

Agenda



Audit & Performance Review Committee

Date: Wednesday, 09 December 2015

Time: 14:00

Venue: Committee Room 3 - Council Offices,
Garshake Road, Dumbarton, G82 3PU

Contact: Craig Stewart, Committee Officer
Tel: 01389 737251 craig.stewart@west-dunbarton.gov.uk

Dear Member

Please attend a meeting of the Audit & Performance Review Committee as detailed above. The business is shown on the attached agenda.

Yours faithfully

JOYCE WHITE

Chief Executive

Distribution:-

Councillor J McColl (Chair)
Councillor G Black
Councillor J Brown
Councillor P McGlinchey
Councillor I Murray (Vice Chair)
Councillor T Rainey
Councillor G Robertson
Councillor M Rooney
Mr SJ Doogan

All other Councillors for information

Chief Executive
Executive Director of Corporate Services
Executive Director of Infrastructure and Regeneration
Executive Director of Educational Services
Chief Officer of the West Dunbartonshire Health & Social Care Partnership

Date of issue: 27 November 2015

Audit & Performance Review Committee

Wednesday, 09 December 2015

AGENDA

1 APOLOGIES

2 DECLARATIONS OF INTEREST

Members are invited to declare if they have an interest in any of the items of business on this agenda and the reasons for such declarations.

3 MINUTES OF PREVIOUS MEETING

5 - 8

Submit for approval as a correct record, the Minutes of Meeting of the Audit & Performance Review Committee held on 23 September 2015.

4 TREASURY MANAGEMENT MID-YEAR REPORT 2015/16

9 - 20

Submit report by the Executive Director of Corporate Services providing an update on treasury management and prudential indicators during 2015/16.

5 REGISTERED CHARITABLE TRUSTS

21 - 24

Submit report by the Executive Director of Corporate Services providing an update regarding the recent audit report on the Charitable Trusts and specifically concerning the ongoing work in relation to updating the Trusts' governance documentation to allow a more pro-active management of the Trusts.

6	AUDIT ACTION PLANS	25 - 28
	Submit report by the Executive Director of Corporate Services advising of recently issued Internal Audit action plans and progress made against action plans previously issued contained within Internal Audit and External Audit reports.	Appendix To Follow
7	INTERNAL AUDIT PLAN 2015/16 PROGRESS REPORT TO 31 OCTOBER 2015	29 - 36
	Submit report by the Executive Director of Corporate Services advising of progress against the Audit Plan 2015/16.	
8	AUDIT SCOTLAND REPORT: REVIEW OF ACTIVITY TO REDUCE FRAUD AND ERROR IN HOUSING BENEFIT	37 - 72
	Submit report by the Executive Director of Corporate Services providing information on a report recently published by Audit Scotland which provides a set of key messages for councils to consider.	
9	STRATEGIC RISK AND RESILIENCE	73 - 96
	Submit report by the Executive Director of Corporate Services providing the Committee with the outcome of the latest six monthly assessment of Strategic Risks and an update on progress in relation to resilience planning.	
10	SCOTTISH PUBLIC SERVICES OMBUDSMAN COMPLAINTS REPORT 2014/15	97 - 108
	Submit report by the Executive Director of Corporate Services presenting the Scottish Public Services Ombudsman (SPSO) report on complaints handling by West Dunbartonshire Council for the year 1 March 2014 - 31 March 2015.	

AUDIT & PERFORMANCE REVIEW COMMITTEE

At a Meeting of the Audit & Performance Review Committee held in Committee Room 3, Council Offices, Garshake Road, Dumbarton on Wednesday, 23 September 2015 at 2.00 p.m.

Present: Councillors George Black, Jim Brown, Jonathan McColl, Ian Murray, Gail Robertson, Martin Rooney and Mr Edward Haynes.

Attending: Joyce White, Chief Executive; Angela Wilson, Executive Director of Corporate Services; Terry Lanagan, Executive Director of Educational Services; Stephen West, Head of Finance and Resources; Gillian McNeilly, Finance Manager; Colin McDougall, Audit and Risk Manager; Peter Barry, Head of Customer & Community Services; Helen Turley, Head of Housing & Community Safety; John Russell, Head of Mental Health, Learning Disability & Addictions; William Pook, Performance & Information Manager, West Dunbartonshire Health & Social Care Partnership; and Craig Stewart, Committee Officer, Legal, Democratic and Regulatory Services.

Also Attending: Ms Elaine Boyd, Senior Audit Manager; Mr Laurence Slavin, Senior Auditor, Audit Scotland; Sharon Hughes, Corporate Fraud Team Leader and Claire Andrews, Internal Auditor.

Apologies: Apologies for absence were intimated on behalf of Councillor Michelle McGinty and Tommy Rainey and Mr Stevie J. Doogan. An apology for absence was also intimated on behalf of Mr David McConnell, Assistant Director, Audit Scotland.

Councillor Jonathan McColl in the Chair

CHAIR'S REMARKS

Prior to commencing with the business of the meeting, Councillor McColl, Chair, welcomed everyone attending and introduced Sharon Hughes, Corporate Fraud Team Leader and Claire Andrews, Internal Auditor, who were in attendance to observe proceedings.

DECLARATIONS OF INTEREST

It was noted that there were no declarations of interest in any of the items of business on the agenda at this point in the meeting.

MINUTES OF PREVIOUS MEETING

The Minutes of Meeting of the Audit & Performance Review Committee held on 10 June 2015 were submitted and approved as a correct record.

TREASURY MANAGEMENT ANNUAL REPORT 2014/15

A report was submitted by the Executive Director of Corporate Services providing an update on treasury management during 2014/15.

After discussion and having heard the Finance Manager and the Chief Executive in further explanation and in answer to Members' questions, the Committee agreed:-

- (1) to note the treasury management stewardship information within the report; and
- (2) to note the 2014/15 actual prudential indicators as advised within the report.

ANNUAL AUDIT REPORT TO MEMBERS AND CONTROLLER OF AUDIT

A report was submitted by the Executive Director of Corporate Services advising of Audit Scotland's findings in relation to:-

- (a) the audit of the Council and its Annual Accounts for 2014/15; and
- (b) the Financial Statements for the Charities managed by the Council.

After discussion and having heard Ms Boyd, Senior Audit Manager, Audit Scotland, the Chief Executive and the Finance Manager in further explanation and in answer to Members' questions, it was agreed:-

- (1) to note the findings as detailed in Audit Scotland's reports dated September 2015;
- (2) that a short Members' Briefing would be prepared by officers giving an update on the current position with Trusts and the Office of the Scottish Charity Regulator; and
- (3) that an update report would be brought to the next Committee meeting for Members' consideration.

AUDITED ANNUAL ACCOUNTS 2014/15

A report was submitted by the Executive Director of Corporate Services seeking approval of the audited Financial Statements for 2014/15 and highlighting matters of interest.

After discussion and having heard Ms Boyd, Senior Audit Manager, Mr Slavin, Senior Auditor, Audit Scotland and the Chief Executive in further explanation of the report and in answer to Members' questions, the Committee agreed to note the contents of the report.

AUDIT ACTION PLANS

A report was submitted by the Executive Director of Corporate Services advising of recently issued Internal Audit action plans and progress made against action plans previously issued contained within Internal Audit and External Audit Plans.

After discussion and having heard the Executive Director of Corporate Services, the Audit and Risk Manager and relevant officers in further explanation and in answer to Members' questions, it was agreed:-

- (1) that Members of the Committee would, in future, be sent updated covalent sheets prior to the Committee meeting, in order that the information contained within the action plans were as accurate and up-to-date as possible;
- (2) that an updated covalent report would be prepared for HEED covalent actions (close to end of action date) giving the up-to-date position and status of projects within that departmental remit; and
- (3) otherwise to note the contents of the report.

INTERNAL AUDIT PLAN 2015/16 PROGRESS REPORT TO 31 JULY 2015

A report was submitted by the Executive Director of Corporate Services advising of the work undertaken by the Internal Audit section against the Audit Plan 2015/16.

After discussion and having heard the Audit and Risk Manager and relevant officers in further explanation and in answer to Members' questions, the Committee agreed to note the contents of the report.

AUDIT SCOTLAND EVALUATION OF PUBLIC PERFORMANCE REPORTING

A report was submitted by the Executive Director of Corporate Services providing the Committee with the review of national and local public performance reporting (PPR) as carried out by Audit Scotland.

After discussion and having heard Ms Boyd, Senior Audit Manager and the Executive Director of Corporate Services in further explanation of the report and in answer to Members' questions, the Committee agreed:-

- (1) to note the evaluation;
- (2) to note the relative position of West Dunbartonshire across the range of service areas evaluated; and
- (3) to note the work already underway for the publication of PPR for 2014/15.

PUBLIC INTEREST DISCLOSURES FOR THE PERIOD 1 JANUARY TO 30 JUNE 2015

A report was submitted by the Executive Director of Corporate Services advising of public interest disclosures received during the period 1 January to 30 June 2015.

Having heard the Audit and Risk Manager, the Committee agreed to note the contents of the report.

Note: Councillor Rooney left the meeting during consideration of this item.

COUNTER FRAUD PROGRESS REPORT

A report was submitted by the Executive Director of Corporate Services advising of the results from investigating matched datasets provided to the Council through participation in the National Fraud Initiative and also other work taking place within the Corporate Fraud Team.

After discussion and having heard the Audit and Risk Manager and the Corporate Fraud Team Leader in further explanation and in answer to a Member's questions, the Committee agreed to note the contents of the report.

WEST DUNBARTONSHIRE HEALTH & SOCIAL CARE PARTNERSHIP (HSCP) - DUE DILIGENCE PROCESS AND 2015/16 BUDGET

A report was submitted by the Executive Director of Corporate Services advising of the due diligence processes that have been followed in the creation of the overall West Dunbartonshire Health & Social Care Partnership (HSCP) budget for the 2015/16 financial year so that the outcomes contained within the Strategic Plan 2015/16 for the HSCP could be delivered.

The Committee agreed to note the contents of the report in respect of the due diligence process that had been followed.

The meeting closed at 3.48 p.m.

West Dunbartonshire Council
Report by the Executive Director of Corporate Services
Audit and Performance Review Committee – 9 December 2015

Subject : Treasury Management Mid Year Report 2015/16

1. Purpose

- 1.1** The purpose of this report is to provide Members with an update on treasury management and prudential indicators during 2015/16.

2. Recommendations

- 2.1** Members are requested to note that Council approved the following on 28 October 2015:

(a) the 2015/16 revised estimates of treasury and prudential indicators as advised within the report (Tables A, B, C, D, E, F, H, M and N).

3. Background

- 3.1** In accordance with the Treasury Policy governing the Council's treasury management activities during 2015/16, the Executive Director of Corporate Services is required to provide a mid year report to Members regarding the Treasury function.
- 3.2** The mid year report covers the period 1 April 2015 to 30 September 2015 and details the current position (where appropriate) and revises the 2015/16 estimates where required.
- 3.3** The treasury management mid year report was presented to Council on 28 October 2015 and in accordance with the nomination of March 2012 is now passed to members of the Audit and Performance Review Committee to ensure further scrutiny takes place.

4. Main Issues

Treasury Management Stewardship Report

- 4.1** A copy of the report is attached (Appendix 1).
- 4.2** The report gives details of key changes to the Council's capital activity (the prudential indicators), the economic outlook, the actual and proposed treasury management activity (borrowing and investment) and the risk approach to treasury management (the treasury management indicators).
- 4.3** The revised estimate for capital expenditure during 2015/16 (Table A) has reduced by £0.489m from the original estimate due to ongoing forecast outturn figures for both the General Services capital plan and the HRA capital plan which are regularly reported to Members.
- 4.4** The external debt figures included within Table C includes both short term and long term debt due to a strategy of using short term borrowing to fund long term

capital investment enabling the Council to take advantage of lower interest rates.

5. People Implications

5.1 There are no personnel issues.

6. Financial and Procurement Implications

6.1 There are no financial or procurement implications other than those highlighted in the report.

7. Risk Analysis

7.1 There are three main risks associated with the formulation of prudential indicators and the treasury management strategy:

- (a) Capital receipts which affect the capital financing and borrowing requirement may not materialise and if this occurs then additional borrowing will be required in order to fund the financing requirement;
- (b) The risk of Counterparties default (i.e. loss of principal sum invested) must also be taken into account; however the robust controls included within the investment strategy will assist in mitigating this risk; and
- (c) Capital inflation may increase capital expenditure levels, which in turn may affect the capital financing and borrowing requirement leading to an increase in borrowing, assuming no additional capital receipts are available.

8. Equalities Impact Assessment

8.1 As this report is for noting no equalities impact assessment was required.

9. Consultation

9.1 The views of Legal Services have been requested on this report and have advised there are neither any issues or concerns.

10. Strategic Assessment

10.1 Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the 5 strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council

Angela Wilson
Executive Director of Corporate Services
Date: 11 November 2015

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Appendices: Appendix 1 - Mid Year Monitoring Report 2015/16
Treasury Management and Prudential Indicators
1 April 2015 to 30 September 2015

Background Papers: Loans register and portfolio;
Debt rescheduling schedules;
Prudential Indicators 2014/15 to 2017/18 and Treasury Management
Strategy 2015/16 to 2017/18 (Council 4 February 2015).

Wards Affected: No wards directly affected.

**Mid Year Monitoring Report 2015/16
Treasury Management and Prudential Indicators
1 April 2015 to 30 September 2015**

1 Introduction

- 1.1** The Council's treasury management activities are regulated by a variety of professional codes and statutes and guidance:
- The Local Government in Scotland Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
 - The Act permits the Scottish Ministers to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken (although no restrictions have been made as yet during 2015/16).
 - Statutory Instrument (SSI) 29 2004, requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities, and therefore to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services; and the treasury activity with regard to the CIPFA Code of Practice for Treasury Management in Local Authorities.
- 1.2** The regulatory framework of treasury management requires that the Council receive a mid year treasury review, in addition to the forward looking annual treasury strategy and backward looking annual treasury report required previously. This report meets that requirement and also incorporates the needs of the Prudential Code to ensure adequate monitoring of the capital expenditure plans and the Council's prudential indicators. The treasury strategy and prudential indicators were previously reported to Council on 4 February 2015. The current position is shown (where appropriate) and revisions to the 2015/16 estimate are provided where required.
- 1.3** This report sets out:
- Key changes to the Council's capital activity (the prudential indicators);
 - The economic outlook;
 - The actual and proposed treasury management activity (borrowing and investment); and
 - The risk approach to treasury management (the treasury management indicators).

2 Key Prudential Indicators

2.1 This part of the report is structured to update:

- The Council's capital expenditure plans and how these plans are being financed;
- The impact of the changes in the capital expenditure plans on the Pls and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

2.2 **Capital Expenditure** – Table A shows the current position and revised estimates for capital expenditure for 2015/16 only.

2.2.1 The reduction in the both the level of anticipated capital expenditure and the net financing need for the year is due to ongoing forecast outturn figures for both the GS 10 year capital plan and the HRA capital plan in relation to spend and anticipated resources which are regularly reported to Members.

Table A:

£000	2015/16 Original Estimate	Current Position	2015/16 Revised Estimate
General Services	65,530	9,347	67,009
HRA	29,860	7,208	27,892
Capital Expenditure	95,390	16,556	94,901
Financed by:			
Capital receipts	3,937	1,368	2,153
Capital grants	12,942	5,789	14,401
Revenue	2,836	115	2,866
Net financing need for the year	75,675	9,193	75,482

2.3 **Impact of changes in Capital Expenditure Plans** – Table B shows the CFR, which is the underlying external need to borrow for a capital purpose while Table C shows the expected debt position over the period.

2.3.1 The external debt figures included within Table C now includes both short term and long term debt. This change has been made due to a strategy of using short term borrowing to fund long term capital investment enabling the Council to take advantage of lower interest rates. The reduction in the estimated external debt for 2015/16 is due to a reduction in the net capital financing need for the year.

2.3.2 The CFR is calculated on a year end position based on the Council's balance sheet and therefore the current position is not shown. The CFR has reduced from the original estimate due to the forecast level of capital expenditure in 2015/16 being less than budgeted and the level of anticipated grant funding being more than originally estimated. The Executive Director of Corporate Services can report that the Council is on target to meet the 2015/16 revised estimates for both indicators.

Table B:

£000	2015/16 Original Estimate	2015/16 Revised Estimate
Capital Financing Requirement	444,160	440,964
Movement in CFR (from Previous year)	63,109	63,159

Movement in CFR Represented by		
Net financing need for the year (from Table A, above)	75,675	75,482
Less loan repayments in year	(10,687)	(10,826)
New Borrowing : CFR	64,988	64,656
Less Long Term Liability repayment in years	(1,879)	(1,497)
Movement in CFR	63,109	63,159

Table C:

£000	2015/16 Original Estimate	Current Position	2015/16 Revised Estimate
External Debt			
Debt at 1 April 2015	284,881	289,867	289,867
Maturing Long Term Debt (LTD)	(12,029)	(8,565)	(12,029)
Movement in Borrowing			
New Borrowing - Maturing LTD	12,025	8,565	12,025
New Borrowing - CFR	64,988	0	64,656
Movement in Short Term Debt (STD)	0	3,828	0
Debt at 31 March (1)	349,864	293,695	354,519
Long Term Liabilities (LTL) at 1 April	89,140	88,091	88,091
Expected change in LTL	(1,878)	(791)	(1,497)
LTL at 31 March (2)	87,262	87,300	86,594
Actual Debt at 31 March (1) + (2)	437,126	380,995	436,461
CFR from Table B	444,160	n/a	440,964
Under/(Over) Borrowing	7,034	n/a	4,503

2.3.3 Table C highlights that the Council is forecast to be under borrowed by £4.503m at 31 March 2016 when compared to the CFR.

2.4 **Compliance with the limits in place for borrowing activity** – A key control over the treasury activity is a prudential indicator to ensure that over the medium term, gross borrowing will only be for a capital purpose.

Gross borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2015/16 and next two financial years. This allows some flexibility for limited early borrowing for future years.

The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent. As discussed in section 2.3, above the current position is not shown since the CFR is calculated on a year end

position. The revised indicator is detailed in Table D and is illustrated by comparing the estimated gross debt as at 31 March 2015 with the CFR as at 31 March 2018. Executive Director of Corporate Services reports that no difficulties are envisaged for the current year in complying with this prudential indicator.

Table D:

£000	2014/15 Original Estimate	2014/15 Revised Estimate
CFR at 31 March 2015		
2014/15 Estimate/Actual	381,051	377,806
Estimated movement in CFR		
2015/16	63,109	63,159
2016/17	67,298	101,585
2017/18	32,085	21,911
Anticipated CFR at 31 March 2018	543,543	564,460
Gross Debt at 31 March 2015	437,126	436,461

- 2.4.1** The Operational Boundary is detailed in Table E below and is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

Table E:

£000	2015/16 Original Estimate	Current Position	2015/16 Revised Estimate
External Debt	480,839	419,096	485,224

- 2.4.2** A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which is detailed in Table F and represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

Table F:

£000	2015/16 Original Estimate	Current Position	2015/16 Revised Estimate
External Debt	524,551	457,195	529,335

3 Economic Outlook

- 3.1 UK Economy** - The 2015 growth rate is likely to be a leading rate in the G7 again, possibly being equal to that of the US, with the Bank of England forecasting growth to remain around 2.4 – 2.8% over the next three years, driven mainly by strong consumer demand. The August Bank of England

Inflation Report forecast noted that due to the low price of oil and world commodity prices, inflation is expected to remain low for several months which is unlikely to cause the Monetary Policy Committee to increase the Bank Rate in the near future. It is now considered more likely that any increase in the Bank Rate will be delayed until Quarter 2 (April to June) 2016.

