

# **Stirling Council**

## **Assurance and Improvement Plan**

### **Update 2013–16**

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# Introduction

1. The first Assurance and Improvement Plan (AIP) for Stirling 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. 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 Audit Scotland's Best Value Audit published November 2011, 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. In most areas, Stirling Council continues to deliver quality services, with continuing strong performance in areas such as education, health and cultural services. Following the local elections in May 2012, the political structure of the council moved from SNP control to a Labour-Conservative partnership, and there were changes to the council's committee structure. There have also been changes in the senior management structure of the council and in other senior posts. We remain confident that the council has the capacity to continue to improve its services but the LAN will monitor the effects of management changes on the work of the council. Overall, the council has a clear vision for the future, with a strong focus on building an equal and inclusive society in a quality environment. During year two of the AIP, there has been limited scrutiny activity in the council resulting from the risk assessment process.
6. The council has recently completed a stocktaking exercise with Clackmannanshire Council around the shared services agenda. Both councils have reaffirmed their commitment to the shared services initiative and to developing it further across both councils. Shared service developments have progressed well in education and progress has also been made in social services despite changes to staffing and to committee structures within social work. The council continues to make progress with aspects of corporate functions related to the shared services. The council recognises the need to continue with shared services development work in these areas, particularly arrangements for ICT.
7. There has been a period of some instability within social work services and in particular children and families social work services. There have been changes in important leadership and management posts. In addition, there has been a number of developments in relation to services to protect children, such as changes to the membership of the Chief Officer's Group and a reorganisation of the child protection committee. The council has taken prompt action to manage the risks associated with this and a number of temporary staffing arrangements have been put in place. Strong leadership will be required to create greater stability and maintain progress in key areas, including services to protect children. As a result, the Care Inspectorate reached agreement with chief officers to build capacity for improvement in services to protect children through supporting a programme of joint self-evaluation. The LAN will monitor progress in this area.
8. Overall, the council's housing and homelessness services are areas of low risk. However, there are concerns over the council's performance in relation to its current tenants' rent arrears and over the council's readiness to meet the Scottish Housing Quality Standard (SHQS) by the ministerial target of March 2015. The council has a good level of awareness around the causes of its reported weaker performance in the area of rent arrears. Current performance information is regularly reported to senior managers, elected members and the public. The council has taken a number of actions but as yet, there is little evidence of sustained improvement in its performance. It is widely predicted that the impending Welfare Reform measures will result in further pressures on all councils' rent arrears performance.

9. There remains a significant risk over the council's ability to meet the SHQS by March 2015. The council's May 2010 Improvement Plan had set a target date of March 2012 for gathering reliable stock condition data. It only started this work in October 2012 and advises that its survey work will not be completed until late 2013. As a consequence, the Regulator will review the council's stock condition data, planning and progress towards meeting the SHQS by 2015, and the council's processes and performance around gathering its tenants' rents, in January 2014.
  
10. The council management team and elected members have a sound approach to self-evaluation and are aware of strengths and areas for improvement. They continue to be highly committed to maintaining and improving services for Stirling, despite the current financial climate. Importantly, the priority areas for improvement on the council's Improvement Plan for 2012-15 are based on the council's own self-evaluation, continuing strong engagement with the local community and the recommendations of external reports such as its Best Value audit, the external audit report and the AIP. The council is clear that the way ahead includes a commitment to the shared services agenda. This will help to rebuild confidence following issues in social work services. The council has entered into a consultation period in relation to the 'Outcomes for Stirling' process to develop a new Single Outcome Agreement. This process will allow partner bodies and local communities to work together to agree priorities for the area for the next ten years. The council demonstrates strong corporate leadership with well-developed plans and preparations to respond to future challenges.

# National risks

11. 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.

12. 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:**

13. 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 report publicly, began in the autumn 2012. The Care Inspectorate plans to inspect children's services in Stirling and Clackmannanshire between February and March 2014.

14. In addition, the Care Inspectorate is working in co-operation 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.

15. Subject to ministerial approval, the Care Inspectorate will undertake supported self-evaluation across the 32 local authority criminal justice social work services, looking at the impact of the Level of Service Case Management Inventory (LSCMI), otherwise known as the national assessment and care planning instrument. This will take place in the latter part of 2013.

16. The Care Inspectorate's scrutiny of the social work service in 2012 included a focus on adult protection. The scrutiny allowed most of the areas of uncertainty which had been identified as part of the original ISLA risk assessment in respect of adult protection to be addressed to the Care Inspectorate's satisfaction.

