

West Lothian Council

Assurance and Improvement Plan Update

2012–15

Introduction

1. The first Assurance and Improvement Plan (AIP) for West Lothian Council was published in July 2010. That document set out the planned scrutiny activity for the council for the period April 2010 to March 2013 based on a shared risk assessment undertaken by a local area network (LAN) made up of representatives of all of the main local government audit and inspection agencies.
2. The aim of the shared risk assessment process was to focus scrutiny activity where it is most needed and to determine the most

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2. The aim of the shared risk assessment process was to focus scrutiny activity where it is most needed and to determine the most proportionate scrutiny response over a three year period. The AIP gave an overview of the information that informed the risk assessment and showed how this links to the proposed scrutiny response.
3. The local area network met again in November 2010 to update the AIP for the period 2011-14. The AIP Update was published in May 2011.
4. This report is the result of the shared risk assessment which began in November 2011. The update process drew on evidence from a number of sources, including:

 - The annual report to the Controller of Audit and elected members for 2010/11 from the council's appointed external auditors.
 - The council's own performance data and self-evaluation evidence.
 - Evidence gathered from Education Scotland, The Care Inspectorate (formerly Social Care Social Work Improvement Scotland) and the Scottish Housing Regulator (including published inspection reports and other supporting evidence).
5. The outcomes of that exercise are contained in this short report which summarises changes to risk assessments and proposed scrutiny responses. Appendix 1 to this report sets out a timetable for proposed audit and inspection activity between April 2012 and March 2015 which reflects the revised and updated scrutiny risk assessment.

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Summary

6. West Lothian Council continues to demonstrate good progress against the majority of the outcomes defined in the Single Outcome Agreement (SOA), while delivering high quality services. As previously, no significant scrutiny risks have been identified by the local area network (LAN) scrutiny bodies. This is reflected in the low level of additional scrutiny activity which has been proposed, outwith regular mandatory levels. Based on the improvement demonstrated, there are consequently no plans for a Best Value review over the period 2011/12 to 2013/14.

National risk priorities

7. A number of core national risk priorities will be applied to all 32 councils. These are:
 - **The protection and welfare of vulnerable people (children and adults) including access to opportunities:** The LAN has not identified any significant scrutiny risks for the council for this national risk priority. 2010/11 Care Commission reviews of the quality of council adoption and

fostering services resulted in assessments of good and very good, respectively. Care Inspectorate Initial Scrutiny Level Assessment (April 2011) presented few concerns; targeted and proportionate scrutiny (June 2011) confirmed the Council's own self-evaluation processes and recommended three areas for improvement, which are being addressed by the Council's Social Policy team. The Care Inspectorate will monitor progress on the recommendations from that targeted scrutiny work.

There has been overall improvement in SQA performance measures for academic year ended June, 2011, and school leaver positive destination figures have reached their highest recorded level, and shown the highest rate of improvement nationally since 2006/07.

- **Assuring public money is being used properly:** Assurance on the financial position of the council is obtained through the annual audit process and from Best Value audits conducted by Audit Scotland. As noted in paragraph 6 there are no plans for a Best Value review over the period 2011/12 to 2013/14 based on the improvement in performance demonstrated by the council. Performance against indicators within the Council's public performance reporting framework has continued to improve. Performance in terms of SPIs has also continued to improve. The LAN has not identified any significant scrutiny risks for this national risk priority.
- **How councils are responding to the challenging financial environment:** The council continues to be proactive in responding to the current financial environment, and in dealing with the uncertain financial outlook. The LAN has assessed the risk position as green ie that there are no significant scrutiny risks in this area. Prudent and realistic financial plans and savings targets have been developed, in wide consultation with council management and stakeholders, to meet the forecast funding gap for 2012/13 and succeeding years. The financial position will be monitored and reported on as part of normal external audit activity.

