

Shared risk assessment: Assurance and improvement plan 2010–13

Falkirk Council



social work
inspection agency



THE SCOTTISH
HOUSING
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1. Introduction

The Assurance and Improvement Plan

1. This Assurance and Improvement Plan (AIP) sets out the planned scrutiny activity for Falkirk Council for the period from April 2010 to March 2013. It sets out the basis of our risk assessment of the council, and the scrutiny response. The scrutiny activity is proportionate based on the assessed scrutiny risks.
2. This AIP is the product of a collaborative approach adopted by the following scrutiny bodies operating in Falkirk Council:
 - Audit Scotland
 - Care Commission
 - HM Inspectorate of Education (HMIE)
 - Scottish Housing Regulator (SHR)
 - Social Work Inspection Agency (SWIA).

Why have we prepared this AIP?

3. The overall objectives of this collaborative approach are to maximise the efficiency and effectiveness of scrutiny work and minimise the impact of scrutiny activity on the council. This will be achieved by:
 - jointly identifying and monitoring key scrutiny risks through the sharing of intelligence and information
 - coordinating the timing and approach of our audit, inspection, regulation and improvement support activity
 - drawing on, and taking account of each other's work to avoid duplication of effort; and
 - building on each other's work to maximise its value.
4. The AIP draws on a number of sources of information, including
 - reports by Audit Scotland, including the annual audit report to the Controller of Audit and elected members for 2008/09 and the audit of Best Value and Community Planning in Falkirk Council (February 2008)
 - reports and data from HMIE, SWIA, SHR and the Care Commission (including published inspection reports and other supporting evidence)
 - the council's performance reports, local and statutory performance indicators
 - customer satisfaction data such as the Scottish Household survey and resident's surveys.

What do we mean by scrutiny risk assessment?

5. All local government scrutiny bodies have agreed the definition of shared risk assessment as:

‘A joint approach using key information about local government to plan scrutiny activity that is proportionate and based on risk’

6. In assessing risk we consider the scale or impact/seriousness of an issue and the likelihood of its occurrence. A serious issue, well managed by the council may not represent a high risk. We also identify areas of uncertainty where insufficient evidence is available to make a judgement, where the evidence is unclear or where the impact of any action taken by a council to address an area of concern is unclear.

7. Serious concerns identified through the shared risk assessment may include areas where the available evidence indicates that:

- Performance is poor, slipping or not improving.
- Service or outcome standards are unacceptable.
- Improvement is not on track to achieve a target.
- Locally agreed priorities do not reflect evident and pressing need.
- Insufficient account is being taken of inequality.
- Insufficient account is being taken of people whose circumstances make them vulnerable or who are at risk of avoidable harm.
- There are question marks about the sustainability of current performance or the achievement of improvements.
- Processes to support continuous improvement are not well established or are ineffective.

8. We recognise that risk levels will change as significant events occur and as councils take action to address identified risks. Scrutiny bodies, through local area network (LAN) contacts, will maintain awareness of activity, including unit level inspection. As new information comes to light the LAN lead, in consultation with other LAN members will update the AIP as appropriate. LAN members will draw any significant matters to the attention of the LAN lead as they arise. The LAN lead will determine what action should be taken in terms of initiating contact with other LAN members.

9. The council is expected to initiate contact with the LAN lead where significant events occur that are likely to influence scrutiny activity. Councils are encouraged to maintain contact with LAN leads to discuss any concerns arising from the AIP or any joint scrutiny activity.

What does proportionate scrutiny mean?

10. When considering the appropriate level of scrutiny activity for each council we consider the following points to ensure that it is proportionate:
 - Is scrutiny activity the best driver for improvement?
 - If so, how can we tailor that activity to the areas where it will have the most impact?
 - How can we tailor that activity in terms of its frequency, intensity and scope?
 - What is the minimum level of scrutiny required to provide assurance to the public?
 - How can we work together to minimise the impact of the scrutiny activity on the council?

Baseline scrutiny activity

11. The focus of the AIP is strategic scrutiny activity, that is scrutiny activity which is focused at corporate or whole service level. There will also be baseline scrutiny activity at establishment level throughout the period of the AIP; for example, school and residential home inspections. Scrutiny bodies also reserve the right to make unannounced scrutiny visits. These will generally be made in relation to care services for vulnerable client groups.
12. The annual audit of local government also comprises part of the baseline activity for all councils and this includes work necessary to complete the audit of housing benefit and council tax benefit arrangements. In addition, other work may be undertaken as a result of a specific Ministerial request or existing statutory requirements.

2. Summary

Overall, based on our review of existing evidence, Falkirk Council does not present significant risk of poor performance. Further evidence is required to demonstrate the council's effectiveness in a number of important areas, including the capacity of the council to drive through significant improvement, service development and change quickly. This will be particularly important in a period of public spending constraint that presents risks to all Scottish councils.

As a result our planned scrutiny activity is designed to better understand how well the council is doing in identified areas of uncertainty. It is targeted to those areas assessed as higher risk as set out in the remainder of this AIP. The AIP gives an overview of the information that informed the risk assessment and shows how this links to the proposed scrutiny response.

13. The shared risk assessment process is designed to ensure that corporate scrutiny activity is proportionate and focused on risks. It also helps to identify areas for collaborative working between scrutiny bodies, helping to reduce overall scrutiny levels by removing potential areas of duplication and by creating the conditions for more innovative, joined-up scrutiny arrangements.
14. Falkirk has a growing population, with increasing proportions of older people, placing increasing demands on council services. At the same time, as with all councils, the recession is restricting funding while increasing demand for council services. Unemployment is above the national average and there are some pockets of deprivation. Many of the jobs in the area are provided by large public and private sector employers, and the ultimate impact of the recession is unclear.
15. Falkirk Council is ambitious and has a clear vision for the area with a strong outward focus. The council works successfully with strategic partners through the Community Planning Partnership to deliver major projects and initiatives. There is some evidence of progress of strategic priorities, including those for lifelong learning, health and wellbeing and community safety priorities. Evidence of progress is less clear in relation to creating a sustainable environment and improving the local economy.
16. There are no significant concerns overall about the current performance of services, although the full impact of important improvement plans in some services has yet to be seen. There is evidence of generally good performance by the council in its delivery of Education, Finance, Law and Administration, Community, Development and Corporate & Neighbourhood Services. Available information for Social Work Services indicates more variability in performance, however. The council has reported progress in addressing issues previously raised in inspections of housing and social work, but the impact of this remains to be confirmed.
17. All Scottish councils are facing an extended period of public spending constraint. This presents obvious risks to future performance levels. The council has forecast that it will need to identify savings of around £10 million in 2010/11, followed by a further estimated per annum real term reductions over 2011-14. Achieving the level of savings required will require continuing review across all of the council's activities and effective coordination of the council's efforts. The council has approved a restructuring of its management structure and in principle, the transfer of its community services to a

Trust which could contribute to a reduction in costs. A business case is being prepared to inform its consideration of this option.