17. The extent to which the council has made further progress in addressing the main points for action from the CP2 inspection report and subsequent joint interim follow-through inspection is not yet known. A joint and independently chaired Clackmannanshire and Stirling Child Protection Committee was established in 2012, with a combined improvement plan resulting

from the main points for action identified through joint inspections of services to protect children. This committee is working well with partners to ensure the protection of the most vulnerable people. Given the significant changes associated with implementing shared education and social work services, the Care Inspectorate reached agreement with chief officers to build capacity for improvement through supporting a programme of joint self-evaluation, rather than conducting a follow-through inspection of services to protect children.

18. 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.
19. The council continues to demonstrate a high level of self-awareness and progress in a number of key areas in its homelessness services. The council's 2011 self-assessment provides us with a good degree of assurance around its awareness and plans to address weaker areas of performance. There is a small number of performance areas where SHR will continue to monitor progress. However, at this stage, none of these issues present a significant risk.

#### **Assuring public money is being used properly:**

20. The annual audit of councils forms part of the baseline scrutiny of councils. This audit examines the financial management and controls in each council.
21. There are no significant risks in this area and no additional scrutiny is required. The council has effective scrutiny arrangements in place. The council's committee structure was updated following the election to include a Scrutiny and Risk Committee and a separate Finance Committee. The council's own Outcomes for Stirling review and revised Single Outcome Agreement are focused on ensuring that resources are directed to meet the priorities of the council and partner bodies. The council continues to strengthen performance management arrangements, including the adoption of an Improvement Plan 2012-15, which provides a longer-term corporate plan to inform and support the Annual Improvement Statement. The council's appointed external auditors will continue to assess progress in this area as part of the annual audit programme.

#### **How councils are responding to the challenging financial environment:**

22. 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.
23. In common with all councils, Stirling Council faces significant financial challenges in the current economic climate. However, the council's financial management and scrutiny

arrangements are sound and the council is making good progress in delivering the efficiency savings required in its budget strategy to meet those continuing financial challenges. The administration's priorities are designed to focus on protecting and improving frontline services whilst delivering £24 million of additional savings. Savings have been made effectively through the Change Programme and associated budget workstreams. Financial decisions taken to date mean that the council is in a stronger position to respond, and to work and deliver services differently. Therefore, there will be no additional scrutiny work in this area but the external auditors will continue to monitor the financial position of the council.

24. 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.
25. 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.
26. 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'

27. 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
Education	The LAN considered Statutory Performance Indicator (SPI) data, inspection evidence, attainment information, outcome data, evidence gathered by the Education Scotland Area Lead Officer and the council's Best Value Audit
Housing, including homelessness (but excluding rent arrears, re-let times and SHQS)	The LAN considered outcome data, SPI data and evidence gathered by the Regulator's Inspection Manager.
Environmental services	The LAN considered SPI data, outcome data and the Stirling Council Best Value Audit.
Cultural services	The LAN considered SPI data, outcome data, the Stirling Best Value Audit and evidence gathered by the Education Scotland Area Lead Officer for Community Learning and Development.
Roads and street lighting	The LAN considered SPI data, outcome data and the Stirling Best Value Report.
Corporate services	The LAN considered SPI data, outcome data and the Stirling Best Value Audit.
Lifelong learning: Making Stirling a place where lifelong learning is valued and encouraged with jobs and opportunities for all	The LAN considered outcome data, the Stirling Best Value Audit and evidence from Education Scotland link officers.
Health and wellbeing: Making Stirling a place where improved well-being adds life to years not just years to life	The LAN considered outcome data, the Stirling Best Value Audit and evidence from Education Scotland.
Community safety: Making Stirling a place with safe, strong and resilient communities	The LAN considered outcome data and the Stirling Best Value Audit. The LAN will monitor data on