8. The LAN is committed to maintaining its engagement with the council between now and the next SRA/AIP refresh so that we can retain an overview of how the council is managing its response to the significant financial challenges that it and all other Scottish public bodies face.

Areas of unchanged scrutiny risk

9. This update focuses predominantly on those areas assessed as being uncertain or having significant risk. However, in the interest of providing a broader view of the Council's overall risk assessment, it is important to highlight those areas that were previously assessed as having no significant risks which, based on additional evidence in the current year, continue to be so. From consideration of recent inspection reports, annual audit work, performance reports and updated national data, these are:

Service Areas	Corporate Assessment	Outcomes
Education and cultural services	Vision and strategic direction	Improving opportunities for young people
Customer and support services (excl.	Partnership working and	Protecting the environment and

Service Areas	Corporate Assessment	Outcomes
homelessness element of housing)	community leadership	communities
WLCHCP and social policy	Community engagement	Planning for population growth
Developmental and environmental services	Governance and accountability	Making services as efficient as possible
	ICT	
	Use of resources – asset management	
	Use of resources – managing people	
	Use of resources - procurement	
	Equalities	
	Sustainability	

10. The following comments relate to all of those issues where assessment of scrutiny risk in relation to the council's processes and activities remains unchanged since the 2011/12 AIP Update. In relation to West Lothian Council, those areas which continue to be assessed as amber reflect continuing conditions of uncertainty rather than of significant risk.

Area	Assessment	2012/13 Update
Making the economy stronger	Area of Uncertainty	<p>Given the current economic climate, the council is performing relatively well and, in some cases, better than the national average, such as in relation to employment rates and business survival rates. However the % of householders feeling that they are coping well financially, and that have savings, is below the national average.</p> <p>Wage level indicators improved significantly, however, they are still lower than the Scottish average.</p> <p>Audit Scotland will monitor progress as part of annual audit.</p>
Improving the health and wellbeing of communities	Area of Uncertainty	<p>There has been a significant improvement in performance but a number of health performance indicators are still below the national average, although satisfaction with local health and social services is good.</p> <p>The council is continuing to develop its Telecare programme supporting people to remain independent in their own homes.</p> <p>Audit Scotland will monitor progress as part of annual audit.</p>
Use of resources – financial management	<p>No significant scrutiny risk - financial planning</p> <p>Area of Uncertainty -</p>	<p>The Council takes a proactive approach to financial planning and identifying savings; a contingency strategy is in place including staff reduction proposals.</p> <p>The council's 2011/12 general services revenue budget monitoring position at month 9 forecast an under spend for the year of £7.921 million, largely resulting in the savings of staff costs, which the Council Executive agreed to reallocate</p>

Area	Assessment	2012/13 Update
	financial position	<p>to a number of time limited preventative spend, anti poverty, employability and renewables projects. Further budget savings are anticipated as a result of the mild winter for 2011/12. The draft final outturn position will be reported to Council Executive in June 2012.</p> <p>The uncommitted General Fund Balance is currently £2.5 million, which is in line with the council's target minimum uncommitted balance.</p> <p>Audit Scotland will monitor and report on financial position as part of normal audit activity.</p>

Changes to 2011/12 risk assessments

11. The following table relates to risk assessments that have been changed from the 2011/12 AIP Update.

Area	2011/12 Risk Assessment	2012/13 Risk Assessment	Reason for Change
Customer and support services - homelessness	No significant scrutiny risk	Area of uncertainty	No significant concerns have been noted, however, clarification is required on outcomes in relation to meeting 2012 homelessness requirements. This will be addressed by self-assessment to be arranged by Scottish Housing Regulator.
Performance management and improvement (including public performance reporting)	Area of uncertainty	No significant scrutiny risk	<p>New performance management and reporting arrangements introduced during 2010/11 have functioned well. Service area management plans contain strong links between performance targets/corporate planning priorities/single outcome agreement. In future, strategy mapping will be used to ensure that performance indicators fully reflect service priorities.</p> <p>Performance against indicators within the Council's public performance reporting framework has continued to improve.</p> <p>Performance in terms of SPIs has continued to improve.</p> <p>The council, through the West Lothian Assessment Model, has robust self-assessment processes in place.</p>