- 3.2 USA Economy** - While there had been expectations during the summer that interest rates would start to increase in September 2015 this has been delayed (partly due to recent news about Chinese and Japanese growth) and it is now considered more likely that it will be early before any action is taken.
- 3.3 Eurozone Economy** – The on-going programme to buy up high credit quality government and other debt of selected countries appears to have had a positive effect in helping a recovery in consumer and business confidence and a start to a significant improvement in economic growth.
- 3.4 Interest Rate Movements and Expectations** which take into account both the economic outlook as described above and risk analysis are detailed in Table G below.

Table G:

	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18
Bank rate	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.50%	1.50%	1.75%	1.75%
5yr PVLB rate	2.40%	2.50%	2.60%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%
10yr PVLB rate	3.00%	3.20%	3.30%	3.40%	3.50%	3.70%	3.80%	3.90%	4.00%	4.10%	4.20%
25yr PVLB rate	3.60%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%
50yr PVLB rate	3.60%	3.80%	3.90%	4.00%	4.10%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%

Source: Sector Mid Year Review Report 2015/16

4 Treasury Management Activity

- 4.1** This part of the report is structured to update:
- The Council's expected borrowing need and details of under/(over) borrowing;
 - Debt rescheduling and new borrowing;
 - Debt charges; and
 - Investments.
- 4.2 The Expected Borrowing Need** – This was set out in Table C and demonstrates that the Council is currently under-borrowed to reduce risks in investments held and the cost of carry on investments (investments yield up to 1%, long term borrowing rates for periods greater than 25 years are approximately 4.00%). This introduces an element of interest rate risk, as longer term borrowing rates may rise; however, this position is being carefully monitored.

4.3 Debt rescheduling and new borrowing – The Council has not undertaken any debt rescheduling during the first half of 2015/16. Naturally maturing long term debt of £8.565m has been repaid which was funded by loans from other local authorities.

4.4 Debt Charges – The revised estimate for debt charges for both the General Fund and the HRA is shown in Table H.

Table H:

£000	2015/16 Original Estimate	Current Position	2015/16 Revised Estimate
Borrowing	26,123	10,934	23,565
Other Long Term Liabilities	6,526	3,449	6,526
Total	32,649	14,383	30,091

4.5 Investments – The objectives of the Council's investment strategy are to ensure the re-payment of the principal and interest of its investments on time with the level of investment return being a secondary objective. Following on from the economic background above, the current investment climate has one over-riding risk consideration which is the risk of default.

4.5.1 The Council held £7.399m of investments at 30/09/2015, and the constituent parts of the investment position are detailed in Table I:

Table I:

£000	Country	< 1 Year	1 – 2 Years	2 – 3 Years
Banks	UK	2,900	Nil	Nil
Money Market Fund		4,499	Nil	Nil
Total		7,399	Nil	Nil

4.5.2 Table J details the revised budget position for investment income. The original estimate has increased by £0.046m.

Table J:

£000	2015/16 Original Estimate	Current Position	2015/16 Revised Estimate
Investment Income	24	35	70

4.5.3 A regulatory development to address risk is the consideration and approval of benchmarks relating to investment security, liquidity and the level of return. Benchmarks are currently widely used to assess the level of return and investment performance, however the application of security and liquidity benchmarks are more subjective in nature.

- **Security** - The Council's maximum security risk benchmark for the current portfolio in relation to investment periods of up to one year (when compared to historic default tables) was set at 0.09% and the Executive

Director of Corporate Services can report that there have been no defaults of principal sums invested in the year to date.

- **Liquidity** – The Executive Director of Corporate Services can report that liquidity arrangements were adequate during the year to date and that the liquidity facilities and benchmarks set by the Council as noted below were maintained:
 - Bank overdraft - £1.000m; and
 - Liquid short term deposits of at least £5.000m available on an overnight basis.
- **Return on Investments** – The Executive Director of Corporate Services can report that investment return to date average 0.41%. Table K illustrates how this average return compares with the local benchmarks approved in February 2015.

Table K:

Benchmark	Benchmark Return	Average Return
7 day LIBID rate	0.36%	0.41%
1 month LIBID rate	0.38%	0.41%
Council's Instant Access Account	0.50%	0.41%

- 4.5.4** No changes are recommended to the criteria for permitted investments and the criteria remains as previously approved.

6 Key Treasury Management Indicators

- 6.1** This part of the report is structured to update:

- Actual and estimates of the ratio of financing costs to net revenue stream;
- Upper limits on interest rate exposure;
- The maturity structure of borrowing; and
- Total principal sums invested.

- 6.2 Actual and estimates of the ratio of financing costs to net revenue stream** – This indicator (as shown below in Table L) identifies the trend in the cost of capital (financing costs net of interest and investment income) against the net revenue stream

Table L:

	2015/16 Original Estimate	2015/16 Revised Estimate
General Fund	4.77%	4.81%
HRA	31.16%	35.62%

- 6.3 Upper Limits On Fixed and Variable Rate Exposure** – These indicators identify a maximum limit for fixed and variable interest rates based upon the debt position and were set at 100% and 50% respectively for 2015/16.

- 6.4 Maturity Structures Of Borrowing** – These maximum limits are set to reduce the Council's exposure to large fixed rate loans (those instruments which carry a fixed interest rate for the duration of the instrument) which are due to naturally mature in any given period as detailed in Table M.

Table M:

Maturity Structure of Fixed Interest Rate Borrowing	2015/16 Original Estimate	Current Position	2015/16 Revised Estimate
Under 12 months	50%	30.94%	50%
12 months to 2 years	50%	22.72%	50%
2 years to 5 years	50%	25.85%	50%
5 years to 10 years	50%	3.76%	50%
10 years to 20 years	50%	2.47%	50%
20 years to 30 years	50%	0.68%	50%
30 years to 40 years	50%	11.53%	50%
40 years to 50 years	100%	2.04%	100%
50 years to 60 years	100%	0%	100%
60 years to 70 years	100%	0%	100%

- 6.5 Total Principal Funds Invested** – These limits are set to reduce the need to temporarily borrow to cover any unexpected expenditure, and show limits to be placed on investments with final maturities beyond each year-end. The Council does not currently invest sums for periods greater than 364 days, however as any potential investment in hub West Scotland would be for a period greater than 364 days an indicator is required and limits are detailed in Table N.

Table N:

Principal sums invested > 364 days	2015/16 Original Estimate	Current Position	2015/16 Revised Estimate
Under 12 months	100%	100%	100%
12 months to 2 years	0%	0%	0%
2 years to 5 years	0%	0%	0%
5 years to 10 years	0%	0%	0%
10 years to 20 years	0%	0%	0%
20 years to 30 years	0%	0%	0%

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Corporate Services

Audit and Performance Review Committee: 9 December 2015

Subject: Registered Charitable Trusts

1. Purpose

- 1.1** The purpose of this report is to provide Members with an update regarding the recent audit report regarding the Charitable Trusts and specifically regarding the ongoing work in relation to updating the Trust's governance documentation to allow a more pro-active management of the Trusts.

2. Recommendations

- 2.1** Members are asked to note the current position and that a report will be remitted to Council on 16 December 2015 for Member's approval on the revised governance documentation, prior to formally applying to Office of Scottish Charity Regulator (OSCR) for approval.

3. Background

- 3.1** A report on the Audit of the Financial Statements of Charities by Audit Scotland 2014/15 (Audit Scotland) was considered by the Audit & Performance Review Committee on the 23 September 2015.

- 3.2** Audit Scotland highlighted three significant findings from the audit:

Missing Governance Documents

Trust Deeds for the following Trusts were not available and plans to prepare new governance documents in 2014/15 had not been implemented. It is thought that the original documentation was lost during accommodation and staff transfers at local government re-organisation in 1996:

McAuley Prize for Mathematics
 Alex Cameron Bequest
 War Memorial Dumbarton
 Halkett Memorial Trust
 Vale of Leven Fund
 Dr A K Glen Fund

Dormant Charities

The charities activities over the last 5 years concluded that no financial awards had been made. Proposed plans to advertise the Trusts in 2014/15 were not implemented.

Missing Title Documents for Investments

No supporting documentation is available to detail the title for the investments held by the Dunbartonshire Educational Trust. As a result of this it is not possible to ascertain whether the charity has title for the investments and it is not possible to confirm that the market price for the investments is accurate.

- 3.3** A briefing note was prepared and sent to Members of the Committee on 28 October 2015.

4. Main Issues

Missing Governance Documents / Dormant Charities

- 4.1** The McAuley Bequest is specifically covered by a Statutory Instrument in 1996 whereby the administration of that specific endowment was to pass from the former Strathclyde Regional Council (as previous Education Authority) to the Governors of the Dunbartonshire Educational Trust who are to administer it as a separate trust. Therefore, the Council will pursue the issue regarding missing documentation of the McAuley Bequest through the Governors of the Dunbartonshire Educational Trust.
- 4.2** Following discussions and advice from OSCR and from the Council's Legal Section, it became clear that the only option to progress with improving the operation of the five remaining charities listed above is through OSCR via the Charities Reorganisation Service. Draft replacement documents were submitted to OSCR for initial feedback as to whether these would be acceptable through the scheme on 24 September 2015. Feedback was provided by OSCR which advised of a number of areas of further refinement.
- 4.3** Following this initial feedback, further discussion with OSCR has taken place to seek advice on the areas of refinement.
- 4.4** Following this further advice, revised draft documents were submitted to OSCR for informal approval, prior to the formal process beginning. OSCR has since advised that the draft documentation is likely to be accepted by them and a report has now been prepared for Council approval in December 2015. Thereafter officers will formally submit the draft replacement documents to OSCR. OSCR has advised the formal process through their organisation is likely to take 4-6 weeks.
- 4.5** Advertising of the charities and the availability of funds for applicants will commence once the documents have been approved by OSCR.

Missing Title Documents for Investments

- 4.6** Action is being taken to contact the appropriate organisations to ascertain if copy documents can be passed to the Council. Should it prove not possible to ascertain whether the charity has title for the investments, the Council will continue to provide assurance to the Trustees, in a letter of representation, that the Council will make good any lost investment value if the missing documentation results in financial loss for the charities. At present income continues to be received by the charities in relation to these investments.

5. People Implications

- 5.1** There are no people implications.

6. Financial and Procurement Implications

- 6.1** Other than as described above there are no financial implications. There are no procurement implications arising from this report.

7. Risk Analysis

- 7.1** If no action is taken regarding the three points raised by Audit Scotland, there is a risk that OSCR will be contacted

8. Equalities Impact Assessment (EIA)

- 8.1** No equalities impact was required in relation to the preparation of this report.

9. Consultation

- 9.1** The views of Legal Services have been requested on this report and have advised there are neither any issues nor concerns with the report.

10. Strategic Assessment

- 10.1** The report is in relation to a statutory function. As such, it does not directly affect any of the strategic priorities.

.....
Angela Wilson
Executive Director of Corporate Services
Date: 10 November 2015

Person to Contact: Stephen West, Head of Finance and Resources, Garshake Road, Dumbarton
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E-mail: stephen.west @west-dunbarton.gov.uk

Appendix: None

Background Papers: 1. Draft charity governance documentation (as approved in principle by OSCR - Section 4.2 above)
2. Briefing to Members – 28 October 2015

Wards Affected: All

WEST DUNBARTONSHIRE COUNCIL**Report by Executive Director of Corporate Services****Audit and Performance Review Committee: 9 December 2015**

Subject: Audit Action Plans**1. Purpose****1.1** The purpose of this report is to advise the Committee of:

- Recently issued Internal Audit action plans; and
- Progress made against action plans previously issued contained within Internal Audit and External Audit reports.

2. Recommendations**2.1** It is recommended that Members consider and note the contents of this report.**3. Background****3.1** When audit reports are issued by External and Internal Audit departmental management agree an action plan in relation to issues highlighted by the audit report. Progress on implementing the actions is monitored and reported to the Audit and Performance Review Committee.**4. Main Issues****4.1** Appendix A contains Internal Audit action plans recently agreed and issued. It should be noted that two of these action plans have just been issued and so assigned Officers have not yet had the opportunity to develop milestones or add a note. Appendix B details the outstanding actions on previously issued Internal Audit reports. Appendix C details the outstanding actions for External Audit reports, including the Local Scrutiny Plan for 2015/16.**4.2** The key areas of work performed by both Internal Audit and External Audit are carried out according to a risk based approach that determines the nature, extent and timing of the required audit assignments.

4.3 Recommendations have timescales for completion in line with the following categories:

Category	Expected implementation timescale
<u>High Risk:</u> Material observations requiring immediate action. These require to be added to the department's risk register	Generally, implementation of recommendations should start immediately and be fully completed within three months of action plan being agreed
<u>Medium risk:</u> Significant observations requiring reasonably urgent action.	Generally, complete implementation of recommendations within six months of action plan being agreed
<u>Low risk:</u> Minor observations which require action to improve the efficiency, effectiveness and economy of operations or which otherwise require to be brought to the attention of senior management.	Generally, complete implementation of recommendations within twelve months of action plan being agreed

5. People Implications

5.1 There are no personnel issues with this report.

6. Financial and Procurement Implications

6.1 There are neither financial nor procurement implications with this report.

7. Risk Analysis

7.1 There is a risk that failure to implement actions within the agreed timescale may result in weaknesses in internal control arrangements remaining unresolved longer than is desirable.

8. Equalities Impact Assessment (EIA)

8.1 A screening has been carried out and found no issues relevant to equalities duties.

9. Consultation

- 9.1** This report has been subject to a check by Finance and Legal, Democratic & Regulatory Services. In addition, departments have been consulted in the update of action plans.

10. Strategic Assessment

- 10.1** This report relates to Assuring Our Success through strong financial governance and sustainable budget management.

.....
Angela Wilson
Executive Director of Corporate Services
Date: 26 November 2015

Person to Contact: Colin McDougall, Audit and Risk Manager
Telephone 01389 737436
E-mail – colin.mcdougall@west-dunbarton.gov.uk

Appendices: A - Internal Audit Reports (Recently Issued)
B - Internal Audit Reports (Previously Issued)
C - External Audit Reports

Background Papers: Internal Audit Reports
External Audit Reports
EIA Screening

Wards Affected: All Wards

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Corporate Services

Audit and Performance Review Committee: 9 December 2015

Subject: Internal Audit Plan 2015/16 Progress Report to 31 October 2015

1. Purpose

- 1.1** The purpose of this report is to advise Members of progress against the Audit Plan 2015/16.

2. Recommendation

- 2.1** It is recommended that the Committee note the contents of this report.

3. Background

- 3.1** The annual audit plan for 2015/16 was approved by Audit & Performance Review Committee on 11 March 2015. This report provides information on the progress in implementing the plan for the period to 31 October 2015. Appendices A and B provide a summary of progress.

4. Main Issues

Internal Audit

- 4.1** There are variances from the planned programme of work reported at this stage per Appendix A, which also includes a projected outturn for the full year. It is anticipated that the current adverse variance of 97 days for staff turnover, which was the result of an unexpected retirement of a member of the team, is not going to adversely impact on the completion of the key risk based audit plan for 2015/16.

Corporate Fraud

- 4.2** The Benefits Fraud Team transferred to join Internal Audit from 1 April 2015, thereby enabling a joined-up approach to fraud investigation and detection. Variances from the planned programme of work are outlined at Appendix B and this also includes a projected outturn for the full year. It is anticipated that these variances are not going to impact on the achievement of savings targets for the year.

5. Personnel Implications

- 5.1** There are no personnel implications.

6. Financial and Procurement Implications

- 6.1** There are neither financial nor procurement implications with this report.

7. Risk Analysis

- 7.1** There is a risk that failure to deliver sufficient of the Internal Audit Plan would result in an inability to provide assurances over the Council's system of internal financial control to those charged with governance. The main basis for providing assurance is coverage of the planned risk based systems audits. Every endeavour is made to ensure that no material slippage occurs in risk based systems audits by concentrating resources on these audits.
- 7.2** As can be noted from the projected outturn column in Appendix A, it is anticipated that the planned risk based systems audits will be completed on time.

8. Equalities Impact Assessment (EIA)

- 8.1** A screening has been carried out and found no issues relevant to equalities duties.

9. Consultation

- 9.1** This report has been subject to a check by Finance and Legal, Democratic & Regulatory Services.

10. Strategic Assessment

- 10.1** This report relates to "Assuring Our Success through strong financial governance and sustainable budget management".

.....
Angela Wilson
Executive Director of Corporate Services
Date: 23 November 2015

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Appendices: A – Internal Audit Report for the seven months to 31st October 2015
B – Corporate Fraud Report for the seven months to 31st October 2015

Background Papers: Audit & Performance Review Committee – 11th March
2015: Internal Audit Plan 2015/16

EIA Screening

Wards Affected: N/A

APPENDIX A**WEST DUNBARTONSHIRE COUNCIL****INTERNAL AUDIT SECTION****PROGRESS REPORT FOR THE PERIOD 1st APRIL 2015 TO 31st OCTOBER 2015**

CATEGORY	Actual Seven months to 31st October 2015			Projected Outturn for twelve months to 31st March 2016		
	PLANNED TIME (DAYS)	ACTUAL TIME (DAYS)	VARIANCE (DAYS)	AUDIT PLAN 2015/16 (DAYS)	PROJECTED OUTTURN (DAYS)	VARIANCE (DAYS)
Risk Based Audit	233	232	1 F	400	400	0 -
Computer Audit	64	72	-8 A	110	120	-10 A
Development	29	8	21 F	50	35	15 F
Investigations / Public Interest Disclosure / NFI	94	75	19 F	161	150	11 F
CRSA/Regularity	41	7	34 F	70	45	25 F
Annual Assurance / Governance	11	10	1 F	15	15	0 -
Follow Up	12	8	4 F	20	20	0 -
Year-End Procedures	5	4	1 F	5	5	0 -
Performance Indicators	13	3	10 F	30	25	5 F
Financial Services/Grant Claims	9	4	5 F	15	10	5 F
Contingency	23	5	18 F	40	10	30 F
Review	31	15	16 F	53	30	23 F
Total Operational Days	565	443	122 F	969	865	104 F
Administration	22	20	2 F	37	32	5 F
Management & Planning	36	31	5 F	61	50	11 F
Training / Staff Development	33	35	-2 A	56	72	-16 A
Leave	178	208	-30 A	306	340	-34 A
Staff Turnover	0	97	-97 A	0	70	-70 A
Total Non-Operational Days	269	391	-122 A	460	564	-104 A
TOTAL	834	834	0	1429	1429	0

APPENDIX B**WEST DUNBARTONSHIRE COUNCIL****CORPORATE FRAUD SECTION****PROGRESS REPORT FOR THE PERIOD 1st APRIL 2015 TO 31st OCTOBER 2015**

CATEGORY	Actual Seven months to 31st October 2015			Projected Outturn for twelve months to 31st March 2016		
	PLANNED TIME (DAYS)	ACTUAL TIME (DAYS)	VARIANCE (DAYS)	AUDIT PLAN 2015/16 (DAYS)	PROJECTED OUTTURN (DAYS)	VARIANCE (DAYS)
Work carried out on behalf of DWP	82	50	32 F	140	120	20 F
National Fraud Initiative	70	88	-18 A	120	150	-30 A
Corporate Fraud	121	141	-20 A	210	225	-15 A
Development	38	30	8 F	65	76	-11 A
Research	44	60	-16 A	75	90	-15 A
Contingency	56	0	56 F	96	10	86 F
Review	24	21	3 F	40	40	0 -
Total Operational Days	435	390	45 F	746	711	35 F
Administration	13	24	-11 A	23	30	-7 F
Management & Planning	20	18	2 F	35	30	5 F
Training / Staff Development	12	20	-8 A	20	25	-5 A
Leave	130	136	-6 A	224	230	-6 A
Staff Turnover	0	22	-22 A	0	22	-22 A
Total Non-Operational Days	175	220	-45 A	302	337	-35 A
TOTAL	610	610	0	1048	1048	0

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Corporate Services**Audit and Performance Review Committee: 9 December 2015**

Subject: Audit Scotland Report: *Review of activity to reduce fraud and error in housing benefit*

1. Purpose

- 1.1** The report is to provide Members with information regarding a report recently published by Audit Scotland.
- 1.2** The Audit Scotland report provides a set of key messages for councils to consider.

