

North Lanarkshire Council

Assurance and Improvement Plan

Update 2013–16



April 2013

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Introduction

1. The first Assurance and Improvement Plan (AIP) for North Lanarkshire 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 (SRA) undertaken by a local area network (LAN) made up of representatives of all of the main local government audit and inspection agencies. The aim of the SRA 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 LAN met again in November 2010 and in November 2011 to update the AIP for the period 2011-14. The last AIP Update was published in May 2012 covering 2012 - 15.
2. This update is the result of the SRA which began in October 2012. 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 and the Scottish Housing Regulator (including published inspection reports and other supporting evidence).
3. A timetable for proposed audit and inspection activity between April 2013 and March 2016 which reflects the revised and updated scrutiny risk assessment is at Appendix 1.
4. Following feedback about the clarity of the SRA process we have amended our criteria to make it clearer what we mean. Our assessment criteria descriptions used last year have changed from 'significant concerns' to 'scrutiny required'; 'no significant concerns' to 'no scrutiny required'; and 'uncertainty' to 'further information required'.

Summary

5. North Lanarkshire council continues to make progress in almost all areas of its work. Despite the challenging demographic context the council has continued to make improvements or to maintain the quality of its services. The SHR has assessed that the council is performing well across most of the housing indicators. The council continues to report that it will be compliant with the Scottish Housing Quality Standard (SHQS) in 2015. Following discussions with the council, the SHR will undertake some on-site follow-up work on progress towards this target at the beginning of 2014.
6. The work in relation to the maintenance of roads was successfully completed.
7. The ISLA work identified in the AIP for 2011/12 was also successfully undertaken. No significant concerns were identified in seven of the nine risk areas considered. Uncertainties about the level of risk in relation to management and support of staff and outcomes for people who use services were explored further through a series of scrutiny activities during March 2012. Inspectors were satisfied in relation to almost all aspects following this scrutiny activity. Only one recommendation was made concerning the strategic approach taken by the council to meeting the needs of children with disabilities. Subsequently, the council has taken action to review its strategy and taken a number of initiatives to further develop services. These include action to develop a mechanism to extend the successful work on self-directed support for adults to families who have children with a disability.
8. The council have been proactive in engaging stakeholders in the savings to be made in the next three years. They have carried out quality impact assessments on all of the proposed savings and presented a robust plan for consideration by elected members. The LAN was satisfied that the council had taken a robust approach to meeting the financial challenges facing councils over the next few years and will continue to monitor the outcomes to services. There is no formal scrutiny work planned over the next few years. The paragraphs below describe the National risks which the LAN will monitor in relation to North Lanarkshire for consideration next year.

National risks

9. Local councils are operating within a context of significant change as a result of the challenging financial environment and the public service reform agenda, including the review of community planning, health and social care integration, police and fire reform, college regionalisation, and welfare reform. The Local Government Scrutiny Co-ordination Strategic Group is currently considering how audit and inspection arrangements should collectively respond to these significant strategic developments, recognising the increasing importance of partnerships, place and outcomes for Scotland's public services.

10. A number of core National Risk Priorities are applied to all 32 councils. These are:

The protection and welfare of vulnerable people (children and adults) including access to opportunities:

11. At the request of Scottish ministers, the Care Inspectorate is developing a model of joint inspection of children's services in Community Planning Partnership (CPP) areas in Scotland, in co-operation with other scrutiny bodies (Education Scotland, Healthcare Improvement Scotland and HMICS). These inspections will focus on how well local public bodies (councils, the NHS, police, etc) are working together to deliver effective outcomes for children and young people. Development work involving Angus Council took place in April/May 2012. These joint inspections, which will be reported publicly, began in autumn 2012.

