

## PERTH AND KINROSS COUNCIL

7 MAY 2014

## ASSURANCE AND IMPROVEMENT PLAN UPDATE 2014-17

## REPORT BY CHIEF EXECUTIVE

**PURPOSE OF REPORT**

This report outlines the Assurance and Improvement Plan prepared by the Local Area Network as part of the annual shared risk assessment process. The AIP outlines the strategic scrutiny activity planned for 2014 to 2017 based on an assessment of the Council's performance. The overall assessment remains that the Council is a low scrutiny risk.

**1. BACKGROUND/MAIN ISSUES**

- 1.1 The assessment of the level of external scrutiny required for each Council is gauged through a shared risk assessment (SRA) undertaken annually by a Local Area Network (LAN) of audit, inspection and regulation bodies. The LAN for Perth & Kinross Council involves the following scrutiny bodies: Audit Scotland; Education Scotland; Care Inspectorate; Scottish Housing Regulator and HM Inspectorate of Constabulary. This assessment results in the agreement of an Assurance and Improvement Plan (AIP) for each Council.
- 1.2 The AIP gives a description of the Council's context, including the challenges it faces and what it is trying to achieve. It makes an assessment of the challenges likely to be faced by the Council in achieving good outcomes for local people and sets out any areas of improvement. Using this information, a scrutiny plan is developed showing what scrutiny activity the LAN will undertake to make sure the Council keeps on track with what it is trying to do and any improvements it needs to make. Further detail of the shared risk assessment process is available at Appendix 1 to this report.
- 1.3 Since the first AIP was published in 2010, the LAN has consistently recognised Perth and Kinross Council as a low scrutiny risk. This reflects the scope and maturity of the council's self-evaluation and performance management arrangements and its preparedness for the increasingly challenging financial context that it faces. It is also recognised that the Council has a track record in securing improved performance and better outcomes for local people.

**2. ASSURANCE & IMPROVEMENT PLAN 2014-17**

- 2.1 The AIP for 2014-17 again recognises the Council's continued strength in self evaluation and performance management arrangements, along with its achievements in securing improved performance and better outcomes for local people. It confirms that there are no significant scrutiny risks. As such, it outlines that there is no requirement for any additional scrutiny.

- 2.2 The AIP acknowledges the Council's strong track record of partnership working which will continue through the delivery of the Perth and Kinross Community Plan/Single Outcome Agreement 2013-2023 which outlines an ambitious vision for the area. The Council's Corporate Plan 2013-2018 sets out how the council will support the Community Plan and identifies the high-level strategic objectives the council is working towards to meet local needs.
- 2.3 The AIP confirms that the Council continues to show a good understanding of the financial challenges it faces, and has been proactive in preparing financial plans to manage budget reductions. The reserves strategy and medium term financial plan allow the Council to mitigate the risks associated with the current financial climate and service pressures. The AIP also highlights the Council's transformation programme *Securing the Future - Towards 2015 and Beyond*, which was updated in 2013 and identified a large number of projects at both a corporate and service level designed to help address the continuing financial pressures.
- 2.4 The AIP states that the Council continues to be proactive in developing and implementing the significant changes introduced through the public services reform agenda and is in a good position to meet these challenges going forward.
- 2.5 The AIP 2014-17 is attached as Appendix 2 to this report and sets out the planned scrutiny activity for the Council for the period from April 2014 to March 2017.

### 3. CONCLUSION AND RECOMMENDATION

- 3.1 Progress towards reducing the burden of scrutiny for Councils has been demonstrated by the introduction of the shared risk assessment process in 2010. Since then the Council has been assessed on an annual basis and has consistently received recognition for the continuous improvement of its services. This has resulted in the overall assessment by the LAN that the Council has a low scrutiny risk, and that no additional scrutiny is required.
- 3.2 It is recommended that the Council notes the Assurance and Improvement Plan for 2014-2017.

#### Author

Name	Designation	Contact Details
Michelle Cochlan	Partnership and Improvement Manager	Ext 75071 mcochlan@pkc.gov.uk

#### Approved

Name	Designation	Date
Bernadette Malone	Chief Executive	17 April 2014

If you or someone you know would like a copy of this document in another language or format, (on occasion only, a summary of the document will be provided in translation), this can be arranged by contacting [mcochlan@pkc.gov.uk](mailto:mcochlan@pkc.gov.uk)



Council Text Phone Number 01738 442573

## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

<b>Strategic Implications</b>	<b>Yes / None</b>
Community Plan / Single Outcome Agreement	<b>Yes</b>
Corporate Plan	<b>Yes</b>
<b>Resource Implications</b>	
Financial	<b>None</b>
Workforce	<b>None</b>
Asset Management (land, property, IST)	<b>None</b>
<b>Assessments</b>	
Equality Impact Assessment	<b>None</b>
Strategic Environmental Assessment	<b>None</b>
Sustainability (community, economic, environmental)	<b>None</b>
Legal and Governance	<b>None</b>
Risk	<b>None</b>
<b>Consultation</b>	
Internal	<b>Yes</b>
External	<b>None</b>
<b>Communication</b>	
Communications Plan	<b>None</b>

### 1.1 Strategic implications

This report supports the delivery of the Community Plan, Single Outcomes Agreement and Corporate Plan objectives.

### 1.2 Consultation

The Executive Officer Team, the Depute Director (The Environment Service) and the Head of Finance have been consulted in the development of this report.

## 2. BACKGROUND PAPERS

The background papers referred to within the report are:

Report 13/219	Assurance and Improvement Plan Update 2013-14
Report 12/260	Assurance and Improvement Plan Update 2012-15
Report 11/352	Assurance and Improvement Plan 2011-14
Report 10/360	Assurance and Improvement Plan 2010-13

## 3. APPENDICES

Appendix 1	Scrutiny Risk Assessment Arrangements
Appendix 2	Perth & Kinross Council Assurance and Improvement Plan Update 2014-17.

## **APPENDIX 1      SCRUTINY RISK ASSESSMENT ARRANGEMENTS**

- 1    The assessment of the level of external scrutiny required for each Council is gauged through a Scrutiny Risk Assessment undertaken annually by a Local Area Network (LAN) of audit, inspection and regulation bodies. It is intended this will facilitate closer collaboration between the bodies and create opportunities for enhanced support and improvement of public sector services.
- 2    Levels of risk identified by a LAN in the Scrutiny Risk Assessment will be determined through consideration of the scale or impact of issues present for the Council and the likelihood of their occurrence. The approach recognises that there may be an area that presents a specific issue for a Council. However, if this is well managed internally by the Council, it may not represent a high risk.
- 3    Following this process, each Council receives an Assurance and Improvement Plan (AIP). Councils which are assessed as low risk should receive an AIP with a demonstrable reduction in the level of scrutiny. Conversely there is likely to be increased scrutiny activity to support improvement in those councils where there is assessed risk.
- 4    The focus of the AIP for each Council will be on strategic scrutiny activity, this is scrutiny activity undertaken at corporate or whole service level. In addition to the AIP, scrutiny activity will continue at a unit level, for example, school and residential home inspections.
- 5    The LAN for Perth & Kinross Council involves the following scrutiny bodies:
  - Audit Scotland
  - Education Scotland
  - Care Inspectorate
  - Scottish Housing Regulator
  - HM Inspectorate of Constabulary
- 6    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.
- 7    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.
- 8    Education Scotland, through the Area Lead Officer, will continue to support and challenge Education Services regularly and as appropriate.
- 9    The Care Inspectorate will continue to regulate care services and inspect social work services in accordance with their responsibilities under the Public Services Reform (Scotland) Act 2010.



# **Perth and Kinross Council**

## **Assurance and Improvement Plan**

**2014–17**

May 2014

# Contents

<b>Contents .....</b>	<b>2</b>
<b>Introduction.....</b>	<b>3</b>
<b>Summary .....</b>	<b>5</b>
Planned scrutiny activity .....	6
<b>Local priorities and public service reform .....</b>	<b>8</b>
Community planning and Single Outcome Agreements.....	8
Police and fire .....	9
Health and social care integration .....	10
Welfare reform .....	10
<b>Corporate assessment .....</b>	<b>12</b>
<b>Service performance .....</b>	<b>22</b>
<b>Improving and transforming public services / public performance reporting.....</b>	<b>26</b>
<b>Appendix 1: Scrutiny plan.....</b>	<b>28</b>



# Introduction

1. This Assurance and Improvement Plan (AIP) sets out the planned scrutiny activity in Perth and Kinross Council between April 2014 and March 2017. The AIP is based on a shared risk assessment undertaken by a local area network (LAN). There is a LAN for each council, comprising representatives of all the scrutiny bodies who engage with the council. The aim of the shared risk assessment process is to focus scrutiny activity where it is most needed and to determine the most proportionate scrutiny response over a three year period.
2. This is the fifth AIP for Perth and Kinross Council since the introduction of the shared risk assessment process.<sup>1</sup> It is the result of the shared risk assessment which began in October 2013. The process drew on evidence from a number of sources, including:
  - the annual report to the Controller of Audit and elected members for 2012/13 from the Council's appointed external auditors
  - evidence gathered from Audit Scotland, Education Scotland, the Care Inspectorate, the Scottish Housing Regulator and Her Majesty's Inspectorate of Constabulary for Scotland (HMICS), including published inspection reports and other supporting evidence
  - the Single Outcome Agreement (SOA) and associated development plan for the council area
  - the council's own performance data and self-evaluation evidence
  - analysis of data from the SOLACE / COSLA / Improvement Service Local Government Benchmarking Framework.<sup>2</sup>
3. The shared risk assessment process was reviewed in 2013, in the context of a significantly changed scrutiny landscape and the evolving public service reform agenda.<sup>3</sup> Based on the findings of the review, this year's shared risk assessment focused on identifying the council's current position in implementing the Scottish Government's reform agenda. It also placed more emphasis on scrutiny risk in relation to the council's improvement and transformation agenda. This change in approach is reflected in the structure of the AIP for 2014-17, which covers four areas:
  - local priorities and public service reform
  - corporate assessment
  - service performance
  - improving and transforming public services / public performance reporting.

---

<sup>1</sup> Assurance and Improvement Plans for each council since 2010 are available on the Audit Scotland website: <http://www.audit-scotland.gov.uk/work/scrutiny/aip.php>

<sup>2</sup> The indicators used in the framework can be found on the Improvement Service website: <http://www.improvementservice.org.uk/benchmarking/>

<sup>3</sup> The review of the shared risk assessment process was one of four work streams taken forward by the Strategic Group for Local Government Scrutiny Co-ordination during 2013.