2. Recommendations

- 2.1** Members are asked to note the report and the set of key messages detailed in the report as described at paragraph 4.1 below.

3. Background

- 3.1** Audit Scotland has carried out a thematic review of the activity undertaken by Scottish councils in order to reduce fraud and error in housing benefit. The review focused on those councils where Audit Scotland has carried out a housing benefit risk assessment within the last few years, which includes West Dunbartonshire Council (WDC).
- 3.2** Councils administer Housing Benefit (HB) on behalf of the Department for Work and Pensions (DWP). The effectiveness of councils' local arrangements in respect of the accuracy of HB claims, as well as how quickly and efficiently claims are processed, affects the amount of subsidy each council receives from the DWP.
- 3.3** The report highlights that the monetary value of housing benefit fraud and error is steadily rising across the UK, with 2014/15 showing a loss of £1.38 billion. Claimant error is the largest contributor to this figure with a total loss of £770 million.

4. Main Issues

- 4.1** The report identifies a number of key messages for councils:
- To minimise fraud and error in the HB caseload, councils must encourage customers to report changes of circumstance on time and have a robust intervention programme to identify unreported changes. Without effective intervention activity, councils cannot

have assurance that the right benefit is given to the right person at the right time, and that errors and other financial losses are minimised.

- In 2013/14, there was a reduction in intervention activity in many councils as resources were committed to managing the impact of the UK government's welfare reform agenda. In addition the DWP's Automated Transfers to Local Authority Systems version 2 (ATLAS 2) reduced the number of HB cases that councils needed to include in their intervention programmes.
- However, during 2014/15, there was a significant increase in the number of interventions carried out and improvements in the methods for identifying suitable cases.
- Although some councils have introduced innovative ways of carrying out interventions which have produced good results, further improvement is required in others.

4.2 Within WDC, the Corporate Fraud Team (CFT) investigates Council Tax Reduction and as a consequence Housing Benefit fraud is also detected by the team. Currently the CFT acts as the Single Point of Contact (SPOC) for Housing Benefit cases and makes referrals to the Fraud & Error Service for investigation where appropriate.

4.3 This process will now become more streamlined when WDC take part in a Joint Working Pilot to jointly investigate HB/CTRS cases, which will commence on the 16 November 2015. The joint working venture will combine resources to investigate, gather evidence and jointly interview and prosecute cases for the same offence and thus assist in detecting more cases, dealing with them more quickly and reducing the burden on the Criminal Justice system as only one case will be submitted to the Procurator Fiscal rather than two.

5. People Implications

5.1 There are no personnel issues with this report.

6. Financial and Procurement Implications

6.1 Financial: Maintaining or improving income streams depends on people paying what they are due and not claiming benefits to which they are not due, so having an effective approach to fraud detection and minimisation is an important aspect of this.

6.2 Procurement: There are no procurement implications.

7. Risk Analysis

- 7.1** Appropriate investigation activity helps reduce the risk that instances of fraud and error remain undetected.

8. Equalities Impact Assessment (EIA)

- 8.1** A screening has been carried out and found no issues relevant to equalities duties.

9. Consultation

- 9.1** This report has been subject to a check by Finance & Resources Legal, Democratic & Regulatory Services.

10. Strategic Assessment

- 10.1** Participation in fraud investigation work contributes to the Council's strategic priorities by identifying and taking action to stop, reduce and recover fraud and error.

.....
Angela Wilson
Executive Director of Corporate Services
Date: 23 November 2015

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Appendices: Audit Scotland Report: Review of activity to reduce Fraud and error in housing benefit (September 2015)

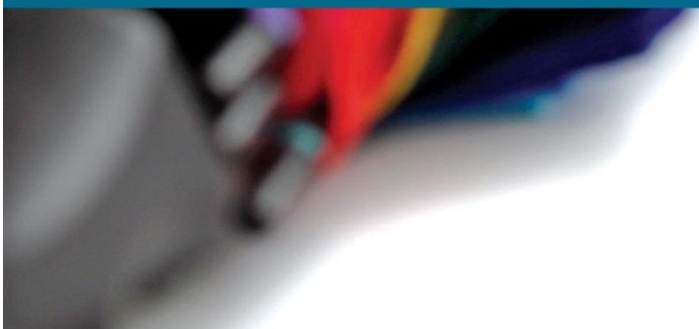
Background Papers: EIA Screening

Wards Affected: All Wards

Review of activity to reduce fraud and error in housing benefit



Prepared for Audit Strategy
September 2015



Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

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Introduction

1. The monetary value of housing benefit (HB) fraud and error is steadily rising across the UK, with 2014/15 showing a loss of £1.38 billion. Claimant error is the largest contributor to this figure with a total loss of £770 million.
2. This report looks at the activity undertaken by councils in order to reduce fraud and error in HB caseloads. We have reviewed intervention activity across a number of Scottish councils identifying areas of good practice and where improvement can be made. We have focused on those councils where we have carried out a HB risk assessment activity within the last few years. In our opinion, the sample of 19 councils included in this report is representative of the situation across Scotland.
3. We hope councils find this report useful in identifying initiatives which may be helpful in striving to deliver continuous improvement and reduce fraud and error in the HB caseload.
4. The councils included in this review are:

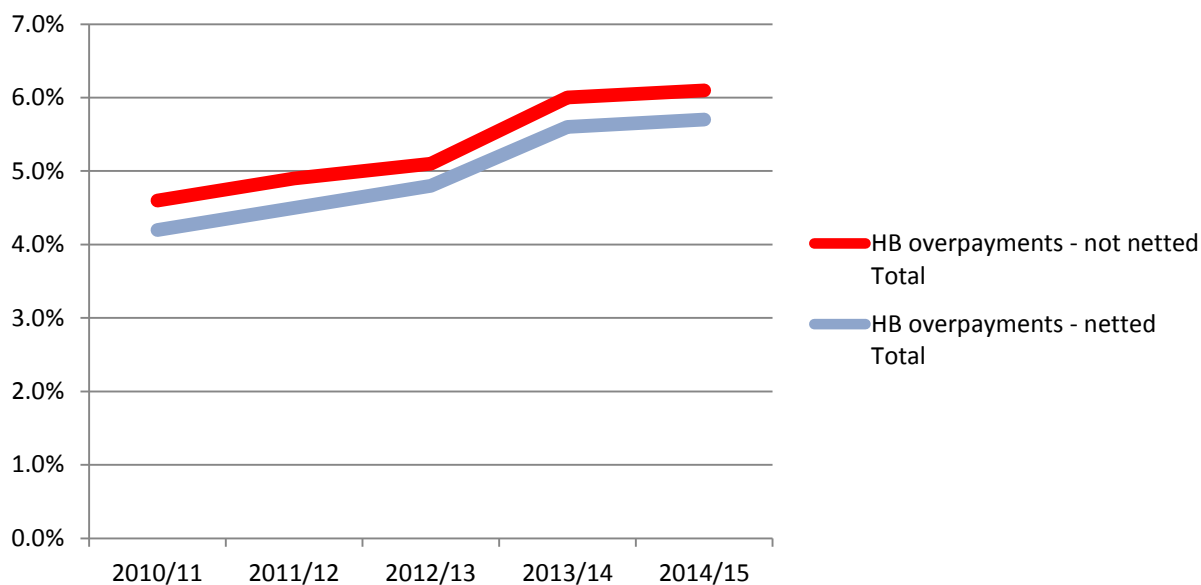
Aberdeenshire Council	Angus Council	Argyll & Bute Council	City of Edinburgh Council
Comhairle Nan Eilean Siar	Dundee City Council	East Ayrshire Council	East Dunbartonshire Council
East Renfrewshire Council	Falkirk Council	Glasgow City Council	Midlothian Council
Perth & Kinross Council	Scottish Borders Council	South Ayrshire Council	Stirling Council
The Highland Council	West Dunbartonshire	West Lothian Council	

Key messages

5. To minimise fraud and error in the HB caseload, councils must encourage customers to report changes of circumstance on time and have a robust intervention programme to identify unreported changes. Without effective intervention activity, councils cannot have assurance that the right benefit is given to the right person at the right time, and that errors and other financial losses are minimised.
6. In 2013/14, there was a reduction in intervention activity in many councils as resources were committed to managing the impact of the UK government's welfare reform agenda. In addition the Department for Work and Pensions' (DWP) Automated Transfers to Local Authority Systems version 2 (ATLAS 2) reduced the number of HB cases that councils needed to include in their intervention programmes.
7. However, during 2014/15, there was a significant increase in the number of interventions carried out and improvements in the methods for identifying suitable cases. The high percentage of claims subject to proactive intervention activity resulting in a change to the customer's benefit in Angus, City of Edinburgh, Falkirk and South Ayrshire Councils is testament to the targeted approach that these councils have been undertaking.
8. Although some councils have introduced innovative ways of carrying out interventions which have produced good results, further improvement is required in others.

Background

9. Councils administer HB on behalf of the DWP. The effectiveness of councils' local arrangements in respect of the accuracy of HB claims, as well as how quickly and efficiently claims are processed, affects the amount of subsidy received from the DWP.
10. The monetary value in respect of HB fraud and error has been steadily rising across the UK, with the latest National Statistics for 2014/15 estimating that it costs the UK economy £1.38 billion (5.7% of total UK HB expenditure). Although this is a reduction from the published 2013/14 loss of £1.45 billion (6% of total HB expenditure), this is due to a change in the methodology used by the Office of National Statistics (ONS) to calculate the statistics. From 2014/15, ONS have netted off underpayments from overpayments instead of counting both gross as they did in previous years. Using the previous methodology, HB fraud and error in 2014/15 would have been £1.48 billion (6.1% of total HB expenditure). Exhibit 1 below shows the trend in HB fraud and error since 2010/11.

Exhibit 1 HB fraud and error as a % of total benefit expenditure 2010/11 to 2014/15

Source: DWP Fraud and error in the benefit system 2014/15

11. To minimise fraud and error in the HB caseload, councils must encourage customers to report a change of circumstances on time, have a robust intervention programme in place to identify unreported changes, and take appropriate corrective action.
12. In recent years, welfare reforms have resulted in council benefit services undertaking additional and different types of work. This includes the removal of the spare room subsidy, the introduction of the Scottish Welfare Fund and the Scottish Council Tax Reduction Scheme and a greatly increased Discretionary Housing Payment budget with sporadic funding. The UK Government planned to replace HB with a DWP administered Universal Credit (UC) in 2013, which would be the biggest change to the welfare system for over 60 years and have a significant impact on local authorities and the services they provide. In order to manage this impending change, many councils had difficulty in planning the resources required in HB services. However, due to significant slippage in the DWP UC project, UC is only now starting to roll out on a very small scale across Scotland.
13. As a consequence, HB services have delivered the welfare reforms while continuing to administer their existing HB caseload in a period of great uncertainty. This and the DWP's focus on the speed of processing new claims and changes of circumstances has resulted in the need for councils to prioritise their workload and in some councils, this led to the reduction or temporary cessation in intervention activity.
14. The volume of interventions fell by 43% between 2011/12 and 2013/14 due to councils concentrating on welfare reforms at the same time as the introduction by DWP in 2012/13 of ATLAS 2. ATLAS 2 is a system to share data on changes to social security benefits and tax credits with councils in order to help the identification of potential

incorrect HB and therefore reduces the number of cases that councils need to include in proactive intervention programmes.

15. However, due to many councils securing resources in HB services as a result of the on-going uncertainty with the migration to UC and responding to recent DWP fraud and error initiatives, most councils have increased intervention activity during 2014/15. Some councils now need to ensure that intervention activities are efficient and effective by focusing on the areas and methods that provide optimum returns.

DWP initiatives to reduce fraud and error in the HB caseload

16. Over the last year, the DWP has increased its focus on reducing HB fraud and error and has developed a range of initiatives to help councils. These include real time data matching using Her Majesty's Revenue and Customs (HMRC) data and the Fraud and Error Reduction Incentive Scheme (FERIS).

RTI

17. RTI is HMRC's system for collecting Pay as You Earn (PAYE) information from employers and pension providers. Since October 2014 the DWP has been matching RTI against HB data in councils to identify cases where claimants have either failed to declare or have under-declared earnings or a non-state pension. Councils are responsible for actioning RTI referrals from DWP in order to identify incorrect HB.
18. The RTI initiative targets high value overpayments, therefore not all unreported changes will be identified and therefore the volume of referrals each council receives varies each month.
19. Overall Scottish councils have found RTI referrals useful in identifying overpayments. Many councils have identified overpayments where a second job or an occupational pension was undeclared. However, the lack of detail about hours worked means councils need to review RTI referrals to ensure that the correct action is taken. Exhibit 2 below highlights practices which have proved effective.

Exhibit 2 RTI

Council	Good practice
Angus, Stirling and East Renfrewshire Councils	Review of RTI referrals has identified overpayments where a second job or an occupational pension was undeclared.
City of Edinburgh	HB claims are suspended to prevent overpayments occurring

Council	Good practice
Council	where RTI evidence does not match council information and a further review is required.

FERIS

20. The DWP's FERIS was launched in November 2014 and will run until March 2016. FERIS offers financial reward to councils that identify reductions to HB entitlement above a pre-set threshold. The level of the reward is dependent on the degree to which individual councils exceed their threshold.
21. The first reporting period, covering December 2014 to March 2015 saw two Scottish councils receive payments for exceeding their thresholds. Renfrewshire Council received £19,456 and Clackmannanshire Council received £8,369. The final results for the second reporting period covering April to June 2015 are still being verified by DWP but indications show that four Scottish councils may receive payments.
22. Linked to FERIS, the DWP launched a Performance Improvement Fund (PIF) to provide funding to support councils that develop initiatives to help reduce fraud and error in HB. The PIF comprises two elements:
 - a start-up fund
 - a bid fund.
23. The start-up fund (£6.25 million UK wide for 2014/15) provided councils with funding to get initiatives started. Additional funding of £9.4 million is available across the UK as a "maintenance fund" in 2015/16 to allow councils to maintain start-up activities, or to undertake new initiatives. The £3 million 2014/15 bid fund allowed councils across the UK to bid for funding for new and innovative ideas such as marketing campaigns and IT solutions to help reduce fraud and error.
24. All Scottish councils joined FERIS although not all have applied for either start up or bid funding. All three of the major HB software suppliers received FERIS funding for IT modules to identify higher risk claims for intervention, automatically issue notifications to claimants and upload changes identified to HB systems. These IT modules are available free of charge to councils.
25. Examples of the funding awarded to councils are detailed in Appendix 1. The majority of start-up funding was awarded to provide additional resources for intervention activity. Fewer councils received bid fund awards, however funding has been provided mainly for initiatives to help remind customers to report changes.
26. The DWP has recently announced its "campaign in a box" which allows councils to use DWP templates for publicity campaigns to encourage claimants to report changes of circumstances.

ATLAS

27. The DWP shares data on changes to social security benefits and tax credits through ATLAS. Therefore council intervention activity should focus on changes not reported by ATLAS, such as changes to earned income.
28. ATLAS was developed on the presumption that it would allow changes to be updated to council HB systems automatically. However this did not materialise. From 2011/12, due to councils experiencing considerable difficulties with the large volume of data provided by ATLAS and issues with duplicate information being received, many councils have worked with software suppliers in order to purchase software to automate some of the lower risk data updates. This can save a significant amount of staff time but it is for each council to decide on how it manages ATLAS updates, specifically, the level of risk it wishes to take in automating updates. The percentage of updates which are automated can vary due to the varying volumes of the different types of ATLAS updates received. City of Edinburgh Council has worked with its software suppliers and has automated all ATLAS updates where possible whereas Comhairle Nan Eilean Siar has very little automated. Appendix 2 provides examples of the level of automation reported by a number of other Scottish councils.
29. Comhairle Nan Eilean Siar suspends claims where ATLAS notifications are most likely to cause an overpayment. These items are then prioritised for action. ATLAS files are also screened to identify any additional changes that may have occurred e.g. to earned income.
30. Falkirk Council has a target for processing ATLAS updates and performance is regularly monitored. As shown in exhibit 3 below, in 2014/15 93% of auto-processed changes were processed on time with 89% of changes requiring some checks to be carried out also processed on time. Targets were revised at the start of 2014/15 hence the apparent deterioration in performance from 2013/14.

Exhibit 3 Falkirk Council ATLAS performance information.

	2013/14	2014/15
Total no. of ATLAS transactions received	58,113	59,774
No. of ATLAS transactions auto processed	15,115	17,026
No. of ATLAS transactions processed centrally	11,651	13,698
% of batch ATLAS transactions processed on time (target was 3 days in 2013/14 and 2 days in 2014/15)	96%	93%
% of ATLAS transactions processed centrally on time	95%	89%

Source: Falkirk Council

31. Good practices we have identified are summarised in exhibit 4.

Exhibit 4 ATLAS Good practice

Council	Good practice
Most councils	A significant amount of work has been undertaken to automate some ATLAS change of details. This allows councils to focus resources on higher risk areas.
Comhairle Nan Eilean Siar	Claims are suspended where ATLAS notifications are most likely to cause an overpayment. These items are then prioritised for action. ATLAS files are also screened to identify any additional changes that may have occurred e.g. to earned income.
Falkirk Council	Targets are set for processing ATLAS updates and performance is regularly monitored.

How councils encourage claimants and landlords to report change of circumstances

32. It is important that claimants and landlords are aware of their responsibility to report changes of circumstance and encouraged to report them on time.
33. With more councils using risk based verification where claimants assessed as being low risk may not be required to provide evidence to support income, capital details and the number of hours worked, it is especially important to ensure these claimants are aware that they are required to notify the council of any future changes in these areas.
34. Scottish councils have various initiatives in place to encourage claimants to report changes. Many of these have been introduced since the introduction of FERIS funding and as a result activity in this area has increased over the last nine months.
35. As standard, councils include reminders in letters to customers and in many cases, also include a change of circumstances form with decision notices, letters and council tax bills. Within the benefit sections on council websites information is provided in respect of overpayments and the need to report a change of circumstances along with details of how customers should report a change e.g. a downloadable form. In addition, many HB application forms have a section to remind claimants to notify the council of changes in circumstances. Other initiatives of particular note are included in the exhibit below.