12. In addition, the Care Inspectorate is working in cooperation with Healthcare Improvement Scotland to develop an approach to inspecting services providing care and health for adults drawing on its experience of implementing joint inspections of child protection and children's services. Development work involving a number of local authorities is underway and will continue into the early part of 2013. Following this, the Care Inspectorate will implement a programme of these inspections. Further details of the schedule will be confirmed in due course.

13. Subject to Ministerial approval, the Care Inspectorate, in partnership with the Association of Directors of Social Work (ADSW) and the Risk Management Authority (RMA), will undertake supported self - evaluation across the 32 local authority criminal justice social work services during the latter part of 2013. This will look at the impact of the Level of Service Case Management Inventory (LSCMI), otherwise known as the national assessment and care planning instrument. This particular approach is one of a number of approaches the Care Inspectorate will use in its current and future scrutiny and improvement net work in this area.

14. The SHR plans to carry out a thematic inspection into the outcomes that local authorities are achieving by delivering a Housing Options and Prevention of Homelessness approach. SHR will carry out this thematic inspection during the first half of 2013/14. This is likely to involve fieldwork visits to a small sample of local authorities. SHR is currently identifying potential fieldwork sites and will be contacting those councils that it would like to visit in early 2013.

15. There are no significant risks in the protection and welfare of vulnerable people (children and adults) including access to opportunities. The council continues to take forward improvements in early support for vulnerable children and families through the implementation of GIRFEC and has strengthened support for young care leavers. Inspection of social work services found risk being assessed and managed well overall with appropriate procedures in place for child and adult protection and the management of violent, sexual and dangerous offenders in the community. The council is innovative in its use of assistive technology for older people and has made significant progress in modernising services to improve outcomes for adults and older people.

Assuring public money is being used properly:

16. The annual audit of councils forms part of the baseline scrutiny of councils. This audit examines the financial management and controls in each council.
17. There are no significant scrutiny risks in this area. The council has sound financial planning arrangements which work effectively. The council's change management programme shows an effective approach to managing change and efficiencies. The council has appropriate governance arrangements in place to prevent and detect fraud, inappropriate conduct and corruption.

How councils are responding to the challenging financial environment:

18. Recognising the significance of the uncertain financial context within which councils operate, Audit Scotland produced Scotland's Public Finances: Addressing the Challenges in August 2011. Follow-up work around the issues raised in the report will be undertaken in each council during 2013/14 to provide the Accounts Commission and the Auditor General for Scotland with evidence on the progress that public bodies are making in developing a strategic response to these long-term financial challenges. In addition, a specific piece of work on Reshaping Scotland's public sector workforce will be undertaken in 2013/14.
19. The council's change management programme; 'Service & People First', has helped deliver £78.5 million of savings since 2007, vastly exceeding the original target of £50 million. The transformation programme aims to coordinate all council improvement activity within a single over-arching strategy and provides a framework to achieve an estimated budget reduction of £70 million between 2011/12 and 2013/14.
20. Due to a combination of the increased demand on council services and a reduction in the level of revenue and capital funding, further savings of approximately £73.3 million are required over the next three financial years (commencing 2013/14). This will require reductions of approximately 15 per cent across services over the three year period. The council have made a positive start in identifying areas where savings will be required. They have conducted extensive stakeholder consultations and carried out robust impact assessments on the proposed savings programme. The financial climate will impact on the council's ability to deliver its outcome targets and maintain service performance. The extent of this is currently uncertain and will be kept under review by LAN members. There are no significant scrutiny risks in the council's financial management. The council's budget scrutiny arrangements are

sound and financial information is appropriately monitored and controlled throughout the year. No additional scrutiny work is planned but the external auditors will continue to monitor the financial position of the council.