Area	Update
	recorded crime.
Environment: Making Stirling a place with a high quality environment. Making Stirling more sustainable	The LAN considered SPI data, outcome data and the Stirling Best Value Audit.
Vision and strategic direction	The LAN considered the Stirling Best Value Audit and evidence from scrutiny bodies.
Leadership and culture	The LAN considered the Stirling Best Value Audit, the annual audit report to members, information from the council and other evidence from scrutiny bodies. The LAN will monitor the impact of changes to management posts.
Planning and resource alignment	The LAN considered the annual audit report to members and other evidence from scrutiny bodies.
Partnership working and community leadership	The LAN considered the Stirling Best Value Audit, the annual audit report to members and other evidence from scrutiny bodies.
Community engagement	The LAN considered the Stirling Best Value Audit and other evidence from scrutiny bodies
Governance and accountability	The LAN considered the Stirling Best Value Audit, the annual audit report to members and other evidence from scrutiny bodies
Performance management	The LAN considered the Stirling Best Value Audit, the annual audit report to members and other evidence from scrutiny bodies.
Challenge and improvement	The LAN considered the Stirling Best Value Audit and the annual audit report to members.
Customer focus and responsiveness	The LAN considered the Stirling Best Value Audit and other evidence from scrutiny bodies.
Risk management	The LAN considered the annual audit report to members and other evidence from the external auditors.
Use of resources - efficiency	The LAN considered the Stirling Best Value Audit and the annual audit report to members.
Use of resources - financial management	The LAN considered SPI data, the Stirling Best Value Audit and the annual audit report to

Area	Update
	members.
Use of resources - procurement	The LAN considered the Stirling Best Value Audit and updates from Audit Scotland and the external auditors.
Sustainability	The LAN considered the Stirling Best Value Audit and updated evidence from other scrutiny bodies.

# Areas that remain 'scrutiny or further information required'

28. The LAN identified that, in common with the SRA last year, scrutiny or further information is required in the following areas:

Area	Assessment	Update
Social work	Further information required.	The LAN considered updated evidence from the Care Inspectorate, including the outcome of scrutiny resulting from the ISLA, and the variable progress to date in implementing the scrutiny report's recommendations. There is a need for more information on progress in implementing those recommendations.
Housing (SHQS)	Scrutiny required	The LAN considered updated information from the Scottish Housing Regulator's Inspection Manager and from the council. The 2012-13 planned scrutiny did not take place due to delays in the council's stock condition survey work. Scrutiny required due to the continued absence of comprehensive, reliable stock condition data.
Economy: Making Stirling a place with a vibrant economy and jobs and opportunities for all	Further information required	The LAN considered outcome data and the annual audit report to members as well as further evidence from the external auditors. More information required on the impact of the financial situation of the council's arms-length

Area	Assessment	Update
		organisations on the council's economic development objectives.
Partnership working (Child protection only)	Further information required	The LAN considered evidence from the Care Inspectorate and the council. More information required on progress with the main points for action from the CP2 inspection.

# Areas with changed assessments

29. 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 (Rent arrears)	Uncertainty	Scrutiny required	The LAN analysed outcome data, SPI data and considerable evidence from the Scottish Housing Regulator's Inspection Manager which showed continuing poor performance
Housing (Re-let times)	Uncertainty	No scrutiny required	The LAN considered outcome data, SPI data and evidence from the Scottish Housing Regulator's Inspection Manager which showed the recent positive impacts of the council's actions to improve performance in this area.
Inclusive society: Encouraging participation and responsibility. Equalities and diversity	Uncertainty	No scrutiny required	The LAN considered outcome data, SPI data, the Best Value Audit and further evidence from Education Scotland and the council. Positive ongoing work in terms of participation and response to equalities issues.
ICT	Uncertainty	No scrutiny required	The LAN considered evidence from the Best

Area	2012/13 Risk Assessment	2013/14 Risk Assessment	Reason for Change
			Value Audit and updated evidence from LAN members. The council is aware of the issues of ICT service compatibility linked to the shared services and is working towards a solution.
Use of resources - competitiveness	Uncertainty	No scrutiny required	The LAN considered evidence from the annual audit report to members and evidence from LAN members which indicated a more consistent approach to challenging current methods of service delivery and standards.
Use of resources - asset management	Uncertainty	No scrutiny required	The LAN considered SPI data, the Best Value Audit, the annual audit report to members and further evidence from LAN members and from the council. The condition and suitability of the council's assets continue to improve.
Use of resources - managing people	Uncertainty	No scrutiny required	The LAN considered SPI data, the Best Value Audit, evidence from Education Scotland and considerable evidence from the council which demonstrated a more strategic approach to people management.
Equalities	Uncertainty	No scrutiny required	The LAN considered SPI data and updated

Areas with changed assessments

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Area	2012/13 Risk Assessment	2013/14 Risk Assessment	Reason for Change
			information from the council. Positive work on a number of fronts in terms of equalities. Groups established to take forward key aspects.