Exhibit 5 Good practice in encouraging claimants to report change of circumstances

Council	Good practice
Angus, City of Edinburgh, East and West Dunbartonshire Councils	A text reminder service asking claimants to report changes is being implemented.
City of Edinburgh Council	Risk based verification is in place for new claims and change of circumstances. The council is finding that risk based verification is delivering efficiencies by reducing the requirement to verify earnings and other changes to source documentation for low risk claims.
City of Edinburgh Council	A media campaign launched revised online HB claim forms along with a reminder for claimants to report changes.
Comhairle Nan Eilean Siar	In order to encourage landlords to notify changes to the authority at the earliest opportunity, overpayments are automatically recovered from a landlords' next payment where the landlord could reasonably be expected to know that they are being overpaid e.g. where a tenancy has ended or the tenant has died.
Dundee City Council	Postcards are dispatched and posters are displayed to encourage claimants to report changes.
East, North and South Ayrshire Councils, Glasgow City & the Scottish Borders Councils	Radio, poster, magazine and leaflet media campaigns are being used to encourage claimants to report changes.
East Dunbartonshire Council	Tenancy changes are received automatically from the largest housing associations and the council housing department.
East Renfrewshire Council	A leaflet 'How we work out your benefit' has been published which includes information about the types of changes of circumstances that should be reported. An appointment system for claimants to provide information has been introduced to reduce time spent following up evidence claimants fail to provide. A text reminder is also sent to the claimant one day before the appointment.
Falkirk Council	HB officers attend tenancy sign-ups and the council uses information customers provide for one function e.g. a change of address, across others services such as council tax, and housing rents.

Council	Good practice
Glasgow City Council	Two dedicated officers liaise with landlords on an ongoing basis and as a result, a significant number of landlords provide their rent files electronically which automatically upload changes to the HB system.
Scottish Borders Council	An interface is in place with the three largest registered social landlords, the council homeless service and the local registrar to ensure changes are notified promptly.
Stirling Council	To help ensure claimants are aware of changes they need to report, a facility is in place for claimants to view their HB claim online. This includes details such as the award notice and the income used in the HB calculation.
The Highland Council	Claimants are encouraged to report change in circumstances through various channels including a Freephone number, email, and by working closely with partners such as housing associations, the Citizen's Advice Bureau and the council's housing department. The council also regularly advise private landlords of their responsibilities and the need to notify the council of any change in circumstances which they are aware of.
The Highland Council	Translation services including braille, audio transcript, Polish, Gaelic and other languages as necessary are offered to ensure all customers understand paperwork sent to them. As per the council's FERIS bid, a significant customer engagement programme and media campaign is being progressed.

Intervention strategies and plans

36. It is vital that intervention activity is effectively planned, risk based and proportionate and that outcomes are analysed to help inform future intervention plans and to ensure that activity is achieving value for money.
37. Intervention strategies and/or plans should be in place which typically include details of the approach for at least the year ahead including; the methods used to identify claims at most risk of change, the manner in which interventions will be carried out (e.g. by letter), a time line of planned activity, and details of the analytical, monitoring and

reporting mechanisms that will be used to measure outcomes. The strategy/plan should be reviewed regularly.

38. There is a varied picture across Scotland. Detailed plans were in place in many councils up to 2012 before the implementation of changes arising from the welfare reform agenda took priority. However, over the last nine months, councils have been developing new, or revising existing plans, following the launch of FERIS and the receipt of RTI referrals. Details of some of these plans are shown in exhibit 6 below along with some areas we have identified which require improvement in exhibit 7.

Exhibit 6 Intervention strategies and plans & improvement areas

Council	Details of plan and strategies
Aberdeenshire, East Renfrewshire and Midlothian Councils	Intervention programmes are in place which include details of the types of claims to be targeted and the methods used to identify high risk claims.
Argyll & Bute Council	An Accuracy Programme is in place which consists of five work streams which includes the interventions methods to be used and the evaluation of outcomes.
City of Edinburgh Council	"Intervention procedures" are in place to ensure a consistent approach.
East Ayrshire Council	A strategy is in place detailing planned intervention activity and the types of cases to be targeted.
Glasgow City Council	An interventions campaign strategy is in place setting out the type and number of interventions to be carried out each month, and takes into consideration the information that is already provided e.g. from RTI and council tax single persons discount reviews.
Stirling Council	Procedures for intervention activity are in place which include the council's annual intervention programme on a month by month basis.
The Scottish Borders Council	The intervention strategy was revised but, it was not fully implemented in 2014 as planned due to competing welfare reform priorities. The strategy has been revised again recently to reflect RTI referrals and was implemented during 2014/15.

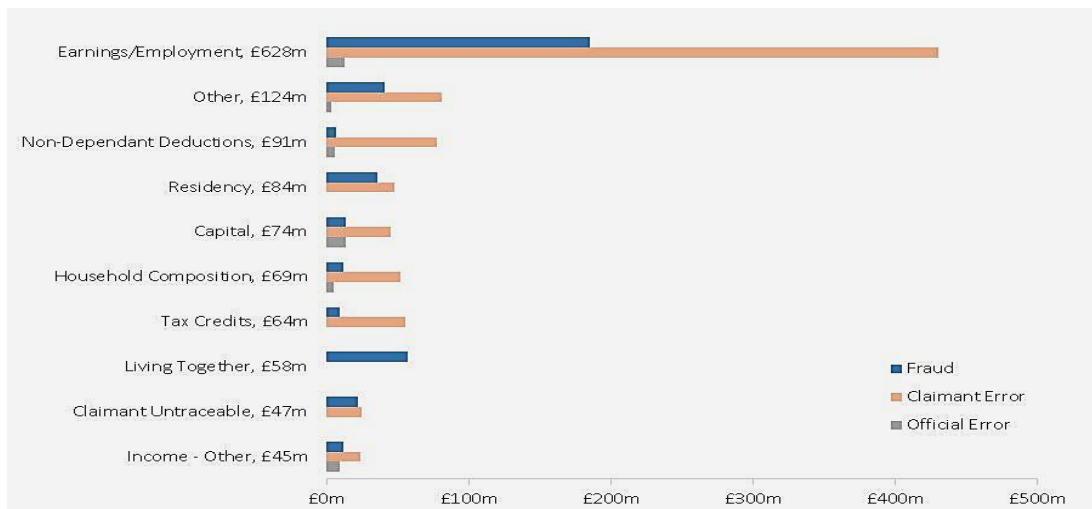
39. Some improvements were identified during our review of strategies and plans. These improvement areas may be applicable to a number of councils. Details are shown below in exhibit 7.

Exhibit 7 Intervention strategies and plans: improvement areas

Improvement area
A Quality Performance Strategy is in place in one council however in 2013, due to the implementation of the changes arising from the welfare reform agenda, proactive intervention activity was reduced and information was not collated in order to review the effectiveness of activity undertaken. The service has plans in place to revise the strategy in 2015.
Another council has not had a programme of proactive intervention activity since 2012 although the council has continued to action ATLAS updates and pre-noted diary events. In common with other councils, proactive intervention activity has recommenced at the end of 2014.
A third council does not have a proactive intervention programme in place. Intervention activity is undertaken only using RTI referrals and the HBMS risk file.

How councils target intervention activity

40. It is important that intervention activity is targeted on the HB claims most likely to have an unreported change of circumstances. Scottish councils use information they receive from other sources e.g ATLAS changes, RTI referrals and the DWP's Housing Benefit Matching Service (HBMS) high risk data file to help identify claims with unreported changes. However proactive intervention activity is also required as these methods cannot provide assurance that all claim types are being paid correctly and that overpayments are being minimised.
41. The DWP issued their Housing Benefit Fraud, Error and Debt Reduction Strategic Approach in March 2015 showing a breakdown of the 2013/14 HB fraud and error UK statistics by loss type. Exhibit 8 shows claimant error, and specifically earnings error is by far the greatest area of loss. Other causes of fraud and error such as not declaring non-dependants in the household, non-residency, and capital have also resulted in large losses.

Exhibit 8 Breakdown of Overpayments in HB 2013/14.

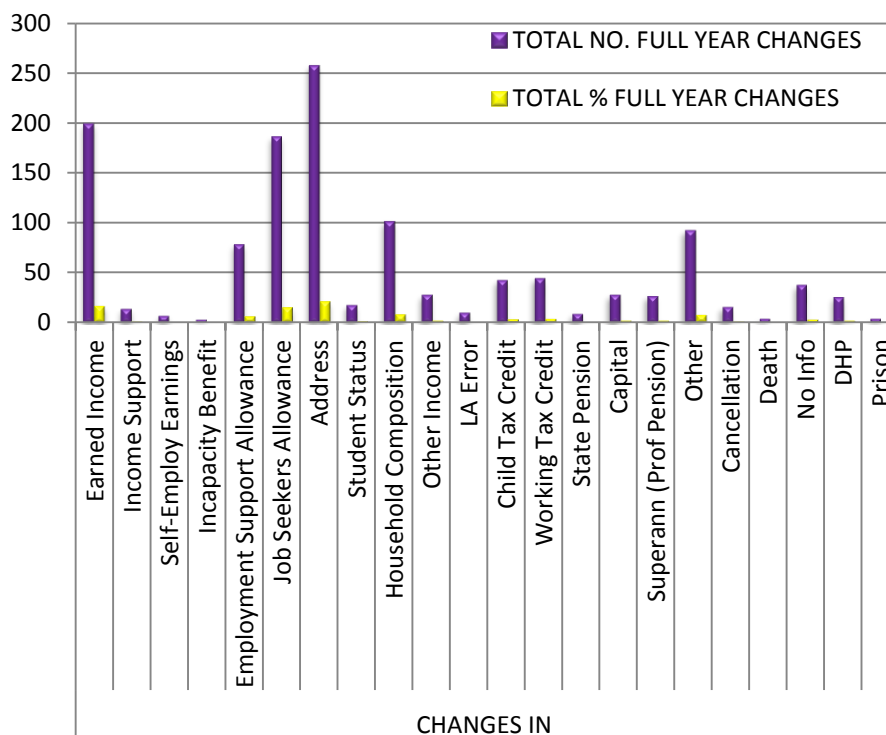
Source: DWP-Fraud and Error in the Benefit System 2013/14

42. As shown in Exhibit 9 below, Scottish councils use a variety of methods to identify cases for proactive intervention. All councils use benefit system weekly reports that list significant age changes and those cases where a future change had been previously noted. As discussed previously, software suppliers received FERIS funding to develop software which may help target high risk claims.

Exhibit 9 Sources used to target intervention activity

43. Proactive intervention activity in Scottish councils is targeted at a number of different claim types. Appendix 3 shows the claimant groups being specifically targeted by councils.
44. Argyll & Bute Council run system reports identifying claims with the greatest risk of change, review overpayment reasons as detailed in Exhibit 10, and review the outcomes from previous intervention activities to establish any trends and patterns.

Exhibit 10 Overpayments created by unreported change in circumstances 2013/14



Source: Argyll & Bute Council

45. As shown above, "address" is the highest category of overpayment. Councils can access the National Fraud Initiative's (NFI) *application checker* module which is normally used at the initial point of a claim to compare information across a number of data bases and help identify any discrepancies. The application checker could also be used for existing claims. This may be an efficient way to quickly verify details for certain groups of claimants.
46. Details of other good practice activities being undertaken by councils are shown in the exhibit 11 below.

Exhibit 11 good practice in the targeting intervention activity

Council	Initiative
Angus Council	The service adopted a risk based approach by trying to predict when changes are likely to occur for a claim. The service has examined it's caseload by income type and undertook an exercise to input against each claim a diary event of when there was most

Council	Initiative
	likely to be a change of circumstances in the claim. Following this exercise procedures were adopted to ensure that after inputting a new claim or change of circumstances officers also review the claim and input a diary event of when there was likely to be a further change of circumstances. These diary events are reported on weekly.
East Ayrshire Council	Plans are in place to review certain groups of claimants such as those claimants over 55 years of age who may have taken pension withdrawals following the UK government's recent change to accessing pensions.
East Renfrewshire Council	The council has identified a number unreported changes relating to its own employees and a campaign is being developed to remind employees of the need to report changes.
Glasgow City Council	A review of passported claims has identified a number of ATLAS changes which the council had not received. Relevant claims have been identified and are being updated. The council also has council tax staff working alongside HB staff and found this arrangement to be effective in identifying where a change in council tax may indicate an unreported change affecting HB.
Midlothian Council & The Highland Council	Intervention activity is targeted based on analysis of overpayments to identify trends in the cause of overpayments.
South Ayrshire Council	Overpayment reports have been developed which review levels of claimant error overpayments and help the council to better target intervention activity.
Scottish Borders Council	<p>Information is checked across systems such as social work financial assessments, educational benefit applications, DHP, council tax and the Scottish Welfare Fund to identify and investigate any discrepancies.</p> <p>Examples of how this has highlighted inconsistencies include tax credit information provided for educational benefit claims which has differed from the information provided in respect of HB claims, additional occupants have been identified on Scottish Welfare Fund applications and changes to rent liability and capital have come to light from homecare applications.</p>

Who carries out intervention activities?

47. In most cases, intervention activity is undertaken by the benefit service, with some services having specific intervention teams. However, in order to improve efficiency, other council departments or external organisations are involved in the process. Examples of current practices are included in the exhibit 12 below.

Exhibit 12 who carries out intervention activity

Council	Practice
Angus Council	The benefit service carries out the majority of interventions by telephone. However the revenues and benefits service's visiting officers carry out intervention visits on high-risk claims.
Argyll & Bute Council	A dedicated FERIS team of benefit assessors is in place to concentrate on change of circumstances work.
City of Edinburgh Council	An interventions team is in place which concentrates on risk based interventions. In addition, some ad-hoc visits are carried out jointly with the Pension Service.
Comhairle Nan Eilean Siar	The officer responsible for new claims sends out interventions. Once all relevant documentation is received, it is passed to the change of circumstance processing team.
Dundee City Council	A RTI team consisting of six members from the benefit service has been set up to action all RTI referrals. This has reduced the need to train all staff in RTI processes.
East Renfrewshire Council	The service makes good use of the council's Arrears Control Liaison Officer to carry out visits on behalf of the benefit service.
Falkirk Council	All DWP reported changes are dealt with by a centralised team who carry out further interventions and checks where appropriate.
Glasgow City Council	An intervention team consisting of a team leader, four interventions officers, and supported by a dedicated visiting officer is in place. The team is located alongside the overpayments team who report to the same senior manager to ensure synergy between the causes for overpayments and targeted intervention.
Midlothian Council	The revenues service has a dedicated visiting officer to carry out notified intervention visits.
Stirling Council	The Revenues and Benefit Support Unit carries out interventions

Council	Practice
	and reviews.
Scottish Borders Council	Intervention activity is dealt with by HB assessors. However going forward the council plans to take a two tier approach in order to make best use of assessor's specialised skills. Front line staff will deal with issuing interventions and collecting the relevant evidence. Following receipt of all information it will be passed to assessors who will reassess HB awards.
The Highland Council	The operations team carries out intervention activity. A dedicated benefit visiting team undertake intervention visits which include visits to new private tenants to ensure residency. The council's income management team carries out similar visits in respect of new council tenants. In addition, the council's investigation team pursues a failure to report changes where there is an indication of fraudulent intent.

Outcomes of intervention activity

48. It is important that outcomes are recorded and analysis undertaken to ensure resources are used efficiently and effectively in order to deliver planned outcomes. Varying success rates have been reported for intervention activity carried out as shown in exhibit 13. However it is evident from the exhibit that intervention activity volumes dropped overall by 43% between 2011/12 and 2013/14 to concentrate on welfare reforms although volumes have improved in most councils from 2014/15.

Exhibit 13 outcomes of intervention activity

Council	2011/12		2012/13		2013/14		2014/15	
	No.	% changes	No.	% changes	No.	% changes	No.	% changes
Angus Council	2940	89	2698	92	2874	88	1276	90
Falkirk Council	5233	23	4983	8	355	84	758	84
South Ayrshire Council	570	72	460	60	226	75	311	77
City of Edinburgh Council	6082	50	3669	54	2124	65	3190	75
Comhairle Nan Eilean Siar	n/k		n/k		359	70	220	72
Midlothian Council	133	n/k	489	n/k	867	55	892	71
Argyll & Bute Council	4742	63	3026	65	1679	66	2077	70
Stirling	1314	62	1372	69	1409	60	1289	70
Perth & Kinross Council	631	n/k	741	n/k	374	66	1129	66
East Dunbartonshire Council	1748	65	2260	55	1089	74	1849	63
Dundee City Council	1950	n/k	232	n/k	0	0	393	63
West Dunbartonshire Council	1448	23	1679	16	1312	31	1528	48
Aberdeenshire Council	4107	40	3165	40	2788	52	2956	47
Scottish Borders Council	1427	16	684	17	1819	61	767 *	47
The Highland Council	4681	15	7450	11	3259	28	3442	43
Glasgow City Council	26647	4	20533	5	13978	14	23119	21
Clackmannanshire Council	1142	n/k	836	n/k	584	n/k	403	n/k
East Renfrewshire Council	867	n/k	n/k	n/k	2443	n/k	1301	n/k
Total	65662		54277		37539		46900	

N/k- not known

* The Scottish Borders Council had software issues regarding the recording of DWP Real Time Information (RTI) referrals. Total interventions are estimated by the council to be around 1,000 for 2014/15.

West Lothian Council had limited information making any meaning comparison difficult.

49. The high percentage of cases resulting in a change to the customer's benefit in Angus, City of Edinburgh, Falkirk and South Ayrshire Councils is testament to the targeted approach that these councils have been undertaking.
50. In addition, we found that some councils are analysing the outcomes from interventions to help refine their approach and target resources on areas which have proved successful in identifying unreported changes of circumstances. Examples of analysis being undertaken along with details of where improvements could be made are shown in Exhibits 14 and 15 below.

Exhibit 14 Analysis of intervention outcomes

Council	Analysis
Argyll & Bute, East Renfrewshire, Falkirk and Stirling Councils	Outcomes from intervention activities are analysed and the value of overpayments and underpayments that have been identified are linked to each intervention type. East Renfrewshire Council recently started its analysis in 2015/16.
City of Edinburgh Council	The service records the number of interventions issued and completed, the value of over/underpayments identified, the number of changes identified using the various intervention activities and methods, the root cause of error reasons as well as a breakdown of staff errors, if any.
Glasgow City Council	The interventions approach has been revised to include interventions targeted at higher risk claims. Previous blanket intervention campaigns did not result in a large percentage of identified changes. The council has also set up a team to monitor overpayments looking at the level of overpayments raised, any claimant specific groups e.g. those claimants with the same landlord, and also analyses the root cause e.g. failure to declare an increased income.
Midlothian Council	In respect of visits, the service records how many interventions it has carried out, the dates of initial and follow up visits, whether the visits were effective and the monetary value of changes in entitlement.
Scottish Borders Council	The service records and reports on the effectiveness of its activity however, the council does not record the financial value of under and over payments.
The Highland Council	The service carried out a full review of the council's caseload in 2011/12 and 2012/13 to ensure the council had a recently completed application form in all cases. However, this provided the council with little assurance that it was effectively targeting resources on minimising error in its caseload. Intervention outcomes have improved significantly from

Council	Analysis
	2013/14 due to more effective targeting of the caseload.
West Dunbartonshire Council	Records are maintained detailing whether there was an increase, decrease or no change to HB awards and the intervention method e.g. postal. Additional analysis of the root cause of the change may help to focus future activity.

51. As shown in exhibit 15 below, it is of concern that some councils have either not been carrying out proactive interventions or not recording the outcomes from interventions in sufficient detail to establish the effectiveness of their activity.