Prior year scrutiny

12. Previously planned scrutiny work has been completed to timetable during 2011/12. As noted in paragraph 7, Care Commission reviews of the quality of council adoption and fostering services, and Care

Inspectorate Initial Scrutiny Level Assessment were carried out as planned. Best Value audits of Lothian and Borders Police, and Lothian Fire and Rescue, were carried out and findings reported during 2011/12.

Scrutiny plan changes

13. For 2012/13, Education Scotland is in discussion with the council on the potential for Validated Self Evaluation of education services, with possible links to the council's citizen led inspection process. The Scottish Housing Regulator will arrange for a self-assessment in relation to homelessness with some focussed, follow-up onsite activity.
14. Audit Scotland will be carrying out a follow up review on the findings from their February 2011 report *Maintaining Scotland's Roads*. Audit Scotland's Performance Audit Group will carry out a series of national studies as detailed in their 2012/13 Work Programme. Timing and scope of this work has still to be confirmed.
15. Audit Scotland's Benefits Audit team have arranged a cyclical self assessment Housing Benefit/Council Tax Benefit performance audit review during May, 2012.

Scrutiny plans

Scrutiny activity in the shaded rows does not result from the shared risk assessment, but is either at the request of the council eg supported self-evaluation work or national activity e.g. national follow up work or work requested by Ministers.

West Lothian Council		2012-13											
Scrutiny activity year 1		Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Education Scotland – Validated Self Evaluation (Date TBC)													
Scottish Housing Regulator – Homelessness Self-Assessment – with onsite follow up													
Audit Scotland Maintaining Scotland's Roads – on site follow up													
Audit Scotland - Housing Benefit audit													
		2013-14											
Scrutiny activity year 2		Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
No planned activity													
		2014-15											
Indicative scrutiny activity for rolling third year	Potential scrutiny bodies involved												
No planned activity													

Footnotes

- The focus of the AIP Update is **strategic scrutiny activity**, that is scrutiny activity which is focused at corporate or whole service level, but there will also be baseline scrutiny activity at unit level on-going throughout the period of the AIP. This will include, for example, school and residential home inspections.
- At the request of Scottish Ministers the Care Inspectorate will lead a **Joint Inspection of Children's Services** in each local authority area in Scotland. These inspections will commence in 2012/13 starting with a development site in April/May 2012 and a cycle of inspection of services for children

which will report publicly from Autumn 2012. The selection of local authority areas for inspection will be based on intelligence and risk and take account of the Shared Risk Assessment. LAN leads will be advised in due course.

- In addition, Audit Scotland will be working with scrutiny partners to pilot an approach to assessing the **delivery of outcomes by community planning partnerships**. Pilot sites will be confirmed with the LAN lead in due course.
- Audit Scotland undertake an annual rolling programme of **thematic performance audits**. The fieldwork sites are identified as part of the development of the scope for each individual audit. Fieldwork sites will be confirmed with LAN leads as each audit is developed.
- The **annual audit** of local government also comprises part of the baseline activity for all councils. In April 2008, the Accounts Commission agreed to a request from the Department for Work and Pensions (DWP) to take over the Benefit Fraud Inspectorate's responsibility for inspecting housing and council tax benefit (benefits) services in Scotland. As Audit Scotland has no inspection function, this '**benefits performance audit**' work has been incorporated into the annual audit of local government. The exact timing of the audits will be confirmed through the LAN lead.
- **Education Scotland**, through the District Inspector, will continue to support and challenge Education Services regularly and as appropriate the **Care Inspectorate** will regulate care services and inspect social work services based on the Public Services Reform (Scotland) Act 2010.
- Scrutiny bodies also reserve the right to make unannounced scrutiny visits.