

# WEST DUNBARTONSHIRE COUNCIL

## Report by Chief Executive

Council: 28 September 2011

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**Subject: Shared Risk Assessment - Assurance and Improvement Plan 2011-14**

### **1 Purpose of Report**

**1.1** This report presents to members an updated Assurance and Improvement Plan (AIP) scorecard report for 2011/12 which is attached at Appendix 1.

### **2 Background**

**2.1** In response to comments from Councils over several years about the burden of the scrutiny regime in place, Professor Lorne Crerar was commissioned to conduct a review of regulation, audit, inspection and complaints handling of public services in Scotland. Following this review it was determined that scrutiny of public services needed to be streamlined.

**2.2** The result is that, in common with all 32 Councils, the scrutiny bodies operating in West Dunbartonshire Council (WDC) have adopted a shared risk assessment and the output from this collaborative approach is the Assurance and Improvement Plan (AIP).

**2.3** The AIP draws on the work and experience of a number of scrutiny bodies including:

- Audit Scotland
- Care Commission
- HM Inspectorate of Education
- Scottish Housing Regulator
- Social Work Inspection Agency
- KPMG, External Auditor

**2.4** The objectives of this collaborative approach are to maximise the efficiency and effectiveness of scrutiny work and minimise the impact of scrutiny activity on the Council.

**2.5** The first AIP for WDC was published in July 2010, setting out the planned scrutiny for the Council for the period April 2010 to March 2013 based on a scrutiny risk assessment undertaken by a local area network (LAN) made up of representatives of all of the main local government audit and inspection agencies.

**2.6** The LAN reconvened in January 2011 in order to update the AIP, revise the risk assessment and consider the level of scrutiny required for the Council. The updated AIP has drawn on evidence from a number of sources, including the following 2010/2011 planned activity:

- Annual Report to Members from the External Auditors
- Review of progress on Best Value improvement actions by External Auditors
- SWIA follow up inspection
- Care Commission's inspection of Adoption and Fostering Services and the programme of inspections of regulated care services for adults and children
- Review of performance, including Single Outcome Agreement performance and SPIs and outcomes of establishment level inspection work

The AIP for 2011/12 was initially brought to Council at the meeting on 29 June 2011 and this is the first quarterly update report.

### **3 Main Issues**

#### **3.1 Scrutiny Risk**

**3.1.1** The AIP sets out the planned scrutiny activity for West Dunbartonshire Council for the period April 2010 - March 2013 based on the scrutiny risk assessment of the Council. Scrutiny risk is the risk that will trigger scrutiny activity and not the inherent risk for example as in the risk of harm to an individual. Risk is defined as:

- “Red”, where there are significant concerns which would indicate the need to undertake some scrutiny activity in order to provide public assurance. WDC has one “red” areas in the 2011 assessment (see paragraph 3.2.1 below);
- “Amber”, where there are areas of uncertainty or gaps in the information available to determine whether or not scrutiny is necessary. WDC has seven “amber” areas in the 2011 assessment (see paragraph 3.3.1 below); and
- “Green”, where there are no significant concerns.

#### **3.2 Area of Significant Risks and Concerns**

**3.2.1** One area of significant risks and concerns was identified in the 2011 assessment:

- Outcomes relating to *regenerating and growing the local economy*

#### **3.3 Areas of Uncertainty**

**3.3.1** Seven areas of uncertainty were identified in 2011:

- *Affordable and sustainable housing*
- *An Improving Council*
- *Performance management and improvement*
- *Use of Resources – assets*
- *Vision and strategic direction*
- *Use of resources – financial management*
- *use of resources – financial outlook*

### 3.4 National risk priorities



3.4.1 A number of core national risk priorities are being applied to all 32 Councils, these being:




<u>Area</u>	<u>WDC Risk Assessment</u>
The protection and welfare of vulnerable people (children and adults)	No significant risk
Assuring public money is being used properly	Area of uncertainty
The council's response to the challenging financial environment	Area of uncertainty

### 3.5 Council Response

#### Assurance and Improvement Plan Scorecard






- 3.5.1 Departments have already identified through their departmental planning process actions to deliver on these key areas referred to at paragraphs 3.2.1 and 3.3.1 and the strategic / high level elements of these have been brought together in an AIP scorecard report for 2011/12, with the quarterly update attach at Appendix 1 of this report.
- 3.5.2 The focus of the AIP is on the one “red” and seven “amber” areas. However, Executive Directors have been asked to ensure that appropriate actions are contained within their service plans to ensure that the remaining 20 areas continue to be assessed as having no significant risk, i.e. “green” status.
- 3.5.3 For 2011/12, Audit Scotland have confirmed that WDC can merge the Best Value Improvement Plan into the Assurance and Improvement Plan, so that only one scorecard report rather than the previous two reports is now required in Covalent.
- 3.5.4 The status column in Appendix 3 and the tables shown below provide a visual aid to assessing the status of each action, i.e.:

Action Status	
	Cancelled
	Overdue; No longer assigned

	Unassigned; Not Started; Check Progress
	Resuming; In Progress; Assigned
	Completed






**3.5.5** Table 1 below summarises the status of actions across the one “red” areas and seven “amber” areas referred to respectively at paragraphs 3.2.1 and 3.3.1 above:

**Table 1**

<b>Action Status</b>						
<b>Area</b>	<b>Category</b>	<b>Page Refs. in App. 1</b>	Green  	Amber 	Red  	<b>Total</b>
<b><u>1 – Outcome Assessment</u></b>						
1.1 Regenerating & Growing Our Local Economy	Significant risks and concerns	1 to 6	7	0	0	7
1.2 Affordable and sustainable housing	Area of uncertainty	7 to 8	3	0	0	3
1.3 An Improving Council	Area of uncertainty	9 to 14	8	0	0	8
<b>Total</b>			<b>18</b>	<b>0</b>	<b>0</b>	<b>18</b>
<b><u>2 – Corporate Assessment</u></b>						
2.1 Vision & Strategic Direction	Area of uncertainty	14 to 19	8	0	0	8
2.2 Performance Management & Improvement	Area of uncertainty	19 to 24	9	0	0	9
2.3 Use of Resources – Financial Outlook	Area of uncertainty	25 to 28	3	0	0	3
2.4 Use of Resources – Financial Management	Area of uncertainty	29 to 31	4	0	0	4
2.5 Use of Resources – Assets	Area of uncertainty	31 to 38	8	0	0	8
<b>Total</b>			<b>32</b>	<b>0</b>	<b>0</b>	<b>32</b>
<b>OVERALL TOTAL</b>			<b>50</b>	<b>0</b>	<b>0</b>	<b>50</b>

**3.5.6** Table 2 below summarises the status of actions across the three core national priorities referred to at paragraph 3.4.1 above.

**Table 2**

<b>Action Status</b>						
<u>Area</u>	<u>Category</u>	<u>Page Refs. in App. 1</u>	Green  	Amber 	Red  	<b>Total</b>
<b><u>3 – National Risk Priorities</u></b>						
3.1 The protection and welfare of vulnerable people (children and adults)	No significant risk	39	2	0	0	2
3.2 Assuring public money is being used properly	Area of uncertainty	39	1	0	0	1
3.3 The council's response to the challenging financial environment	Area of uncertainty	40	1	0	0	1
<b>Total</b>			<b>4</b>	<b>0</b>	<b>0</b>	<b>4</b>

**3.5.7** The next quarterly update will be provided to the December Council meeting.

#### **4. People Implications**

**4.1** There are no people implications.

#### **5. Financial Implications**

**5.1** A budget of £20,000 has been set aside for Best Value related activity during 2011/12, against which expenditure to date has been as follows:

	<b>£</b>
Quality Scotland	4,260
Senior Manager Network	115
Other	5
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	<b>£4,380</b>
	=====

## **6. Risk Analysis**

**6.1** The Strategic Leadership Group recently held a session at which the Council's strategic risks were re-evaluated. Following discussions, five strategic risk themes were identified, one of which is "External Scrutiny", reflecting the Council's commitment to the local government inspection process.

## **7. Equalities, Health & Human Rights Impact Assessment (EIA)**

**7.1** No issues are identified at this stage regarding potential equality impact of this action plan.

## **8. Strategic Assessment**

**8.1** The strategic priorities for 2011/12 of social and economic regeneration, financial strategy, asset management and fit for purpose services were agreed by Council on 25 May 2011. The Council's Assurance and Improvement Plan for 2011-12 focuses on the "red" and "amber" areas identified in the shared risk assessment process. These areas cover elements of all four of the new strategic priorities.

## **9. Conclusions and Recommendations**

**9.1** Members are asked to review and comment on the progress of the Assurance and Improvement Plan for 2011/12.

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**David McMillan**  
**Chief Executive**  
**Date: 20 September 2011**

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**Appendix 1:** Assurance and Improvement Plan Update for 2011/12 –  
Scorecard Report

**Background Reports:** West Dunbartonshire Council (29 June 2011)  
Report to Council Shared Risk Assessment -  
Assurance and Improvement Plan 2011-14

**Wards Affected:** All