

# Shared risk assessment: Assurance and improvement plan 2011–14

Moray Council



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## Assurance and Improvement Plan

### Update 2011–14

#### Introduction

1. The Assurance and Improvement Plan (AIP) for The Moray Council was published in July 2010. It set out the planned scrutiny activity for the council for the period April 2010 to March 2013 based on a shared risk assessment (SRA). As part of the process of ongoing scrutiny based on current risk assessments, the Local Area Network (LAN) met in December 2010 to update the AIP, revise its assessment and reconsider the level of scrutiny required for the council. This update report summarises areas of ongoing risks and uncertainties, any changes to risk assessments, scrutiny responses and illustrations of good practice. It also includes a revised timetable for proposed scrutiny activity at Appendix 1.
2. The updated SRA for 2011/12 remains largely unchanged from the previous year. A key contextual development has been the decision by the UK government, further to the Strategic Defence Review to close RAF Kinloss. There also continues to be uncertainty about the future of RAF Lossiemouth. The detailed implications of this for both the local economy and for the council's workforce and workforce strategy are still being quantified. The council was an Independent administration with a small majority, but is now a minority independent administration. This can make agreeing and progressing council priorities challenging.
3. All local government scrutiny bodies have agreed the definition of shared risk assessment as:  
***'A joint approach using key information about local government to plan scrutiny activity that is proportionate and based on risk'***

When we determine 'risk' we mean risk that will trigger scrutiny work and not inherent risk for example as in the risk of harm to an individual. We define risk as:

- Red, where there are significant concerns which would indicate that we would need to undertake some scrutiny activity in order to provide public assurance.
- Amber, where there are areas of uncertainty or gaps in the information available to us to determine whether or not we need to undertake some scrutiny activity.
- Green, where we have no significant concerns.

#### Areas of on-going risks and uncertainties

4. The following table shows where risks or uncertainties identified in the 2010/11 AIP remain unchanged.

| Area                              | R/A/G  | 2011/12 Update  |
|-----------------------------------|--|---|
| Outcomes                          | <b>Uncertainty</b>                                       | We have noted an overall improvement in the council's ability to demonstrate the impact its is making in delivering its priorities. However, there remain a number of areas, for example for economic impact and for the resilience of its communities where there remains insufficient evidence to cover the breadth of some outcomes (see paragraph 11 for details of planned scrutiny)   |
| Services                          | <b>No significant concerns</b><br><br><b>Uncertainty</b> | For 2010/11, the SRA concluded that services were generally performing to an acceptable level and where performance was less good this was being managed. This remains the case.<br><br>Within some services there were elements which were identified as areas of uncertain scrutiny risk. These were the homelessness service and criminal justice social work and some focused scrutiny work has been planned for 2011/12. The council is required to report to the Scottish Housing Regulator (SHR) in April 2011 on its progress in implementing its homelessness improvement plan. SWIA (Social Work Inspection Agency) will consider criminal justices services as part of its ISLA (Initial Scrutiny Level Assessment) in May 2011  |
| Political leadership              | <b>Significant concerns</b>                              | Best value scrutiny activity was undertaken in June 2010 by Audit Scotland (in collaboration with HMIE). This found that the council had made some progress in improving strategic leadership. However, it also concluded that the council needed to strengthen its working arrangements by reviewing the responsibilities of councillors and officers. It found the need for improvement in how councillors work with officers. Members needed to show a greater commitment to their personal development and to provide leadership of the equalities agenda.  |
| Customer focus and responsiveness | <b>Significant concerns</b>                              | Customer focus and responsiveness was identified as an area of high scrutiny risk for 2010/11. Although there were individual examples of good practice, much of this activity was within the Community Services Department. The council was yet to develop a strategic or corporate approach to customer feedback. For 2011/12, information provided by the council confirmed it recognises the need for a corporate approach and is working towards this.<br>A range of pilot projects are underway using a Customer Satisfaction Measurement TOOL and a number of other activities are taking place or being planned. It is not yet clear how these various activities will come together as part of a corporate approach. It is also too early to assess their impact. There is insufficient council-wide customer satisfaction information, especially for non inspected services. The council has used the results of PSIF cycle 1 to identify customer results as a key area for improvement across the council. The Moray Performs Board has recently agreed to use the Housing Service Customer Feedback Policy as a model for developing a corporate Moray Council wide approach for obtaining customer feedback. This remains an area of high scrutiny risk. |

| