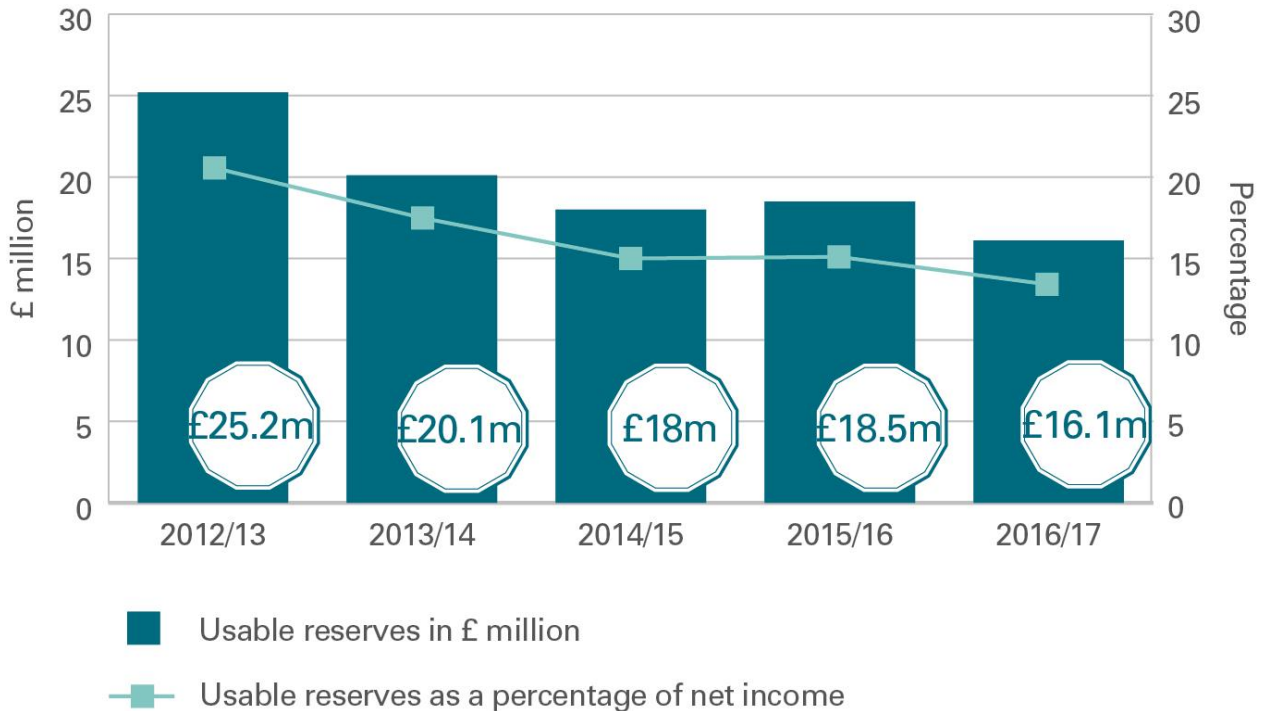
Source: Audit Scotland analysis of budget papers

61. Underspends have, in some cases, been achieved through additional reductions in spending on some services, for example services operating with unfilled vacancies. This is not sustainable. It places strain on staff and risks affecting the quality of services.
62. The council has agreed savings of £36 million since 2011 but has yet to make the transformational changes necessary to secure its financial position. As a result it has had to use £15 million of reserves over the same period to balance budgets. The council approved its 2017/18 budget in March 2017. It set a general services budget of £118.1 million, which included agreed savings of £6.8 million. This left a budget gap of £3.5 million which the council plans to meet through contributions from reserves.
63. The council agreed managed use of reserves was necessary to support the implementation of MCB but officers have regularly advised that it cannot continue to use reserves to balance budgets. The level of council reserves available to spend as a percentage of the council's annual net income has reduced over four years from 20.6 per cent in 2012/13 to 13.4 per cent in 2016/17. Between 2012/13 and 2016/17 usable reserves have decreased by £9.1 million to £16.1 million ([Exhibit 8](#)).

Exhibit 8

Usable reserves as a percentage of net income

The level of usable reserves has reduced significantly since 2012/13.



Source: Audited financial statements

64. The council reviews the level of its uncommitted reserves when setting the budget each year. The council's reserves strategy specifies that it should retain uncommitted reserves at a minimum level of three per cent of net expenditure. The uncommitted element of the general fund at 31 March 2017 was £4.8 million which represents 4.4 per cent of net expenditure.
65. The council was identified in *Local government in Scotland: Financial overview 2016/17* as one of three councils that would run out of general fund reserves within two to three years if it continued to use reserves at the level planned for 2016/17.
66. The council needs to make difficult decisions about its services and how they are provided to ensure it balances its finances. This is clear from the range of savings options put forward by officers as part of the 2018/19 budget process. Some of the options proposed would result in reductions in services from current levels.

The council has reduced its level of borrowing

67. The council has reduced its external debt by £33 million since 2010/11. This has been achieved by setting an advisory limit for capital expenditure to minimise the requirement for new borrowing.
68. The council holds outstanding loans of £146 million at 31 March 2017. This consists of external borrowing of £104 million and long-liabilities relating to three schools' public private partnership finance leases of £42 million. The council's borrowing remains within its external borrowing limit of £155 million for 2016/17 set out in its treasury management strategy. The council's borrowing as a proportion of income is relatively low compared to other Scottish councils.

There is scope for the council to further develop workforce planning

69. The council approved its Interim Workforce Strategy 2015/16 in October 2015. This set out the council's longer-term workforce planning objectives. The council identified that it needed to reduce its total workforce of 2,162 full-time equivalent (FTE) staff by approximately 320 to 350 FTE over the next few years (between 15 and 17 per cent of its workforce). In 2016/17, the council's take-up rate for voluntary redundancy was less than a third of that needed to meet its savings target.
70. The council has developed a draft organisational workforce plan covering 2017 to 2020. The draft plan sets out information on the skills and numbers of staff the council will need. It plans to achieve significant savings through changes to how it delivers services under its new strategic model. The council recognises that it will need to continue to refine workforce planning to ensure it achieves the savings required.
71. The council has made progress in reducing staff numbers but has struggled to attract and retain staff in key areas of the business. For example, it has found it difficult to recruit suitably qualified and experienced finance staff. As a result, the finance team has experienced staff turnover and levels of vacancies.
72. The council needs to address its high level of sickness absence. In 2015/16, the average number of days lost through sickness absence was 7.2 days for teachers and 13.4 days for other council employees. This is an improvement from 2012/13 when sickness absence was 15.7 days for teachers and 21.1 days for other council employees. The council's sickness absence remains among the highest in Scotland and does not compare favourably to the Scottish average of 6.1 days for teachers and 10.6 days for other employees.
73. The council's absence data for 2016/17, reported to the Scrutiny Committee in August 2017, shows that the combined sickness absence for teachers and other council employees was 14.7 days compared to its target of 11.3 days. The council is working to implement a revised policy for maximising attendance in an attempt to reduce absence.
74. The council's workforce plan states that it will survey staff on an annual basis to understand how they feel about working for the council. The council has not done this, with the last staff survey carried out in 2014.

The council has well-established arrangements for managing assets

75. The council has asset management plans in place across its main services. These plans set out how the council will maximise the performance of its assets and are linked to the priorities in the Council Plan. The property asset management plan has expired and the other plans are due to expire soon. The council is updating its asset management plans as part of its refresh of all strategic plans following the May 2017 election.
76. The council has completed a stock condition survey which will be used to inform officers and members of the viability of its housing assets. The council plans to develop a refreshed five-year asset management plan based on the results of the survey.
77. Effective management of property assets is an important means of generating savings and income, for example through asset rationalisation. The council undertakes an annual property review to identify buildings it no longer needs and can consider selling. The council also reviews leased and rental properties to ensure it uses its own properties whenever possible.

The council has achieved savings from procurement but there is scope for further improvement

78. The council has made savings through better procurement with, for example, £1.6 million of savings in 2015/16. This included savings of £0.8 million and £0.6 million in the procurement of temporary accommodation and insurance services respectively.
79. The council scored 46 per cent in a 2016 procurement assessment by Scotland Excel, Scotland's centre of procurement expertise for local authorities. This indicates that procurement practices can be improved. The council is reviewing the feedback it received from Scotland Excel and will prepare an action plan to take forward the recommendations.

Part 4

Is the council working well with its partners?



The council works well with its partners to identify local priorities and to help deliver services

The council worked closely with stakeholders in developing the new local outcome improvement plan which includes a more focused set of local priorities.

The council has well-established arrangements for engaging with its communities.

The council is working with Stirling Council to progress a City Deal to support regeneration in the area.

The council worked closely with stakeholders in developing the new local outcome improvement plan which includes a more focused set of local priorities

80. The council has well-established partnership working arrangements. It is an active member of the Clackmannanshire Alliance alongside representatives including local businesses, Forth Valley College, the NHS and police and fire services. The council worked closely with other members of the Clackmannanshire Alliance to develop the new local outcome improvement plan (LOIP).
81. The LOIP includes four strategic outcomes for Clackmannanshire:
 - Clackmannanshire will be attractive to businesses and people and ensure fair opportunities for all
 - our families, children and young people will have the best possible start in life
 - women and girls will be confident and aspirational, and achieve their full potential
 - our communities will be resilient and empowered so that they can thrive and flourish.
82. The LOIP was agreed after a local poverty assessment and a workshop with stakeholders, including third sector organisations and volunteer groups. The Clackmannanshire Alliance used an online consultation and five themed workshops to further develop the priorities and actions to achieve the strategic outcomes. These plans focus on improving local outcomes for women and children and residents in South Alloa, which evidence indicates are the most disadvantaged within Clackmannanshire's communities.
83. [Exhibit 9](#) shows the performance of the council and its community partners against its previous SOA priorities based on national performance indicators. The exhibit shows that the partnership's performance is below that of council

areas with similar levels of deprivation, including its family group. This includes Fife, Falkirk, Renfrewshire, South Ayrshire, South Lanarkshire, West Lothian and Dumfries and Galloway councils.

Exhibit 9

Performance indicators ranked against other councils, filtered by priority areas

The council performs comparatively poorly in priority areas.

Priority Area for Council & Community Planning Partners	Indicator	Ranking (out of 32 councils)	Above or below Family Group?
Health is improving and health inequalities are reducing	Percentage of babies at a healthy birthweight	30	
	Percentage of primary 1 children who have body mass index classified as a healthy	4	
	Emergency admissions for age 65 and over per 100,000	3	
	Accident and Emergency attendance rates per 100,000	5	
	Well-Being measurement	31	In line
	Early mortality: European Age Standardised Rate of deaths for persons under 75	26	
People are better skilled, trained and ready for learning and employment	S4: Average tariff score - all pupils	16	In line
	Percentage of school leavers entering positive and sustained destinations (such as further education or training)	32	
Our communities are more cohesive and inclusive and Vulnerable people and families are supported	Percentage of population (aged 16-64) in receipt of out of work benefits	25	
	Percentage of children in poverty	27	
The area has a positive image and attracts people and businesses	Employment rate	28	
	Median weekly earnings for residents in community planning partnership area who are employed	19	
	Survival of new businesses (3 year period)	31	
Our environment is protected and enhanced for all	CO2 emissions (tonnes per capita)	28	
Our communities are and feel safer	Total crimes per 10,000 population	21	
	Number of dwelling fires per 10,000 population	24	

Key

	Ranking (out of 32 councils)	Above or below Family Group?	
Quartile 1			Above family group performance
Quartile 2			
Quartile 3			Below family group performance
Quartile 4			

Source: Audit Scotland and Local Government Benchmarking Framework, Improvement Service, 2015/16

84. In April 2016, the Improvement Service produced a Community Planning Outcomes Profile. This allows councils to compare how outcomes are changing for people in the ten per cent least and most deprived areas. The data only covers the period to 2012/13 but it indicates widening gaps in inequality across communities in Clackmannanshire. This contrasts with the national picture where the inequality gap is generally narrowing ([Exhibit 10](#)).

Exhibit 10

Comparison of most and least deprived areas against performance indicators

Inequalities are increasing among most indicators, which is in contrast to Scotland as a whole, where the gap between the most and least deprived areas is generally reducing.

Key

Gap is narrowing
Gap is widening

Inequality Indicators	Clackmannanshire		Scottish Average		Inequality gap greater or smaller than the Scottish picture	Time period covered
	Size of gap between 10 per cent least deprived and most deprived data zones	Percentage change in gap in period covered	Size of gap between 10 per cent least deprived and most deprived data zones	Percentage change in gap in period covered		
Percentage of children in poverty	32.5%	-6.7%	36.7%	-3.6%	Smaller	2009/10 - 2012/13
S4 Tariff Score	-115.2	25.5%	-86.6	-12.5%	Greater	2002/03 - 2012/13
Percentage of school leavers in positive and sustained destinations (such as further education or training)	-27.9%	9.5%	-15.3%	-3.0%	Greater	2007/08 - 2012/13
Percentage of population (aged 16-64) in receipt of out-of-work benefits	35.6%	0.5%	35.1%	-0.4%	Greater	2010/11 - 2012/13
Crime rate per 10,000 population	1,118	27.0%	796	-15.0%	Greater	2004/05 - 2010/11
Emergency hospital admissions per 100,000 population (65+)	8,629	0.7%	16,530	26.0%	Smaller	2002/03 - 2012/13

Note: The difference between the 10 per cent most deprived data zones and the 10 per cent least deprived data zones is called the inequality (by deprivation) gap. A data zone is an area based on 2001 Census data consisting of approximately 500 to 1,000 people.

Source: Community Planning Outcomes Profile, Improvement Service, April 2016

85. The council will need to work closely with its partners to improve performance, reduce its inequality gap and achieve its new strategic outcomes. It also needs to refresh service and financial plans to ensure its services are focused on the new priorities for the area. The Children and Young People's Service Plan 2017-2020 is the first such plan designed to achieve the priorities of the LOIP.

The council has well-established arrangements for engaging with its communities

86. The third sector in Clackmannanshire is a significant local asset with more than 250 voluntary organisations delivering services and activities. These organisations attracted more than £800,000 in funding to the area in 2016/17. The Clackmannanshire Third Sector Interface is the independent support and representative organisation for charities and volunteer organisations within Clackmannanshire. It welcomed the new approach to developing the LOIP particularly the widespread and open consultation.

87. The council consults with the public through its online Citizen's Panel which is designed to be demographically representative. It also has a citizen space website which hosts consultations covering a range of local issues. The council provides information on its website about the results of some of the public consultations including what outcomes have been delivered.

88. In early 2017, the council consulted with a wide range of stakeholders on its budget proposals. This involved a range of groups including community partners, local businesses and service users.

89. The council's service reviews often involve working with the people who use the service. For example, the council surveyed school children, teachers and parents to assess how well children's services were meeting demand and identify what improvements could be made.

90. The council has demonstrated that it can engage with and support its communities to achieve local aspirations. The Bannockburn Action Plan has been

developed by a broad range of people in the community of Bowmar supported by the council and a local charity. The plan highlights the strengths of the community and sets out an ambitious plan for action to improve the lives of those living in Bowmar.

91. The council is at an early stage of working through the implications of the Community Empowerment (Scotland) Act 2015.

The council has transferred adult social care services to its health and social care partnership, but it is too early to assess the impact

92. Clackmannanshire and Stirling Integration Joint Board (IJB), which provides health and social care services across the council areas, began in April 2016. The IJB includes Clackmannanshire Council, Stirling Council and NHS Forth Valley. The IJB approved its Strategic Plan 2016-19 in February 2016, setting out its objectives and priorities over the three-year period.
93. In 2017, the council transferred operational responsibility for adult social care services to the IJB. It is too early to assess what impact this has had on services, particularly as Stirling Council and NHS Forth Valley are working towards delegating services in the same way.

The council is working with Stirling Council to progress a City Deal to support regeneration in the area

94. City Deals provide city regions with the opportunity to deliver infrastructure (such as housing and business parks), innovation and employment projects to improve economic performance. The UK and Scottish governments both provide funding with councils contributing additional funding. Clackmannanshire and Stirling councils entered a joint bid for a City Deal which was approved in 2016, although negotiations over funding and delivery are ongoing with the UK Government.⁴
95. The council has worked with Scottish Futures Trust (SFT) to develop Clackmannanshire's part of the joint bid. The council, through the SFT, worked with partner organisations such as Skills Development Scotland, Clackmannanshire Business and Scottish Enterprise to help decide how to use any City Deal funds for Clackmannanshire. Further workshops with other local partners have taken place.
96. The full submission to the UK Government is not yet complete, but the council has agreed it will cover three themes:
- investor confidence - increasing private sector investment in the area
 - inclusive growth - developing the local workforce
 - sustainable place - investment in green jobs, green infrastructure and green energy.
97. City Deal funding will be spent in specific areas of Clackmannanshire, in keeping with the more targeted nature of the new LOIP. Plans include infrastructure investment in Alloa and Sauchie. The UK Government's 2017 Autumn Budget Statement confirmed that progress is being made in relation to the deal.

⁴ Timeline for the City Deal submission included in the City Deal Programme Update, published February 2017

Part 5

Is the council demonstrating continuous improvement?



The council has made improvements in some areas since 2007, but its financial challenges are significant and it now needs to take urgent and decisive action

The council has effective arrangements for financial planning and has worked well with partners to identify priorities. It has maintained service performance and customer satisfaction in a number of key areas while making significant savings. It now needs to make the transformational changes necessary to secure its financial position.

The council is developing an ambitious programme for change and improvement. Effective political and officer leadership will be necessary to successfully implement these plans.

The council may benefit from external support to help improvement.

The council has demonstrated improvement in some areas since 2007 but further progress is required

98. Our 2007 Best Value report found that Clackmannanshire Council faced significant challenges with limited capacity and significant improvements to make. At that time we concluded that it had established a wide-ranging improvement plan with an ambitious timescale and councillors and officers needed to provide stronger leadership in supporting continuous improvement.
99. Over the period from 2007 to 2014 the council's external auditors reported that the council was performing well and making improvements. In 2015, the external auditors highlighted concerns with the pace and scale of delivery of the council's business transformation programme. They assessed progress as part of their annual audit and reported in September 2015 that the council was making insufficient progress in addressing its significant short to medium-term financial challenges.⁵ With demographic changes and ongoing demand pressures, the external auditors did not believe this approach was financially sustainable.
100. The external auditors found that officers had invested significant time and attention to presenting alternative financial scenarios, financial modelling options and leading practices from elsewhere, but progress was limited. The

⁵ *Delivering Change and Financial Sustainability*, presented to Resources and Audit Committee September 2015

auditors also reported that significant and difficult decisions, such as those around schools estates strategy, leisure services and reviews of discretionary spending, had been deferred for over a year.

101. The external auditors noted a lack of political consensus around some of the more difficult areas for decision and prioritisation. A wide range of views existed, with some councillors accepting that prioritisation and difficult decisions were inevitable while others still regarded the use of reserves as the main solution to the medium-term financial challenges. This had resulted in a lack of direction for officers.
102. In March 2016 the Shared Risk Assessment by Audit Scotland and other scrutiny agencies identified that Best Value audit work should be carried out to review leadership, governance and financial sustainability. A new approach to auditing Best Value was agreed by the Accounts Commission in 2016. Clackmannanshire Council was included in the first group of councils to receive this Best Value Assurance Report.
103. Since 2007 the council has managed to make improvements and maintain service performance in some areas. Considerable senior officer time and effort has been spent managing the impact of political change, for example designing alternative models for service delivery, redesigning governance and administrative arrangements and preparing new budgets. The council has also established effective arrangements for financial planning and worked well with partners to identify tighter focused priorities. The challenges facing local government have changed significantly since the 2007 report and some areas for improvement identified in the previous audit remain ([Exhibit 11](#)).

Exhibit 11

Comparing selected Best Value judgements, 2007 and 2018

The council has demonstrated improvement in some areas but further progress is required at a time when it faces acute financial challenges.

Controller of Audit judgement 2007

Members and officers of the council need to provide stronger leadership for continuous improvement. They need to review political and managerial structures, establish a clearer strategic focus with fewer, clearer priorities, clarify scrutiny arrangements, and make community planning and engagement with local communities more effective.

The council's overall vision is not consistently articulated in its corporate and community plans. The plans set out too many priorities and the council has insufficient capacity to meet the challenging timescales.

The council has developed some effective partnerships, particularly for the delivery of community care services and in tackling antisocial behaviour. More generally, it needs

Controller of Audit judgement 2018

The council has well-established strategic priorities. But political instability in recent years has affected its focus and ability to make the decisions needed for lasting progress. Recently there are signs of more effective working relationships across political groups; this will be tested as the council deals with the difficult decisions it faces. Members and officers work constructively on a day-to-day basis. There is less evidence of the coherent, combined political and officer leadership necessary to implement and maintain change.

The council works well with its partners to identify local priorities and to help deliver services. It worked closely with stakeholders in developing the new local outcome improvement plan (LOIP), which will be implemented by community planning partners, the Clackmannanshire Alliance. The LOIP includes a more focused set of local priorities, including specific geographic areas and particular groups of people, such as children

to better demonstrate the impact of community planning. Along with community planning partners the council has developed new ways of identifying the needs of its communities, but these have had variable success and could be more effective.

and women. These provide a clear basis for prioritising resources in future.

The council's performance varies across services with an above average proportion of SPIs among the best performing councils in Scotland but also a slightly above average number among the worst performing councils.

Clackmannanshire has several areas of comparatively high deprivation and economic activity is lower than the Scottish average. Over a period of budget reductions and service cuts, the council has maintained service performance and customer satisfaction in a number of key areas. But the pace of improvement is slow in some areas and not evident in others.

The council has improved its financial management and budgetary control systems in recent years, but there is scope for further improvements.

The council receives good quality information about its finances and has a clear understanding of the scale of the financial challenge.

Clackmannanshire Council faces significant challenges with limited capacity. Its efforts to promote Best Value have not progressed as planned and it needs to improve in a number of areas. It has established a wide-ranging improvement plan with an ambitious timescale for delivery.

The council has made improvements in some areas, but the financial challenges are much more significant meaning that it now needs to take urgent and decisive action. Only then will the council be in a position to demonstrate the pace, depth and continuity of improvement associated with Best Value.

Source: Clackmannanshire Council: the audit of Best Value and Community Planning. Prepared by Audit Scotland for the Accounts Commission, September 2007

The council now needs to take urgent and decisive action to secure its financial position

104. The council's predicted budget gap in 2018/19 is 26 per cent more than the gap it has had in any of the previous seven years. Its biggest annual saving over that period was six years ago and was 80 per cent of what is required in 2018/19. The council has been regularly advised, for some time, of the scale of the financial challenge and the importance of taking the difficult decisions needed to secure its financial position.
105. The council has not fully achieved its plans for transformational change. At the time of our audit, the council was developing a comprehensive and ambitious programme of change based on work undertaken under Making Clackmannanshire Better. This has four main themes:
- using target operating models to deliver services
 - taking forward a whole organisation redesign and associated structure
 - developing workforce strategies quickly to ensure it has a supported and fit-for-purpose workforce
 - committing to delivering services digitally.
106. There are similarities between the council's refreshed transformation programme and previous unsuccessful approaches. In 2014, the external auditors highlighted that a pilot exercise in Tullibody had developed three new target operating models for integrated services. The models, once fully tested,

were to be replicated across the council as a whole. The external auditors noted that this approach offered the potential for significant cost reductions and better outcomes for the communities of Clackmannanshire. The external auditors reported limited evidence of the lessons learned from the Tullibody pilot being rolled out across the council and in December 2014 the council rejected proposals for target operating models and the use of compulsory redundancy as a last resort.

107. As noted in Part 1 of this report, the council is redesigning its organisational structure to help it achieve its programme of transformation. This includes significantly changing its senior management structures. The council will need to balance having less senior officer resource with its ability to make the changes and improvements required. This includes making the most of opportunities such as the City Deal.

The council may benefit from external support to help improvement

108. There are some examples of the council using external support to help make improvement. The housing and revenues services have been successful in making savings and improvements following a review by an external consultant ([Case study 2](#)).

Case study 2

Working with an external consultant the council changed its management and approach in housing and revenues services

At the time of the consultant's review processing times for new claims and changes to housing benefit claims were worsening and significantly longer than the Scottish average. Both services were facing significant budget cuts and were striving to provide more efficient and effective services. The review found that:

- different services within housing found it difficult to work with each other to provide a streamlined service for customers
- the wrong things were being measured, which led to focus in the wrong areas
- a number of practices were wasteful or not adding value
- staff spent much of their time trying to fix issues arising from poor customer service.

A range of changes and improvements were made as a result of the review. The council reduced staff levels by 13 per cent between September 2014 and March 2016 and were still able to:

- reduce housing revenue account budget spend by £720,000
- reduce the time taken to process: void properties by 50 per cent; housing repairs by 66 per cent; new benefit claims by 28 per cent and changes of circumstances by 58 per cent
- reduce reoccurring housing repair jobs from 24 per cent to two per cent
- reduce rent arrears by five per cent in pilot areas
- reduce the percentage of new tenants going into arrears from 59 per cent to 37 per cent
- increase the percentage of homeless housed from 57 per cent to 87 per cent
- increase key customer satisfaction scores
- increase council tax collection rates to the council's highest rate since 2009.

The council has continued to identify savings and make improvements.

Case Study – Transforming Housing Services: Clackmannanshire Council, June 2016

109. In setting its 2017/18 budget, the council rejected proposals to provide money for external support and assistance to deliver improvement. Given the scale of its financial challenge, the council should consider how it could use external support to help improvement.

Recommendations



Councillors and officers should build on their constructive working relationships to provide the coherent, combined leadership necessary to secure the council's financial position.

The council should consider savings options and decide how best to direct resources to priorities. It should work with communities to develop options and prepare for the difficult decisions it has to make.

The council should further develop its working relationships with community planning partners to ensure their combined resource is directed towards the strategic local outcomes.

The council should balance the drive for savings with the need for sufficient officer time and skills to support change. It should also consider how it could make more use of external assistance to support improvement.

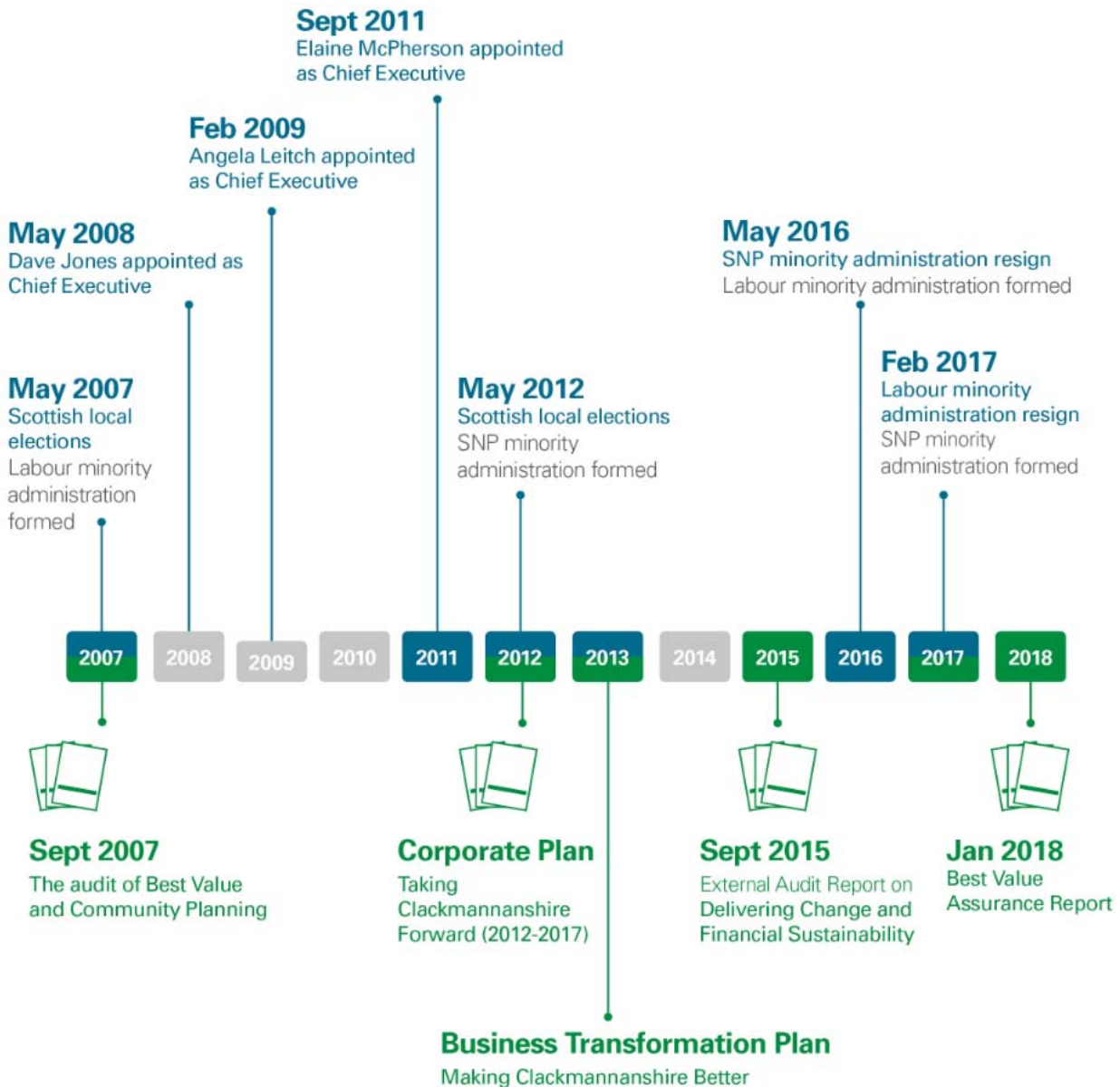
Next steps

Future audit work

110. Auditing Best Value is a continuous process that forms part of the annual audit of every council. Audit conclusions will be reported each year through the Annual Audit Report. As part of our annual audit work we will follow-up the progress the council is making in response to this report.
111. Our audit work will continue to be shaped by the Shared Risk Assessment. This is a joint approach agreed by the Accounts Commission, Audit Scotland and other scrutiny partners such as Education Scotland and the Care Inspectorate, using information about local government to plan scrutiny activity that is proportionate and based on risk. This approach will contribute to the audit intelligence and help us decide about the timing of audits and the focus of audit work at individual councils.

