

ASSURANCE AND IMPROVEMENT PLAN UPDATE 2013-16

1 INTRODUCTION

- 1.1 The Local Area Network of external scrutiny bodies has recently completed its annual Shared Risk Assessment review of Argyll and Bute Council and updated the Assurance and Improvement Plan (AIP) accordingly. The Plan outlines the current level of audit and inspection risk within the Council and sets out the level of proposed external scrutiny for a rolling three year period.
- 1.2 The Chair of the Local Area Network, Fiona Mitchell-Knight from Audit Scotland, presented the AIP to the Council on 23 May 2013.
- 1.3 The Local Area Network continue to report positively about the Council's progress and notes both the significant improvements made and the challenges that we continue to face. Only one area was identified as requiring scrutiny, with the one previous area of significant risk being downgraded to no scrutiny required, therefore confirming the Council's position as low risk.
- 1.4 Audit Scotland assesses the council against 3 national risk areas and a number of local risk areas.

2 RECOMMENDATION

- 2.1 That the Audit Committee notes the annual Assurance and Improvement Plan update, and in particular the positive comments on the Council's improvement progress and continuing low risk. In particular there is a significant improvement in roads and transportation where the risk has reduced to no scrutiny required.
- 2.2 The Audit Committee notes that plans to address areas identified as requiring scrutiny or further information will be developed.

3 DETAIL

- 3.1 Since 2010 the Council has been subject to an annual Shared Risk Assessment (SRA) undertaken by a collection of our scrutiny bodies known as the Local Area Network (LAN). The LAN consists of representatives from our key audit and inspection bodies, and utilise a shared risk assessment approach to planning scrutiny of the Council that is proportionate and based on areas of risk. The findings of this risk assessment, and subsequent scrutiny plan, are reported in an Assurance and Improvement Plan update (AIP). This AIP for the period 2013-16 has

recently been published, a copy of which is included as an attachment to this report.

- 3.2 The Shared Risk Assessment drew on evidence from a number of sources:
- The annual report to the Controller of Audit and elected members for 2011/12 from the council's appointed external auditors, Audit Scotland
 - 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)

3.3 **Change in terminology by Audit Scotland**

The terminology used to describe risks has been amended this year for all AIPs in order to be clearer.

Previously used terminology	New terminology
Significant Risks	Scrutiny required
No Significant Risks	No scrutiny required
Area of Uncertainty	Further information required

3.4 **Risk Assessment for Argyll and Bute Council**

The risk assessment for Argyll and Bute Council saw a continued low level of risk for the council. No risk based scrutiny work is currently required on the council's services or outcome areas.

The table below shows the improving situation regarding significant risk (now scrutiny required) and areas of uncertainty (now further information required) since 2010 for local risks.

2010	2011	2012	2013
2 Significant Risks	1 Significant Risk	1 Significant Risk	1 scrutiny required
12 Areas of Uncertainty	7 Areas of Uncertainty	3 Areas of Uncertainty	3 further information required

The remainder of the assessment areas are classified as no scrutiny required.

3.5 **Overall Risk Summary – National and Local Risks**

Taking both national and local risks into consideration there is a total 42 risk areas. For Argyll and Bute Council 38 of these require no scrutiny, 3 further information required and 1 scrutiny required risk.

	Scrutiny Required	No Scrutiny Required	Further Information Required
Local Risks	1	36	2
National Risks	0	2	1
Total	1	38	3

The area of scrutiny required relates to the Council's Leadership and Culture – member to member and member to officer relationships. The previous area of significant risk in roads and transportation has now been assessed as requiring no scrutiny. This is as a result of the council agreeing its Roads Maintenance and Management Strategy in October 2012.

No significant risks were identified within the Council's overall corporate governance framework.

4 LOCAL SCRUTINY RISK ASSESSMENTS

4.1 There are a total of 39 local risk areas considered by the LAN during their assessment. Of these a total of 36 are classed as no scrutiny required. A list of these can be found at section 24 of the Assurance and Improvement Plan. Of the remaining 3 assessment areas, one is classed as a scrutiny required, and the remaining 2 as further information required. Further information on each of these is noted below.

4.2 **Asset Management: management of the school estate – Further information required.**

The council awaits the outcome of the Commission on Rural Education, and the Scottish Government's subsequent legislative response before the school estate is reviewed.

4.3 **Our older people are supported to live more active, healthier and independent lives – Further information required.**

There is a continued move towards care at home for older people as an alternative to residential care and continued improvement in the provision of home care services. The integration of health and social care may change how services are delivered and the challenge of identifying resources to support development of older peoples' services remains. The care inspectorate will gather further information through ongoing monitoring activity.

4.4 **Leadership and Culture – Member to member and member to officer relationships – Scrutiny required**

This is a new risk identified by the Local Area Network through the Shared Risk Assessment. Some targeted work is now planned in this area by Audit Scotland.

5 NATIONAL RISK PRIORITIES

- 5.1 There are 3 core national risk priorities that apply to all 32 Councils listed in the Assurance and Improvement Plan. 1 of these requires further information and the other 2 require no local scrutiny. These are:

The protection and welfare of vulnerable people (children and adults) including access to opportunities – Further information required

The council and its partners are committed to ensuring that adults and children who need access to support and protection get this in timely, effective and empowering ways. A joint inspection of children's services has been carried out in early 2013 and will report shortly. Until this is complete, the LAN has concluded that further information is required in this area.

- 5.2 **Assuring public money is being used properly – no local scrutiny required**
- 5.3 **How councils are responding to the challenging financial environment : no local scrutiny required other than monitoring of the financial position through the annual audit.**

6 SUMMARY OF SCRUTINY ACTIVITY

- 6.1 The focus of the AIP is strategic scrutiny activity focussed at a corporate or whole service level. Scrutiny level at unit level, including for example school and residential home inspections, and unannounced inspections for services such as care for vulnerable groups, will continue on an ongoing basis.
- 6.2 In addition to routine scrutiny activity, and ongoing monitoring by the LAN and our appointed external auditors, the following scrutiny activity will take place within the Council over the next year:

Children's services joint inspection	April 2013
Scotland's public finances – Follow up national report	June 2013
Audit Scotland reshaping Scotland's public sector workforce	April 2013
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.	No date
Audit Scotland – targeted work to review member to member and member to officer relationships	June 2013

7 CONCLUSION

- 7.1 The publication of the Assurance and Improvement Plan 2013-16 shows that the Council continues to be regarded as low risk by our external

scrutineers. The level of external scrutiny placed upon the Council is therefore low. The specific area of targeted scrutiny, Leadership and Culture – Member to member and member to officer relationship will be subject to a targeted action plan.

8 IMPLICATIONS

8.1	Policy	In line with the Council's duty to deliver Best Value and continuous improvement.
8.2	Financial	None
8.3	Personnel	None
8.4	Legal	None
8.5	Equal Opportunities	None
8.6	Customer Service	None

Sally Loudon, Chief Executive
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For further information please contact:
Jane Fowler, Head of Improvement and HR
Tel 01546 604466

ATTACHMENT:
Assurance and Improvement Plan Update 2013-16