Exhibit 15 Improvement areas regarding analysis of outcomes

Activity
One council has not carried out any proactive interventions since 2010. This was a conscious decision by the council to concentrate its resources on improving processing performance at the expense of intervention. Intervention activity was limited to reviewing those cases where a potential change in circumstances had been previously noted on the benefits IT system diary. A new intervention plan was put in place at the end of 2014/15 to re-commence proactive intervention activity.
One council previously had a target to review 600 cases each year. This was reduced to 300 from 2013/14 due to the impact of welfare reform although no analysis of the caseload was undertaken to determine if this target was appropriate. The council is introducing a quarterly performance indicator relating to the percentage of changes due to reviews against the number issued to help monitor the effectiveness of its activity.
Intervention performance is currently evaluated by another council by comparing the number of changes identified to the number of interventions issued. Comparison instead with the number of interventions actually completed would provide a more accurate picture.
The results of current intervention work are unknown in three councils. In one of these councils, the recording of the outcome of intervention activity has been limited since the migration to a new IT system in 2012. However, the council has introduced an improved monitoring system from 2015/16.

Review of intervention methods used in Scotland

52. Intervention methods need to provide councils with optimum returns. Over the last few years, many councils have moved away from visiting claimants and adopted quicker and potentially more efficient means of carrying out interventions. This includes the use of telephone and postal interventions, as well as the changes provided electronically e.g. through ATLAS. The methods currently used are shown below in Exhibit 16.

Exhibit 16 Intervention methods used in Scotland



53. Many intervention methods have been adopted as a result of local arrangements and relationships and/or local circumstances. As shown in Appendix 4, the most councils use postal and telephone interventions with visits undertaken, if appropriate. Other initiatives of particular note are shown in exhibit 17 below.

Exhibit 17 Intervention methods

Council	Good practice
Aberdeenshire Council	A review of their intervention activity found the previous method of using visits was not providing planned outcomes. The review identified that in terms of the number and percentage of changes identified telephone and postal reviews were more effective.
Angus, City of Edinburgh, East Dunbartonshire and West Dunbartonshire	A text reminder service asking claimants to report changes is being implemented. The text sent to claimants includes a link to the council's online change of circumstances form.

Council	Good practice
Councils	
Midlothian Council	Analysis of 825 visits undertaken by during 2013/14 identified that 469 (57%) were either partly effective or unsuccessful. The council has since reviewed its processes and now undertakes more postal interventions and provides claimants with more information prior to visits to help improve outcomes.
Perth & Kinross Council	The analysis of intervention outcomes has identified that effective targeting of evening visits has identified a number of unreported 'living together' changes.

Fraud prevention

54. Despite the on-going transfer of council HB fraud officers to the DWP's Single Fraud Investigation Service (SFIS), councils retain a responsibility to minimise fraud in the HB caseload. This includes sifting 2015 NFI HB matches for potential fraudulent activity.
55. It is considered good practice to attempt to deter fraud from occurring in the first place e.g. by advertising successful prosecutions and any pro-active fraud initiatives. In order to act as a deterrent to others considering fraud, many councils including Argyll & Bute, Dundee City, East Renfrewshire, Falkirk, Stirling, and West Dunbartonshire Councils prioritise the recovery of fraudulent overpayments and administrative penalties. Where appropriate a higher rate of recovery for fraudulent overpayments is applied to on-going benefit. Where the customer is no longer in receipt of benefit, an invoice is issued.
56. Falkirk Council recovered all administrative penalties issued for 2013/14 and East Renfrewshire Council recovered 71.54% of all administrative penalties issued in 2014/15. This demonstrates a commitment by these councils to proactively pursue those found to be fraudulently claiming HB. However nearly £22,500 of administrative penalties were outstanding in 2014 in West Lothian Council, with the council only recovering £45 per month. This debt has since been reviewed and is being recovered by the corporate debt team.
57. Various other counter fraud initiatives are in place in Scottish councils, some of which are shown in exhibit 18 below.

Exhibit 18 Counter fraud practices

Council	Practice
Falkirk Council	<p>Fraudulent overpayments are annotated on the benefit IT system to allow increased monitoring and prioritised for recovery.</p> <p>Participation in the previous NFI exercise resulted in 31 interventions resulting in £134,352 of HB and council tax reduction overpayments being identified. As a result, experienced staff have been redeployed to the current NFI exercise.</p>
Glasgow City Council	<p>The recovery of HB overpayments is included in the contract with the council's debt management partners.</p>
West Dunbartonshire Council	<p>Fraud awareness sessions are delivered to benefit and other staff highlighting the importance of the benefit service being notified of change of circumstances.</p>

Appendix 1- FERIS funding

Council	£ and type	Funding
Aberdeenshire Council	Start up funding - £15,179	Start up funding -for an additional staff resource to concentrate on change of circumstances and for publicity around reporting changes. Maintenance funding was received to retain this additional resource in 2015/16.
Angus Council	Start up funding - £6,000 Bid fund - £37,960	Start up funding -for an interventions IT module to identify high risk claims. Bid fund -for promotional material, an additional temporary post and an intervention text messaging IT module.
Argyll & Bute Council	Start up funding - £8,400	Start up funding -to undertake a significant review of intervention activity assisted by a consultant. Maintenance funding was received to develop the project through 2015/16.
City of Edinburgh Council	Start up funding - £46,686	Start up funding -to increase staff resources in the intervention team. Maintenance funding was received to retain this additional resources in 2015/16.
Dundee City Council	Start up funding - £21,125	Start up funding - for staff resources to undertake telephone interventions in the evenings and weekends, to undertake interventions on claims with working tax credit changes, training housing and registered social landlords how to encourage customers to report changes, and a postcard and leaflet media campaign.
East Dunbartonshire Council	Start up funding - £6,600	Start up funding - to use overtime to target intervention activity at claimants with occupational pensions, non dependants and earned income. Maintenance funding was received in 2015/16.
East Renfrewshire Council	Start up funding - £4,285	Start up funding - for a temporary member of staff to deal with intervention activity. Maintenance funding was received to retain this additional resource in 2015/16.
Falkirk Council		Maintenance funding was received for an electronic change of circumstances form.
Glasgow City Council	Start up funding -	Start up funding - to set up a project team and a separate operations team to focus on change of circumstances.

Council	£ and type	Funding
	£101,000 Bid fund- £95,956	Bid fund- for a poster campaign on buses and in the underground and a newspaper campaign. In addition a radio campaign was undertaken, in conjunction with neighbouring councils across a number of radio stations. Maintenance funding was received in 2015/16.
Midlothian Council	Start up funding - £7,800	Start up funding -to employ an extra employee. Maintenance funding was received to retain this additional resource in 2015/16.
Perth & Kinross Council	Start up funding - £4,000	Start up funding - for staff resources for intervention activity. Maintenance funding was received for a fixed term post.
Scottish Borders Council	Start up funding- £5,440	Start up funding- for staff resources and to carry out a radio and magazine advertising campaign. Maintenance funding was received to retain this additional resource in 2015/16.
South Ayrshire Council	Start up funding- £9,200	Start up funding- to undertake a joint media campaign with the other two Ayrshire council using radio advertising, leaflets and posters on buses, in restaurants and bars. Maintenance funding was received to undertake remote processing of change of circumstances.
Stirling Council	Start up funding- £12,000	Start up funding- to recruit an additional member of staff to concentrate on interventions. Maintenance funding was received to retain this additional resource in 2015/16.
The Highland Council	Start up funding - £19,184 Bid fund- £32,150	Start up funding - for new intervention software and a system to help identify claims suitable for a review. Bid fund- to undertake a customer engagement project in order to identify the reasons why claimants do not report changes and then to review the findings with a view to amending current practices in order to make the reporting of changes easier for claimants. In addition the council is introducing a "Claimant Commitment" promising claimants a short turn around timescale when they submit wage slips. A facility is available to allow claimants to submit wage slips electronically. The council are also undertaking internal data matching mainly to verify household composition. This is focusing on claims with students, council employees, pensioners, single adults and claimants with capital close to benefit assessment limits. Maintenance funding was received for media advertising of the "Claimant Commitment" as well as in-house data matching and staff resource.

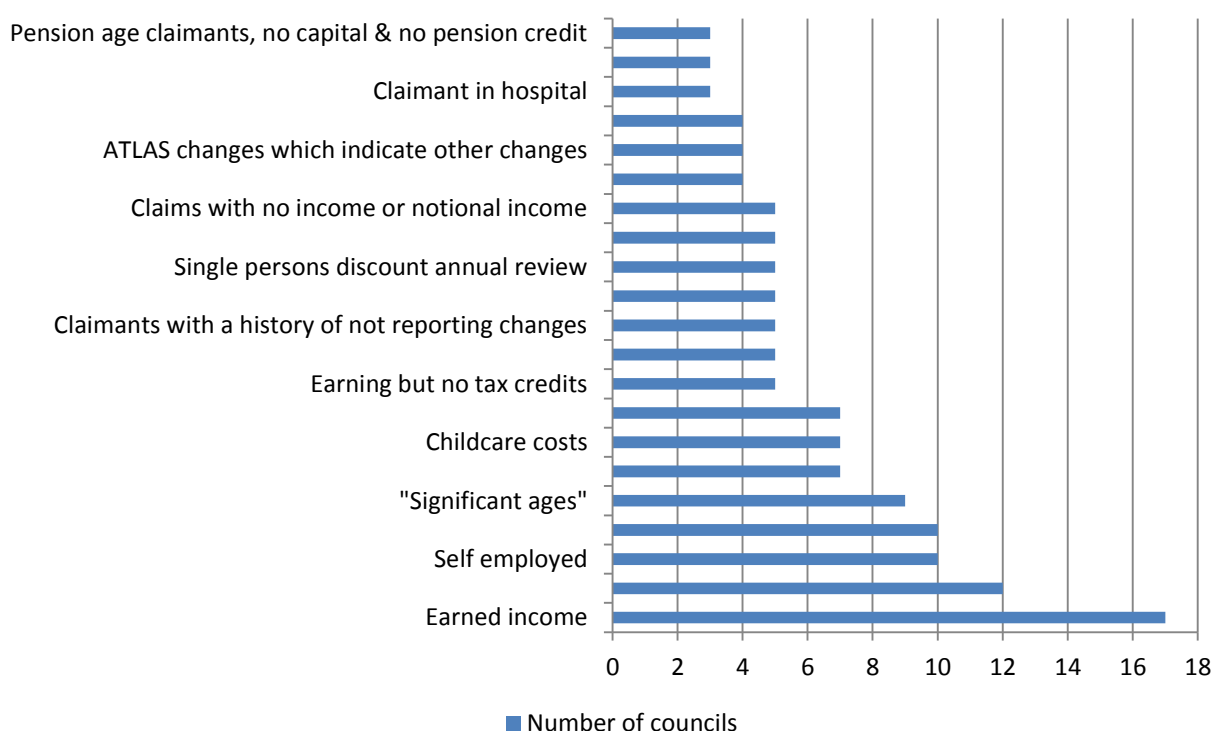
Council	£ and type	Funding
West Dunbartonshire Council	Start up funding- £13,993	Start up funding- for staff resources, an online texting facility for change of circumstances and for increased correspondence costs. Maintenance funding was received in 2015/16.
West Lothian Council	Start up funding- £17,415	Start up funding- for additional staff resources, overtime, a poster campaign, staff training and development costs for a web based change of circumstance form. Maintenance funding was received in 2015/16.

Appendix 2-ATLAS

Council	approximate % of ATLAS updates automated
City of Edinburgh Council	All where possible
East Dunbartonshire Council	90-94%
Dundee City Council	80-85%
Angus Council	70%
Glasgow City Council	70%
The Highland Council	60-70%
The Scottish Borders Council	60-70%
Aberdeenshire Council	60%
Perth & Kinross Council	60%
South Ayrshire Council	60%
Midlothian Council	50%
Stirling Council	33%
West Lothian Council	20%
Comhairle nan Eilean Siar	Very little

Appendix 3- Claimant groups targeted for intervention activity

Claimant groups targeted for intervention activity



Appendix 4-Intervention methods used by Scottish councils

Council	Visits	Postal	Phone	Text messaging	Comments
Angus Council	✓		✓	✓	Visits are only carried out where necessary
Argyll & Bute Council	✓	✓	✓		The method used varies across campaigns and to ensure the cost is proportionate to expected outcomes.
City of Edinburgh Council	✓	✓		✓	Some ad hoc visits are conducted jointly with the Pension Service
Comhairle Nan Eilean Siar	✓	✓	✓		Visits carried out for vulnerable claimants. Only a small number of telephone interventions are carried out.
Dundee City Council		✓	✓		Telephone interventions have only been undertaken from 2015/16.
East Dunbartonshire Council		✓	✓	✓	Implementing text reminder service
East Renfrewshire Council	✓	✓			Visits are only carried out where appropriate e.g. to confirm residency.
Falkirk Council	✓	✓			Visits are only carried out where appropriate e.g. to confirm residency.
Perth & Kinross Council	✓		✓		Visits only conducted where there are concerns about a claim.
South Ayrshire Council	✓	✓			Visits are only carried out on one day per calendar month.

Council	Visits	Postal	Phone	Text messaging	Comments
Stirling Council	✓	✓	✓		Visits carried out for vulnerable claimants. Only a small number of telephone interventions are carried out.
The Highland Council	✓	✓			Where forms are not returned these are followed up by a home visit. Visiting Officers undertake new claim home visits.
West Dunbartonshire Council	✓	✓		✓	Only a few visits undertaken.
West Lothian Council		✓			Interventions all by post

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Corporate Services

Audit and Performance Review Committee: 9 December 2015

Subject: Strategic Risk and Resilience

1. Purpose

- 1.1** The purpose of the report is to provide the Committee with the outcome of the latest six monthly assessment of Strategic Risks and an update on progress in relation to resilience planning.

2. Recommendations

- 2.1** It is recommended that Members of the Committee note the contents of this report.

3. Background

- 3.1** At the Council meeting on 26 September 2012, the Council's Strategic Plan 2012/17 was approved. From this plan, six strategic risks were identified and as agreed, the six monthly review of strategic risks is reported to this Committee. A seventh strategic risk has now been added, *SR112: Failure to raise attainment and improve learning*.
- 3.2** The Corporate Services Committee approved the revised Risk Management Strategy and Methodology in November 2013. This sets out the framework for the management of the risks and describes how actions will be effective in assisting in the management of potential opportunities and threats that may prevent achievement of strategic, service or operational objectives.
- 3.3** The Corporate Services Committee approved the revised Business Continuity (BC) Policy, Strategy and Corporate Plan in November 2013. Department / Service BC Plans were completed by 31 March 2014. The Policy, Strategy and Corporate Plan received their annual lifecycle review in July 2014 and were updated accordingly.

4. Main Issues

Strategic Risk

- 4.1** In line with the framework, a review of strategic risks has taken place as detailed within Appendix 1. Each risk is managed through internal controls, linked actions

and associated milestones with the objective being to reduce or stabilise the level of risk through completion of linked actions over a period of time and / or ensure mitigation factors are adequate should the risks actually materialise.

- 4.2** As a result of review of the strategic risk register, the CMT decided to add a further strategic risk *SR112 : Failure to raise attainment and improve learning* is. This risk was already recorded in the Educational Services department risk register however it was considered that this risk should be promoted to the strategic risk register to reflect the significant Council resources that are allocated to Education and the importance to the organisation of ensuring that appropriate mitigating controls are in place for this risk.

Department / Service Risk

- 4.3** Departmental management teams have responsibility to embed Department and Service level risks within Departmental plans. This in turn provides evidence of that risk management is fully embedded across the Council, a feature that can be well demonstrated by pro-active ownership of each risk.

Resilience

- 4.4** The Council's Resilience Group, chaired by the Executive Director of Corporate Services, continues to meet quarterly as the governance board for contingency planning across the Council. The Corporate Contingency Plan, and top-level Business Continuity documentation (Policy, Strategy and Corporate Plan) were reviewed in July 2015 along with the Council's Emergency Contact Directory.
- 4.5** The Resilience Group on 30 October 2015 agreed that the Resilience Officer should refresh of the groups Terms of Reference. The refresh should consider the creation of a security working group whose outputs would be reported to the Resilience Group on a quarterly basis. The Security Working Group would consider Information Security, Cyber Security and Physical Security. The group was recommended following the recent Cyber Security Exercise and after Incident debriefs. As such it represents organisational learning on the part of the Council and is reflective of the council's desire for continuous improvement in this field. The first Security Working Group is expected to meet in Q1 of 2016.
- 4.6** The Resilience Officer continues to represent the Council at Local and Regional Resilience Partnership Business Coordination Group (LRP/RRP BCG) meetings. Multi-agency arrangements proved to be adequate for winter weather and summer events such as "the Kiltwalk". An on-going project is the integration of CONTEST (Counter Terrorism) "Prepare activity" into the LRP work plan. A consultation on LRP boundaries is ongoing. The proposal, led by West Dunbartonshire Council, recommends aligning West Dunbartonshire with Argyll and Bute to ensure the LRP is coterminous with Police Divisional Boundaries.

The existing alignment with East Dunbartonshire is inefficient and creates the need for additional meetings, particularly on issues relating to CONTEST.

Business Continuity Planning

- 4.7** The Business Continuity (BC) lifecycle remains operational. The Resilience Officer continues to undertake 1-2-1 annual review meetings with the managers responsible for the 24 critical service plans. The Business Continuity Group agreed on 30 October 2015 that plans would be integrated at Service level to ensure relevant interdependencies between services were captured. This would also provide an improved forum to engage Heads of Service and Service Managers in annual update forums. The move to Aurora House and associated ICT modernisation project has enhanced Service resilience in the respect that more workers are now agile and less dependent on a single fixed office location. Recovery workspace is now immediately available in any networked Council location for services operating out of Aurora House and the Garshake 4th floor. An overview of all plans is attached at Appendix 2.

Awareness, Testing and Exercises

- 4.8** The Resilience Group was convened following power supply failures to the data centre in May 2015. These incidents were followed up with a debrief report and series of actions to mitigate future risk. These actions have been completed.
- 4.9** There is a planned annual cycle of exercising, testing and reviewing existing plans. The Council have tested the following aspects of its BC arrangements in the past nine months:
- 12 January 2015: Council Incident Officer (CIO) Training was provided to the Strategic Leader Group (SLG) in order to support their role as CIO's as identified in the Corporate Contingency Plan.
 - 26 March 2015: Educational Services Table Top Exercise. A Table Top exercise considered scenarios affecting the Educational Estate and resulted in a number of recommendations that are being progressed by the Educational Services DMT and the Resilience Group where appropriate.
 - 19 August 2015: Cyber Exercise. A Table Top exercise considered cyber threats affecting data confidentiality and system availability across all council directorates. The post exercise report is in draft format and will propose a number of recommendations to be progressed by stakeholders.
 - 24 August 2015: Exercise Silver Swan. This was the first of a series of national events looking at preparedness and capacity issues in relation to pandemic flu. This exercise focused on burial/cremation capacity and excess body storage issues. The event provided learning for the WDC team that will be incorporated into our local Additional Deaths Plan review in Jan 2016.

- 2 September 2015: Exercise Evening Star. Live Play exercise at the Clyde Off Site Centre (COSC) to test the off site emergency plan for Faslane Naval Base in accordance with Radioactive Emergency Preparedness and Public Information Requirements (REPPIR) legislation. The Council provide a liaison officer to assist with running the exercise and to ensure familiarity with the COSC should a liaison officer be required in the event of an incident.