Appendix 1

Best Value audit timeline



September 2007 – The Audit of Best Value and Community Planning:

The Accounts Commission published its first Best Value report on the council in September 2007. The Commission's 2007 findings highlighted progress was slow due to the council's limited capacity, high number of priorities and lengthy list of improvements needed. The council was facing challenges in terms of its scale, social and economic characteristics, location and limited transport links. It highlighted areas of improvement including the need for effective leadership by elected members and sharper prioritisation of vision, priorities and policies with resource decisions.

January 2018 - Best Value Assurance Report

The Controller of Audit will present a Best Value Assurance Report to the Accounts Commission at least once during the five-year appointment for each council. This is the sixth of its kind. The report seeks to provide the Commission with assurance on the council's statutory duty to deliver Best Value, with a particular focus on the Commission's Strategic Audit Priorities.

Clackmannanshire Council

Best Value Assurance Report

If you require this publication in an alternative format and/or language, please contact us to discuss your needs: 0131 625 1500 or info@audit-scotland.gov.uk

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ACCOUNTS COMMISSION

AUDITING BEST VALUE: CLACKMANNANSHIRE COUNCIL

JANUARY 2018

FINDINGS

The Commission accepts the Controller of Audit's report on Best Value in Clackmannanshire Council. We endorse the recommendations set out by the Controller of Audit in his report and expect the Council to act upon them.

We are seriously concerned about the Council's financial position. The Controller of Audit reports the need for savings of £29 million over the next three years, from an annual budget of £118 million. We underline the Controller of Audit's view that urgent and decisive action is needed by the Council to address these required savings.

The Council previously agreed a new strategic model for providing services and this now needs to be taken forward. In doing so, the Council must consider carefully a balance between finding savings and ensuring it has the officer capacity and time to identify those savings and deliver change, while still maintaining the performance of its services.

To do so, clear political leadership is needed. This was not in evidence in the political instability in recent years. The duty of Best Value is the responsibility of the whole council: this needs to be fulfilled by members working collectively. Combined leadership between members and officers is also vital.

The need to ensure sustained effective leadership and improvement is substantial. The design and implementation of transformational change in a complex organisation is demanding, and more so when carried out under time and resource pressure. The task of securing the necessary changes to sustain services and demonstrate Best Value is urgent. It is our view therefore that the Council should seek external assistance of appropriate quality and experience.

The challenges faced by the Council and its partners in improving outcomes and reducing inequalities for the people of Clackmannanshire are significant. The local outcome improvement plan provides an important vehicle for the Council and its partners to help prioritise resources. We encourage the Council to build on this partnership working, and its good record of engaging with communities, to deliver the required change.

We require a further report by the Controller of Audit on the progress made by the Council in June 2019 or earlier if the Controller identifies concerns that he considers should be brought to our attention before then. In line with our new approach to auditing Best Value, the annual audit process will be used to monitor and report such progress.

Report to Clackmannanshire Council

Date of Meeting: 8th February 2018

Subject: Social Services Review

Report by: Head of Social Services

1.0 Purpose

- 1.1. The report will summarise the actions taken to undertake an in depth review of Children and Families Social Work.

2.0 Recommendations

- 2.1. Note the context of the report and question/challenge as appropriate.
- 2.2. Agree the conclusion of the scrutiny review.
- 2.3. Note the changes to the current caseload allocation system.

3.0 Considerations

- 3.1. On the 21st April 2016, the Resources and Audit Committee agreed the scope, approach, resourcing and reporting arrangements for undertaking a Social Services Scrutiny review.
- 3.2. Work progressed to date has been undertaken using internal staff resources. The work has been undertaken by the Executive Director, Head of Social Services, Accountancy, and Service Manager from Strategy.
- 3.3. The scope provided an option for external specialist advice to be procured to assist with aspect of the review. Up to £10k is available to Scrutiny Committee for these purposes. An approach was made to MKM consultants to undertake a review on thresholds for intervention in children and families.
- 3.4. Since September 2016 a series of member briefings and Scrutiny Review Group meetings have taken place. The aim of these meetings has been to consider and discuss data analysis prepared in line with the agreed scope and to enable feedback to be provided to officers on additional areas of enquiry and further analysis required. These meetings have included –

- A briefing for all elected members was held on the 20th October 2016 to present environmental, financial, social and demographic data. An analysis pack was also prepared for members setting out this data in detail.
- A briefing for all elected members was held on the 3rd November 2016 to present information on financial pressures in childcare and potential causal factors and mitigations.
- A series of Scrutiny Review Group meetings have been held (9th November; 23rd November and 6th December 2016) and briefings and additional information provided on key areas of enquiry identified by members of the Review Group.

3.5. A progress report to October Scrutiny Committee was presented on progress to date as was originally agreed in the Scope for June and October 2016.

Progress Against Scope

3.6. The key aspects of the scope are detailed in Table 1 below. A summary of progress to date and key aspects of work outstanding is provided against each area.

Table 1: Summary of progress and outstanding issues against the agreed scope for the Scrutiny Review of Social Services

Scope activity	Progress	Outstanding activity
Social and economic environment of Clackmannanshire (Scope paragraph 3.4)	Complete Data pack presented to all member briefing 20 th October 2016. Further data and analysis provided to briefing on the 3 rd November 2016 and Review Group meetings on the 9 th November; 23 rd November and 6 th December 2016.	None
Child care statistics, trends and forecasts: for instance re number of Looked after children, child protection referrals (Scope paragraph 3.5)	Complete Presented to all member briefing 3 rd November 2016 and Review Group meetings on the 9 th November; 23 rd November and 6 th December 2016. Recovery Plan being implemented and progress reported to Audit and Finance committee.	None
Significant areas of childcare expenditure (Scope paragraph 3.6, BP 1)	Complete Presented to all member briefings 20 th October and 3 rd November 2016 and Review Group meetings on the 9 th	None

Scope activity	Progress	Outstanding activity
	November; 23 rd November and 6 th December 2016.	
Examination of the specific causes of financial pressures on childcare to establish whether these might be mitigated (Scope paragraph 3.6, BP 2)	<p>Complete</p> <p>Presented to all member briefing on 3rd November 2016</p> <p>Review of 3rd sector Children's services provision in Clackmannanshire and gap analysis on family support provision (linked with Realigning Children's Services project)</p>	None
Analysis of the demographics of Looked After Children (Scope paragraph 3.6, Bullet point 3)	<p>Complete</p> <p>Presented to all member briefings 20th October and 3rd November 2016. Further analysis presented at Scrutiny Review Group meetings on 9th November; 23rd November and 6th December 2016.</p>	None
Financial governance including compliance with Financial Regulations, Scheme of Delegation and managerial controls (Scope paragraph 3.6, Bullet Point 4)	<p>Governance for the 2015/16 overspend obtained via Resources and Audit Committee (25th February 2016 and Council 3rd March 2016)</p> <p>Social Services Finance Report and Financial Management Action Plan presented to Audit and Finance Committee 17th November 2016.</p> <p>New working protocols between Service Management and Accountancy highlighting significant reduction in spend</p>	None
Service policies, processes and models of care offer Best Value (Scope paragraph 3.5)	<p>Service Recovery Plan, Audit and Finance Committee 15th September 2016</p> <p>Independent review of thresholds for intervention in children and families</p> <p>Vanguard scoping exercise undertaken over 3 sessions in November 2016.</p> <p>16/17 Finance Report and Financial Management Action Plan to November 2016 Audit and Finance Committee.</p> <p>Information presented to Scrutiny Review Group on:</p> <ul style="list-style-type: none"> • The National Guidance for Child Protection in Scotland; 	Completed

Scope activity	Progress	Outstanding activity
	<ul style="list-style-type: none"> • The decision making process in Social Services; • The Children’s Hearing System in Scotland; • Extract from National Guidance for Child Protection in Scotland 2014. 	

3.7. Reports detailing the work of the review were presented to Scrutiny Committee on 20th October 2016, 15th December 2016 and 31st January 2017

4.0 Service Outcomes

4.1. The following key areas of progress have taken place over the last year :

4.2 Improved governance including budget management and significant reduction in areas of overspend

4.3 Local Government Benchmarking Framework evidencing the *shifting balance of care*: Child Protection referrals and registrations in keeping with the national average, reduction of children Looked After and Accommodated away from home, increase in number of children looked after at home, reduction on overall spend and now in keeping with other comparator authorities

4.4 Project board set up to progress a new social work information system which connects to the finance system and gives “real time” financial information and reports

4.5 Increased governance and decision making for sign off of high cost placements initiated to allow overview of the “balance of care” and project expenditure

4.6 Phase 1 and Phase 2 of a robust fostering campaign including an open evening, social media advertising, advertising on council vans, advertising within the council has increased pool of internal foster carers and adopters

4.7 Robust recruitment processes which have attracted a high calibre of new and experienced staff into the service

4.8 Complete removal of all high cost agency staff from the service

4.9 A partnership with Action for Children to implement Functional Family Therapy showing evidence of improved outcomes and preventing children coming into care

4.10 Review of the child protection referral process which has resulted in more accurate performance reporting, with the Child Protection Register sitting alongside the National Average

- 4.11 Robust review processes for all existing and new “high-cost” placements resulting in a reduced budget overspend
- 4.12 Completion of Phase 1 of redesign of the service to ensure good governance, staff supervision, caseload oversight and improved practice and interventions
- 4.13 A simplified and clear tiered management matrix from Head of Service to social worker, which has accrued staffing savings of circa 500k
- 4.14 Single agency audit of all child protection cases
- 4.15 MRM Consultants audit of thresholds and decision making
- 4.16 Re-establishment of Alloa Family Centre as a community hub to take forward intensive support services
- 4.17 Consultation with all staff and Trade Unions on Phase 2 of redesign of service, establishment of the intensive support service
- 4.18 Review of caseloads allocations to bring about consistency across all children and families services

5.0 Future Work Plan

- 5.1. The following areas of work are now progressing
- 5.2 Establishment of a responsive 5/7 intensive support service with existing staff and the 3rd sector
- 5.3 Engagement and review of all 3rd Sector providers to inform strategic commissioning of services for children and families focussing on the outcomes identified from the Scrutiny Review, Realigning Children Services, the Local Outcome Improvement Plan and City Deal
- 5.4 Presentation to Child Protection Committee to consider findings from MRM audit and to firmly establish GIRFEC in children’s services
- 5.5 Redesign of the key posts in the Strategy Service to support the functions of the service
- 5.6 Establishment of a Core and Cluster model to accommodate older young people and to continue to bring young people back from high cost placements
- 5.7 Process mapping of *first point of contact* in children’s services and progression towards Contact Centre facility
- 5.8 Joint planning and scoping of interventions across social work and education services to establishing more collaboration and shared resources

6.0 Sustainability Implications

- 6.1. The service has set a 5 year transformational change programme, set to redress the balance of care; empower families and ensure best value for the Council

7.0 Resource Implications

7.1. Financial Details

- 7.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

- 7.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

7.4. Staffing

8.0 Exempt Reports

- 8.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 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)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all
Our families; children and young people will have the best possible start in life
Women and girls will be confident and aspirational, and achieve their full potential
Our communities will be resilient and empowered so that they can thrive and flourish

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

8.0 Equalities Impact

- 8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

- 8.2 This report is for information only. No policy changes or changes to service provided are recommended.