18. Further evidence is required to demonstrate the effectiveness of the council's corporate arrangements in a number of important areas, including its capacity to drive through significant improvement, service development and change quickly. While work in implementing the best value improvement plan is being progressed in most areas, further effort is required to bring this to a conclusion so that improvement initiatives have the anticipated impact. It is also unclear how effective scrutiny by elected members is, following recent changes to its arrangements.
19. The council has prepared medium term forecasts of its own financial position and while this provides a good baseline against which the council can manage its overall financial position, more detailed resource planning for the medium term remains limited. There is still much to do to deliver the level of savings required over the next few years, and to manage the impact on the quality of services.
20. The stewardship, propriety and governance of public resources is generally sound and an independent consultant's review has demonstrated that Falkirk Council has a positive approach to competitiveness in its commercial services. More generally, there is scope for improvement in the use of benchmarking, investigating productivity across all services and the measurement of efficiencies.
21. The LAN has planned scrutiny activity to consider risk areas, incorporating some collaborative working between the scrutiny bodies. A summary of planned scrutiny activity for the three year period 2010-2013 - including specific scrutiny work identified for Falkirk Council, ongoing local baseline activity and baseline activity being undertaken as part of national scrutiny programmes - is presented in the table below.

Summary of planned scrutiny activity 2010/13	
Specific work	<p>Specific scrutiny exercises to be undertaken in response to identified risks and requests from the council will include:</p> <ul style="list-style-type: none"> ▪ 2010/11 – SWIA follow-up of progress in implementing improvement plan by SWIA. ▪ 2010/11 – HMIE working in partnership with the council in providing validated self-evaluation for education and community learning and development. ▪ 2011/12 – Initial Scrutiny Level Assessment (desk top exercise) by SWIA. ▪ 2011/12 – SHR assessment of progress in implementing housing improvement plan and follow up work targeted at risk areas. Work is to include review of the housing allocations system and progress in the investment programme for meeting Scottish Housing Quality Standard by SHR. ▪ 2012/13 - audit of Best Value and Community Planning by Audit Scotland.
Ongoing work	<p>Baseline scrutiny activity being undertaken locally will include:</p> <ul style="list-style-type: none"> ▪ inspection of education and care establishments by the Care Commission and HMIE. ▪ monitoring of performance and risk through link inspector contact by HMIE and SWIA. ▪ annual audit of accounts, governance and accountability, and financial position by Audit Scotland. ▪ ongoing monitoring of emerging risks to inform future risks assessment and scrutiny plans by all members of the LAN.
National work	<p>Baseline scrutiny activity being undertaken as part of national scrutiny programmes targeted at priority risk areas will include:</p> <ul style="list-style-type: none"> ▪ 2010/11 – inspection of social work services in Polmont prison by SWIA. ▪ 2010/11 - reviews of fostering and adoption services by the Care Commission. ▪ 2011/12 – collaborative work incorporating a multi-agency review of child protection arrangements (HMIE), linked with the SWIA Initial Scrutiny Level Assessment referred to under specific work.

22. In 2010/11 scrutiny work will include a SWIA follow up Social Work Performance Inspection review.
23. In 2011/12, a council self-assessment of the extent of improvement in its Housing Services will inform a programme of SHR work later in 2011/12, which will focus on any remaining areas of uncertainty.
24. In 2011/12 we also intend to undertake collaborative work linking a SWIA initial scrutiny level assessment (ISLA) to baseline scrutiny planned for an HMIE Child Protection (CP2) review.
25. An Audit of Best Value and Community Planning (BV2) is planned to be undertaken by Audit Scotland in 2012/13, to establish the council and its partner's overall performance in addressing their strategic priorities and improving services. This will draw on the results of the activity outlined above and target remaining areas of uncertainty. In the intervening period key areas of uncertainty – overall financial position, challenge and improvement, equalities – will be explored in the course of other planned

scrutiny activity. Each scrutiny body will consider relevant aspects of these issues in the course of their planned work.

26. National risk priorities have been identified by the Scottish Government and these are reflected in the shared risk assessments for all councils. Planned scrutiny work will address the national scrutiny priorities as follows:

- baseline service inspection programmes will examine the effectiveness of arrangements for protection, welfare and access to opportunities for vulnerable groups. These will be augmented by targeted follow-up of concerns previously identified in social work and housing.
- the BV2 audit will examine the effectiveness of the council in securing best value, assuring public money is being used properly. Baseline annual audit activity will also keep the stewardship, propriety and governance of public resources under review.
- the impact of the recession and the associated pressure on the council's finances will be kept under review through the baseline annual audit and will inform the BV2 audit.

3. The council's context

Falkirk has a growing population, with increasing proportions of older people, placing increasing demands on council services. At the same time the recession is restricting funding. Unemployment is above the national average and there are some pockets of deprivation. Many of the jobs in the area are provided by large public and private sector employers, and the ultimate impact of the recession is unclear.

27. Falkirk Council covers an area of approximately 115 square miles and is predominantly urban in nature. It is located in Scotland's central belt with easy access to both Glasgow and Edinburgh, increasing its attraction as a place to stay which affects the labour and housing markets in the area.
28. The area has a population of 152,000 and this is expected to continue to grow in future years. Compared to the Scottish average, there are slightly less older people living in the Falkirk area, however the increase in people of pensionable age is projected to grow faster than the Scottish average by 2033. These are particular challenges for the area, creating further strains on council services.
29. Falkirk does not suffer from deprivation to the same extent as some local authority areas in Scotland however it still experiences pockets of deprivation in most of the towns in the council's area. Various projects and initiatives are underway to improve deprivation in these areas.
30. In Falkirk, unemployment is higher at 5.2 per cent, compared to 4.7 per cent for Scotland as a whole. There are fewer jobs in the area compared to the Scottish average (0.70 jobs per head of working age population compared to 0.84 for Scotland). There are slightly higher levels of benefit claimants (17.8 per cent compared to the Scottish average of 17.6 per cent). Median gross weekly earnings in Falkirk are two per cent lower than Scotland as a whole. A higher than average proportion of the area's workforce is employed in manufacturing and construction and a lower proportion in the service industry.
31. Car ownership is more prevalent in Falkirk than Scotland as a whole, 71 per cent of households have access to at least one car. The majority (70 per cent) of people travel to work by car, this is three per cent higher than the Scottish average.
32. Compared with Scotland on average, home ownership is less prevalent in Falkirk. By contrast, renting from a social landlord is more common than the Scottish average. Just under two-thirds (60.39 per cent) of households own their property, while 36.18 per cent rent from a social landlord (a council or registered social landlord) and around three per cent rent from a private landlord. House prices are lower than the Scottish average.
33. The public sector, in Falkirk Council and NHS Forth Valley, is the main employer in the area. There is also significant employment provided at the Grangemouth Oil Refinery through BP and the Ineos chemicals company. The Council, BP, Ineos and Scottish Enterprise have worked together through 'My Future's in Falkirk' (MFIF) to produce a long term economic regeneration plan for the Falkirk area.

The MfiF strategy has recently been updated and re-launched with the full support of the local business community. However, economic regeneration is becoming increasingly challenging during the current economic climate.

34. The council faces further challenges in the short to medium term. The current economic downturn and the significant reductions expected in available funding are resulting in significant financial pressures on the council. These are placing further pressure on already tight budgets, especially in the provision of Social Work services.
35. The council's financial strategy identifies the level of reserves considered necessary to provide a working balance and a contingency to cushion the impact of unexpected events or emergencies. Uncommitted reserves have fallen steadily over the last three years with the 2008/09 reserve balance of £5.6 million being at the lower of the approved range. The council has limited opportunity to use these balances to manage any significant reductions in income and recurring expenditure pressures.

Self-evaluation

While the council has previously used a number of methods to evaluate aspects of its performance, its approach to corporate self-evaluation remains at an early stage of maturity. This means that we cannot place any significant reliance on it at this stage. We will continue to work with the council to help develop and support its processes and would anticipate being able to rely increasingly on these as they become more robust.