4.10 Additionally, in line with the Exercise programme, following service areas will be tested in the coming months:

- October 2015: Exercise Silver Swan, a health and social care themed area of the national exercise looking at overall preparedness and capacity issues for a pandemic influenza scenario.
- November 2015: Exercise Silber Swan, the final strand of the national exercise looking at coordination and reporting arrangements for a pandemic influenza scenario.
- February 2016: A statutory top-tier Control of Major Accident Hazards (COMAH) Exercise for the Chivas Whisky sites in Dalmuir and Dumbuck. Planning for this exercise has commenced with monthly multi-agency meetings.
- Summer 2015: Regulatory Services Human and Animal Health Framework Response Plan, a seminar is planned to inform other Council departments of the implications and requirements of human and animal health notifiable disease outbreaks.

Community Resilience

4.11 The Resilience Officer has met Dumbarton Central and East, Silvertoun and Overtoun and Kilmarunock Community Councils to explore local community resilience plans. These meetings were supported by the Local Resilience Partnership and were attended by Police, Council Neighbourhood Services and the Scottish Flood Forum, with the response being generally positive. The Resilience Officer followed this up with a paper and presentation to the Community Alliance on 15 April 2015 which was well received.

4.12 Follow up engagement with Kilmaronock Community Council has identified funding support from Scottish Government and SSE Power Distribution to further support the establishment of a community Resilience Plan for the area. Following a meeting with Dumbarton E&C a multi agency plan is being developed alongside the provision of a community flood defence store based in the Fire Station. A local community resilience plan will be developed in tandem with Silvertoun and Overtoun community council to ensure a joined up approach between responding agencies and the community to flood response in the area.'

- 4.13** In addition the Resilience Officer met with the West Dunbartonshire Community Volunteering Service (WDCVS) to discuss the subject of Community Resilience. The Resilience Officer remains available for any community group that wishes to discuss and progress Community Resilience planning.

5. Personnel Implications

- 5.1** There are no personnel issues.

6. Financial and Procurement Implications

- 6.1** There are no direct financial or procurement implications arising from this report.

7. Risk Analysis

- 7.1** Robust risk management and resilience arrangements will demonstrate that effective measures are put in place for the management of risk. The ability to demonstrate risk ownership should benefit the Council in terms of:
- Understanding risk and its potential impact on the Council's priorities;
 - Reducing insurance premiums by recognising that a mature approach to risk management will contribute to a reduction in the number and value of claims across a range of insurance classifications;
 - Assisting with establishing priorities;
 - Contributing towards incident prevention based upon post-incident investigation;
 - Meeting statutory / regulatory requirements;
 - Contributing to a better understanding and assessment of major project activity; and
 - Ensuring better partnership working.

8. Equalities Impact Assessment (EIA)

- 8.1** A screening has been carried out and found no issues relevant to equalities duties.

9. Consultation

- 9.1** This report has been subject to consultation with departments in the update of strategic risks. Resilience activity as documented in this report involves regular consultation with Council departments and partner agencies. .

10. Strategic Assessment

10.1 This report relates to all five of the Council's Strategic Priorities.

Angela Wilson
Executive Director of Corporate Services
25 November 2015

Person to Contact: Colin McDougall, Audit and Risk Manager
Telephone 01389 737436
Email: colin.mcdougall@west-dunbarton.gov.uk

Appendices: Appendix 1 – Strategic Risk Report

Appendix 2 – West Dunbartonshire Council Resilience Plans
Review and Exercise Schedule


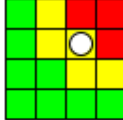
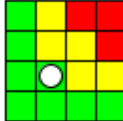
Background Papers: Risk Management Strategy and Methodology
Business Continuity Policy, Strategy and Corporate Plan
EIA Screening











Wards Affected: All Wards


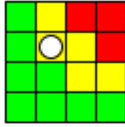
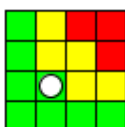
Appendix 1








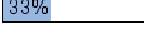

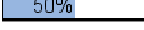

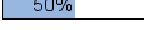



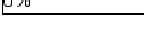
Strategic Risk Report


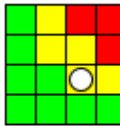
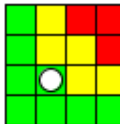
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	SR105 Failure to deliver strong financial governance and sustainable budget management	Current Risk Matrix	Current Rating	Last Review Date
Description	The Council fails to deliver strong financial governance through either its budgetary preparation and management processes or maintaining adequate reserves.	 Likelihood Impact	9	24-Nov-2015
Potential Effect	Shortfall in finances and therefore the Council is unable to provide all services as intended or fund improvements to services through "spend to save" schemes.	 Likelihood Impact	4	31-Mar-2017
Measures of Impact	<ul style="list-style-type: none"> - Additional burdens (e.g. general inflation, tax increases, fuel cost increases, superannuation, high level care costs) - Actual level of Savings achieved in comparison to level of savings agreed by Council - Reduction in government grant - Demographic shifts - Significant overspends - Savings required - Debt collection statistics - Adverse level of capital receipts (planned v actual) - Underutilised assets / occupancy levels - Does the Council have a 10 year Financial Strategy? Yes / No - Procurement Capability Assessment (PCA) 	Latest Note	The range of risks are monitored and considered and on balance the external risks to funding remain high. Significant mitigation controls are in place and planning processes seek to ensure appropriate action is taken at the right time to reduce levels of financial risk to WDC	
Risk Factors	<ul style="list-style-type: none"> - Level of government grant - Lack of time to plan for changes in the level of grant funding - General inflationary factors - Significant additional burdens (see further under "Measures of Impact") - Poor budgetary control arrangements - Ineffective debt collection (e.g. Council Tax, Housing Rents, sundry debtors) - Capital receipts - Welfare Reform - Health and Social Care integration - Implications from the uncertainty of the Referendum on Treasury Management operations 			
Internal Controls	<ul style="list-style-type: none"> - 10 year Financial Strategy subject to regular review - Financial planning - Monitor and maintain General Services and Housing Revenue Account prudential targets - Reporting and monitoring of Treasury Management Strategy - Budgetary control process - Regular budgetary control and savings monitoring reports provided to CMT and Council / committees - Rigorous debt collection processes - Annual Internal Audit Plan - Work of External Auditors (external control) - Annual Governance Statement - Procurement Improvement Plan - Development of controls for Health and Social Care integration 	Managed By	Angela Wilson	
		Assigned To	Gillian McNeilly; Stephen West	
Risk Opportunity	<ul style="list-style-type: none"> - Annual exercise to identify efficiencies - Major projects within the revenue benefits programme (e.g. 			


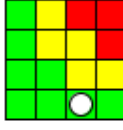
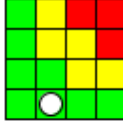


	sales, fees and charges; travel; overtime; training) - Enhance the reputation of the Council as an organisation which manages its finances soundly - Rationalisation of office accommodation			
Progress of Linked Actions	CS/15-16/FAR/010 Review and update the Council's long-term finance strategy and report to Elected Members		<div><div>100%</div></div>	Corporate Services
	CS/15-16/FAR/011 Monitor monthly agreed savings options & management adjustments through the budgetary control process		<div><div>50%</div></div>	Corporate Services
	CS/15-16/FAR/012 Monitoring of progress through the CMT of strategic projects planned for review during 2015/16, for report to future council/committees with a view to increasing income / reducing costs for the Council		<div><div>50%</div></div>	Corporate Services
	CS/15-16/FAR/013 Prepare and deliver short, medium and long term budgets through robust financial planning which reflect the Council's (& other bodies) corporate aims and objectives		<div><div>60%</div></div>	Corporate Services
	CS/15-16/FAR/014 Consider revision to the budget preparation timetable to allow additional time for the consultation process		<div><div>100%</div></div>	Corporate Services
	CS/15-16/FAR/04 Consider options for improving the corporate budget process		<div><div>66%</div></div>	Corporate Services
	CS/15-16/FAR/05 Explore opportunities for decreasing corporate debt		<div><div>25%</div></div>	Corporate Services
	CS/EAAP/151 1. Usable Reserves		<div><div>40%</div></div>	Corporate Services
	CS/EAAP/152 2. Financial Planning		<div><div>0%</div></div>	Corporate Services
	CS/EAAP/153 3. Treasury Management		<div><div>0%</div></div>	Corporate Services





	SR106 Council estate and facilities are not fit for purpose	Current Risk Matrix	Current Rating	Last Review Date
Description	The Council's assets and facilities are not fully fit for purpose with consequent adverse impact on our ability to deliver efficient and effective services. Included in this assessment is Council's property portfolio, housing stock, roads and lighting, fleet and open space	 Likelihood Impact	6	12-Nov-2015
Potential Effect	<ul style="list-style-type: none"> - Assets are not utilised in the most effective and efficient manner - Service cannot be properly delivered to the satisfaction of service users - Service users seek alternative service provision, either locally or by moving to another Council area - Roads assets in poor condition 	 Likelihood Impact	4	31-Mar-2018
Measures of Impact	<ul style="list-style-type: none"> - Condition surveys - Suitability surveys - Road Condition SPI - Customer perceptions of service delivery - Investment levels in upkeep and improvement of asset base and facilities - Staff satisfaction - Operating costs and savings 	Latest Note We are now commencing year 2 of the 10 year capital plan and projects have been identified which will begin to address the "fit for purpose" criteria. We completed the delivery of condition surveys for the whole operational estate and developed and introduced a scoring matrix which is informing project priorities going forward. The introduction of a 5 year HRA Capital Investment Programme covering the period 2015-2020 will build on evidenced shift towards improved fit for purpose assets. This has resulted in the positive outcome of meeting compliance with the Scottish Housing Quality Standard in 14/15 and will ensure compliance with the Energy Efficiency Standard for Social Housing (EESH).		
Risk Factors	<ul style="list-style-type: none"> - Adequacy of funding available to improve asset base - Adequacy of staff resources allocated to the area of asset management - Council buildings deemed to be unfit for existing purpose - Economic conditions may reduce level of potential capital receipts from surplus property sales - Increased public liability claims due to poor condition of roads network 			
Internal Controls	<ul style="list-style-type: none"> - Corporate Asset Management Strategy - Schools Estate Strategy - Capital Investment Team - Existence of Asset Management Group with meetings held on a regular basis - Asset management plan - (HRA) Asset Management Group/Plan - Capital plan - Roads and Lighting Asset Implementation Plan - Fleet Asset Implementation - Open Space Asset Implementation Plan - Detailed asset database that shows relevant information on a property by property basis - Sustainability Policy - Housing Performance Improvement Board - Housing Improvement Plan - Housing Asset Management Strategy 	Managed By Assigned To	Richard Cairns Ronnie Dinnie; Jim McAloon; Helen Turley	
Risk Opportunity	- Enhance reputation of Council by being able to improve Council estate and service delivery (e.g. new school buildings, Garshake			


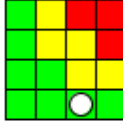
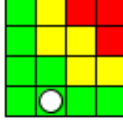






	replacement and meeting SHQS)) - Enhance employee "feel good" factor by providing modern office accommodation equipped with up to date IT facilities - Secure external funding for development of assets (e.g. EC, lottery) - The acquisition of assets previously owned by Clydebank Rebuilt could allow for improved service delivery for the Council overall -The implementation of the energy efficient street lighting project will both improve the asset and reduce costs significantly through reduced maintenance, energy consumption and carbon output.			
Progress of Linked Actions	H/2015/CAM/02 Continue to monitor and reduce energy consumption and Carbon Emissions (DP)			Housing, Environmental and Economic Development
	H/2015/CAM/04 Deliver HRA Capital Projects			Housing, Environmental and Economic Development
	H/2015/CAM/07 Deliver £100,000 savings through effective Asset Management			Housing, Environmental and Economic Development
	H/2015/CAM/15 Develop and implement Community Asset Transfer Policy			Housing, Environmental and Economic Development
	H/2015/GS/07 Deliver on HLF - Levensgrove Park			Housing, Environmental and Economic Development
	H/2015/HCS/11 Implement HRA Capital Plan 2015-2020 Year 1 (2015-16)			Housing, Environmental and Economic Development
	H/2015/RT/02 Implement the introduction of energy efficient street lighting			Housing, Environmental and Economic Development
	H/2015/RT/05 Implement, report on actions and continually develop the Roads Asset Management Plan			Housing, Environmental and Economic Development

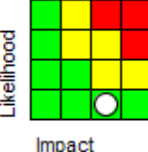
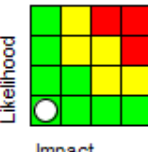
	SR107 Failure to develop or implement innovative use of Information Technology	Current Risk Matrix	Current Rating	Last Review Date
Description	The risk is that the Council's Information Technology is not sufficiently modernised / brought up to date to enable the delivery of sustainable ICT services to support and enhance the delivery of front line services to the community.	<div>Likelihood</div>  <div>Impact</div>	6	06-Nov-2015
Potential Effect	A lack of consistent, sufficiently robust planning in respect of ICT arrangements is likely to result in the Council being ill prepared to meet future demands in key service areas and lacking the capacity to respond effectively to changing need.	<div>Likelihood</div>  <div>Impact</div>	4	31-Mar-2017
Measures of Impact	<ul style="list-style-type: none">- Degree of compliance with security controls to prevent data loss through poor o/s patching, cyber attack, firewall configurations etc.- Extent of wireless connections in the Council network – April 15 - implementation of wireless in all schools complete. Garshake and Townhall now wireless. Introduction of segregated network traffic 50% complete for schools.- Number of ICT Help Desk calls resolved at the first point of contact. April 15 SOCITM Benchmark survey indicates target is set too high and WDC IT service not meeting the current target. Review is currently in progress and new target in line with SOCITM benchmark will be implemented for 2015-16.- Extent of functionality development in key Council systems (i.e. lack of development beyond base system leading to ineffective management information) April 15 – several channel shift projects are in progress Workforce mgnt self service, website and intranet redesign, online school payments, P2P, document management and rota scheduling for home care are all contributing to Channel shift.- Fit for purpose Council website, delivering information and services to a significant percentage of the Council's customers. April 15 - Website was redesigned and relaunched in 2013. Intranet redesigned and relaunched in March 2015.- Provide efficient desktop services to meet changing workforce flexibility and property rationalisation requirements. April 15 - ICT Modernisation project implementation in progress and incorporates new desktop delivery which is at user testing stage.- Implementation of mobile and flexible working, enabling a downsizing of required office accommodation through enabling people to work more efficiently and to adopt a more flexible policy towards office accommodation and desk provision. April 2015 - WoTF delivered in Sept 13, Aurora move delivered Feb 2015; issue of tablet devices to SMT and Members complete April 15.- Broadband speed in the Council area - Aug 14 WDC has 2nd highest broadband speeds in Scotland.	Latest Note	Nov 15. Significant progress has been made on the ICT Modernisation Project, delivering upgrade LAN for all in scope locations and majority of additional locations. A new wireless infrastructure has been delivered for all schools and nurseries. Wide area network aspect of the ICT Modernisation project has been subject to supplier delays but 80% of the locations have been upgraded. This key projects has reduced the likelihood of this risk occurring. Additionally, continued focus on ensuring Council systems and infrastructure are maintained to PSN security compliance standards further reduces the likelihood of this risk occurring.	
Risk Factors	<p>Insufficient resourcing of ICT developments so that benefits and opportunities identified are not realised</p> <ul style="list-style-type: none">- poor network security controls implemented. lack of intrusion detections alerts, failure to respond to audit / PEN test findings and recommendations, insufficient resources allocated to security tasks.- Poor project and programme change management arrangements - April 15 - WDC has introduced new Project Management standards and a Strategic Change Board to address this- Poor quality of mobile communication provision - ICT Modernisation investment of £4M agreed and project at implementation stage. Three of the five workstreams are complete and the other two are well established.			

Internal Controls	<ul style="list-style-type: none">- Information & Communication Technology (ICT) Policy- Governance structures to support integrated planning and decision making in relation to ICT- Use of both internal IT resources from across the Council and skilled specialist advisers in key areas- Fit for purpose data centre (with remote back up site). New shared data centre went live in Dec 2014 and further IT services at testing stage. WDC and EDC are taking a lead role on data centre sharing across Scotland	Managed By		Angela Wilson
		Assigned To		Patricia Kerr
Risk Opportunity	<ul style="list-style-type: none">- annual network penetration tests- Annual PSN compliance audit- Annual External Audit on ICT Controls- ICT Modernisation project and its focus on network security- Provide 21st century state of the art technology for employees and service users- Rationalise IT systems - P2P, replacement IHMS and Work force management projects underway. New Scheduling system for HomeCare at implementation stage.- Use of innovative IT linked service delivery models to effect change - share data centre with EDC live and operational and further sharing projects at test stage - share IT Helpdesk system and thin client. New backup solution implemented in March 14 to support changes to departmental service delivery.- Provide Council employees with secure access to email and supporting systems at times and locations of choice – April 15 – new ICT Mod design has provided opportunity to deliver a secure platform – solution via Netscaler and Citrix thin client technologies are currently at test stage. <p>New tablet devices and new Windows mobile phones deployed.</p> <ul style="list-style-type: none">- Provide self service style systems to employees and the local community - Aug 14 - WDC website updated in 2013 and employee self service project implemented- staff now having access to online payslip, expenses, leave applications, PDP recording. - Increase the use of electronic document storage and workflow across the Council - Aug 14 - EDRMS framework contract in place since 2010 for departments to call off when reviewing their service and implementing service improvements. WoTH and Aurora projects utilised EDRMS technology to support the move to more flexible working and CHCP homecare implementation in progress.			
Progress of Linked Actions	CS/15-16/PAT/06 Ensure property and resource optimisation projects are supported by robust ICT infrastructure		<div><div>41%</div></div>	Corporate Services; James Gallacher; Damien Lynn; John Martin; Anne McFadden; Brian Miller
	CS/15-16/PAT/07 Extend the scope of the shared data centre		<div><div>33%</div></div>	Corporate Services
	CS/15-16/PAT/08 Deliver robust ICT input to transformational change projects		<div><div>40%</div></div>	Corporate Services

	SR108 Lack of strategy / plans / vision to ensure a committed and dynamic workforce	Current Risk Matrix	Current Rating	Last Review Date
Description	There is a risk that the Council fails to develop and implement a flexible, strategic structured approach to workforce and capacity planning	 Likelihood Impact	3	17-Nov-2015
Potential Effect	<ul style="list-style-type: none"> - Low staff morale - Inability to deliver services effectively - Reduced level of service - Lack of improvement or increase in staff absences - Council underachieves as an organisation - Employee conflict 	 Likelihood Impact	2	31-Mar-2017
Measures of Impact	<ul style="list-style-type: none"> - Access to and participation of employees in learning and development activities - Absence rate and trends - Employee turnover - Grievance, discipline and other monitoring information - Employee survey results and associated actions - Reports from external scrutiny bodies and award bodies - Benchmarking with appropriate comparators 	Latest Note	15/16 absence statistics have improved significantly from last year's position with departmental action plans now complimenting corporate goals. Initial results from the 2015 employee survey indicate a number of areas of strength and areas for continued development as would be expected. Continue to monitor rates of turnover, grievances, mediation etc to positive effect. Award nominations and achievement reinforcing flexible and employee friendly approach to engagement initiatives.	
Risk Factors	<ul style="list-style-type: none"> - Lack of appropriate development / shortage of skills may pose a risk to new models of service delivery - Lack of capability to deliver - Workforce unable to adapt to change 			
Internal Controls	<ul style="list-style-type: none"> - HR processes designed to meet service delivery needs - Develop new structures to reflect strategic priorities and aligned to Future Operation Model (FOM) - Align workforce plan to the Council's strategic planning processes (i.e. have the right people available at the right time with the right skills to fulfil properly all of the Council's strategic priorities) - Incorporation of succession planning into workforce planning framework - Identify training programmes to reskill staff as identified by training needs analysis - Effective use of SWITCH to support alternative careers - Flexible HR policies, in particular recruitment & selection, learning & development (including elearning), continuous improvement / development flexible working, attendance management, employee wellbeing related policies - Flexible HR policies, in particular recruitment & selection, learning & development (including elearning), continuous improvement / development flexible working, attendance management, employee wellbeing related policies - Effective use of Occupational Health Service - Robust PDP process - Effective leadership and management behaviours and practice - Maintain the Council's Healthy Working Lives Gold Award 	Managed By	Angela Wilson	
		Assigned To	Vicki Rogers	
Risk Opportunity	<ul style="list-style-type: none"> - Identify previously unknown skills and talents in the workforce - Realise the potential of staff 			
Progress of Linked Actions	ODC/SP/1516/001 Enhance leadership effectiveness at all levels through development opportunities			Corporate Services