# Scrutiny plans

30. In the previous AIP, an audit was identified as part of a national follow-up audit to Audit Scotland's national report *Maintaining Scotland's roads: a follow up report* (published February 2011). An audit of Housing Benefit performance was also identified for October 2012 as part of an ongoing rolling programme of Housing Benefit audits carried out by Audit Scotland. The Care Inspectorate noted an intention to visit the Stirling Council Area to provide independent public assurance on the extent to which services continue to improve the quality of their work to protect children. In addition, the Care Inspectorate planned to undertake appropriate scrutiny work in February 2012, based on the findings of the ISLA process. The Scottish Housing Regulator undertook to conduct a review in March 2013 of the council's stock condition data, planning, and progress towards its housing stock meeting the Scottish Housing Quality Standard (SHQS) by the ministerial target of 2015.
31. Scrutiny by the Care Inspectorate confirmed that the social work service needed to progress a significant improvement agenda. As part of the shared service approach, it had made a positive start in addressing this, but needed to be able to show that this could be sustained.
32. There have been significant changes in social work services, including important changes in staffing. The planned visit to ascertain the extent to which services are improving the quality of their work to protect children did not take place. Instead, the Care Inspectorate reached agreement with chief officers to build capacity for improvement through a programme of joint self-evaluation. This programme took place between January and March 2013.
33. In the latter part of 2013, the Care Inspectorate will undertake supported self-evaluation with criminal justice social work services, looking at the impact of the Level of Service Case Management Inventory (LSCMI). This is not specific to the council but is a planned activity across all Scottish Local Authorities.
34. The external audit team reviewed the council's progress against Audit Scotland's *Maintaining Scotland's roads: a follow up report*. They noted that the condition of roads has improved in recent years but is lower than the national average in each category of road. Plans for future improvement include the development of outcome performance indicators and the consideration of further joint working with Clackmannanshire Council to interface the roads asset management system directly with existing costing systems.
35. The audit of Housing Benefit performance has not yet taken place and is now scheduled to take place in May 2013.
36. There will be a follow-up to Audit Scotland's national report 'Scotland's Public Finances - addressing the challenges'. This is not specific to the council but is a planned activity across all Scottish Local Authorities. The timing will be agreed with the external auditor.
37. Audit Scotland will undertake activity related to Reshaping Scotland's public sector workforce in April 2013. This is not specific to the council but is a planned activity across all Scottish Local Authorities.

38. The Scottish Housing Regulator had planned to review the council's stock condition data, planning and progress towards meeting the SHQS in March 2013. Given the council's lack of progress in its stock condition survey, this scrutiny will be postponed until January 2014. Also at this time, in light of concerns over rent arrears, the Scottish Housing Regulator's inspection manager plans to review the council's processes and performance around gathering its tenants' rents.
39. The 2012-13 AIP noted possible targeted scrutiny around shared services developments. This has been reviewed in the light of further evidence of the council's work and of recent developments in social work services. As noted above, the Care Inspectorate reached agreement with chief officers to build capacity for improvement through a programme of joint self-evaluation, which took place between January and March 2013. Supporting improvement is intended to support partners' readiness for joint inspection of services for children which will include independent public assurance of services for children in need of protection. This inspection of children's services will take place between February and March 2014.
40. The council has also approached Education Scotland for support in undertaking a Validated Self-evaluation of Education, a focus of which would be the impact of the shared services. This work is due to take place between April and June 2014 and will result in a published report.

# 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.

STIRLING COUNCIL												
2013-14												
Scrutiny activity year 1	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
The SHR will review the council's stock condition data, planning and progress towards meeting the SHQS by 2015 and the council's processes and performance around gathering its tenants' rents.										X		
<b>National or supported self-evaluation work year 1</b>												
Supported self-evaluation of the impact on quality of the newly introduced national assessment and care planning instrument (LSCMI) in local criminal justice social work services. (Timing to be confirmed)												
Care Inspectorate inspection of Children's Services											X	X
Audit Scotland audit of Housing Benefit Performance		X										
Audit Scotland: Follow-up of Audit Scotland's national report "Scotland's Public Finances - addressing the challenges"			X	X								
Audit Scotland - Reshaping Scotland's public sector workforce	X											

STIRLING COUNCIL		2014-15											
Scrutiny activity year 2	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	
No national scrutiny work planned													
National or supported self evaluation work year 2													
Validated Self-evaluation of shared services for education across Stirling and Clackmannanshire councils. (Education Scotland)	X	X	X										

STIRLING COUNCIL		2015-16	
Indicative scrutiny activity for rolling third year	Potential scrutiny bodies involved		
No local or national scrutiny work planned			

## 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 continue to regulate care services and inspect social work services in accordance their responsibilities under the Public Services Reform (Scotland) Act 2010.