36. Falkirk Council has used a number of methods of evaluating aspects of its performance including service planning and performance management, best value reviews and the application of the Diagnostic Project coordinated by the Improvement Service. The Diagnostic Project and the council's best value review process were inter-linked and these have helped the council to identify a number of areas where there is scope for improvement. However, these approaches have been less effective in understanding overall performance levels.
37. The council has recognised this and has recently embarked on a more focussed process of self-evaluation, making use of the Public Sector Improvement Framework (PSIF). Assessment work has been started by the corporate management team and work undertaken to roll out the self assessment process to Services. Each Service has identified and prioritised units of service delivery for self assessment and a programme of six service area self assessments has begun. During the second half of 2010 the self-assessment process and its outputs will be corporately evaluated before further service areas are identified for self assessment.
38. While the extent to which we can currently rely on the council's approaches to self-evaluation is limited, we will continue to work with the council as they develop these. The council has requested that its Community and Education Services work in partnership with HMIE through the Validated Self-Evaluation process, which is designed to support and challenge the work of the educational functions of the authority through providing support for their self-evaluation process. Before commencing any scrutiny work we will take stock of what evidence and information is already available and how robust this is.

4. Delivering outcomes for communities

There is evidence that the council and its partners are making progress on their strategic priorities, particularly those for lifelong learning, health and well being and community safety. In other areas such as the economy and creating a sustainable environment, progress is less clear. Overall, there are no significant concerns about the current performance of services, although performance is variable in Social Work Services. The full impact on service users of planned improvements has also yet to be demonstrated. Planned scrutiny work is targeted to risks identified in previous inspections in relation to housing and social work and the achievement of improved outcomes over the medium term.

Strategic priorities

39. The Strategic Community Plan identifies the council and its partners' strategic priorities as

- Improving the Performance of the Local Economy and Tourism.
- Enhancing Lifelong Learning and Opportunity.
- Improving Health and Wellbeing.
- Creating a Sustainable Local Environment and Improving Transport.
- Regenerating Our Communities.
- Enabling Our Citizens to Live Safely.

40. These strategic priorities cannot be achieved by the council alone and the council is reliant on a range of partners, communities and individuals to work with them to achieve their collective vision for the community.

Improving the performance of the local economy and tourism

41. Full outcome information for this key priority is not available, however information reported in the council's SOA monitoring report indicates that there a number of outcomes where improvements could be made. In 2008, the Council established an Action Plan for the economic downturn and it has recently updated its MFIF strategy and commissioned research to better understand the impact of the recession and to inform the Councils responses. However, there remains some uncertainty about improving outcomes in this area, due to the continued impact of the economic downturn.

Enhancing lifelong learning and opportunity

42. The council and its partners are making good progress in delivering their lifelong learning priorities and no significant risks have been identified. The council has reported that most of the indicators for this outcome are on track including the percentage of working population with at least SVQ3 qualification, primary attainment, NQ attainment for Secondary pupils, pupil attendance, early

learning/childcare availability, looked after children attainment, those in community placement who have a plan, free school meals take up, earnings indicators and learning/IT access.

Improving health and wellbeing

43. Although there is generally good progress in this outcome, there are a number of performance indicators which are not progressing in line with the council and its partners' targets. Some of these indicators impact on the most vulnerable in our society e.g. suicide levels, depression and some elements of homecare access.

Creating a sustainable local environment and improving transport

44. Progress has been made on some aspects of this outcome but in other areas progress is not on target. For example performance in recycling, the percentage of vehicle fleet with reduced emission technology and traffic and street light repair is good whereas Registered Social Landlord allocations to the homeless, planning applications administration, abandoned vehicle removal and illegal tipping are not on target.

Regenerating our communities

45. In recent years the council has had some success in regenerating its communities. The 'My Future's in Falkirk' initiative which is intended to transform the landscape, create jobs and attract new business has had some notable successes. However, there is an acknowledgement that the economic downturn will present challenges in sustaining progress in this area.

Enabling our citizens to live safely

46. Falkirk performs well in this area. Recorded crime is below the national average, while clear up rates are significantly above the national average. Performance in relation to fire call handling, number of dwelling fires and fire casualties is above the national average. Outcomes on road casualties, drug misuse, noise complaints, anti-social behaviour, domestic abuse and hate incidents are also improving.

Services

47. The measured performance of council services is generally improving, as indicated by local and statutory performance indicators. Inspections in recent years indicated scope for improvement in the delivery of services and identified that further work was required to improve some important aspects of the services provided by the council. Action plans were developed by the council and work to achieve sustainable improvements is ongoing.
48. **Education Services:** Performance information for Education Services is generally improving. The Service received a positive HMIE report in 2007 and regular inspections since then have provided

further evidence of a service which is effectively delivering its education functions. Some risks have been identified around young people entering employment and pupil achievement and attainment.

49. There has been evidence of improvement in pupil achievement and attainment in recent years, although attainment levels for S5 and aspects of S6 continue to give some concern. In September 2009 Falkirk Council presented a report to HMIE on the "Attainment and Achievement in Secondary Schools". The report provides average performance information of the council's secondary schools (for each SCQF level - 10 categories) over the last 3 years, with average figures for comparative authorities and for Scotland.
50. For the 2009 academic year for four of these categories the council has either performed slightly better or the same as both the comparative authorities and for Scotland as a whole. For the other categories the council's secondary schools performance was below the national average. The report advises that training has been given to school staff on the detailed analysis of SQA results to help staff to analysis performance in each subject area and take appropriate action to improve performance. Examination results and strategies for improvement have also been discussed with depute heads and curriculum principal teachers in all secondary schools.
51. Inspections of Community Learning and Development in secondary schools have shown an improving trend over the last year. Services for adults performed well in a number of communities. Community and Education Services recognise the need to strengthen joint planning at local levels.
52. **Social Work Services:** SWIA undertook a performance inspection of Social Work Services in 2008. The report evaluated services as "good" in seven areas and as "adequate" in the remaining three areas and an action plan was approved by the council. SWIA inspectors have met with social services officers in March, June and October 2009 and progress appears positive. The impact of action taken to date is not yet clear, however.
53. Performance in relation to the service is mixed with increased numbers of people receiving community care, delayed discharge targets met and increases in some aspects of homecare services but reducing or below target performance for reporting to Children's Panel Reporter, the proportion of children seen by a supervising officer in 15 days and percentage of complaints completed within target. In addition, a new model of service delivery has been adopted to address weaknesses in consistency across social work teams in providing community care services and it will take time to address these inconsistencies and deliver improved service performance.
54. The LAN has identified the accommodation of high numbers of children in out of authority placements as an area of particular concern. This policy places significant pressure on the council's budget (latest budget figures have identified a social work services overspend in 2009/10 of some £3 million) and may not provide the best outcome for children. We have been advised that the council has taken steps to reduce the number of looked after children in residential care and in particular to reduce the number of children placed outwith the council area. The LAN would wish to review the steps taken and their impact in this area.