9.0 Legality

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

10.0 Appendices

- 10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

none

11.0 Background Papers

- 11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)
Yes (please list the documents below) No

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
Celia Gray	Head of Social Services	Signed: C Gray
Elaine McPherson	Chief Executive	Signed: E McPherson

Report to: Council

Date of Meeting: 8th February 2018

Subject: Local Code of Governance

Report by: Head of Resources and Governance

1.0 Purpose

- 1.1. To seek Council's approval of a revised Local Code of Governance and Internal Control Checklist

2.0 Recommendations

- 2.1. To agree to adopt the revised Local Code of Governance.
- 2.2. To agree to the revised Internal Control Checklist and adopt it for the 2017-18 Annual Governance Statement process

3.0 Considerations

- 3.1. The Council's key strategic documents in regard to governance was the Corporate Governance Strategy which covered the period 2011-14. Its accompanying Local Code is still in use as the underpinning approach to governance in the Council.
- 3.2. During 2016 the Chartered Institute of Public Finance and Accountancy (CIPFA) published two revisions of existing documents: "Delivering Good Governance in Local Government" and "Delivering Good Governance in Local Government: Guidance Notes for Scottish Authorities". These documents are designed to assist officers and elected members to review approaches to governance and to acknowledge a changing context since the first editions of the CIPFA guides were published in 2007. In particular, austerity and a greater emphasis on partnership working are now emphasized. The revision to the Council's Local Code was awaiting these documents' publication and review work has been ongoing during 2017.
- 3.3. The Scottish Country Guide informs the Council's revision to its Local Code of Governance. The Local Code provides the framework for the Council to assess its performance in maintaining and improving good governance which is reported on in the Annual Report and Accounts as the Annual Governance Statement (AGS). The Council's process for this historically has involved an

assessment from Heads of Services and their senior teams using a governance questionnaire that was then presented to a governance panel.

- 3.4. Over the past 3 years there have been changes to the composition of the governance panel and for the 2016-17 Annual Accounts the panel comprised the Chief Executive and Head of Resources and Governance. During the panel discussions it was agreed that a more focussed questionnaire was needed that: emphasized the responsibility of the Head of Service in ensuring compliance with governance procedures and processes; was clearer in regard to the expectations on Heads of Service; gave broader scope to highlight where further support maybe needed; and, flagged issues of potential non-compliance which should be managed thorough the risk management process.
- 3.5. The Local Code of Governance and Statement of Internal Control have therefore been revised in line with the following principles:
 - simplification
 - alignment with the CIPFA code and not reinvent models of governance
 - provide clear criteria against which the Council can report progress and monitor how well the Council is doing
 - ensure that Heads of Service are fully accountable for governance within their services via a revised statement of assurance process based on the Scottish Public Finance Manual
- 3.6. A process for implementation and awareness raising will be developed by the Head of R&G in consultation with the other Heads of Service.
- 3.7. Rather than maintaining a separate strategy document, it is intended that the Council's overall approach to governance should be described in its corporate plan or other wider strategy documents which can then make reference to the Local Code as the definition of the Council's approach. This will reduce the administrative requirements in the corporate centre as well as simplifying the landscape for staff, elected members and other stakeholders in regard to their understanding of what the Council's key governance documents are. There is no requirement for the Council to maintain a "Governance Strategy" contained in the CIPFA documents.
- 3.8. This approach will also allow for a leaner process whereby the Council can review the Local Code and statement of Internal Control on an annual basis, or as required, as part of the Annual Governance Review to ensure that it remains fit for purpose and that the approach is reasonable.
- 3.9. Internal Audit and External Audit have been consulted and have signalled their satisfaction in regard to the overall approach. Any recommended changes to detail from either set of auditors in the light of their scrutiny work can be incorporated via the process identified in paragraph 3.6.

4.0 Sustainability Implications

- 4.1. None

5.0 Resource Implications

5.1. Financial Details

5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

5.3. Finance has been consulted and has agreed the financial implications as set out in the report. Yes

5.4. Staffing

6.0 Exempt Reports

6.1. Is this report exempt? No

7.0 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)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

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

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
Yes No (Not applicable)

9.0 Legality

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

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix A – Local Code of Governance

Appendix B – Internal Control Checklist

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below)

Delivering Good Governance in Local Government

Delivering Good Governance in Local Government: Guidance Notes for Scottish Authorities

Author(s)

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Approved by

NAME	DESIGNATION	SIGNATURE
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**Clackmannanshire
Council**

www.clacks.gov.uk

Comhairle Siorrachd
Chlach Mhanann

CLACKMANNANSHIRE COUNCIL LOCAL CODE OF GOVERNANCE

Introduction

This local code of governance follows the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance published in “Delivering Good Governance in Local Government -2016 edition” and the guidance notes for Scottish Authorities which defines the principles that underpin good governance in Local Authorities.

The Council has adopted the definition of governance provided by the International Framework developed by CIPFA along with the International Federation of Accountants as follows:

Governance comprises the achievements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

and that...

To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times.

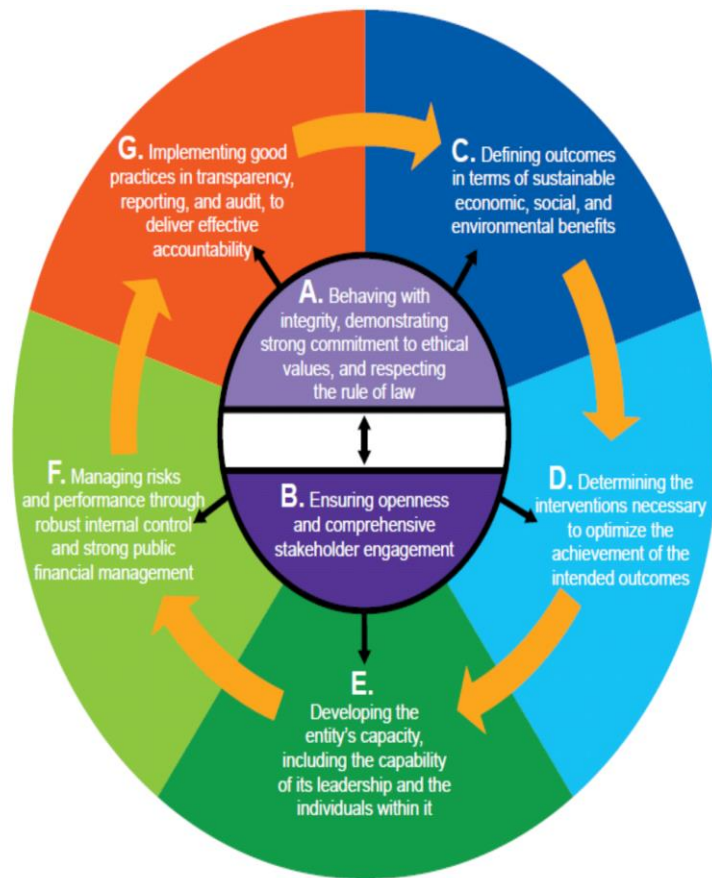
Acting in the public interest implies primary consideration of the benefits for society which should result in positive outcomes for service users and other stakeholders.

Through this local code, Clackmannanshire Council confirms its commitment to the principles of good governance defined above and to managing the inter-relationship of the key principles illustrated in Figure 1.

The commitments and statements made in this local code underpin the Council's Annual Governance Statement and aim to provide the standards against which the Council evaluates its own governance performance and creates improvement action plans to deliver good governance. This Code will also be reviewed annually and updated as required to ensure its relevance and reflection of good practice.

Figure 1 The International Framework for Good Governance

“Achieving the intended outcomes while acting in the public interest at all times”



The Council’s local code comprises the 7 components of the international framework tailored to local circumstances to be relevant to elected members, officers of the Council and members of the public. These components are:

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable economic, social and environmental benefits
- Determining the interventions necessary to optimize the achievement of intended outcomes
- Developing the Council’s capacity including that of its leadership and staff
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting and audit to deliver effective accountability

This local code explains how the Council is managing, or is aiming to manage, its governance framework to align with each of these component parts and the actions required to continuously improve its governance.

LOCAL CODE OF GOVERNANCE

1. Behaving with integrity, demonstrating strong commitment, to ethical values, and respecting the rule of law

Behaving with Integrity

The Council's leadership, culture and values are the foundation of its governance arrangements. They influence relationships with stakeholders, shape the vision of the organisation and determine the outcomes for service users. The Council has published a set of values and will review them periodically.

Elected Members and Senior Managers have a duty to be role models for good governance behaviours and demonstrate through their actions a personal commitment to achieving the Council's strategic objectives and implementing its vision.

The behaviour of elected members is regulated by the Standards Commission for Scotland's Councillor's Code of Conduct 2010 and the guidance on the code published in 2016. Training is provided to elected members to ensure they have a clear understanding of their accountabilities.

Demonstrating Strong Commitment to Ethical Values

The conduct of staff and elected members is underpinned by the Ethical Standards in Public Life (Scotland) Act 2000 which apply to anyone who works as a public office-holder, including staff in Clackmannanshire Council. Specific guidance for elected members is contained in the Councillor's Code of Conduct and accompanying guidance published by the Standards Commission for Scotland. The principles upon which the code of conduct are founded are:

1. *Duty*
2. *Selflessness*
3. *Integrity*
4. *Objectivity*
5. *Accountability & Stewardship*
6. *Openness*
7. *Honesty*
8. *Leadership*
9. *Respect*

Respecting the Rule of Law

The Council publishes 4 key governance documents:

1. Standing Orders
2. Scheme of Delegation
3. Financial Regulations
4. Contract Standing Orders

In addition to these 4 documents there are a number of policies and procedures which regulate conduct and behaviours. These policies include an employee handbook.