4. Scrutiny risk is assessed against the following criteria:
  - No scrutiny required - there are no significant concerns, so no scrutiny work is necessary.
  - Scrutiny required - there are concerns about performance, services or outcomes, resulting in the need for scrutiny work.
  - Further information required - there is insufficient information to reach a judgement about performance.
5. The National Scrutiny Plan for 2014/15 is available on the Audit Scotland website. It provides a summary of planned scrutiny activity across all councils in Scotland, based on the AIPs for each council.

# Summary

6. The overall scrutiny risk assessment for Perth and Kinross Council is that of a low risk council which shows good self awareness and demonstrates a positive response to external scrutiny. The shared risk assessment notes that currently for 2014 to 2017 no additional specific scrutiny activity has been identified.
7. The Council has a strong track record of partnership working and the *Community Plan/Single Outcome Agreement 2013-2023* aims to continue this and outlines an ambitious vision for the area centred around the five strategic objectives:
  - Giving every child the best start in life
  - Developing educated, responsible and informed citizens
  - Promoting a prosperous, inclusive and sustainable economy
  - Supporting people to lead independent, healthy and active lives
  - Creating a safe and sustainable place for future generations.
8. The Council's *Corporate Plan 2013-2018* sets out how the council will support the Community Plan and identifies the high-level strategic objectives the council is working towards to meet local needs. The transformation programme *Securing the Future - Towards 2015 and Beyond*, was updated in 2013 and identified a large number of projects at both a corporate and service level designed to help address the continuing financial pressures.
9. The AIP for 2013-16 highlighted that further information was required in relation to the internal audit function. Audit Scotland's *Annual report on the 2012/13 audit* concluded that the internal audit service generally operated in accordance with the CIPFA Code of Practice for Internal Audit in Local Government.
10. In the 2013-16 AIP no other additional scrutiny or further information requirements were highlighted. The following represent areas where national follow-up or work by Ministers was included in the scrutiny plan.
11. Audit Scotland published *Scotland's public finances follow-up* in August 2013. The council has a good understanding of the financial challenges it faces, and has been proactive in preparing financial plans to manage budget reductions. A few improvements were highlighted to the financial planning framework and these have subsequently been considered and are being actioned, where appropriate.
12. In November 2013 Audit Scotland published *Scotland's public sector workforce* which assessed nationally if public bodies are effectively managing changes to their workforces. This report has been considered by the council in the context of its *Securing the future through our people* which covers the various aspects raised in the national report.

13. An *Audit of housing and council tax benefit* was published by Audit Scotland in December 2013. It was highlighted that the service has successfully cleared its backlog and achieved an improved speed of processing performance for 2012/13 which was above the Scottish average. This was achieved against a background of an increasing workload and a decrease in the number of experienced staff. Performance had dipped during 2013/14 due to preparations for, and the successful implementation of, the various welfare reform changes, as well as further staff turnover. The council is confident that information technology advances, such as its electronic benefit application form, will help deliver further efficiency and improve performance.
14. The Care Inspectorate, in partnership with the Association of Directors of Social Work and the Risk Management Authority, has been undertaking supported self-evaluation activity to assess the initial impact of the introduction of the assessment and case planning instrument LS/CMI across Scotland's criminal justice social work services. This activity started in June 2013 and will conclude with the publication of a national report by May 2014. Action plans arising from this activity will be implemented in 2014.
15. As detailed in the 2013/16 AIP, the Scottish Housing Regulator (SHR) undertook focused scrutiny work on the council's progress in delivering the Scottish Housing Quality Standard (SHQS) by 2015 and its approach to managing rent arrears. Some risks to meeting the SHQS were highlighted, and the council has plans to address these and is confident it will meet the SHQS by 2015. The current arrears management position was also highlighted and the council has a planned response in place.
16. The council continues to be proactive in developing and implementing the significant changes introduced through the public services reform agenda and is in a good position to meet these challenges going forward.

## Planned scrutiny activity

17. The 2013-16 AIP recognised the strength of the council's self-evaluation and performance management arrangements and its achievements in securing improved performance and better outcomes for local people. The 2014-17 assessment confirms this position, with no significant scrutiny risks being identified.
18. During 2014, Audit Scotland will carry out a targeted follow-up of two national performance audits - *Arm's-length external organisations (ALEOs): are you getting it right?* (June 2011) and *Major capital investment in councils* (March 2013).

19. There is some non-risk based scrutiny activity planned across councils in 2014/15. Scrutiny bodies are yet to determine which specific council areas will be included in respect of the following:
- The SHR recently carried out a thematic inquiry into the outcomes that councils are achieving by delivering housing options and prevention of homelessness services. A sample of councils were selected to take part in this as case studies. The findings from this work could potentially lead to further engagement with some councils. The SHR will carry out further thematic inquiries between 2014/15 and 2015/16. If a council is to be involved in a thematic inquiry the SHR will confirm this with the council and the appropriate LAN lead.
  - HMICS will be inspecting local policing across Scotland over the next three years. This will examine, amongst other things, local scrutiny and engagement between Police Scotland and councils. The geographic areas to be inspected during 2014/15 have yet to be determined.
  - Education Scotland will be working in partnership with councils to carry out self-evaluation of education psychology services over a two year period beginning in 2014/15.
  - Education Scotland will be reviewing the quality of Careers Information Advice and Guidance services delivered by Skills Development Scotland across all council areas over the next three years.
  - Education Scotland will continue to engage with councils for the purpose of validated self-evaluation (VSE). The scheduling of VSEs will be arranged by negotiation between Education Scotland and individual councils.
20. Audit Scotland will carry out a programme of performance audits during the period of this AIP that will involve work with councils. The performance audit programme for 2014/15 is available at <http://www.audit-scotland.gov.uk/work/forwardwork.php?year=2014>.
21. Scheduled audit and inspection work will take place through the annual audit process. The ongoing inspection of school and care establishments by Education Scotland and the Care Inspectorate respectively will continue as planned. Individual audit and inspection agencies will continue to monitor developments in key areas of council activity and will provide support and challenge as appropriate. This will help to inform future assessment of scrutiny risk.
22. A timetable for the planned audit and inspection activity in Perth and Kinross Council between April 2014 and March 2017 is at [Appendix 1](#).

# Local priorities and public service reform

23. Local councils are operating within a context of significant change as a result of the challenging financial environment and the public service reform agenda. The Scottish Government's reform agenda emphasises the importance of place, people, partnership, prevention and performance in public services. This year's shared risk assessment identified the council's current position in implementing the Scottish Government's reform agenda, specifically in relation to:
- community planning and new Single Outcome Agreements
  - police and fire oversight arrangements (following the introduction of new national police and fire services)
  - health and social care integration
  - welfare reform.

## Community planning and Single Outcome Agreements

24. Community planning is the process by which councils and other public bodies work together, with local communities, the business and voluntary sectors, to plan and deliver better services and improve the lives of people who live in Scotland. Community planning is the framework for public service reform agenda and there is a consensus that community planning partnerships should be one of the key drivers of change and improvement in local public services.
25. For 2012/13 performance measures were grouped under the 15 local outcome areas outlined within the Single Outcome Agreement 2009-13. These ranged from economy to health and public services, and were aligned to the Scottish Government's national outcomes. For 2012/13 the council reported positive improvements in eight areas with performance maintained in the remaining seven.
26. The new Community Plan/Single Outcome Agreement 2013/23 (CP/SOA) was endorsed by the council in June 2013 and sets out five strategic objectives:
- Giving every child the best start in life
  - Developing educated, responsible and informed citizens
  - Promoting a prosperous, inclusive and sustainable economy
  - Supporting people to lead independent, healthy and active lives
  - Creating a safe and sustainable place for future generations.

27. Each objective relates to the main areas of focus for the partnership, where it is striving to make maximum impact and drive improved outcomes in relation to key challenges it has identified over the next ten years. Twelve local outcomes together with performance indicators and milestones for delivery are set out for each objective. All partners are reflecting these priorities and local outcomes within their own corporate and delivery plans in order to demonstrate the 'golden thread' across their organisations.
28. The Council's Corporate Plan 2013-18 conveys the council's vision and provides strategic direction for the organisation, informs decision making and facilitates prioritisation of activity and resources. It sets out how the council will support the CP/SOA and identifies the high-level strategic objectives the council is working towards to meet local needs.
29. Underpinning the Corporate Plan are Service Business Management and Improvement Plans (BMIPs) which identify how council services will deliver the strategic objectives set out in the Corporate Plan and make the step change required to achieve better outcomes.
30. The council has considered the next steps in ensuring delivery of the CP/SOA and is currently revising the Community Planning Partnership's governance framework and consolidating/streamlining its performance measurements.

## Police and fire

31. Following the introduction of the Police and Fire Reform (Scotland) Act in 2013 resulting in a single Scottish police force and a single fire and rescue service, the new arrangements for local scrutiny and engagement are gradually taking shape. Scrutiny of Police and Fire plans and performance takes place at the Community Safety Committee with partners from the Community Planning Partnership invited to attend. This committee also provides oversight and scrutiny for the broader aspects of public safety activity, including public protection, community safety and resilience activity.
32. HMICS conducted a thematic inspection of the new arrangements for local scrutiny in 2013 and believes that the new arrangements for local scrutiny and engagement (LSE) require more time to bed in and that it is therefore too early to assess the effectiveness of these arrangements.
33. In relation to the wider issue of the delivery of community safety, HMICS has seen no significant changes to partnership arrangements since the creation of a single police service model for Scotland. HMICS is considering community safety as a possible area of focus within its 2014-17 work plan.

34. Fire reform is also still at an early stage and HM Fire Service Inspectorate (HMFSI) has not as yet undertaken any detailed examination of the way in which community safety and engagement activities are delivered across local authority areas in Scotland. HMFSI published An Overview of the Scottish Fire and Rescue Service (SFRS) in 2013. In its report, HMFSI highlighted that local senior officers (LSOs), who have responsibility for overseeing partnership working with local authorities in the delivery of community safety and engagement, are clearly sighted on their responsibilities and are keen to make local partnerships work in an effort to optimise community outcomes.
35. The Scottish Fire and Rescue Service (SFRS) is consulting on a suite of local fire and rescue plans. HMFSI is not currently proposing any specific scrutiny on local planning and consultation processes, but may consider this in its future inspection plans.

## Health and social care integration

36. The council and NHS Tayside have a proven track record of working in partnership to provide effective, responsive services which provide positive outcomes for communities. The partnership has made progress in breaking down organisational and cultural barriers focussing upon the needs of individuals, their families and carers. The partnership's aims are to:
  - provide effective, targeted health and social care services
  - improve access to health and social care services.
37. In order to take forward health and social care integration, Perth and Kinross Council and NHS Tayside established a Transitions Board comprising senior elected members and officers from both organisations. From 1 April 2013 this developed into a Shadow Health and Social Care Transition Board to allow the development of effective governance arrangements for adult health and social care integration. The Board agreed a 'route map' to integration, including the supporting governance arrangements. The Joint Improvement Team's report of its discussions with the partnerships (November 2013) indicated that a process had been agreed and the appointment of an Interim Chief Officer has been made.

## Welfare reform

38. The UK Government's welfare reform agenda aims to make work pay and simplify the benefits system by bringing together a range of working-age benefits, including HB, into a single streamlined payment of universal credit administered by the Department for Works and Pensions (DWP). This is the biggest change to the welfare system for over 60 years and has a significant impact on local authorities and the services they provide.



39. The council established a Joint Welfare Reform Steering Group in September 2012 which included external stakeholders such as local housing association, third sector, DWP and Citizens Advice Bureau representatives. The council was also involved in the Scottish Welfare Fund Design and Implementation Group set up by the Scottish Government and the Convention of Scottish Local Authorities to design and oversee the implementation of the Scottish Welfare Fund from April 2013.
40. Welfare reform changes were communicated to those customers involved by letter, and to local residents, staff, elected members and other stakeholders through an extensive programme of awareness sessions which set out the changes and the financial impact on local residents. The Council has also developed a virtual hub on its website to help provide a single point of reference for those residents in need and to guide them on a wide range of welfare reform and welfare rights issues.
41. The council has recently reviewed its policy for dealing with current and former tenant rent arrears in light of welfare reform changes. It continues to maximise rental income by early intervention and supporting tenants to sustain their tenancies while evicting only as a last resort. The SHR has highlighted the current arrears management procedures and the planned action being taken by the council to address this area of declining performance.
42. Local priorities include sustaining the benefits service and retaining experienced staff while the welfare reform changes are being implemented. The service is investing in information technology, to help it deliver an improved service to an increasing caseload with decreasing staff resources.
43. The SHR will seek information from all social landlords to monitor the impact of welfare reform. SHR conducted a survey on the early impact of welfare reform on rent arrears and published the summary findings in October 2013. Further surveys will be issued to all social landlords to help determine the longer term impact of welfare reform.

# Corporate assessment

44. The following table provides an assessment of scrutiny risk relating to the council's management arrangements (including how it is meeting its Best Value obligations).<sup>4</sup>

Area	Risk assessment	Current position	What we plan to do
<p><b>Leadership and direction</b></p> <p>How the council's vision is designed around its knowledge of its local communities and how this is translated throughout all the council's plans and strategies.</p>	No scrutiny required	<p>The council has a strong track record of partnership working and the Community Plan/Single Outcome Agreement (CP/SOA) 2013-2023 aims to continue this and outlines an ambitious vision for the area centred around the five strategic objectives:</p> <ul style="list-style-type: none"> <li>• Giving every child the best start in life</li> <li>• Developing educated, responsible and informed citizens</li> <li>• Promoting a prosperous, inclusive and sustainable economy.</li> <li>• Supporting people to lead independent, healthy and active lives.</li> <li>• Creating a safe and sustainable place for future generations.</li> </ul> <p>The council's Corporate Plan 2013-2018 sets out how the council will support the Community Plan and identifies the high-level strategic objectives the council is working towards to meet local needs.</p> <p>Each of these five strategic objectives is supported by a number of commitments which clearly outline specific corporate actions</p>	No specific scrutiny activity

<sup>4</sup> The Local Government in Scotland Act 2003. Best Value Guidance, Scottish Executive, 2004.