55. A Multi-Agency Inspection of Services for Older People (MAISOP) report was published in 2008. The report was generally positive, although some recommendations were made for improvements in the provision of services. SWIA has reviewed the progress made by the council and has noted that progress has been good. The LAN has determined that no formal follow up scrutiny is required in this area.
56. **Corporate and Neighbourhood Services (Housing):** An inspection of Housing & Homelessness Services was carried out in 2007 by the SHR. The council was graded as fair (C) for Housing Management, fair (C) for property maintenance & asset management and poor (D) for Homelessness Service, indicating significant scope for improvement. A two year improvement plan was developed and regular monitoring of the progress of this plan has been undertaken by the council. The council has reported that most of the actions have been completed and the improvement plan is on track. Progress against the improvement plan has been advised to the SHR who has acknowledged the positive steps reported by the council, however some scrutiny activity will be required to assess the impact of the improvement actions on service users.
57. The council's own performance management information indicates an improving service. Some performance indicators which have historically indicated poor performance have shown significant improvements eg homelessness indicators, repairs performance and housing asset management. Our scrutiny activity will examine the robustness of these indicators and the impact on service users.
58. Some concerns were identified in relation to the use of expensive Bed and Breakfast facilities for homeless persons, which put pressure on the council's housing budget. The council has reported that there has since been a sustained reduction in the use of bed and breakfast with an associated reduction in costs.
59. The SHR inspection also identified concerns about the council's allocations policy, which was deemed to be illegal. The council has recently introduced a new allocation policy which may allay some of the concerns raised by the SHR, however it will take time for this policy to bed in before an assessment can be made of its outcomes.
60. Uncertainty currently exists about the council's ability to meet the requirements of the Scottish Housing Quality Standards (SHQS) by 2015. A full condition survey of the council's housing stock is being undertaken in 2010 and will inform future investment decisions.

Implications for scrutiny activity

61. In social work and housing, the relevant inspectorates will follow-up the council's progress in addressing improvement areas previously reported. This scrutiny activity will be designed to establish recent performance and the impact of actions that the council has taken. It will be focused on agreed improvement actions and will seek to confirm the council's own assessment of progress:

- SWIA will carry out a follow up review in 2010/11 to consider the implementation of the agreed improvement actions following the 2008 Performance Inspection. This will be followed by an initial scrutiny level assessment (ISLA) in 2011/12 which will help to determine the extent of further scrutiny. The information from the 2010/11 follow up will be used to inform the ISLA process. The follow up will include a review of improvements to the arrangements for looked after children in residential care
 - In 2011/12 SHR will request a self assessment of the action taken following the agreement of the SHR inspection improvement plan in 2007 and its impact on customers. Key issues arising from a review of this self-assessment will be followed up by SHR. For 2011/12, SHR will also request from all local authorities with a landlord role, an update on progress towards meeting the SHQS. Further progress in implementing the SHQS and improvements to the allocations system will be followed-up during 2011/12, recognising that the impact of changes made in these areas is likely to take longer to become apparent.
62. Prison based Social Work Services provided by local authorities have not been inspected since 1992. Criminal justice policy and practice has developed considerably since that time and it is considered appropriate for SWIA to undertake a programme of inspections in 2010 with assistance from Her Majesty's Inspectorate of Prisons. Ministerial approval has been obtained for this national inspection programme and Polmont has been programmed for an on site visit in May 2010.
63. As part of pre-existing regulatory requirements the Care Commission will carry out a review of both fostering and adoption services in 2010/11. In response to Ministerial requirements, HMIE will carry out a multi-agency inspection of services to protect children and young people (CP2) in 2011/12. It is anticipated that this exercise will be coordinated, with SWIA's ISLA to avoid any duplication and minimise the impact on the council and its partners (this fully integrated approach is being piloted in another council in 2010/11).
64. The LAN will continue to monitor outcome and performance information as it emerges, discussing relevant aspects of this with the council on an ongoing basis. This will include regular HMIE District Inspector meetings and other regular contact with SWIA, Care Commission and Audit Scotland. Such discussions will also cover any corporate or partnership issues emerging from establishment/unit inspections. Any emerging issues or risks will be reflected in future risk assessments, and may lead to further scrutiny work where these are considered significant.
65. An Audit of Best Value and Community Planning (BV2) is currently planned to be undertaken by Audit Scotland in 2012/13, to establish the council and its partners' overall performance in addressing their strategic priorities and improving services. This audit has been timed to rely on the results of the scrutiny activity outlined above with detailed work targeted at any remaining areas of uncertainty. It will also draw on the results of the council's self-evaluation as its approaches are further developed. The timing of the BV2 audit will be reviewed as part of next year's SRA process and could be brought forward if the outcome of our scrutiny activity in 2010/11 warrants it.

66. The BV2 audit will assess progress against strategic priorities considering the most up-to-date information on this available at the time. In areas where this is inconclusive, it will explore the nature, effectiveness and impact of underlying actions being taken by partners. It is currently anticipated that this work will focus on priorities relating to the economy, health and well being, and the environment. This will be kept under review in the course of future risk assessments.

5. Corporate assessment

Corporate assessment

Many of the council's arrangements are well established and generally effective. In other areas improvement plans are in place and are being progressed, but further effort is required before these are brought to a conclusion and the impact is seen. There is still much to do to deliver the level of savings required over the next few years. Further evidence is required to demonstrate the council's effectiveness in a number of important areas, including the capacity of the council to drive through significant improvement, service development and change quickly. Planned scrutiny work is targeted at risks in these areas.

67. Falkirk Council has a clear vision and a well embedded strategic planning framework. In general, Falkirk Council has good corporate arrangements in place but there is some uncertainty about the capacity of the organisation to drive through improvements quickly.
68. The council has put in place an effective structure for Community Planning and is working well with partners to address priorities through the themed implementation groups, however there is some uncertainty about the effectiveness of members in providing leadership to the Community Planning Partnership. Some risks have also been identified in the partnership's approach to providing improved outcomes for children and partners working together to integrate their services to older people.
69. Concerns have previously been raised about the effectiveness of scrutiny arrangements. The political environment is often adversarial and there are tensions between political groups. There have been changes to political structures during 2009, including the introduction of an audit committee, but the effectiveness of revised scrutiny arrangements remains uncertain. The council is currently considering the need for further changes. Progress with member training and development also needs to improve further.
70. At its recent budget setting meeting in February 2010, the council approved the restructuring of the council's management structure. This will result in the number of services reducing to six, with finance services coming within the direct responsibility of the chief executive. Another significant change agreed in principle was the potential transfer of Community Services to a newly established Trust. Details of the changes and the impact on service structures will be subject to a report by the chief executive to the council at a later date, but clearly these changes create further uncertainty over performance.
71. The stewardship, propriety and governance of public resources is sound and an independent consultant's review has demonstrated that Falkirk Council has a positive approach to competitiveness in its commercial services. On the other hand, there is scope for further improvements in the measurement of efficiencies and productivity and benchmarking.
72. The development of the Single Outcome Agreement (SOA) and supporting arrangements has the potential to improve planning and performance management significantly. However, the long term and complex nature of many of the outcome targets pose many questions for performance management.

A key challenge will be integrating and aligning the council's processes to support delivery of the desired outcomes – making sure that resources and efforts are directed to key areas.

73. The council has put in place a corporate performance management framework which is embedded throughout the council. The framework makes use of a good balance of local and statutory performance information. Further work is required to move on the performance management framework including improved integration of outcome indicators, including activity and quality measures and the development of a performance management framework for the Community Planning Partnership.
74. The council has prepared medium term forecasts of its own financial position and while this provides a good baseline against which the council can manage its overall financial position, more detailed resource planning for the medium term remains limited. There is also scope for improving the process of integrating financial planning and SOAs. Savings take time to accrue and the council has to take action now to be sure of achieving managed reductions in spending in the future.
75. Audit Scotland undertook a benchmarking exercise last year which identified potential scope for increased collaborative procurement. Falkirk Council has recently joined Scotland Excel with a view to improving its procurement capabilities in order to support delivery of better public services. This initiative aims to facilitate cross sector collaboration to avoid duplication of effort and maximise potential gains from collaboration.
76. The council is committed to the equality agenda and encouraging mainstreaming across all services. However, previous housing and social work inspections identified some risk regarding embedding equalities within these services and the impact of equalities actions on service users. Some scrutiny activity will be required to identify progress in this area.