	SR109 Failure to embrace opportunities which can be derived from constructive partnership working and joined-up service delivery	Current Risk Matrix	Current Rating	Last Review Date
Description	The Council fails to engage adequately with partnership bodies	<div>Likelihood</div> <div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div><div>Impact</div></div>	3	20-Nov-2015
		Target Risk Matrix	Target Rating	Target Date
Potential Effect	<div>- Use of public sector resources not optimised in local area</div> <div>- Council has financial exposure if a partnership relationship fails</div>	<div>Likelihood</div> <div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div><div>Impact</div></div>	2	31-Mar-2017
Measures of Impact	<div>- No of shared service arrangements made by the Council</div> <div>- Partnership arrangements go off on tangents not related to the original purpose</div>	Latest Note	CPWD is working well and taking an increasingly collaborative approach to all service areas and outcomes. This approach is entirely based on the strong partnerships already in place and is likely to further reduce this risk.	
Risk Factors	<div>- Reduction in control through partnership arrangements</div> <div>- Council's reputation is adversely affected through a failed partnership arrangement</div>			
Internal Controls	<div>- Ensure that partnership opportunities are considered as an option across all Council services</div> <div>- Robust partnership arrangements (e.g. legal documents, service level agreements)</div> <div>- Align the Council's strategic plan with the Single Outcome Agreement (SOA)</div> <div>- Ensure that partners have signed up to deliver on the outcomes and targets set in the SOA</div> <div>- Develop data sharing protocols with partner agencies</div> <div>- Participate in shared service agenda where it is evidently of benefit to the Council</div> <div>- Participate in reform agenda as it impacts on Council area</div> <div>- Develop code of practice for partnerships which would assist in ensuring consistency across the Council</div>	Managed By	Angela Wilson	
		Assigned To	Amanda Coulthard	
Risk Opportunity	<div>- Position West Dunbartonshire as a modernising Council</div> <div>- Police and Fire Reform</div> <div>- Shared Services options</div>			
Progress of Linked Actions	CS/15-16/CCS/01 Develop a new, fully integrated Working 4U service that improves customer experience and supports organisational needs		<div>50%</div>	Corporate Services
	CS/15-16/CCS/06 Implement the neighbourhood management approach across West Dunbartonshire		<div>36%</div>	Corporate Services
	CS/15-16/CCS/10 Strengthen our approach to community empowerment through a single community engagement service		<div>26%</div>	Corporate Services

	SR110 Failure to ensure positive dialogue with local citizens and communities	Current Risk Matrix	Current Rating	Last Review Date
Description	The risk is that the Council does not establish or maintain positive communications with local residents and the communities it represents	 Likelihood Impact	3	20-Nov-2015
		Target Risk Matrix	Target Rating	Target Date
Potential Effect	- Tensions develop with individuals and local community groups	 Likelihood Impact	2	31-Mar-2017
Measures of Impact	- Responsiveness to communities PI measures	Latest Note	The new approach to engagement and locality based planning / service delivery - Your Community - places dialogue with local residents at the centre of locality planning. Development of community led action plans further enhances our approach. Alongside this the embedding of the public reassurance model within the communities team increases our capacity for local 'street by street' engagement across key areas.	
Risk Factors	Lack of appropriate staff development / skills may be lacking to support new model of service delivery inequity of engagement across the partnership on key local issues council seen as unresponsive to community if feedback from engagement not acted upon apathy within communities leads to little or no engagement some community groups feel their voices are not being heard - Council's reputation is adversely affected through a failed partnership arrangement			
Internal Controls	- Ensure robust mechanisms for public feedback - roll out 'your community' model to ensure local priorities are addressed - Annual budget consultation events - Citizens Panel - Community Council arrangements - Open Forum questions at Council meetings	Managed By	Angela Wilson	
		Assigned To	Amanda Coulthard	
Risk Opportunity	- Community Empowerment and Renewal Bill - Council seen as being open, honest and transparent with the local community			
Progress of Linked Actions	CS/15-16/CCS/05 Implement a single corporate approach to performance management		43%	Corporate Services
	CS/15-16/CCS/06 Implement the neighbourhood management approach across West Dunbartonshire		36%	Corporate Services
	CS/15-16/CCS/07 Implement an accessible and customer focused model of customer service		25%	Corporate Services
	CS/15-16/CCS/09 Improve complaints processes and responsiveness leading to an outcome focused service		33%	Corporate Services
	CS/15-16/CCS/10 Strengthen our approach to community empowerment through a single community engagement service		26%	Corporate Services
	CS/15-16/FAR/07 Support the corporate drive to cashless by default		0%	Corporate Services

✓	SR112 Failure to raise attainment and improve learning	Current Risk Matrix	Current Rating	Last Review Date
Description	This risk concerns the support and encouragement of our young people to attain and achieve at the highest level. In particular, it is aimed at bridging the attainment gap and breaking the cycle of disadvantage. This also includes the focus on intervention at early years to improve life chances at all points on the learning journey. A key driver is the Council's participation in the Scottish Attainment Challenge which will be delivered over 4-years from 2015. Year 1 will focus on 4 themes - Transitions (2) (1. Nursery/Primary 2. Primary/Secondary) School Improvement Partnership Project (SIPP) & Science Technology Engineering and Maths.		3	11-Nov-2015
Potential Effect	The national expectation for education would not be delivered. Improved outcomes for young people would not be attained and achieved. The Council would fail to meet the needs of individual learners. The Service would fail to bridge the attainment gap and break the cycle of disadvantage. The Council would fail in its legal duty for the education of young people within West Dunbartonshire. There would be reputational damage to the service and the wider Council. There would be a lack of income generation from external funding sources.		1	31-Mar-2016
Measures of Impact	Examination results - HMIE inspection reports - validation reports - stakeholder feedback - local learning community attainment data - control group model - small test of change model - risk matrix model - bespoke model of intervention for young people and families at early stages to improve on attendance/lateness; social and emotional health; supports for mental health issues; parenting/behaviour management skills and early linguistic & cognitive development - pre/post intervention assessment - increased expectation of raising attainment being the responsibility of all - school to school collaboration with locally initiated bottom-up enquiry - higher level of STEM subject uptake in secondary schools - increased numbers of learners entering STEM related career pathways - standardised literacy and numeracy tests	Latest Note	A limited number of applicants have applied for the EDO and teaching posts, this has caused a slight delay to appointment of posts for the project. Staff are expected to be in post between October and mid November 2015.	
Risk Factors	Staff resources - adequate funding for projects - workforce development - effective leadership - accurate and timely data collection - accurate and timely reporting - effective communication with partners and external agencies			
Internal Controls	Raising Attainment Strategy Project management by Service Manager Raising Attainment/ Impact review Group (led by Head of Service) Termly progress reports submitted as part of Educational Service committee reports Scottish Attainment Challenge Project Board Raising Attainment specialists in each secondary school Relevant CPD programme to support education staff Lead Officer responsible for managing Multi-Agency Family Support Team Meetings between WDC and Education Scotland/HMIE Standardised data collection templates Numeracy steering group Local Authority Coordinator Partnership working with University of Glasgow Learning Community Partnership Innovation Teams	Managed By	Laura Mason	
Risk Opportunity	Improved attainment - improved attendance - reduced exclusions - reduced violent incidents - reduction requirement for targeted support over time - reduction requirement for specialist placements over time - improved learning & community engagement - children/pupils at risk identified earlier and more effectively - more empowered community providing self-sustaining peer support - increase in the percentage and range of positive destinations over time	Assigned To	Andrew Brown; Gill Graham; Julie McGrogan; Chris Smith	

Progress of Linked Actions	E/12-17/RAI/201 Implement reciprocal teaching methodology in WDC establishments		<div><div>60%</div></div>	Educational Services
	E/12-17/RAI/202 Improve identification and assessment of pupils with literacy difficulties		<div><div>0%</div></div>	Educational Services
	E/12-17/RAI/203 Implement the Transitions 1 Project		<div><div>25%</div></div>	Educational Services
	E/12-17/RAI/204 Implement the Transitions 2 Project		<div><div>40%</div></div>	Educational Services
	E/12-17/RAI/205 Design and implement the assessment and moderation strategy		<div><div>40%</div></div>	Educational Services
	E/12-17/RAI/206 Develop and deliver West Dunbartonshire model for School Improvement Partnership Projects		<div><div>40%</div></div>	Educational Services
	E/12-17/RAI/207 Implement Rights Based Learning across all establishments		<div><div>33%</div></div>	Educational Services
	E/12-17/RAI/208 Implement governance arrangements for Attendance		<div><div>100%</div></div>	Educational Services
	E/12-17/RAI/209 Implement governance arrangements for Exclusions		<div><div>0%</div></div>	Educational Services
	E/12-17/RAI/210 Implement governance arrangements for Violent Incidents		<div><div>66%</div></div>	Educational Services
	E/12-17/RAI/211 Implement the Developing the Young Workforce programme		<div><div>13%</div></div>	Educational Services
	E/12-17/RAI/212 Arrangements for new Qualifications		<div><div>50%</div></div>	Educational Services
	E/12-17/RAI/213 Implement programme to raise awareness and skill level of teaching staff in relation to raising attainment		<div><div>50%</div></div>	Educational Services
	E/12-17/RAI/214 Develop "Highly Developed Learners" procedures and protocols		<div><div>100%</div></div>	Educational Services
	E/12-17/RAI/215 Develop "Children Missing from Education" Policy & Procedure		<div><div>100%</div></div>	Educational Services
	E/12-17/RAI/216 Improve delivery of/attainment in numeracy across WDC		<div><div>50%</div></div>	Educational Services
	E/12-17/RAI/217 Early years collaborative - building the ambition		<div><div>50%</div></div>	Educational Services
	E/12-17/RAI/218 Carry out analysis of Insight data		<div><div>0%</div></div>	Educational Services
	E/12-17/RAI/219 Improve use of GL data within establishments and across LLC		<div><div>100%</div></div>	Educational Services

Risk Status	
	Alert
	High Risk
	Warning
	OK
	Unknown

Appendix 2

Last Updated: 8 October 2015

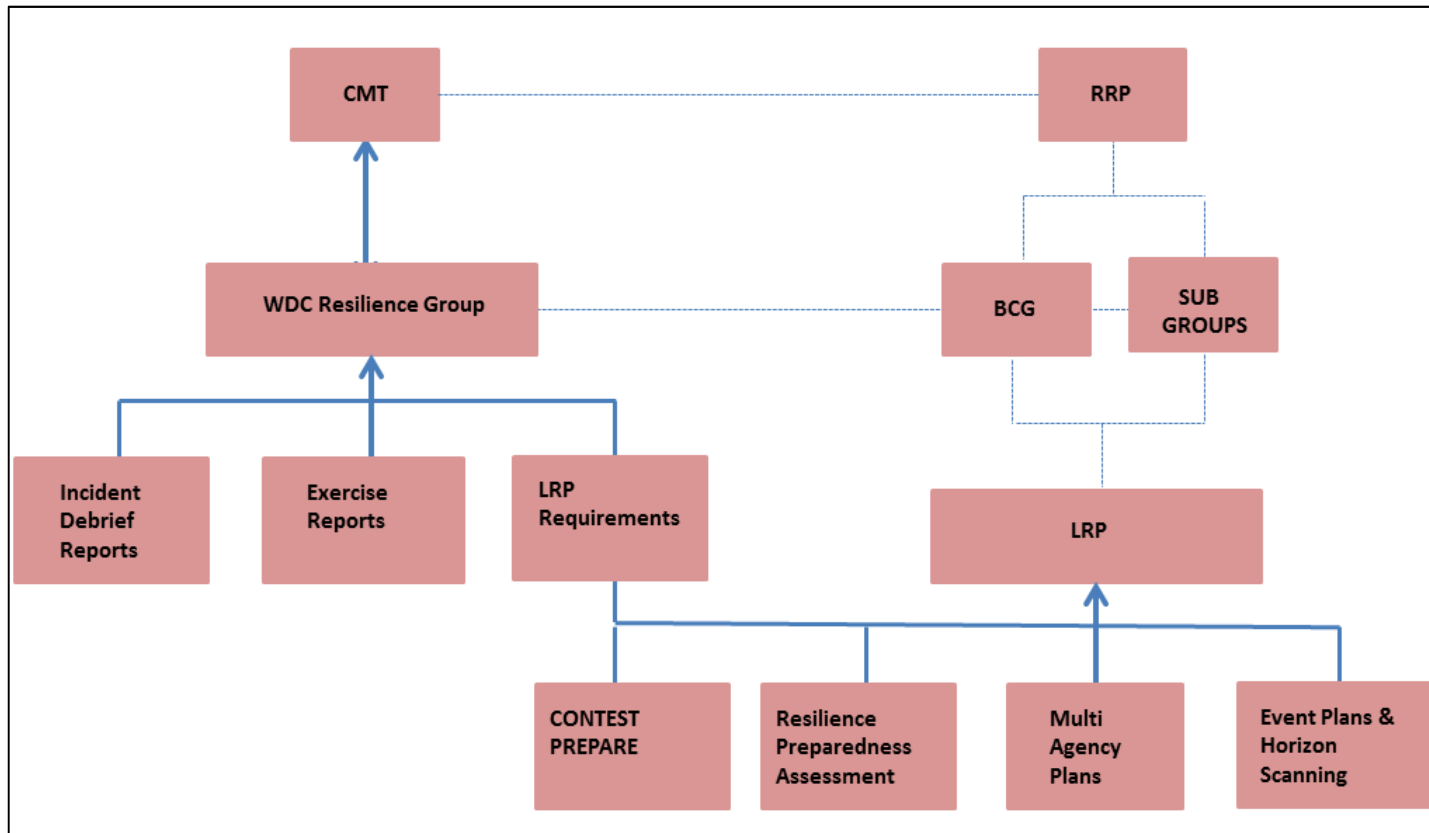
West Dunbartonshire Council Resilience Plans Review and Exercise Schedule

Serial	Level	Plan	Owner	Review Frequency	Last Updated	Last Exercise and type	Comments
STATUTORY HIGHER TIER COMAH OFF SITE MULTI AGENCY PLANS AND MAIRGS							
1	RRP	Dalmuir Warehouses	WDC	3 Yearly	Jul 13	Feb 13 (TT)	Table Top Exercise scheduled for 23 Feb 16. Plan review in Nov 15.
2	RRP	Dumbuck Warehouses	WDC	3 Yearly	Jul 13	Feb 13 (TT)	
3	RRP	NUSTAR Energy Depot	WDC	3 Yearly	Jun 14	Jan 14 (TT)	
NON STATUTORY LOWER TIER COMAH OFF SITE MULTI AGENCY MAIRGS							
4	LRP	LL Distillery	WDC	3 Yearly	Dec 14	N/A	Site unresponsive.
5	LRP	Auchentoshan	WDC	3 Yearly	Draft	N/A	
6	LRP	Dillichip Warehouses	WDC	3 Yearly	Mar 15	N/A	
NON STATUTORY CONTEST MULTI AGENCY MAIRGS							
7	LRP	Cameron House	WDC	Annual	N/A	N/A	Draft produced (Jul 15) - awaiting police comments and changes.
	LRP	Lomond Shores	WDC	Annual	N/A	N/A	
	LRP	Balloch Nightclubs	WDC	Annual	N/A	N/A	
	LRP	Cheers Nightclub	WDC	Annual	N/A	N/A	
	LRP	Clyde Shopping Centre	WDC	Annual	N/A	N/A	
	LRP	Empire Cinema	WDC	Annual	N/A	N/A	
	LRP	Golden Jubilee Hosp	WDC	Annual	N/A	N/A	
STATUTORY REGIONAL PLANS (PSR -Pipeline Safety Regulations / REPPiR - Radiological Emergencies Preparedness & Public Information Requirements)							
8	RRP	Response Arrangements (part 1 & 2)	RRP	Annual	May 14	N/A	Regularly activated for severe weather.
9	RRP	PSR (part 1 & 2)	RRP	3 Yearly	Apr 15	2011 (TT)	
10	RRP	Clydespill	RRP	3 Yearly	Ongoing	N/A	Review Ongoing
11	RRP	Mass Fatalities (Intensive)	RRP	3 Yearly	Nov 14	N/A	Upcoming Exercise Silver Swan in August 2015.