The documents set the framework for the conduct of the business of the council highlighting how decisions are made, what powers the Council reserves to itself and its committees and what it delegates to officers to act on its behalf. This includes how decisions are scrutinised and the role of Internal Audit in highlighting conformance with policy and legislation in the delivery of Council services.

These documents identify key and statutory post holders to comply with the Council's statutory and regulatory obligations. Specific job descriptions, role profiles and personal objectives regulate the delegated authority and expectations of staff members to discharge specific responsibilities.

The Council also operates a whistle blowing policy and a complaints handling system that complies with the model procedures of the Scottish Public Service Ombudsman. Taken together these policies help ensure that breaches of procedures or regulations can be reported, investigated and dealt with.

2. Ensuring openness and comprehensive stakeholder engagement

Openness

The Council runs its services for the public good and therefore recognises the importance of open communication and consultation in understanding the views of individuals and organisations about service development and delivery.

The Council publishes minutes and agendas for all Council and Committee meetings as well as all its key strategies and policies. The Council has officers in place to ensure it complies with its duties under FOI(S)A, the Data Protection Act, the Public Records (Scotland) Act and other relevant legislation

The Council is committed to continuing to develop its publication schemes to ensure that as much information as possible is readily available to the public in formats that are accessible and understandable.

Engaging Comprehensively With Institutional Stakeholders

The Council actively engages with a range of stakeholders from statutory bodies such as the Police, NHS and Fire Service, other local authorities

through joint partnership boards and shared services, third sector organisations and private sector contractors.

Governance arrangements vary based on the nature of the relationship but the Council is committed to clear rules of engagement, working in partnership and collaborating to ensure that mutual interests are recognised and outcomes for service users are clearly defined and achieved.

Engaging with individual citizens and service users effectively

The Council is clear on issues it will consult on and will use a variety of methods to do this. This includes specific consultations with service users, online and paper based surveys, town and village hall meetings, drop in consultations and regular engagement with local representative bodies such as Community and Parent councils.

Where formal consultation takes place the results are published in a timely fashion and the follow up actions or changes in policy direction taken in response to it will be clearly indicated. The role of Officers and elected members in consultations are clearly agreed before any exercise takes place.

Results will be analysed and appropriate methods will be used to highlight the views of particular interest groups to ensure that no one voice has prominence over any other.

3. Defining outcomes in terms of sustainable economic, social and environmental benefits

Defining Outcomes

The Council recognises the long term impact of its decisions and the need for an outcomes focus in its planning cycles. The Council adopts a medium term corporate plan and develops an annual budget and service based business plans which reflect the desired outcomes from the Council's activities as well as addressing the short term priorities. The planning cycle enables the Council to react flexibly to immediate financial or other pressures as well as to accommodate national policy changes over which it may exercise limited or no control.

The development and definition of these outcomes is subject to consultation and partnership working at individual, community and institutional levels.

Sustainable economic, social and environmental benefits

The Council's approval of particular business cases or policy initiatives follows a rigorous internal process whereby Officers are required to identify the implications for environmental sustainability, economic viability, legality and community impact by referring to subject matter experts for advice and approval or through the use of tools such as equality impact assessment. More formal approaches to assessing environmental impact and privacy impact are being developed.

4. Determining the interventions necessary to optimize the achievement of intended outcomes

The Council achieves its outcomes by making a number of legal, regulatory and practical interventions. The mix of these interventions and tracking their progress is crucial to achieving these outcomes.

Determining Interventions

The Council has a robust, standardised approach to developing business cases and uses a programme management approach to implement strategic change. The Council's programme management approach is designed to provide an overview of outcomes delivery whilst the individual business cases consider alternative options, investment appraisal and an optimum methodology for delivery. Where consultation is required the approach to consultation is part of the business case and options appraisal.

Planning Interventions

The Council's budget setting process and business planning activity ensures that services are undertaking activities that build towards the achievement of strategic goals and the delivery of long term outcomes. Progress with interventions is monitored through performance measures, project plans and proportionately scaled risk registers. The Council has a number of approaches to the identification of performance measures. Some of these are identified as part of national benchmarking initiatives and some are generated internally.

The Council maintains a centralised view of performance management using a system that captures performance metrics, action plans and risks and supports managers in planning and monitoring interventions as cost-effectively and time-efficiently as possible. The system provides both narrative and diagrammatic reports to illustrate achievements and areas of risk.

Optimising Achievement of Intended Outcomes

Business plans are reviewed at relevant Council committees and updates provided on their achievement periodically. The budget is agreed annually and updates provided on achievement of budget targets and outturns. A longer term view of the Council's budget position in terms of both capital and revenue is maintained based on current intelligence in regard to funding flows and spending profiles. However, the current UK financial situation does make long term planning problematic so scenario based approaches are adopted.

5. Developing the Council's capacity including that of its leadership and staff

Developing the Entity's Capacity

The Council has developed an approach to workforce planning and each service has a plan in place. An overall plan for the Council is being developed and adapted to match the Council's operational and financial challenges. The

Council takes part in a number of partnership arrangements such as the Health and Social Care Integrated Joint Board and the local community planning partnership and is constantly seeking further opportunities to work with community and other statutory partners to add value and wherever possible reduce costs. The Council participates in national benchmarking studies in a number of areas to understand how well it is performing relative to other Councils and public bodies.

Developing the Capability of the Entity's Leadership and Other Individuals

Key governance documents are developed to clarify the role and relationship between senior managers and elected members. In particular the Scheme of Delegation sets out the decisions reserved for Council and its Committees and those delegated to the Chief Executive and statutory office bearers. The relationship between the Chief Executive and Council Leader is also described. Learning from governance weaknesses and strengths is proactively managed. Lessons learned reports form part of the Council's project management arrangements and post implementation reviews of capital projects are prepared which highlight any governance issues. The Internal Audit programme highlights areas of weakness that are discussed at relevant committees.

The Council is revising its approach to induction for all staff but a tailored programme for senior managers and elected members highlighting governance roles, separation of roles and accountabilities is being developed. Specific training on ethics in line with the Standards Commission for Scotland Guidance on the Councillor's Code of Conduct will also be progressed.

Senior managers work with their line managers to identify specific training needs and generalised management training is staged when the budget allows. Peer coaching is encouraged. The Council has an e-learning portal, Clacks Academy, which it is continuously developing to exploit the opportunity that the technology provides to allow for learning at a staff member's own pace and at convenient times. This includes elements of mandatory training on key topics such as health and safety and data protection.

Approaches to feedback for council leadership are being explored with an emphasis on 360 degree feedback tools and wider staff consultation via surveys both on general themes and specific topics.

The Council operates an annual Performance Review and Development process which is supported by one to one meetings to allow staff to discuss both progress towards their objectives and development needs with their managers. The Council's HR IT system is also being continuously developed to capture all necessary HR data electronically.

Staff are encouraged to manage their own health and well being with specific initiatives on healthy living and stress management actively progressed

6. Managing risks and performance through robust internal control and strong public financial management

Managing Risk

The Council maintains a risk management strategy and guidance and holds risk registers at appropriate organisational layers and for projects. Risks are reviewed on an ongoing basis as well as an annual report being provided to the relevant Committee. Risk registers are held on the Council's performance management system and reviewed during preparation of the Annual Governance Statement.

Managing Performance

Scrutiny of service delivery is managed through the Council's committee structure and regular reports on performance and progress towards outcomes are provided. Key decisions that are either delegated to senior management or reserved to Council are presented through a standardised format highlighting the decisions that are required to be made. Senior management ensure that the range of options is presented to elected members in straightforward jargon free language or complex terms are explained.

The Council's approach to post implementation review (PIR) is developing. It is a requirement that capital projects are subject to PIR but the process for doing so and the threshold at which independent PIRs are undertaken needs further development particularly in regard to benefits realisation and financial reporting.

Robust Internal Control

The Council maintains an internal audit capacity and develops an annual plan with capacity provided for ad hoc work and investigation. Assurance on the adequacy of the system of internal control is sought and elected members have direct access to internal auditors.

Approaches to counter-fraud and anti-corruption are in place and an element of this work is undertaken by the Department for Work and Pensions. Compliance with Internal Audit's recommendations is actively monitored through the Council's performance management system.

The responsibility of the Council's committees to provide scrutiny and assurance to the wider Council is described in the Scheme of Delegation.

Managing Data

The Council's Records Management Plan was reviewed by the Keeper of the Records of Scotland in line with the Public Records (Scotland) Act in 2016. A project to improve records management is ongoing and information sharing protocols and arrangements are in place with organisations with which the Council shares data. The Internal Audit Plan covers areas such as data quality.

Strong Public Financial Management

One of the Council's key governance documents is its Financial Regulations which set out the rules and procedures for managing budgets and assuring appropriate stewardship of funds. A new finance system was introduced during

2106-17 which will ensure that financial transactions can only be authorised by specific budget holders and their delegates and provides for real time reporting and greater control of budgeting. This significantly reduces the risk of unforeseen over or underspends and provide for better scrutiny of spending decisions.

Frequent Budget update reports and financial investment strategy reports are provided to the Council or relevant committees.

7. Implementing good practices in transparency, reporting and audit to deliver effective accountability

Implementing Good Practice in Transparency

Reports for Council or for public consumption are agreed by senior management in the Council and care is taken to ensure that information is proportionate and any jargon explained. Feedback from elected members as to the quality and sufficiency of reports is actively encouraged and officers receive questions on their reports on their presentation to Council or Committees.

Implementing Good Practices in Reporting

Governance arrangements will be reviewed annually to ensure that they provide robust assurance and the extent to which the principles in the Good Governance Framework have been applied.

As part of that review Heads of Service are required to provide assurances as to the effectiveness of the governance arrangements in place and operating within their service areas to the Chief Executive and Council Leader. This process will involve the completion of a comprehensive statement designed to identify areas of weakness or non-compliance and either the production of evidence to support assurances or the identification of action plans to promote improvement.

Assurance and Effective Accountability

The Council uses a Best Value self-assessment tool.

External audit recommendations are captured and actively managed alongside Internal Audit recommendations. A number of external scrutiny bodies provide further assurance to the Council's operations such as, but not limited to, the Care Quality Commission, Education Scotland and the Social Work Inspectorate. There is also in place the joint inspection bodies Local Area Network that undertakes shared risk assessment. Specific assurance reports may be commissioned either by management or through the committee structure when considered necessary. Certain council functions are also subject to peer reviews and regular benchmarking.