Implications for scrutiny activity

77. During 2010/11 and 2011/12 key areas of uncertainty will be explored in the course of planned scrutiny activity using a thematic approach. This means that each scrutiny body will consider relevant aspects of key risks in the course of their work outlined elsewhere in this document, reporting as necessary, sharing information and bringing additional evidence to future LAN discussions:
 - management of the council's overall financial position will be reviewed as part of baseline annual audit activity. In addition planned follow-up work by SWIA and SHR will consider the impact of funding pressures in social work and housing, and ongoing engagement by the district inspector will include discussion of the impact of financial pressures in education.
 - review of progress against existing improvement plans will provide further evidence of the effectiveness of challenge and improvement processes. Development of the council's approaches to self-evaluation and improvement planning will be subject to ongoing review as part of the annual audit.

- the effectiveness of the council's approaches to equalities, including employment issues and equality of service provision will feature in follow-up work in social work and housing and in baseline inspections of services.

78. Where this approach identifies corporate issues in advance of the planned BV2 audit these will be reported on through the annual audit process.

79. An Audit of Best Value and Community Planning is currently planned to be undertaken by Audit Scotland in 2012/13, to assess the council's overall prospects for improvement – examining key areas of uncertainty. The audit will focus on how well the council has driven improvement in the use of public resources and how well placed it is to further improve. The audit will build on work outlined above and will also draw on the results of the council's self-evaluation as its approaches are further developed. As noted at paragraph 63, the timing of the BV2 audit will be reviewed as part of next year's SRA process.

80. The BV2 audit will include work to:

- explore the capacity of the council to deliver the extent of change required to achieve significant savings while managing the impact on services
- investigate further how the council uses the overall resources at its disposal to deliver on strategic priorities, and how it ensures competitiveness and value for money
- explore how effectively the council is coordinating its efforts with those of partners to address key priorities.

6. Conclusion

Summary of planned scrutiny activity

81. The appendices to this plan show a summary of the evidence we considered and the overall risk assessments made by the LAN on the outcome, service and corporate risk assessments. They show what scrutiny response the LAN has decided is appropriate in each area. The shared risk assessment process is designed to ensure the level of scrutiny activity is proportionate, based on the assessed risks.
82. These results are then reflected in the AIP at Appendix 3 which sets out the basis of our scrutiny risk assessment and the planned scrutiny activity for Falkirk Council for the period from April 2010 to March 2013. The plan covers a three year rolling period and includes all scrutiny activity at corporate and service level.
83. National risk priorities have been identified by the Scottish Government and these are reflected in national scrutiny priorities which have been considered in the shared risk assessments for all councils. The national scrutiny priorities are:
- **Protection, welfare and access to opportunities for: children, adults in need of support and protection, and older people.** This priority will be addressed through baseline service inspection programmes – including a joint HMIE CP2 child protection inspection and Care Commission fostering and adoption inspections - SWIA and SHR's follow-ups of progress against improvement plans.
 - **Assuring public money is being used properly.** This priority will be addressed through the BV2 audit, which will examine the effectiveness of the council in securing best value. Baseline annual audit activity will also keep the stewardship, propriety and governance of public funds under review.
 - **The impact of the recession.** This priority and the associated pressure on the council's finances will be kept under review through the baseline annual audit. This will inform the BV2 audit.
84. On-going monitoring of the risks identified within this report by the appropriate scrutiny body will inform future risk assessments and the levels of scrutiny activity.

Appendix 1

Performance Assessment : Falkirk Council			
Strategic priorities	Initial risk assessment	Evidence/rationale	What we plan to do
Economy <i>Improving the Performance of the Local Economy and Tourism.</i>	Area of uncertainty	<p>Some positive direction of travel with 16 out of 24 indicators on track (information for 3 of the 16 'on track' indicators is only available up to 2007/08). A number of indicators are not on track however.</p> <p>Economic downturn plans have been in place since the early days of the downturn. Although there is some early indication of slow recovery in the national economy, the downturn continues to place some doubt over future economic outcomes.</p>	<ul style="list-style-type: none"> ▪ A BV2 audit (scheduled for year 3: 2012/13) will assess progress against strategic priorities, considering the most up-to-date information on this. ▪ Where this remains inconclusive, the BV2 audit will explore the nature, effectiveness and impact of underlying activity.
Lifelong learning <i>Enhancing Lifelong Learning and Opportunity</i>	No significant risks identified	<p>Good direction of travel - 27 out of 33 indicators on track, including school leavers moving into EET, early learning/childcare availability, looked after children attainment, in community placements who have a plan, earnings indicators, learning/IT access.</p> <p>Good INEA report received in 2007. Secondary attainment was the main concern but positive signs of improvement since then (S5 and aspects of S6 attainment continue to give concern)</p> <p>Learning community inspections show an improving trend with strengths in the impact for adult learners noted across a number of communities</p> <p>HMIE has noted various PI improvements in performance</p>	<ul style="list-style-type: none"> ▪ No significant scrutiny activity planned
Health and wellbeing <i>Improving Health and Wellbeing</i>	Area of uncertainty	<p>Generally good direction of travel with 23 out of 32 indicators on track. However, the 9 indicators which are not on track cover significant/important areas of activity including individual's state of health (suicides, depression etc) and to a lesser extent homecare access. These indicators are also heavily influenced by partners' activities.</p>	<ul style="list-style-type: none"> ▪ The BV2 audit will assess progress against strategic priorities, considering the most up-to-date information on this. ▪ Where this remains inconclusive, the BV2 audit will explore the nature, effectiveness and impact of underlying

Performance Assessment : Falkirk Council			
Strategic priorities	Initial risk assessment	Evidence/rationale	What we plan to do
		The health needs of children looked after away from home are also being met effectively.	activity.

Performance Assessment: Falkirk Council			
Strategic priorities	Initial risk assessment	Evidence/rationale	What we plan to do
Community safety <i>Enabling our Citizens to Live Safely</i>	No significant risks identified	<p>Good direction of travel with 28 out of 31 indicators on track.</p> <p>The outcome of an inspection of services to protect children in June 2009 was positive - the four reference quality indicators which address the impact on and outcomes for users were all evaluated as satisfactory or above in accordance with the national performance framework.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned
Sustainable environment <i>Creating a Sustainable Local Environment and Improving Transport</i>	Area of uncertainty	<p>Progress on outcomes is less well established – only 18 out of 28 indicators on track. Indicators not on track include :</p> <ul style="list-style-type: none"> RSL allocations to homeless Planning applications administration Abandoned vehicle removal (note, the Council is reviewing how the abandoned vehicle removal indicator is reported to improve consistency with other authorities) Illegal tipping. <p>The action being taken to improve these outcomes has yet to be demonstrated.</p>	<ul style="list-style-type: none"> The BV2 audit will assess progress against strategic priorities, considering the most up-to-date information on this. Where this remains inconclusive, the BV2 audit will explore the nature, effectiveness and impact of underlying activity.
Community regeneration <i>Regenerating Our Communities</i>	No significant risks identified	<p>The 'My Future's in Falkirk' regeneration initiative has been in place since 2002, in partnership with Scottish Enterprise, BP and Ineos. This initiative aims to transform the landscape, create jobs and attract new business and has had notable success over the years. The council has also received £2m of government funding in support of the Town Centre Regeneration Strategy which will aid the efforts of the council and its partners to secure regeneration of local areas. The council and its partners have identified future priorities for regenerating the community.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned

Performance Assessment: Falkirk Council			
Council service	Initial risk assessment	Evidence/rationale	What we plan to do
Education	No significant risks identified	<p>A positive HMIE report was published in 2007. Further positive developments to date include:</p> <ul style="list-style-type: none"> ▪ positive performance in relation to 16+ Learning Choices and the MCMC agenda ▪ improvements in overall achievement, attainment and participation ▪ improvements in the implementation of Curriculum for Excellence (CfE) ▪ reducing absence and exclusions. Absence and exclusions are below comparator and national averages except for absence in secondary schools ▪ overall positive inspection evidence in early years, primary, secondary and learning community inspections. 	<ul style="list-style-type: none"> ▪ No significant scrutiny activity planned
	Area of uncertainty	<p>Some elements of education provision are not showing signs of improvement:</p> <ul style="list-style-type: none"> ▪ the number of young people going into higher and further education continues to be below national and comparator authority averages (2009 figures) ▪ while rates of employment for young people continue to be above national and comparator authority averages (2009 figures), the figures for young people not in employment or training has risen for the first time in three years and is now above national and comparator authority averages. ▪ performance in attainment for school level post appeal 2009 figures and attainment in S5 and aspects of S6 ▪ Areas for improvement were also identified in the contribution Education Services make to protecting children. 	<ul style="list-style-type: none"> ▪ Monitoring through focussed District Inspector meetings
Social work	No significant risks	The SWIA performance inspection (2008) graded Social Work	<ul style="list-style-type: none"> ▪ No significant scrutiny activity

Performance Assessment: Falkirk Council			
Council service	Initial risk assessment	Evidence/rationale	What we plan to do
	identified	<p>Services with seven 'good' and three 'adequate' evaluations reflecting generally positive findings.</p> <p>No significant concerns have been identified in regard to adult and child protection services although improvement in the assessment of risks and needs and in planning the activity required to meet those needs were the main points for action resulting from the HMIE June 2009 inspection of services to protect children).</p> <p>There is some evidence of SMARTer action plans and more detailed financial information to assist improvement.</p> <p>There is very good corporate parenting child protection arrangements which included raising awareness of child protection with non-social work council staff.</p> <p>A MAISOP report, published in 2008, was generally positive although it did make some recommendations for improvements in the provision of services for older people. SWIA has monitored the council's response to these recommendations and has determined that positive progress has been made. SWIA has judged that no formal follow up scrutiny is required in this area.</p>	planned
	Area of uncertainty	<p>The Director of Social Work left the Council in 2009 and an Acting Director has been appointed. It is unclear what impact this change has made over the management of the service.</p> <p>The council has been slow to progress two inspection recommendations covering setting targets to improve employment opportunities for adults with a learning disability and developing a strategic approach to the provision of advocacy services (more could be done internally to progress this). We are unclear about what steps are being taken by the council to expedite these recommendations.</p>	<ul style="list-style-type: none"> ▪ A focussed SWIA follow up in 2010/11 will assess progress against the previous SWIA inspection improvement plan and the use of out of authority placement of looked after children. ▪ SWIA will undertake an initial scrutiny level assessment (desk based risk assessment) in 2011/12

Performance Assessment: Falkirk Council			
Council service	Initial risk assessment	Evidence/rationale	What we plan to do
Social work	Area of uncertainty	<p>Performance in relation to the service is mixed with increased numbers of people receiving community care, delayed discharge targets met and increased homecare services but reducing or below target performance for reporting to Children's Panel Reporter, the proportion of children seen by a supervising officer in 15 days and percentage of complaints completed within target. We have not yet identified the actions taken to improve performance in the poorer performing areas.</p> <p>A new model of service delivery has been adopted to address weaknesses in consistency across social work teams in providing community care services. The impact of this new model is unclear.</p> <p>Key areas for development have been identified in the performance of child protection services (effective strategies to improve performance in reporting to the Children's Reporter and information on the effectiveness and impact of key processes and systems to monitor and review progress). Progress in these areas is unclear.</p> <p>High numbers of children have been accommodated in out of authority placements which places considerable pressure on the council's social work budget (there has been significant overspending in recent years on the social work budget) and may not provide the best outcomes for children. We have been advised that the council has taken steps to reduce the number of looked after children in residential care and in particular to reduce the number of children placed outwith the Council area. The LAN would wish to review progress in this area.</p>	<ul style="list-style-type: none"> See above

Performance Assessment: Falkirk Council			
Council service	Initial risk assessment	Evidence/rationale	What we plan to do
Corporate & neighbourhood services (housing)	Area of uncertainty	<p>The inspection of housing & homelessness services carried out in 2007 by the Scottish Housing Regulator (SHR) identified significant concerns. A two year improvement plan was developed and regular monitoring of the progress of this plan has been undertaken by the council. Management has identified that the next step is to ensure that the improvements are consistently achieving the intended outcomes for customers.</p> <p>Concerns were also raised regarding the continuing use of expensive Bed and Breakfast facilities for Homeless Persons, putting significant pressure on the Housing budget. The council has reported that it has reduced its reliance on bed and breakfast and this, together with other initiatives, has eased some of the Housing budget pressures. The impact on service users is not yet known.</p> <p>The SHR has carried out desktop reviews of the action plan and has acknowledged good progress. However, no scrutiny activity has yet been carried out to measure the impact of the improvement actions on outcomes for service users.</p> <p>The council's own performance management information indicates an improving service. No scrutiny activity has yet been carried out to measure the robustness of the information provided for these indicators and the impact on service users.</p> <p>The council's progress towards SHQS by 2015 has previously been identified as an area of uncertainty. The council plans to carry out a full stock condition survey in 2010 following an earlier sample survey in 2009. Once this information is available, the council intends to review its investment plans and funding proposals, at which point it will become clearer as to whether the council will be able to achieve SHQS delivery by 2015.</p>	<ul style="list-style-type: none"> ▪ In 2011/12, SHR will request a self assessment from the council of progress in implementing improvements. This should demonstrate the changes made and evidence of improved outcomes for service users. Following appraisal SHR will discuss the need for any validation or further enquiry. ▪ In 2011/12 SHR will also seek mid point monitoring information from the council on the Scottish Housing Quality Standard (SHQS)

Performance Assessment: Falkirk Council			
Council service	Initial risk assessment	Evidence/rationale	What we plan to do
Corporate & neighbourhood services (other)	No significant risks identified	<p>Performance reports highlight that all of the environmental services (refuse collection/street cleaning) PIs are on target. A Mori performance analysis also shows that costs are significantly lower than average (although increasing).</p> <p>A departure from the overall positive picture is in the littering experience which the Mori analysis has identified as well below average.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned
Development services	No significant risks identified	<p>Performance information generally presents an improving level of performance, including improved process of business advice requests and improvements in food hygiene inspection levels, consumer complaint processing, attending to anti social noise complaints, traffic light and street light repairs, waste recycling etc.</p> <p>Per the Mori analysis, Environmental Health performance is good with substantial improvement in noise complaints and neighbourhood problems significantly below average. Costs remain significantly below average.</p> <p>A Scottish Government Audit of the Building Standards Unit assessed the Unit as 'excellent' in four out of five areas, with the fifth classed as 'good'.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned
	Area of uncertainty	<p>Per the Mori analysis planning performance is mixed with processing time around average and affordable housing consent well below average. Costs are substantially lower than average however.</p>	<ul style="list-style-type: none"> The BV2 audit will assess service performance, considering the most up-to-date information on this. Where this remains inconclusive, the BV2 audit will explore the nature, effectiveness and impact of underlying activity.