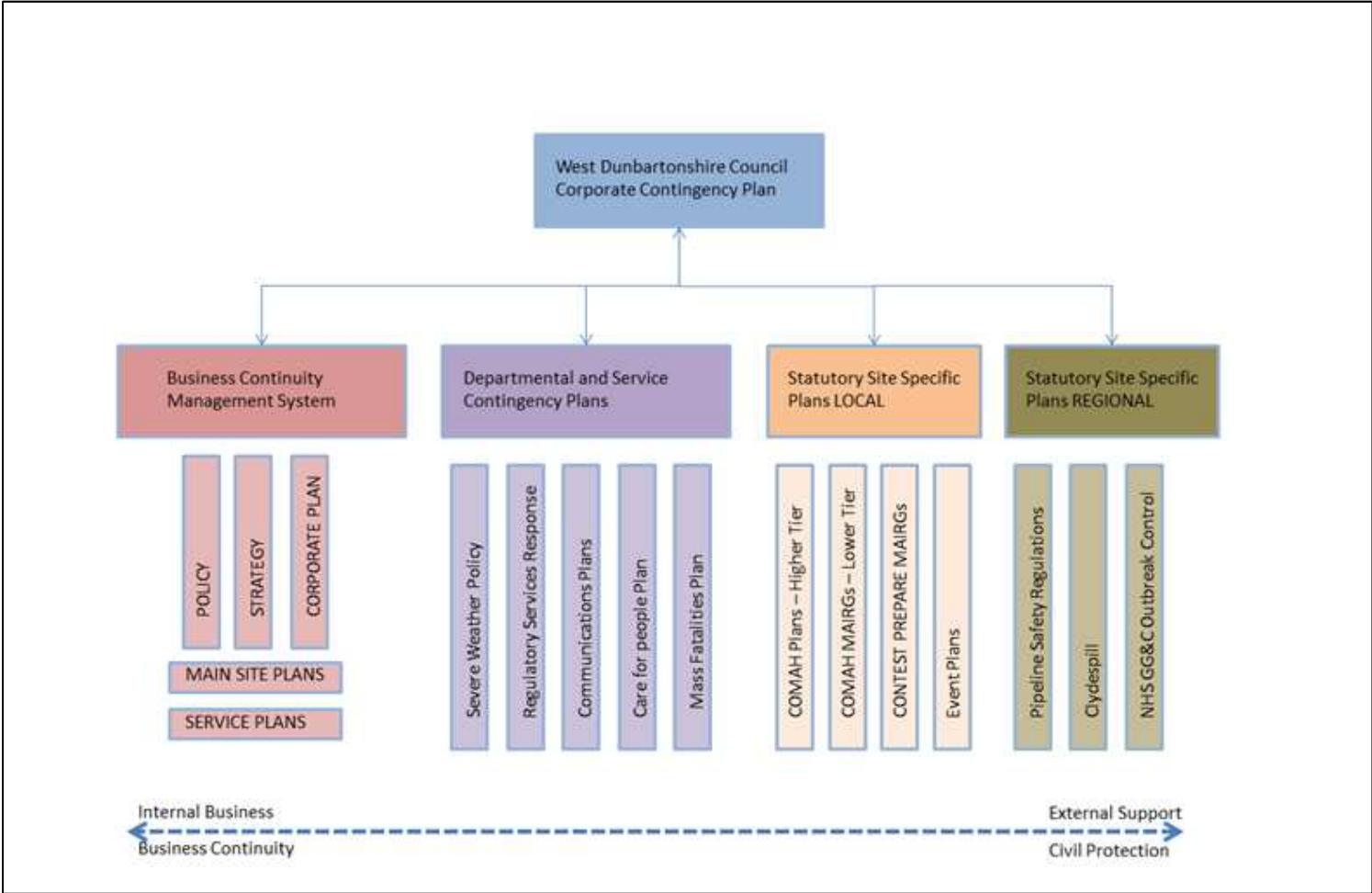
DEPARTMENTAL CONTINGENCY PLANS							
12	WDC	Corporate Contingency Plan	Resilience Officer	Annual	Jul 15	Sep 14 (TT)	
13	WDC	Regulatory Services Animal & Public Health	Reg Serv Manager	Annual	Jan 15	N/A	
14	WDC	Care for People	Resilience Officer	Annual	May 15	N/A	Complete, rest centre boxes now in place. (Jun 15)
15	WDC	Winter Maintenance Strategy	Roads Manager	Annual	Oct 15	Oct 14 (TT)	Activated regularly for snow/ice and flood seminar held in Oct 14.
16	WDC	Mass Fatalities (Extensive)	Resilience Officer	Annual	Jan 15	N/A	Exercised by Silver Swan 2015.
17	WDC	Emergency Communications	Corporate Comms Manger	Annual	Jul 15	N/A	Version 1 produced Jul 15.
BUSINESS CONTINUITY PLANS							
18	WDC	Corporate BCP	Resilience Group	Annual	Jul 15	Jan 15	CIO Training
19	WDC	Bridge Street BCP	Paula Godfrey	Annual	Nov 14		HSCP Plan Integration Required – first meeting 31/8
20	WDC	ICT	Patricia Marshall	Annual	Jan 15		
21	WDC	Contact Centre	Stephen Daly	Annual	Aug 15		
22	WDC	Home Care	Lynne McKnight	Annual	Aug 14		HSCP Plan Integration Required – first meeting 31/8
23	WDC	Regulatory Services	Graham Pollock	Annual	Apr 15		
24	WDC	Homelessness	Janice Lockhart	Annual	Aug 15		
25	WDC	Emergency Repairs	Martin Feeney	Annual	Jan 15		
26	WDC	Roads	Jack McAuley	Annual	Nov 14		
27	WDC	Criminal Justice	Norman Firth	Annual	May 14		HSCP Plan Integration Required – first meeting 31/8
28	WDC	Children's Services	Ian Smith	Annual	Feb 14		HSCP Plan Integration Required – first meeting 31/8

29	WDC	Care Home (elderly)	Managers	Annual	Apr 15		HSCP Plan Integration Required – first meeting 31/8
30	WDC	Care Home (young persons)	Managers	Annual	Jul 14		HSCP Plan Integration Required – first meeting 31/8
31	WDC	Consultancy Services (asbestos register)	John Corcoran	Annual	Jan 15		
32	WDC	Audit & Risk (Civil Contingencies)	Colin McDougall	Annual	Nov 14		
33	WDC	Business Support (Payroll / SWF)	Arun Menon	Annual	Nov 14		
34	WDC	Educational Services	Laura Mason	Annual	Nov 14		
35	WDC	Building Control	Pamela Clifford	Annual	Apr 15		
36	WDC	Learning Difficulties Supported Accom	David Elliot	Annual	May 14		HSCP Plan Integration Required – first meeting 31/8
37	WDC	Democratic Services and Elections	George Hawthorn	Annual	Apr 15		Elections Updates / Dem Serv follow up ongoing
38	WDC	Corporate Comms	Malcolm Bennie	Annual	Apr 15		
39	WDC	Finance (municipal bank)	Gillian McNeilly	Annual	Jun 14		Follow Up Ongoing

Relationship between WDC, LRP and RRP (including constituent sub groups).



Hierarchy of Contingency Plans within West Dunbartonshire Council.



WEST DUNBARTONSHIRE COUNCIL**Report by Executive Director Corporate Services****Audit and PR Committee: 9 December 2015**

Subject: Scottish Public Services Ombudsman Complaints Report 2014/15**1. Purpose**

- 1.1** The purpose of this report is to present the Scottish Public Services Ombudsman (SPSO) report on complaints handling by West Dunbartonshire Council for the year 1 March 2014 – 31 March 2015.

2. Recommendations

- 2.1** It is recommended that Committee notes the content of the report.

3. Background

- 3.1** West Dunbartonshire Council adopted the SPSO complaint handling model, operating in line with all other Local Authorities, on 1st April 2013. This ensures centralised complaint handling and data capture for all Council services with the exception of the Health & Social Care Partnership (HSCP). SPSO remain in discussion with HSCP and the Scottish Government regarding engagement on a national basis. Statutory appeals and reviews, such as planning decision appeals, continue to be directed to the relevant decision making body and are not processed through the SPSO office.
- 3.2** The two stage process for handling complaints is now widely understood by both customers and staff. Centralised complaints handling ensures the process is open and ensures a more transparent and fair delivery of service. Clarity, achieving time standards and regular contact with customers supports a culture that welcomes and values complaints, providing valuable information that can be used to improve processes, service planning and customer satisfaction. Customers who remain dissatisfied with the final outcome of their complaint are openly directed to the SPSO to have their case considered for review.
- 3.3** In addition to the SPSO reviewing cases, customers who own their properties and remain dissatisfied with the outcome of their complaint are also given information on the Homeowners Housing Panel (HOHP). The HOHP is a devolved Scottish Tribunal set up under the Property Factors (Scotland) Act 2011. It is an independent and impartial judicial body whose function is to review complaints from homeowners who consider their property factor has failed to carry out their factoring duties or failed to comply with the Property Factors' Code of Conduct.

- 3.4** West Dunbartonshire continues to fully participate as a member of the Local Authority Complaint Handlers Network (CHN) which is chaired by North Lanarkshire Council. Meetings are held quarterly and provide an opportunity for members to continuously review and improve complaints handling processes/standards, statistical data recording and share good practice in complaints handling. SPSO are a key member of the group and are represented at each of the meetings. The CHN has developed benchmarking criteria based on the reporting requirements from the Complaints Handling Model and this continues to be reviewed and discussed at meetings. A knowledge hub for members was established during 2013/14 and this continues to develop. It allows information and updates to be shared outwith meetings and is an excellent channel for practitioners to learn/improve from experiences.

4. Main Issues

- 4.1** The SPSO delivers each local authority with an annual report detailing the number of complaints reported to its office. **Appendix 1** details complaints received by the SPSO in relation to West Dunbartonshire Council in 2015/15.
- 4.2** The SPSO received 37 complaints regarding West Dunbartonshire Council in 2014/15 compared to 26 in the previous year. Of the 37 complaints, 15 were deemed as premature, terminology used by the SPSO when the complaint has not exhausted the Councils complaints process.

Of the remaining 22 SPSO complaints, 3 complaints reached the investigation stage of which 2 complaints were not upheld while 1 was fully upheld.

All other complaints were considered to be matters outwith the jurisdiction of the SPSO or closed as no outcome was achievable for the customer or the Council.

- 4.4** As outlined in **Appendix 2**, the Council handled 772 complaints in 2014/15. Of these 734 were closed within 2014/15, and form the basis of this annual report. The remaining 38 were closed in 2015/16 and will therefore be included in the report relating to 2015/16. Of the 734 complaints closed, 86% were resolved within SPSO timescales.
- 4.5** As can be seen from the breakdown, the preferred methods of registering a complaint are by online complaints form or telephone with these methods accounting for 62% of all complaints received.
- 4.6** From the detailed breakdown of complaints for 2014/15 the majority of complaints received relate to Corporate Services (38%) and Housing, Environment and Economic Development (54%). The most common complaint category, which relates to citizen expectations on quality of service, accounts for 52% of complaints received, followed by citizen expectations on timescales at 13%.

- 4.7** **Appendix 3** shows the 23 formal complaints received by West Dunbartonshire Health and Social Care Partnership. Of these complaints, 7 were justified, 6 were part justified, 9 were unjustified and 1 was unsubstantiated.
- 4.8** A key requirement of the Complaints Handling Process is that we publish our annual complaints statistics and learning outcomes. The learning from our complaints should be evidenced by changes in policy/process/practice and Directorates will be asked to incorporate this information into service and departmental planning processes for the purpose of reporting and publishing.
- 4.9** Complaints information is used to inform annual planning at a service and department level, to ensure that the learning informs a continuous improvement approach to planning. On top of this work is currently underway to report complaints on the service and directorate performance dashboards currently used across the organisation. This will give assurance that learning from complaints remains a key focus.
- 4.10** SPSO have advised they are making two changes to how they interact with organisations to improve efficiency, encourage real organisational learning and reduce the incidence of repeat failings.
- 4.11** Once these changes have been implemented organisations will be required, as part of their response to SPSO, to provide assurance we have complied with all aspects of the Complaints Handling Process when handling the original complaint.
- 4.12** The second change is in relation to decisions from SPSO where they have made recommendations. Organisations will be required to provide more detailed information to evidence SPSO recommendations have been addressed and any systemic issues have been addressed with the aim of demonstrating genuine learning. This will include case studies and examples of how lessons learned have informed service improvement. This will be evident through the Annual Complaints report from 2015/16 onwards.
- 4.13** A link to the SPSO Annual Report can be found here www.spsos.org.uk/annual-reports

5. People Implications

- 5.1** There are no people implications arising from this report.

6. Financial Implications

- 6.1** There are no financial implications arising from this report.

7. Risk Analysis

- 7.1** There is a reputational risk of not responding to complaints within defined time periods within the two stage process. Escalation to SPSO and thereafter Audit

Scotland would be the customer's next stage of complaint if we fail to deliver on the timescales for responding to complaints. Equally, escalation to HOHP would be appropriate for dissatisfied homeowners.

8. Equalities Impact Assessment (EIA)

- 8.1** The two stage process has been equality impact assessed at a National level. Locally, all aspects have been considered and assistance to navigate the complaints process is available for all customers.

9. Consultation

- 9.1** Not applicable to this report.

10. Strategic Assessment

- 10.1** Effective complaints handling contributes to all five Council strategic priorities.

Angela Wilson

Angela Wilson
Executive Director
Corporate Services

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Appendices: Appendix 1 - SPSO complaints Data
Appendix 2 - Summary of Council Complaints 2014/15
Appendix 3 - Summary of HSCP Complaints 2014/15

Background Papers: None

Wards Affected: All Wards

TABLE 1
Complaints Received by Subject 2014-15

Subject Group	West Dunbartonshire Council	Rank	Complaints as % of total	Sector Total	Rank	Complaints as % of total
Housing	19	1	51.4%	468	1	24.9%
Social Work	6	2	16.2%	253	2	13.5%
Finance	5	3	13.5%	174	4=	9.3%
Education	3	4	8.1%	174	4=	9.3%
Roads & Transport	2	5	5.4%	119	7	6.3%
Environmental Health & Cleansing	1	6=	2.7%	148	6	7.9%
Legal & Admin	1	6=	2.7%	76	8	4.0%
Planning	0	-	0.0%	217	3	11.5%
Building Control	0	-	0.0%	61	9	3.2%
Land & Property	0	-	0.0%	29	10	1.5%
Recreation & Leisure	0	-	0.0%	24	11	1.3%
Other	0	-	0.0%	21	12	1.1%
Welfare Fund - Community Care Grants	0	-	0.0%	14	13	0.7%
Welfare Fund - Crisis Grants	0	-	0.0%	12	14	0.6%
Personnel	0	-	0.0%	10	15	0.5%
Economic Development	0	-	0.0%	8	16=	0.4%
Consumer Protection	0	-	0.0%	8	16=	0.4%
Valuation Joint Boards	0	-	0.0%	6	18	0.3%
Fire & Police Boards	0	-	0.0%	4	19	0.2%
National Park Authorities	0	-	0.0%	3	20	0.2%
Subject Unknown or Out Of Jurisdiction	0	-	0.0%	51	-	2.7%
Total	37	-	100.0%	1,880	-	100.0%
Complaints as % of Sector		2.0%		100.0%		

Complaints Received by Subject 2013-14

Subject Group	West Dunbartonshire Council	Rank	Complaints as % of total	Sector Total	Rank	Complaints as % of total
Housing	13	1	50.0%	446	1	25.5%
Finance	4	2	15.4%	173	4	9.9%
Legal & Admin	3	3=	11.5%	75	8	4.3%
Land & Property	3	3=	11.5%	28	11	1.6%
Building Control	2	5	7.7%	62	9	3.5%
Environmental Health & Cleansing	1	6	3.8%	98	7	5.6%
Social Work	0	-	0.0%	229	2	13.1%
Planning	0	-	0.0%	223	3	12.7%
Education	0	-	0.0%	171	5	9.8%
Roads & Transport	0	-	0.0%	119	6	6.8%
Recreation & Leisure	0	-	0.0%	30	10	1.7%
Welfare Fund - Community Care Grants	0	-	0.0%	10	12=	0.6%
Valuation Joint Boards	0	-	0.0%	10	12=	0.6%
Other	0	-	0.0%	9	14	0.5%
Consumer Protection	0	-	0.0%	8	15	0.5%
Personnel	0	-	0.0%	7	16	0.4%
Welfare Fund - Crisis Grants	0	-	0.0%	6	17	0.3%
Economic Development	0	-	0.0%	3	18=	0.2%
Fire & Police Boards	0	-	0.0%	3	18=	0.2%
National Park Authorities	0	-	0.0%	2	20	0.1%
Subject Unknown or Out Of Jurisdiction	0	-	0.0%	38	-	2.2%
Total	26	-	100.0%	1,750	-	100.0%
Complaints as % of Sector		1.5%		100.0%		

TABLE 2
Complaints Determined by Outcome

		2014-15		2013-14	
Stage	Outcome Group	West Dunbartonshire Council	Sector Total	West Dunbartonshire Council	Sector Total
Advice	Not duly made or withdrawn	8	380	7	328
	Out of jurisdiction (discretionary)	0	29	0	56
	Out of jurisdiction (non-discretionary)	0	25	2	42
	Outcome not achievable	0	42	2	129
	Premature	15	713	5	659
	Resolved	0	4	0	6
	Total	23	1,193	16	1,220
Early Resolution 1	Not duly made or withdrawn	0	36	1	36
	Out of jurisdiction (discretionary)	1	56	0	57
	Out of jurisdiction (non-discretionary)	4	140	5	110
	Outcome not achievable	4	107	0	40
	Premature	0	42	0	33
	Resolved	0	35	0	18
	Total	9	416	6	294
Early Resolution 2	Fully upheld	0	33	0	31
	Some upheld	0	18	0	25
	Not upheld	2	56	1	50
	Not duly made or withdrawn	0	0	0	1
	Resolved	0	3	0	4
	Total	2	110	1	111
Investigation 1	Fully upheld	1	28	1	20
	Some upheld	0	26	0	39
	Not upheld	2	63	0	60
	Not duly made or withdrawn	0	1	0	2
	Resolved	0	1	0	1
	Total	3	119	1	122
Investigation 2	Fully upheld	0	3	0	0
	Some upheld	0	1	0	0
	Not upheld	0	0	0	0
	Total	0	4	0	0
Total Complaints		37	1,842	24	1,747
Total Premature Complaints		15	755	5	692
Premature Rate		40.5%	41.0%	20.8%	39.6%
Fit for SPSO Total (ER2, Inv1 & Inv2)		5	233	2	233
Total Cases Upheld / Some Upheld		1	109	1	115
Uphold Rate (total upheld / total fit for SPSO)		20.0%	46.8%	50.0%	49.4%

	Complaints Recieved				
Yearly 2014 -2015					
	Complaints Recieved	Complaints Recieved Stage 1	Complaints Received Stage 2	Total Complaints closed	Closed at Stage 1
Corporate Services	296	272	24	297	273
Education	50	39	11	43	32
HEEDS	418	355	63	387	330
Leisure Trust	8	8	0	7	7
TOTALS	772	674	98	734	642
Complaint Category			Upheld per category Stage 1	Upheld per Stage 2	
Below declared service standard		39	39		
Citizen expectation not met - quality of service		405	126		
Citizen expectation not met – timescales		104	44		
Council policy – charges		16	0		
Council policy – does not meet criteria		39	1		
Council policy – level of service provision		9	1		
Delay in service delivery		9	7		
Employee behaviour		98	27		
Error in Service Delivery		33	22		
Failure to deliver service		15	8		
Service standards not declared		0	0		
Contractor		5	1		
Total		772	276		

Complaints closed							Outcome	
Closed within 5 Working Days	Extension Stage 1	Total working days to close Stage 1 complaints	Closed at Stage 2	Closed within 20 working days	Extension Stage 2	Total working days to close Stage 2 complaints	Upheld Stage 1	Not Upheld Stage 1
222	26	923	24	15	5	517	105	168
19	6	231	11	9	1	186	23	9
192	83	2586	57	40	9	1217	145	185
4	2	50	0	0	0	0	3	4
437	117	3790	92	64	15	1920	276	366
category	Channel Received							
0	E-mail						159	
16	Online Complaints form						262	
3	Internal Complaints form						58	
0	In Writing						56	
0	By telephone						215	
0	Face to Face						22	
1	Total						772	
0								
1	Performance							
3	% of complaints closed within SPSO timescales						86%	
0	% of Stage 1 complaints upheld						43%	
0	% of Stage 2 complaints upheld						26%	
24	Percentage of complaints escalated to stage 2						4	

		SPSO
Upheld Stage 2	Not upheld Stage 2	SPSO Enquires
9	15	0
2	9	0
13	44	0
0	0	0
24	68	0

WDCHP Complaints Report 2014/15
SMT Year End Report

1. Background

This report has been designed to highlight WDCHCP performance in complaints management, to identify any trends and to promote learning within the Partnership.

2. Main Issues:

There were **23** formal complaints received within the Partnership. Of these:

7 were justified / fully upheld

6 were part justified / part upheld

9 were unjustified / not upheld

1 was unsubstantiated

0 were withdrawn

0 are ongoing

0 consent not received

WDC Complaints Policy	
Fully Upheld	7
Partially Upheld	6
Not Upheld	9
Unsubstantiated	1
Withdrawn	0
Ongoing	0
Consent not received	0

These 23 complaints received relate to the following service areas and are categorised under the particular organisational complaint policy that was subsequently followed.

WDC Complaints Policy	
Children's Services	10
Children's Residential	1
Mental Health	2
Care at Home	1
Community Care	2
Care Contract Team	3
Physical Disability	2
Learning Disability	1
Clydebank Addiction Services	1
	23

3. What this means for WDCHCP:

Robust internal management processes ensure that complaints received are managed timeously and any learning from these are shared across relevant services. The following tables provide a summary of individual complaints and any actions plus learning identified where this is relevant