Area	Risk assessment	Current position	What we plan to do
<p><b>Governance and accountability</b></p> <p>Whether governance arrangements are working effectively and whether good governance underpins council decisions and supports performance improvement.</p>	<p>No scrutiny required</p>	<p>which will be carried out by the Council over the next five years to meet the vision and strategic objectives. A range of indicators have also been developed to ensure that progress towards the strategic objectives can be measured.</p> <p>Overall the council had appropriate governance arrangements in place in 2012/13. No material weaknesses in the accounting and internal control systems were identified during the external audit review although management agreed some improvement actions during the year including:</p> <ul style="list-style-type: none"> <li>• ongoing improvements in the internal audit service</li> <li>• working with Police Scotland to establish an Integrity Group to develop the council's approach to the prevention of fraud and corruption.</li> </ul>	<p>No specific scrutiny activity</p>
<p><b>Community engagement and empowerment</b></p> <p>Whether the council is giving local people a greater say in local budget decisions and giving communities a right to challenge local public service delivery.</p>	<p>No scrutiny required</p>	<p>The council has a range of mechanisms to consult with stakeholder groups to capture data about how well services are performing, levels of satisfaction and perceptions about how well the council (and its partners) are delivering local outcomes.</p> <p>In November 2013, the council considered and approved options for re-energising the corporate approach to consultation and strengthening connections to support best practice.</p> <p>Extensive performance information is published on the council's website and an electronic feedback survey is also available.</p> <p>Performance indicators in 2012/13 demonstrate a high level of</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
<p><b>Financial management</b> How effectively the council is planning and managing its budgets.</p>	<p>No scrutiny required</p>	<p>customer satisfaction across council services.</p> <p>The council continues to show a good understanding of the financial challenges it faces, and has been proactive in preparing financial plans to manage budget reductions. The council has a clear understanding of its costs and the impact efficiency savings have on service delivery. The reserves strategy and medium term financial plan allow the council to mitigate the risks associated with the current financial climate and service pressures. External audit highlighted that the council does not have a long term financial plan covering its operations and assets and liabilities. However, the council consider that a longer term approach to financial planning might have had an adverse effect on service delivery. It has therefore decided to set future provisional revenue budgets in line with local government settlements announced by the Scottish Government to ensure that any decisions taken are based on expected levels of funding available to the council rather than estimates. In addition over a number of years the council has introduced "budget headroom" which set corporate savings targets in excess of the anticipated reductions in grant funding and agreed corporate pressures. This budget headroom provides members with flexibility in choosing between different budget options and creates capacity to offset future budget pressures in the medium term. The most recent update of the medium term financial plan was considered by the Council in October 2013 and in February 2014 the Council agreed the budget for 2014/15 and a provisional budget for 2015/16. In addition the council agreed updates to its</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
<p><b>People management</b> The effectiveness of the council's workforce planning and management arrangements.</p>	<p>No scrutiny required</p>	<p>seven year capital programme and five year housing investment programme.</p> <p>There is a long term programme of activity to support and develop the workforce. Since 2009, the council has implemented a range of workforce management measures which were designed to make the best use of opportunities to reshape the workforce on an ongoing basis, enable service redesign and deliver a leaner workforce. This has resulted in the council reporting a 5.9% reduction in the full time equivalent number of employees, a change in the proportion of permanent and fixed term employees (from 8.4% fixed term to 10.4%) and staff costs reducing from 62% of the net revenue budget in 2009/10 to 59% in 2012/13. The Council Workforce Plan 2013-18 is to be used to inform a review of the objectives set out in 'Our People Strategy (2010-2015)', and to support the council's transformation approach as set out in 'Securing the Future – Towards 2015 and Beyond'. The council's workforce planning process is driven by the Corporate Plan, the Medium Term Financial Plan, and a modernisation of service delivery and working practices. A further voluntary severance scheme was launched in September 2013.</p>	<p>No specific scrutiny activity</p>
<p><b>Asset management</b> The council's arrangements for managing assets and how this key resource is</p>	<p>No scrutiny required</p>	<p>A Corporate Asset Management Strategy and Plan is in place which includes a common methodology for managing an asset from acquisition to disposal.</p> <p>The capital programme continues to see underspends. Actions have been taken by the council to take forward the delivery of the</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
used to support effective service delivery.		capital programmes including establishing the Strategic Investment Group.	
<b>Procurement</b> How effectively corporate procurement contributes to the council maximising value for money in the goods and services it uses to deliver its services.	No scrutiny required	The Procurement Strategy 2011-15 sets out the objectives and the Council annually assess progress. The annual procurement capability assessment (PCA) feeds into this assessment. The council has seen steady improvement in its PCA score since 2010 increasing to 59% in 2013, which is above the Scottish average of 55%. An annual improvement action plan is developed by the council to progress improvements in procurement arising from the assessment. A national study on procurement is currently being concluded with the report to be published by Audit Scotland in April 2014.	No specific scrutiny activity
<b>Risk management</b> The effectiveness of the council's arrangements for identifying, managing and mitigating risks and how its management of risk contributes to the successful delivery of public services.	No scrutiny required	The Risk Management Strategy is reviewed on an annual basis to ensure that the council is effectively progressing risk management objectives and effectively controlling key corporate risks. An update of the Corporate Risk Management Strategy was reported to members in November 2013 and improvements highlighted. The areas identified for improvement included: <ul style="list-style-type: none"> <li>• revising the corporate guidance to ensure consistency in format and approach across all council services</li> <li>• supporting services in the identification of risks through the council's self-evaluation model 'How Good is Our Council'</li> </ul>	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
<p><b>Information management</b></p> <p>The effectiveness of the council's arrangements for managing information as a key resource in delivering services.</p>	<p>No scrutiny required</p>	<p>External audit's 2012/13 report to Members highlighted a review of data management undertaken during the year and noted ongoing issues in this area including data sharing (e.g. Public Services Network) and data matching (e.g. National Fraud Initiative). Officers have indicated that action is being taken to address the issues raised. External audit's annual audit activity includes monitoring progress against these actions.</p> <p>The council is also undertaking a review of the IT service's preparedness to meet the national IT strategy objectives. The ICT strategy is expected to be updated to reflect the findings from this review with the service reconfigured to deliver the resultant strategic objectives.</p>	<p>No specific scrutiny activity</p>
<p><b>Joint working</b></p> <p>Progress with any significant shared services initiatives, in particular in relation to governance or pace of implementation.</p>	<p>No scrutiny required</p>	<p>In order to take forward health and social care integration, Perth and Kinross Council and NHS Tayside established a Transitions Board comprising members and officers from both organisations. From 1 April 2013 this developed into a Shadow Health and Social Care Transition Board to allow the development of effective governance arrangements for adult health and social care integration. The Board agreed a 'route map' to integration, including the supporting governance arrangements.</p> <p>For a number of years, services have also been provided by Tayside Contracts which is jointly administered and controlled by Perth and Kinross Council, Dundee City Council and Angus Council through a minute of agreement.</p> <p>The local authority has also entered into a partnership agreement</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
		<p>with Education Scotland, with five agreed areas of joint working:</p> <ul style="list-style-type: none"> <li>• Improved headteacher understanding of self-evaluation</li> <li>• Technologies curriculum advice</li> <li>• Implement Scottish Government policy in relation to 1+2 languages</li> <li>• Meeting learners' needs</li> <li>• Improving the capacity of centrally-based staff</li> </ul> <p>Significant progress has been made in relation to the first three and the local authority is working closely with Angus Council and Dundee City Council to pool budgets and implement a joint approach across Tayside to implement the Scottish Government policy in relation to 1+2 languages.</p> <p>The Children and Young People sub group of the Alcohol and Drug Partnership includes statutory agency and Third Sector representatives. The group's action plan supports delivery of the Scottish Government ambitions in 'The Road to Recovery'.</p> <p>The Early Years Strategy group is taking forward jointly agreed actions, including those relating to the Early Years Collaborative. Collaboration over the Evidence2Success research and engagement project has also included a joint agreement on prioritisation of resources.</p> <p>The development of kinship care and the 'Change is a Must' (CIAM) project attracted additional funding from Lloyds TSB Foundation to support collaboration with the Third Sector. A</p>	