Performance Assessment: Falkirk Council			
Council service	Initial risk assessment	Evidence/rationale	What we plan to do
Community services	No significant risks identified	<p>The performance report presented to the Best Value Forum in May 2010 highlighted that of the 30 PIs, 2 were “significantly below target” and 6 were “slightly below target.”</p> <p>HMIE inspections of learning communities show an improving trend with strengths in the impact for adult learners noted across a number of communities</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned
	Area of uncertainty	<p>The Mori analysis showed that libraries and museums performance is mixed with only museum services being above average (although libraries have improved). Costs are slightly higher than average and are increasing. In addition, sports and recreation performance is significantly below average with costs remaining about average.</p> <p>At its budget setting meeting in February 2010, the Council agreed in principle, to consider the introduction of a Trust for the delivery of future community services. This was driven by finance considerations, with NDRI and VAT savings being the prime rationale for the change. This arrangement could impact on community services provided. A business case to consider this option is currently being prepared.</p>	<ul style="list-style-type: none"> The BV2 audit will assess service performance, considering the most up-to-date information on this. Where this remains inconclusive, the BV2 audit will explore the nature, effectiveness and impact of underlying activity.
Finance services	No significant risks identified	<p>No significant issues identified in these areas.</p> <p>Steady, prudent Finance Service with good financial systems.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned
Law and administration	No significant risks identified	<p>No significant issues identified in these areas. Some examples of good performance e.g. improved processing of sales of council houses, targets met for council tax action and recovery, high evaluations by members for training provided</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned

Appendix 2

Corporate Assessment: Falkirk Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Vision and strategic direction	No significant risks identified	<p>The council has a clear vision and well-embedded corporate planning framework. There is evidence of strong political and managerial leadership.</p> <p>HMIE reported positively on strategic direction in the 2007 INEA report highlighting a strong sense of corporate working. The Education Service senior management are active in improving education provision although more need to be done.</p> <p>Investor in people (IIP) accreditation has been achieved for Corporate & Neighbourhood Services (Housing), Corporate & Neighbourhood Services (Corporate Services) and Finance Services.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned
	Area of uncertainty	<p>Further evidence is required to demonstrate how effective the council is in managing change and the impact of change on service users. Some important areas where further evidence will be required include:</p> <ul style="list-style-type: none"> driving forward significant improvement and service development quickly delivery of a corporate parenting plan (CP1 identified that elected members were developing a plan to fulfil their responsibilities as corporate parents but this had not been finalised and was therefore unable to evidence delivery of improved outcomes for looked after children) the impact of changes to management structures including changes to arrangements in Housing, following its transfer 	<ul style="list-style-type: none"> Review of the effectiveness of challenge and improvement processes (all LAN members will contribute to this review through their planned audit/scrutiny activity which will provide evidence of the effectiveness of improvement planning processes and the pace of change) The BV2 audit will assess the effectiveness of the council's leadership and management arrangements in pursuing its vision

Corporate Assessment: Falkirk Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
		<p>to Corporate and Neighbourhood Services</p> <ul style="list-style-type: none"> ▪ joint working between some departments. 	

Corporate Assessment: Falkirk Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Partnership working and community leadership	No significant risks identified	<p>Overall, the council works well with partners to deliver some good joined-up services, with many examples of effective cross-service partnerships. Examples include effective partnership with Forth Valley College, children experiencing domestic abuse received help quickly through an effective multi-agency approach.</p> <p>Housing Services and Community Services work effectively with partners to improve the lives of vulnerable children.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned
	Area of uncertainty	<p>In a 2007 survey of Community Planning partners, fewer than 50% of respondents agreed that members provide effective leadership in the partnership". Although we have been advised of improved member participation in the partnership, we are not yet able to form a view on improvements in leadership,</p> <p>The SWIA multi-agency inspection report on services for older people (2008) in Forth Valley highlighted a number of issues about how effectively the partners involved were working together to integrate their services in this area. Improvements in this area will need to be demonstrated.</p> <p>The previous CP1 review report raised issues about the effectiveness of the Chief Officer's Group (G5), Falkirk Council's Child Protection Committee and the Children's Commission in leading on change and improvement and improving outcomes for children. No scrutiny activity has yet been undertaken to assess progress in these areas. .</p>	<ul style="list-style-type: none"> The BV2 audit will assess the overall effectiveness of partnership/joint working in delivering improved services to the community CP2 inspection will consider the effectiveness of partnership working in delivering improvements in child protection

Corporate Assessment: Falkirk Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Community engagement	No significant risks identified	<p>A number of areas of good practice have been identified including adoption of national standards, customer surveys, consultation planning and database, involvement of children and families in planning and developing children's services.</p> <p>The main risk is the absence of a Community Engagement strategy which would improve the effectiveness of engagement by setting out a strategic and coordinated approach. In addition the SHR inspection in 2007 identified that although there were engagement structures in place in Housing Services, feedback wasn't always acted upon.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned
Governance and accountability	No significant risks identified	<p>The council has a history of generally sound corporate governance and a good control environment. Good progress has been made in public performance reporting, with external communications being well regarded. The council's performance zone (website) is a good example of public performance reporting.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned
	Area of uncertainty	<p>The impact of the revised political structure introduced in 2009 is not yet clear. The change brought about revised scrutiny arrangements however the effectiveness of these arrangements has yet to be established.</p> <p>Part of the revised arrangement has been the introduction of an Audit Committee. The effectiveness of the audit committee has yet to be measured (although there have been signs of improved scrutiny at the last audit committee meeting).</p> <p>The political environment is often adversarial and there are tensions between political groups. This could impact on scrutiny activity.</p> <p>Although there has been some improvement in member training there are still some concerns about provision and take up.</p>	<ul style="list-style-type: none"> Audit Scotland will monitor scrutiny arrangements as part of the annual audit process (including attending Audit Committee, other key committee and Best Value Forum meetings). The adequacy of governance arrangements will also be monitored. The BV2 audit will consider the effectiveness of the council's political leadership and accountability.

Corporate Assessment: Falkirk Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Performance management and improvement	Area of uncertainty	<p>The council has a corporate performance management framework which is well understood by staff, however there is evidence that effective performance management is not fully embedded within all service areas.</p> <p>Recent improvements have been the implementation of performance management software and more consistent reporting formats. The next step in developing the software to incorporate all Single Outcome Agreement, Corporate Plan and Service Plan performance information. It is not yet clear how effective this will be. Performance management within the wider Community Planning Partnership has yet to be delivered.</p> <p>Customer focus has been improving over a number of years and service standards have now been agreed by the council and are being rolled out across services. The impact of this will need to be established.</p> <p>Falkirk Council has taken part in the Improvement Service's Diagnostic Project and identified areas where improvements can be made. This has been linked to the council's Best Value Service Review process.</p> <p>The council has commenced an extensive self - evaluation process using the Improvement Service's PSIF. This process is at an early stage and is not yet well established.</p> <p>The effectiveness of existing self evaluation in services is mixed e.g. the Education Service has engaged in an extensive self-evaluation process involving key stakeholders whereas the Social Work Service's self-evaluation has not yet been progressed in terms of prioritising and supporting improvement</p>	<ul style="list-style-type: none"> ▪ Review of the effectiveness of challenge and improvement processes (all LAN members will contribute to this review through targeted work during their planned audit/scrutiny activity). ▪ HMIE will provide support on self-evaluation in preparation for the VSE process. ▪ The BV2 audit will consider the effectiveness of performance management and improvement, eg. effectiveness of political leadership of change and improvement and the establishment of robust self evaluation etc.