21. At the request of Scottish Ministers, Audit Scotland has piloted an approach to auditing CPP and the delivery of local outcomes. The CPP audit model was tested during 2012/13 in three council areas (Aberdeen City, North Ayrshire and Scottish Borders). Following evaluation of the approach in early 2013, a number of CPPs will be audited during the second half of 2013/14. Audit Scotland will be contacting any likely audit sites in spring 2013.
22. The EHRC has commissioned a piece of work to assess the extent to which Scottish public authorities have complied with the specific duties of section 149 of the Equality Act 2010 during 2013. Analysis of public authorities' compliance with the duty to publish equality outcomes and employment information will be available later in 2013. The results of this activity will be reflected in future SRA work.
23. The LAN is committed to maintaining its engagement with the council between now and the next SRA cycle 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 that remain ‘no scrutiny required’

24. This update focuses predominantly on those areas assessed as ‘scrutiny required’ and ‘further information required’. 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 requiring no scrutiny which continue to be so. The LAN identified no scrutiny is required in the following areas:

Area	Update
Health and Wellbeing	Overall the council continues to maintain and/or improve standards of provision across all services. In the areas of education and social work, services are generally improving, with some examples of good practice. National performance data (SNS) indicates poor performance however, given the levels of deprivation the council continues to improve or maintain performance with half of the performance indicators.
Community Safety	The council continue to maintain or improve outcomes in this area. Generally there is a positive trend in performance. The council’s criminal justice service continues to perform well above the national average on a range of key performance indicators.
Sustainable environment	The council have improved in this area. As part of the 2012/13 revenue budget the council identified additional recycling and waste initiative costs. The council has recognised the need to move away from a culture of disposing waste through landfill, and is providing funding to support the ‘recycle for good’ initiative and the development of a residual waste treatment facility.
Lifelong Learning	The council continues to make very good progress across almost all of the performance indicators and SOA targets. Services are

Area	Update
	<p>contributing positively to improvements, with increased post school destinations, and improved attainment for the lowest 20%. The council's Supported Employment Service that develops a wide range of paid employment opportunities for people with disabilities has been highlighted as good practice in the recent care inspectorate inspection.</p>
Regeneration	<p>The council continues to be actively involved in the proposed major regeneration of the Ravenscraig site. The future development of the Ravenscraig site represents both a significant risk and opportunity for the council. Given the interdependencies required to progress this initiative, the council's external auditors will continue to monitor progress with this major project.</p> <p>The economic recession has had, and continues to have a significant impact on North Lanarkshire's labour market with an increase in the number of people claiming unemployment benefit.</p>
Council owned improvement areas	<p>The council's Service and People First Transformation Programme continues to demonstrate improvements.</p>
Education	<p>Positive trends for attainment continue year on year and are comparing more favourably with comparators but not with national attainment figures. Post school destinations are good and improving. Progress being maintained or improved in almost all areas, particularly for vulnerable groups.</p>
Social Work	<p>The service continues to perform well across all care groups. Innovation and best practice is apparent in housing and support options for young care leavers, employment opportunities for people with learning difficulties and the use of assistive technology in services for older people.</p>

Area	Update
Corporate services	Services continue to perform well when compared with National figures. Performance has been maintained.
Environmental services	Recycling is above the national average. The net cost of refuse collection is relatively high in comparison with other authorities and has increased since 2010/11.
Regulatory services	Generally the Corporate Performance Report shows an increasing number of PIs improving or exceeding targets as compared with last year.
Cultural services	Overall performance appears positive, with some areas comparing well and a general trend of improvement. Looking forward the council is considering the establishment of a charitable organisation to manage and operate cultural services (excluding country parks and Kilbowie Outdoor Centre).
Roads and lighting	The council has achieved significant savings through the establishment of a joint venture with Amey Public Services LLP. The company has assumed responsibility for the council's roads and lighting maintenance contract works.
Vision and strategic direction .	The council is currently refreshing the North Lanarkshire Partnership Community Plan/SOA and North Lanarkshire Council corporate plan for the period 2013/14 to 2017/18. Vision and strategic direction continues to be strong with a shared understanding across the council
Partnership working and community leadership	<p>The Clyde valley Partnership is progressing well. North Lanarkshire Council is leading on the waste management workstream. A binding agreement is in place with the other local authorities in the partnership to deliver a solution for the future management of residual waste.</p> <p>Consideration is also being given to</p>