Area	Risk assessment	Current position	What we plan to do
<p><b>Efficiency</b> How effectively the council is improving its efficiency in response to the budget challenges being faced.</p>	<p>No scrutiny required</p>	<p>review of Youth and Youth Justice services is underway to develop a more integrated approach to meeting the needs of young people through a non-stigmatising approach. Improvement is also supported through joint initiatives. The 'Transitions in the Community' project, for children and young adults with complex additional support needs has focused on developing parental confidence in a 'whole life' approach to meeting needs. Joint delivery of services and approaches to improvement also include: Rio Homeless accommodation; and the development of a Public and Social Partnership to develop parenting support for 'hard to reach parents'.</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
<p><b>Equalities</b> Whether the council is providing effective leadership of equalities and is meeting its statutory obligations.</p>	<p>No scrutiny required</p>	<ul style="list-style-type: none"> <li>• offset future budget pressures in the medium term</li> <li>• allow for adverse movements in the council's overall financial position</li> <li>• consider investment in regeneration projects, transformational change or severance costs.</li> </ul> <p>Through its transformation programme and budget headroom the council has actively accelerated savings in recent years to enable it to manage the anticipated financial challenges faced by the public sector.</p>	<p>No specific scrutiny activity</p>
<p><b>Equalities</b> Whether the council is providing effective leadership of equalities and is meeting its statutory obligations.</p>	<p>No scrutiny required</p>	<p>The council under the Equality Act 2010, considers its duties in relation eliminating discrimination, advancing equality of opportunity, and fostering good relations between equality groups through committee reports. It undertakes Equality Impact Assessments for plans and policies that allow the council to demonstrate that it is meeting these duties.</p> <p>The council has reviewed and updated its equality framework to reflect the changes introduced by the Equality Act 2010 (Specific Duties) Scotland Regulations 2012. In line with regulations the Council has published a mainstreaming equalities report in April 2013 and established a set of equality outcomes for the council and as the Education Authority:</p> <ul style="list-style-type: none"> <li>• Knowing where to get help from the council</li> <li>• Providing opportunities to influence council decisions</li> <li>• Enhancing community involvement and inclusion.</li> </ul>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
		<p>A report on progress on these outcomes is to be published by the Council no later than 30 April 2015, and every two years subsequently. The Equality and Human Rights Commission in Scotland has published guidance on complying with regulations.</p> <p>The council also has a legal duty to consult and involve relevant stakeholders in relation to equality issues. This process of community engagement has been achieved through the Community Equality Advisory Group and online public consultation.</p>	

# Service performance

45. The following table provides an assessment of scrutiny risk relating to the performance of the council's main inspected public services (education, social work and housing) and non-inspected services (e.g. corporate services, culture and leisure services, environmental services).

Area	Risk assessment	Current position	What we plan to do
<p><b>Education</b> The quality of local education services and the resulting outcomes (including early years).</p>	<p>No scrutiny required</p>	<p>Statutory and key performance indicators show a positive picture of performance overall for this service. Education continues to perform well across almost all sectors with attainment levels amongst the best in Scotland.</p> <p>The general inspections programme in the past year covered:</p> <ul style="list-style-type: none"> <li>• seven early year establishments</li> <li>• five primary schools</li> <li>• two secondary schools</li> </ul> <p>The outcome of these reviews has been positive with only a few areas being identified where the schools self evaluation did not reflect the inspectorates findings. These areas will be the subject of further inspection within 12 months, as agreed with the council.</p> <p>Sickness absence for teachers is significantly above the national average and the council has recognised that reducing sickness absence levels and supporting attendance will remain a corporate priority in the forthcoming year.</p> <p>Specific measures are in place in order to reduce sickness absence</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
<p><b>Social care services</b> The quality of local social work and care services and the resulting outcomes (including adult care, older peoples services, learning disability services, criminal justice services, mental health services, children and families).</p>	<p>No scrutiny required</p>	<p>for teachers, including resilience training, adopting a common policy for all council employees based on the current Maximising Attendance Policy and additional HR support to schools for managing short term and long term absence.</p> <p>Performance data generally reflects positive or improving performance. Senior officers should assure themselves that the decline in the percentage of care leavers who are still in contact with social services and the proportion of children on the child protection register are due to effective alternative approaches which can be shown to deliver better outcomes. These issues will continue to be explored as part of ongoing link inspector engagement.</p> <p>Perth and Kinross was the first development site for the new joint inspections of services for adults. The focus of the inspection was also only on services for older people, rather than the wider adult population. The findings of the pilot inspection were positive and identified a small number of areas for improvement where an action plan is being developed and this will be monitored as part of ongoing link inspector engagement.</p> <p>The most recent inspections of the adoption and fostering services highlighted gradings that were all good or very good. For home care service, gradings were adequate (care and support) and good (management and leadership).</p> <p>Audit Scotland are in the process of assessing councils' progress in implementing the 2010 self-directed support strategy and the new duties that come into effect in April 2014, under the Social Care (Self-</p>	<p>No specific scrutiny activity</p>

