

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Executive

Council: 23 February 2011

Subject: Shared Risk Assessment - Assurance and Improvement Plan

1 Purpose of Report

- 1.1** This report presents to members an updated Assurance and Improvement Plan (AIP) scorecard report which is attached at Appendix 2.

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.

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

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

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.

- 2.2** The AIP was first brought to Council at the meeting on 25 August 2010ⁱ. An update was provided to the Improvement & Efficiency Executive meeting on 30 September 2010 and to Council at the meeting on 27 October 2010.ⁱⁱ

3 Main Issues

3.1 Scrutiny Risk

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 (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 (see paragraph 3.3.1 below); and
- Green, where there are no significant concerns.

Elected Members are reminded that, when the first shared risk assessment was carried out in 2010, West Dunbartonshire Council had three “red” areas (see paragraph 3.2.1) and four “amber” areas (see paragraph 3.3.1).

3.2 Areas of Significant Risk

3.2.1 Three areas of significant risk were identified in the assessment of West Dunbartonshire Council in 2010:

- Outcomes relating to regenerating and growing the local economy – given the social and economic context of West Dunbartonshire, economic regeneration is a significant priority. Indicators suggest a mixed picture of progress and the economic downturn has impacted on major regeneration projects.
- Vision and strategic direction – there is continued concern with the strategic leadership of the council, with this limiting progress with improvement and impacting on decision making. This is of particular concern given the council’s financial position and the requirement to make difficult decisions in 2010/11 and beyond to achieve the savings required.
- Financial resources – Longer term financial planning is developing, but the Council faces significant financial pressures.

3.3 Areas of Uncertainty

3.3.1 Four areas of uncertainty were identified in 2010:

- Health & Wellbeing - The lack of performance data on this priority area makes an overall risk assessment of the progress being made by the Council and its partners difficult.
- An Improving Council - The Council has made improvements but the pace of change is slow.
- Performance Management and Improvement – Customer focus varies across services and requires further development at the corporate level. Performance management arrangements are developing but the process of agreeing a revised Best Value Improvement Plan has been slow.
- Use of Resources – Assets - The council faces challenges in rationalising its schools estate and its ability to realise funds from surplus assets will be difficult in the current economic climate.






3.4 Council Response

Key Achievements During 2010/11






- 3.4.1 Attached at Appendix 1 to this report is a list of key achievements across the Council during 2010/11, mainly categorised over the three “red” and the four “amber” scrutiny risk areas.

Assurance and Improvement Plan Scorecard

- 3.4.2 Departments have already identified through their departmental planning process actions to deliver on these key areas of concern and these have been brought together in an AIP scorecard report which is attached at Appendix 2 of this report.
- 3.4.3 The status column in Appendix 2 provides 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

3.4.4 The table below summarises the status of actions across the three “red” areas and four “amber” areas referred to respectively at paragraphs 3.2.1 and 3.3.1 above:

Action Status						
<u>Outcome area</u>	<u>Category</u>	<u>Page Refs. in App 2</u>	Green  	Amber 	Red  	Total
1 – Risk Assessment						
1.1 Health & Well-being	Area of uncertainty	1 to 4	4 [3]	0	0	4
1.2 Regenerating & Growing Our Local Economy	Significant risk	4 to 8	5 [3]	1	0	6
1.3 An Improving Council	Area of uncertainty	8 to 11	2 [1]	1	0	3
2 – Corporate Assessment						
2.1 Vision & Strategic Direction	Significant risk	11 to 18	11 [4]	1	0	12
2.2 Performance Management & Improvement	Area of uncertainty	18 to 30	18 [7]	1	0	19
2.3 Use of Resources - Finance	Significant risk	30 to 31	2 [1]	0	0	2
2.4 Use of Resources - Assets	Area of uncertainty	32 to 35	3 [1]	0	0	3
TOTAL			45 [20]	4	0	49

3.4.5 Of the 45 actions in the “green” column, 20 have been fully completed, as indicated by the numbers in “[]”.

3.5 Meeting with Audit Scotland – 24 January 2011

3.5.1 On 24 January 2011, the CMT met with Audit Scotland. The purpose of this meeting was to provide an update on the Shared Risk Assessment approach for 2011/12. Audit Scotland is in the process of finalising a report on this matter which it is anticipated will be made available in mid February. The CMT was advised at this meeting that:

- For 2011/12, the Council can merge the Best Value Improvement Plan into the Assurance and Improvement Plan, so that only one scorecard report rather than the current two will be required in Covalent. It should be noted that 8 of the 14 individual actions shown in the BVIP also appear in the AIP which demonstrates that there is already a significant degree of overlap between the two documents.
- The BV2 audit of West Dunbartonshire Council, previously scheduled for 2011/12, will now not take place until 2012/13.

3.5.2 The above information is included within the report entitled “Best Value Improvement Plan 2010/11” which has also been submitted to this Council meeting.

3.5.3 The Assurance and Improvement Plan for 2011/12 will be reviewed when Audit Scotland’s report is made available.

4. People Implications

4.1 There are no people implications.

5. Financial Implications

5.1 For financial year 2010/11, a budget of £108,500 has been set aside for improvement activities associated with the Best Value Improvement Plan. It is anticipated that any costs specifically associated with the AIP will be met from this within this budget, although to date there has been no expenditure incurred that has been directly related to the AIP.

6. Risk Analysis

6.1 Strategic Risk SR012 (Poor reports from external sources) currently has a score of 6 (significant impact, likely to occur). The target is to reduce the overall score to 4. Scrutiny by Elected Members of the AIP is a key component of meeting this risk reduction target.

6.2 A review of Strategic Risk SR012 will take place after Audit Scotland’s report on the Shared Risk Assessment approach for 2011/12 has been received.

7. Equalities Impact

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

8. Conclusions & Officer’s Recommendations

8.1 Members are asked to note the progress that has been made across the Council during 2010/11, per Appendix 1, in relation to the areas of concern as identified in the first Shared Risk Assessment, issued in June 2010.

8.2 Members are asked to review and comment on the progress of the Assurance and Improvement Plan.

8.3 Members are asked to note that for 2011/12 the actions for the Best Value Improvement Plan will be merged into the Assurance and Improvement Plan.

8.4 Members are asked to note that the BV2 audit of West Dunbartonshire Council, previously scheduled for 2011/12, will now not take place until 2012/13.

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Date: 11 February 2011

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Appendix 1: Key Achievements During 2010/11
Appendix 2: Assurance and Improvement Plan

Background Reports: See link below

Wards Affected: All

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- i [West Dunbartonshire Council \(25 August 2010\). Report to Council - Shared Risk Assessment: Assurance and Improvement Plan](#)
 - ii [West Dunbartonshire Council \(27 October 2010\). Report to Council - Shared Risk Assessment: Assurance and Improvement Plan](#)