Corporate Assessment: Falkirk Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Use of resources (Financial management)	Area of uncertainty	<p>Although the council demonstrates good financial stewardship, there are a number of issues which may expose the council to future financial risk, including:</p> <ul style="list-style-type: none"> ▪ significant savings are required to be identified (2011-14 spending review - £10 million required for 2010/11 alone). Difficult decisions may be required about cutting services while managing the council's overall financial position ▪ the current economic climate has the potential to significantly impact on the council finances e.g. capital receipts, funding ▪ underlying pressures on the council's budget particularly within Social Work Services ▪ The council does not yet have long term financial planning 	<ul style="list-style-type: none"> • Audit Scotland's annual audit process will monitor the council's progress in implementing a joined-up, strategic approach to longer term resource planning • The annual audit process will monitor the council's response to the recession and the need to make considerable savings in the near future and the impact of these on the council's financial position. All LAN members will also contribute to a review of the financial position of the council through their planned scrutiny activity ▪ The BV2 audit will look for evidence of a planned, sustainable approach to the use of resources to deliver outcomes in the face of continuing significant financial constraints. This will include an assessment of the effectiveness of linking financial, workforce and asset management plans to deliver strategic objectives.
Use of resources (Asset management)	No significant risks identified	<p>The council has a corporate asset management plan in place (approved in 2007) and has been taking positive steps to improve asset management. There is good direction of travel in this area.</p> <p>Further areas for improvement have been identified by the council including the development of service asset management plans (AMP) and rationalisation of asset information systems. The council intends to have a full AMP implemented in 2010.</p>	<ul style="list-style-type: none"> ▪ No significant scrutiny activity planned

Corporate Assessment: Falkirk Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Use of resources (People management)	No significant risks identified	<p>There is good direction of travel in this area, with the council undertaking a range of activities that recognise the contribution employees make to the organisation (high levels of employee satisfaction with training and development, flexible working and internal consultation and communication).</p> <p>A number of improvements are being made, including the roll out of a workforce planning programme and improvements in the collation of central information on training needs analysis.</p> <p>Reported absence levels are improving but continue to be high in some areas. The council is continuing to review its approach to absence management.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned
Use of resources (Procurement)	No significant risks identified	<p>The council has made progress in its approach to procurement and aims to achieve “superior” performance by 2010/11. Progress reports are submitted to a Procurement Board. The recent national Procurement Capability Assessment (PCA) identified the council as performing better than the national average. It did, however, identify that there was scope for improvement in procurement capabilities across the Scottish local government sector. A national programme of procurement reform led by Scotland Excel and the council’s own improvement agenda are being progressed to deliver procurement improvement.</p> <p>The council has recently approved its participation in Scotland Excel, with a view to improving its procurement capabilities in order to support delivery of better public services.</p> <p>A benchmarking exercise undertaken by Audit Scotland in 2008/09 identified that there may be some scope for improvement in terms of forming collaborative contracts which could secure the supply of goods and services at the best quality and price. Participation in Scotland Excel could influence the council’s position in this area.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned

Corporate Assessment: Falkirk Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Use of resources (ICT)	Area of uncertainty	<p>The council is making good progress in modernising service delivery using ICT.</p> <p>The council does not have an Information Management Strategy (IMS) (the council states that as one of the key partners involved in the Forth Valley Data Sharing partnership, its ICT Strategy Group has reviewed its data security arrangements and therefore an IMS is not needed).</p>	<ul style="list-style-type: none"> Audit Scotland will monitor the arrangements for developing an information management strategy as part of the annual audit process
Equality	No significant risks identified	<p>The council can demonstrate good examples of promoting equality of opportunity and shows a clear intent to raise the profile of equalities.</p> <p>In 2009 the Audit Scotland report on <i>'The impact of the race equality duty on council services'</i> highlighted some good practices in Falkirk Council.</p> <p>Corporate task groups supplement the work of the Equality and Diversity partnership and in 2008 relevant targets were introduced to service plans.</p> <p>The Community Planning Partnership has developed a reporting structure which provides for reporting Equality and Equity of Access issues to the Community Planning Management Group.</p> <p>There is also evidence of good practice in Education with the promotion of positive attitudes to cultural diversity, equality, and social justice. There is a strong focus on inclusion including a good level of provision of additional support needs and training for staff in this area.</p>	<ul style="list-style-type: none"> No significant scrutiny activity planned

Corporate Assessment: Falkirk Council			
Corporate assessment area	Initial risk assessment	Evidence/rationale	What we plan to do
Equality	Area of uncertainty	<p>Previous inspections identified some risk regarding embedding equalities within services and the impact of equalities actions on service users - there has been some evidence of a need for improvements in equality arrangements, specifically within Housing Services and Children's Commission working in partnership with the voluntary sector to re-design services to ensure equal access across all areas (Planning and Commissioning Practices).</p>	<ul style="list-style-type: none"> ▪ Equalities will be explored by all LAN members in the course of other planned scrutiny activity. Each scrutiny body will consider relevant aspects of these issues in the course of their planned work. ▪ The BV2 audit will look for evidence of the impact of the council's equalities arrangements.
Sustainability	No significant risks identified	<p>The council demonstrates good practice and innovation in sustainability. The council has made progress in addressing sustainable development and is able to demonstrate achievements at strategic and operational levels.</p> <p>The council has a sustainability action plan underpinned by performance measures (although we do not yet know the progress against sustainability performance measures)</p> <p>The council employs a dedicated sustainable development officer and all seven council services have established a sustainability service team, each with an action plan.</p> <p>The council use a range of staff in Education Services to provide support for schools (including Eco Schools) in environmental issues</p>	<ul style="list-style-type: none"> ▪ No significant scrutiny activity planned

Appendix 3

Falkirk Council Assurance and Improvement Plan 2010-13: Summary of Scrutiny and Improvement

The AIP is a three year rolling programme.

2010-11 (Year 1)												
Scrutiny activity	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Inspection of social work services in Polmont prison by SWIA												
SWIA – follow up												
Care Commission – reviews of fostering and adoption												
HMIE – working in partnership with the council in providing assistance for validated self evaluation												

2011-12 (Year 2)	
Issues for scrutiny /improvement	Scrutiny bodies /council potential involvement
<ul style="list-style-type: none"> ▪ Initial Scrutiny Level Assessment (desk top risk assessment) for adult and children's services linked with baseline scrutiny planned for Child Protection (CP2) ▪ SHR – follow up work targeted at risk areas identified from the assessment of progress in implementing housing improvement plan. Work will include a review of the housing allocations system and progress in investment programme for meeting Scottish Housing Quality Standard. 	<ul style="list-style-type: none"> ▪ SWIA/ HMIE ▪ SHR

2012-13 (Year 3)	
Issues for scrutiny /improvement	Scrutiny bodies /council potential involvement
<ul style="list-style-type: none"> ▪ BV2 Audit 	<ul style="list-style-type: none"> ▪ Audit Scotland

Footnote:

References are made throughout this document to activity undertaken by HMIE (Child Protection), SWIA and the Care Commission. From April 2011 these activities will be carried out by Social Care and Social Work Improvement Scotland (SCSWIS), a new organisation aimed at improving the quality of social care and social work services in Scotland.