Area	Risk assessment	Current position	What we plan to do
<p><b>Housing and homelessness</b></p> <p>The quality of housing and homeless services and the resulting outcomes.</p>	No scrutiny required	<p>directed Support) (Scotland) Act 2013. Perth and Kinross Council are one of the case study sites for this assessment. Full implementation is expected to take a number of years, and the Audit Scotland review is intended to provide a timely assessment to support continuing improvement by identifying risks and good practice.</p> <p>Performance indicators show that performance in housing and homelessness overall is good. The Scottish Housing Regulator has reviewed the council rent arrears (which are high and increasing) and progress towards SHQS in 2015.</p> <ul style="list-style-type: none"> <li>the current arrears management position was highlighted and the council has a planned response to its worsening performance in this area.</li> <li>some risks to meeting the SHQS in 2015 were highlighted, but the council is aware of these and has plans to address these and is confident it will meet the SHQS by 2015.</li> </ul>	No specific scrutiny activity
<p><b>Non-regulated services</b></p> <p>Particular strengths and challenges in the range of non-regulated services provided by the council, and any significant changes to performance.</p>	No scrutiny required	<p>For 2012/13, performance measures were grouped under the 15 local outcome areas outlined within the Single Outcome Agreement 2009-13. These ranged from economy to health and public services, and were aligned to the Scottish Government's national outcomes. For 2012/13 the council reported positive improvements in eight areas and performance was maintained in the remaining seven.</p> <p>The 25 Statutory Performance Indicators (SPIs) in 2012/13 indicate a mostly improving or stable picture of performance. In areas where performance had declined the movement was not significant.</p> <p>The council six monthly progress reports against the Services'</p>	No specific scrutiny activity

Area	Risk assessment	Current position	What we plan to do
		Business Management and Improvement Plans indicates that the majority of actions are on target with mitigating action highlighted for those areas still to be addressed.	

# Improving and transforming public services / public performance reporting

46. The following table provides an assessment of scrutiny risk relating to how the council is improving and/or transforming public services, and the extent to which it is meeting its public performance reporting obligations under the Local Government in Scotland Act 2003.

Area	Risk assessment	Current position	What we plan to do
<p><b>Improving and transforming public services</b></p> <p>The council's arrangements for continuing to deliver services with reducing resources and growing demand, and what impact this is having on service outcomes.</p>	<p>No scrutiny required</p>	<p>"How good is our ....." is the Council's embedded review process:</p> <ul style="list-style-type: none"> <li>"How good is our service" is considered in the services planning framework through the Business Management and Improvement Plans (BMIPs) and the six-monthly updates</li> <li>"How good is our council" is considered through the Annual Performance Report arrangements</li> <li>"How good is our partnership" is considered through the community planning partnership.</li> </ul> <p>The council's transformation programme <i>Securing the Future - Towards 2015 and Beyond</i> also allows consideration of the various options for service delivery and is built into the BMIPs. Progress on these programmes is regularly considered by members.</p> <p>The Scrutiny Committee remit includes reviewing the council's performance management framework and outlining improvements. This committee also instigates its own reviews. Four reviews have been undertaken to date with the latest being a review of the operation of</p>	<p>No specific scrutiny activity</p>



Area	Risk assessment	Current position	What we plan to do
<p><b>Public performance reporting (PPR)</b> The progress that is being made by councils in meeting their PPR obligations.</p>	<p>No scrutiny required</p>	<p>Members Officers Groups within the council. The council's 2012/13 annual performance results reported positive improvements in eight of the local outcome areas and performance was maintained in the remaining seven. Going forward, the Local Government benchmarking framework (LGBF) has been introduced in 2013/14 and provides a comparative benchmarking framework for Scottish Local Government covering all major service areas including cost information. In anticipation of this change the LGBF indicators for 2010/11 and 2011/12 were collated by COSLA and were considered by the Council in April 2013.</p>	<p>No specific scrutiny activity</p>

# Appendix 1: Scrutiny plan

Perth and Kinross Council												
2014-15												
Scrutiny activity year 1	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
No additional specific scrutiny identified												
<b>National or supported self evaluation work year 1</b>												
Audit Scotland: targeted follow up of <i>Arms Length External Organisations: Are you getting it right?</i>		X										
Audit Scotland: targeted follow up of <i>Major Capital Investment in councils</i>			X									

Perth and Kinross Council												
2015-16												
Scrutiny activity year 2	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
No additional specific scrutiny identified												
<b>National or supported self evaluation work year 2</b>												

Perth and Kinross Council		2016-17
Indicative scrutiny activity for third year		Potential scrutiny bodies involved
No additional specific scrutiny identified		

**Note:** The focus of the AIP is strategic scrutiny activity - that is, scrutiny activity which is focused at a corporate or whole-service level. However, there will also be baseline scrutiny activity ongoing at a unit 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. 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 Area Lead Officer, 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.