Review

This local code will be reviewed, and updated as required, every year as part of the Annual Governance process

The contents of the internal control checklist are as follows:

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ISSUE	DETAILS, INCLUDING REVIEW WORK YOU HAVE CARRIED OUT TO VERIFY RESPONSE (MANDATORY)	GUIDANCE NOTE (WHERE APPLICABLE)
Risk Management		
1.1 Do you have in place processes that seek to identify and record key business risks (linked to business objectives and targets) on an on-going basis?		<p>This relates to the use of a structured process to manage business risk in line with the Risk Management Policy. This ensures the right people are involved in the process, and that the process is being actively recorded and managed on Covalent. You should confirm that you revisit the issues periodically to ensure that the assessments reflect current risks.</p> <p>(Guidance on the Clacks Approach to Risk Management is available on Connect.)</p>
1.2 Is there a systematic approach to identify and prioritise risks and match them with effective resources?		
1.3 Is risk management actively supported and promoted by Service Managers and team leaders?		
1.4 Do you receive reports on the management of key risks and control		

ISSUE	DETAILS, INCLUDING REVIEW WORK YOU HAVE CARRIED OUT TO VERIFY RESPONSE (MANDATORY)	GUIDANCE NOTE (WHERE APPLICABLE)
actions taken?		
1.5 Has appropriate consideration been given to business continuity and disaster recovery for key systems (including ICT) upon which your operations depend?		<p>Local response to the possible loss of corporate functions (e.g. iTrent, Tech One, and accommodation) might be considered in the context of Service risk management procedures. Where Service systems are in operation, including but not exclusively ICT systems, the Service has a responsibility to ensure that consideration has been given to continuity and recovery e.g. back-up.</p> <p>Guidance on Business Continuity is available on Connect</p>
Business Planning		
2.1 Does your area have clear business objectives and outcomes which clearly contribute to the achievement of Council objectives and outcomes, including your Service plan, and have they been translated into measurable targets against which performance and progress are measured?		<p>Your business objectives / SMART targets should be reflected in the Service Plan and performance appraisal forms at all levels.</p> <p>Plans should be linked to the Corporate Strategy through the Business Planning process.</p>
2.2 Have new and/or radically changed work programmes been		New initiatives or spend, or changed systems should normally be

ISSUE	DETAILS, INCLUDING REVIEW WORK YOU HAVE CARRIED OUT TO VERIFY RESPONSE (MANDATORY)	GUIDANCE NOTE (WHERE APPLICABLE)
referred to Finance, Procurement and/or Internal Audit for advice?		discussed with Finance, Procurement and Internal Audit colleagues before proposals are finalised.
2.3 In developing targets, does the Service identify performance measures which take account of inputs, outputs and outcomes?		Is the relationship between inputs, outputs and outcomes is being applied in developing performance measures. (Guidance on Performance Management is available on Connect or from S&CS)
2.4 Do you regularly receive timely, relevant and reliable reports on progress against targets and take corrective action where necessary?		This could take the form of regular reports prepared on Covalent for Committees or updates provided in the context of regular meetings with managers. Corrective action might involve the reallocation of resources (budgets and staff) and the reordering of priorities.
Project Management		
3.1 Has your Service been responsible for delivering one or more projects during the past financial year?		Projects covered include both capital and non-capital projects such as policy delivery projects, business change projects or investment projects
3.2 Did / does your project's		Arrangements must be put in place

ISSUE	DETAILS, INCLUDING REVIEW WORK YOU HAVE CARRIED OUT TO VERIFY RESPONSE (MANDATORY)	GUIDANCE NOTE (WHERE APPLICABLE)
governance and process align with recognised project management procedures?		to ensure projects are managed within a recognised project management methodology, scaled appropriately. This maybe for example PRINCE2, or Agile. For ICT enabled projects, the project must comply with the relevant ICT Strategies
3.3 Have you put all necessary arrangements in place to assess the realisation of benefits and capture lessons from the delivery of your project(s)?		<p>Necessary arrangements include:</p> <ul style="list-style-type: none"> • Capturing lessons learned to share using- Lessons Learned Templates • Conducting on-going evaluation of your project throughout its life-cycle, including a Post Implementation Review (or Post Occupancy Evaluation for construction and infrastructure projects)/ • Planning and undertaking a Post Project Evaluation for construction and/or infrastructure projects. • Planning and undertaking a Post Occupancy Evaluation for projects that deliver a

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		<p>building (e.g. an office or school).</p> <p>Conducting an End of Project Evaluation Review, including the review and handover of benefits identified in the business case to an accountable owner.</p>
Communications and Engagement		
4.1 Has your service been responsible for any service user or customer engagement		External consultations should be undertaken with support from S&CS. Consultation can take many forms from simple surveys to public meetings and all activity should be captured
4.2 Have you published or communicated to relevant stakeholders the results of your consultation		Conclusions and data from consultations should be made available and advice where required from S&CS should be sought on the presentation of data and communication strategy
4.3 Have you reviewed the results to ensure that the views of particular individuals or interest groups have not skewed the results towards a		Have you used any particular tools or methods or consulted any research or statistical experts to ensure there is no bias in the data or conclusions

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particular viewpoint		
Financial Management		
5.1 Do you ensure that a documented business case has been prepared for any proposal? Do you ensure that your Finance Business Partner (is involved at the earliest possible stage in the preparation of all policy proposals etc. which may have resource, control or other finance related implications and that they are kept informed of developments?		Finance should also be consulted on any novel or contentious spending proposal and any matter which includes issues of financial propriety and regularity. Further guidance on is available in Finance Regulations.
5.2 Do you have procedural instructions, cleared with Finance, about how financial matters are handled within your service and are processes in place for regular monitoring of compliance with these instructions?		Local desk instructions should be drawn, as appropriate, from Finance Regulations. Instructions should be in place covering the arrangements for entering into commitments and for approving and processing the resultant payments, including VAT – and ensuring adequate separation of duties. This may also cover other matters such as delegated authorities, budget monitoring procedures and the requirement to consult Finance on all proposals that

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		<p>may have resource or other finance related implications.</p> <p>Monitoring of compliance should be supported by regular management checks and the consideration of financial matters at regular meetings with your managers.</p>
<p>5.3 Do you delegate financial authority to staff at appropriate levels?</p>		<p>Delegated financial authority (i.e. where members of your staff have full responsibility for budgets and take decisions without having to refer upwards) will not be appropriate in all circumstances but where it is you should provide details of the broad arrangements e.g. set out in desk instructions, financial responsibility statements. This is separate from Delegated Purchasing Authority (DPA). The authority required to make and authorise payments etc. within Tech 1 and the authority to purchase in Tech 1 are also separate authorities.</p> <p>(General guidance on Delegated Authority is available in Finance</p>

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		Regulations
5.4 Is there adequate separation of duties where required and are staff with these duties adequately trained to discharge their responsibilities in that regard		<p>This should apply to activities such as authorising and processing payments and receipts or awarding grants. There may be concerns (e.g. within small units) where the rules on separation of duties cannot practically be achieved. In such circumstances the response should relate to whether the local arrangements (e.g. compensating controls) agreed with Finance are working satisfactorily.</p> <p>(The requirement for appropriate separation of duties is included in a number of sections of Finance Regulations, notably those covering Expenditure and Payments and Income Receivable & Receipts.) This covers all staff involved in the financial process. The level of knowledge and training should be related to the part played by the individual in the financial process. Individual duties should be covered in desk instructions. All staff with responsibility for entering into</p>

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		<p>contracts, raising purchase orders or issuing invoices etc. should have a knowledge of the rules relating to VAT and the ability to recover and or charge VAT.</p> <p>Note that this is separate from the authority required to make and authorise payments within Tech 1 or to purchase within Tech1</p>
<p>5.5 Do you have arrangements to ensure that all assets for which the area is responsible are properly managed and safeguarded? Do you ensure that Finance (and Assets where applicable) are informed of any changes to assets?</p>		<p>Only assets for which the area is responsible need to be considered here. This will include those assets on a locally maintained inventory of valuable and attractive items. The response should consider safeguards such as those against unauthorised use or disposal.</p> <p>(Guidance on Asset Management and Fraud is available in Finance Regulations.)</p>
<p>5.6 Do you have procedures for ensuring that proper and accurate accounting records are maintained and entries in them are properly</p>		<p>The response to this question needs to reflect both the provision of information needed for accounting purposes (e.g. the proper and timely entry of data into Tech 1) and for</p>

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authorised?		cash management purposes. The response should also take into account the controls in place within your area to ensure that only authorised personnel have access to Tech1.
5.7 Do you have procedures in place for effective monitoring and reviewing of financial information and budgets for which you are responsible?		<p>The response should reflect the following:</p> <ul style="list-style-type: none"> • Measures to ensure that financial systems contain accurate and up to date information; • Measures to monitor the security of financial information; and • Local arrangements for monitoring and reviewing administration costs and capital budgets <p>Measures should include regular management checks. Arrangements for reviewing budgets should be consistent with re-profiling information returned to Finance. (Guidance on Budget and Financial Management is available from your</p>

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		Service Accountant.)
5.8 Are agreed budget plans documented and disseminated within your area?		The review of the regular financial reports needs to take account of both the review internally within the Service as well as external reporting of outcomes and any remedial action required.
5.9 Do you regularly review internal financial reports which report actual against budget outturn and discuss progress with your Executive Director or Deputy Chief Executive as appropriate?		You will wish to consider here the mechanisms in place for communicating budgetary information both at the beginning of the year and changes made in-year whether at the time of formal monthly or quarterly reviews or at other times. This would also cover the transfer of funds between one area and another or between the centre and your area.
5.10 Do you ensure that that Procurement is consulted on all proposals that may have state aid implications?		Guidance on the EC State Aid Rules is included on the Scottish Government website. More detailed guidance is available from Procurement.
Fraud		

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6.1 Are operational managers and other members of staff within your area aware of their responsibilities as set out in the Council's Fraud Policy ?		Relevant guidance in the section on Fraud provided by Finance and IA should be brought to the attention of staff periodically and at induction .
6.2 Are any cases of suspected fraud within your area dealt with in accordance with the Council's Fraud Response Plan ?		Unless separate prescribed procedures are in place any suspicion of fraud (internal or external) should be reported to the Head of Resources and Governance.
Procurement		
7.1 Have you ensured that the Procurement Manager is consulted from the earliest possible stage on any proposals that may involve procurement activity?		Guidance on the role of Procurement is available on Connect and in Contract Standing Orders and accompanying guidance.
7.2 Do you have staff with Delegated Purchasing Authority (DPA) at appropriate levels?		DPA is the authority to enter into a contract for goods, services and works and oversee the process leading up to and including the award of a contract and any subsequent contract changes. (Guidance on DPA is available on Connect).