Area	Update
	development of areas which could provide mutual benefit with emphasis on common ICT systems.
Community Engagement	The Community Engagement Strategy effectively supports the Community Plan, the SOA and the Community Engagement Action Plan for 2011-2014. Individual services engaged positively with stakeholders and use the evidence gathered effectively to improve services.
Governance and accountability	<p>There has been limited change to the overall governance structure following the elections. The council's internal audit service has carried out a series of reviews on the council's governance arrangements. No significant deficiencies were identified during these reviews.</p> <p>There is potential for a management restructure as part of the savings package being developed for 2013/14 to 2015/16.</p>
Performance management	<p>The council's performance management framework effectively brings together all related strategic and operational planning activities.</p> <p>The council's performance management framework was revised and updated in 2012. The review was carried out to ensure that the council's strategies, plans and performance measures were effectively linked and supported by performance data. The council also assessed its performance management arrangements against good practice guidance issued by the Local Government Improvement and Development Agency.</p>
Use of resources – financial management	The council continues to have a strategic and robust approach to managing budgets and identifying savings. The council has effective controls in place to ensure that spend against its revenue budget is appropriately monitored

Area	Update
	and controlled throughout the year. However, due to the current financial climate there continues to be a need to monitor.
Use of resources - ICT	As reported last year, the council completed a review of ICT resources and provision as part of their Service and People First Transformation Programme, and concluded that they needed to consolidate the service. The new consolidated ICT service has been implemented. This appears to have been done effectively although a recent external audit review did identify some scope for improved clarity in respect of roles and responsibilities for specific areas.
Sustainability	Performance measures show sustained and or improved performance.
Equality	Performance measures as reported in SOA and Corporate Plan improvement reports all indicate improved or maintained performance. Baseline data for reporting progress continue to show improvements.

Areas that remain 'scrutiny or further information required'

25. No areas were identified in this category.

Areas with changed assessments

26. The following table relates to assessments of scrutiny risk that have been changed from the 2012/13 update.

Area	2012/13 Risk Assessment	2013/14 Risk Assessment	Reason for Change
Housing	Uncertainty	No scrutiny required	Following discussions with the council the SHR will undertake follow up work on the council's progress towards achieving the SHQS in 2015 early next year.

Scrutiny plans

27. There is no scrutiny work which remains in the plan from last year. As stated previously, all scrutiny planned for 2011/12 was successfully undertaken. After discussion with the council, SHR will undertake some on-site follow up work on SHQS early next year .

Appendix 1

National scrutiny activity 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 eg national follow-up work or work requested by ministers.

North Lanarkshire COUNCIL		2013-14										
Scrutiny activity year 1	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Audit Scotland: Follow-up of Audit Scotland national report 'Scotland's Public Finances - addressing the challenges Date TBC												
Audit Scotland - Reshaping Scotland's public sector workforce	X											
CI SSE Criminal Justice SW Date TBC												
National or supported self-evaluation work year 1									X	X		
On-site support work by SHR on SHQS												

North Lanarkshire COUNCIL		2014-15											
Scrutiny activity year 2	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	
No planned scrutiny													
National or supported self evaluation work year 2													
No planned scrutiny													

North Lanarkshire COUNCIL		2015-16	
Indicative scrutiny activity for rolling third year	Potential scrutiny bodies involved		

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 ongoing throughout the period of the AIP. This will include, for example, school and residential home inspections. Scrutiny bodies also reserve the right to make unannounced scrutiny visits. These will generally be made in relation to care services for vulnerable client groups. The annual audit of local government also comprises part of the baseline activity for all councils and this includes work necessary to complete the audit of housing benefit and council tax benefit arrangements. 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