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7.3 Is all procurement activity within your area undertaken in accordance with Contract Standing Orders?		<p>Management checks on sample contracts / purchases should be carried out to ensure compliance with the relevant guidance.</p> <p>See Contract Standing Orders specific guidance on the operation of the Government Procurement Card and Tech 1.</p>
7.4 Have you ensured that appropriate procurement management information related to your Service is included in the contract register?		<p>A contract register is maintained by procurement and is required for all contracts for goods, services and works that have been placed during the financial year. This is a key requirement as it underpins sound financial and contractual governance.</p> <p>(Guidance the contract register is available on Connect).</p>
7.5 Is the number of staff authorised and trained to act as approvers on Tech 1 consistent with your Service's needs?		<p>Staff who are authorised as Tech 1 approvers need to recognise the importance on the financial information being entered correctly. The amount of knowledge and training relates to the part played by the individual in the financial</p>

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		process.
7.6 Do you ensure that staff with Purchasing Cards are fully trained to discharge their responsibilities and that there are processes to monitor compliance?		Monitoring of compliance might be achieved by regular management checks and the consideration of financial matters at regular meetings with your managers. (Guidance on Procurement Cards is available on Connect.)
7.7 Do you ensure that staff are complying with the prompt payment of suppliers process to meet the 30 day payment commitment?		Relevant guidance regarding the prompt payment of suppliers policy must be brought to the attention of staff periodically and/or in reviewing training requirements.
Human Resources		
8.1 Are you maintaining a workforce plan for your service and its teams?		The Council's overall workforce plan sets the context for people development. Confidence levels will be shaped by activity such as: <ul style="list-style-type: none"> • working with your HR business partner to determine capacity, capability, succession

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		<p>planning requirements;</p> <p>supporting learning and development planning and activity.</p>
<p>8.2 Do you have adequate processes for monitoring and managing the number and cost of all of your staff (whether permanent or temporary)?</p>		<p>You will want to be assured that you have effective processes in place to track and review spend and workforce numbers. iTrent management information reports are provided to Services and the accuracy of these should be checked regularly.</p>
<p>8.3 Do you adhere to corporate processes regarding recruitment, absence management, flexible working hours, travel and subsistence and overtime?</p>		<p>Advice is available on Connect on recruitment, absence management, flexible working hours, travel and subsistence and overtime or via your HR Business Partner.</p>
<p>8.4 Do you take action to improve employee engagement, including the regular meeting of TUs through service bipartiteis?</p>		<p>What evidence do you draw on to inform action, for example employee surveys?.</p>
<p>8.5 Do you have recording tools in place and clear agreements in place for the allowing time off for accredited TU representatives for TU</p>		<p>In accordance with the Trade Union facility Time publication Requirements Regulations 2017 it is a statutory requirement to record</p>

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duties and activities		and report on time off for TU duties and activities
8.6 Do you maintain a record of completion rates of PRDs and share this information with TU's and elected members?		The completion of PRDs is a policy requirement and expectation of Elected members.
Equality & Diversity		
9.1 Are all new or revised policies/activities in your area assessed for their impact on equality groups and Equality Impact Assessment (EQIA) results published on the Clacks website within a reasonable period (as required by legislation)?		<p>This question relates to the Council's responsibilities under the statutory public sector equality duties. You are expected to ensure that new or revised policies and activities in your area are assessed for their impact on equality groups.</p> <p>Guidance on EQIAs is available on Connect.</p>
9.2 Do you have support structures in place in your Service to enable staff to undertake and complete equality impact assessments?		You should consider what steps you have taken to ensure that your staff are able to and do use the Council's equality impact assessment guidance and toolkit. You will also want to consider what kind of support you are providing for your staff so that they are able to undertake and

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		complete this process successfully.
Information Management		
10.1 Are your information assets registered on an Information Asset Register (IAR)?		Heads of Service are responsible for ensuring that their information assets are recorded on the corporate Information Asset Register (IAR)
10.2 Can you confirm that information risk assessments have been carried out for all information assets?		Guidance can be found on Connect or from the IT Service Manager
10.3 Are access control mechanisms in place for each system?		Access control mechanisms for each system are documented by IAOs. Control Mechanisms are in place for physical access and access to information. Location of information assets are registered on the Information Asset Register.
10.4 Do you have processes in place for dealing with breaches of security / data handling incidents?		Managers should be aware of and follow the corporate process in place to report, manage and recover from information risk incidents. Team Leaders have a responsibility to ensure that staff are aware of and comply with the relevant guidance,

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		to initiate checks where non-compliance is suspected and to monitor suppliers. Managers have a responsibility to ensure that all staff and suppliers are aware of their responsibilities to safeguard Council information.
10.5 Have there been any breaches of security / data handling incidents during the financial year?		Please include brief details of how many; when; what were the circumstances; whether personal data was involved; was it reported to Resources and Governance; was it dealt with / resolved satisfactorily? For example, answer YES if you have had a data breach which was reported and resolved to your satisfaction.
Health & Safety		
11.1 Have there been any major H & S breaches within your Service during this period?		Any H&S issues reported to H&S adviser that have resulted in investigation, RIDDOR reports etc

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11.2 Does your service have access to appropriate and relevant advice, guidance and information on Health & Safety?		<p>Duty holders (such as Health and Safety Liaison Officers (HSLOs), First Aiders, Fire Precautions Officers (where appropriate) and Fire Marshals) perform key health and safety functions which help managers discharge their own responsibilities.</p> <p>Evidence that all staff are aware of their responsibilities such as induction or completion rates on Clacks academy should be noted</p>
11.3 Does your area have processes in place to ensure compliance with Health & Safety legislation, policies, and procedures?		<p>For example, Risk Assessment Teams (appointed by Heads of Service) to:</p> <ul style="list-style-type: none"> review and amend generic risk assessments, and generate new assessments as required communicate findings to all affected staff keep assessments under review

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11.4 Are Health & Safety issues recorded within your service and shared with the Health & Safety Advisor? i.e. RIDDOR		<p>HSLOs should complete regular workplace Inspections in which provides information on their performance against key health and safety tasks from the Health and Safety Management System.</p> <p>Input from TU H&S reps might also be sought</p>
Partnership Arrangements		
12.1 Is your service responsible for managing any partnership or shared service type arrangements		Detail her any formal partnership arrangements, including shared services or ALEOs which your service leads or in which you have a significant role
12.2 Are arrangements in place to support strong, strategic relationships within the partnership to ensure effective collaboration in delivering shared outcomes?		Partnership should always be considered a strategic activity, based on strong relationships characterised by openness, trust, respect and mutual support. The objective is to find ways of working with bodies that engage and empower them in a shared vision and understanding of the strategic environment, while ensuring proportionate arrangements are in place to

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		safeguard public funds and incentivise performance.
12.3 Do the partnership arrangements demonstrate financial capability by providing accurate and timely financial monitoring and forecasting information to stakeholders as needed?		<p>Evidence of financial capability will be provided through activity such as: external audits, Internal Audit assessments and financial monitoring/forecasting.</p> <p>It is essential that accurate financial monitoring and forecasting information is provided to Finance as part of the overall management of the Council's Budget.</p>
Compliance		
13.1 Do you have processes in place to ensure compliance with applicable existing, new and updated policies, procedures, laws and regulations?		Processes might refer to desk instructions, local checklists, retention schedules and/or periodic management checks e.g. relating to the existence of statutory authority for expenditure and the holding / provision of information under the Data Protection and Freedom of Information Acts.
13.2 Do you have appropriate arrangements in place to ensure		

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staff are appropriately trained and supported to handle FOI and EIR requests in line with legislative requirements?		
13.3 Are your staff appropriately trained and aware of their Data Protection and information security responsibilities?		<p>Heads of Service must ensure that their staff successfully complete the mandatory annual DPA eLearning and Responsible for Information eLearning packages</p> <p>All staff should have read and understood the relevant policies and guidance (such as DPA, IT Code of Conduct, and Records Management). Relevant staff should be aware of how to handle requests for personal data: from individuals (Subject Access Requests) as well as 3rd parties; and when a Data Sharing Agreement is appropriate.</p>
13.4 How confident are you that your staff are aware of the cyber threats pertinent to your Service. Are you and your staff taking all required actions about safeguarding your information assets and the corporate infrastructure. Are any		<p>Staff need to be aware of the main cyber risks and be taking action in all areas e.g. cloud, mobile, spoof emails and data transmission. Any procurement and business process must take regard of cyber threats. Any risk the Service takes in this area</p>

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risks of attack your Service area is taking known, understood and formally accepted?		must be stated, understood and signed off. Any threat to the corporate infrastructure requires additional clearance from the ICT Service manager.
Governance Improvement		
<p>14.1 How robust were your mechanisms for reviewing and improving the effectiveness and efficiency of controls in your area within the last year?</p> <p>Do you review regularly (at least annually) the effectiveness and efficiency of internal controls in your area?</p>		<p>You should be reviewing internal controls in your area at appropriate points in time e.g. when processes change or operational shortcomings come to light.</p> <p>Has anything happened during the course of the financial year that has raised questions about the controls that you have in place? E.g. has the running of the regular financial monitoring exercises suggested any shortcomings? Have there been any particular queries that may lead to doubts about how the controls are operating?</p>
14.2 Have risks and controls in your area been subject to independent		

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review (e.g. by Internal Audit, External Audit, review by external consultants) in the course of the year?		
14.3 Has appropriate action been taken to implement agreed recommendations resulting from such reviews?		You should provide details of any key weaknesses identified and the steps taken to resolve these.
Other Issues		
15.1 Apart from the issues raised above, are there any significant control matters arising in your area which could adversely affect the signing of the Annual Governance Statement by the Chief Executive or Leader of the Council?		Provide here details of any other control problems, specific to your area of responsibility, which you have encountered during the year

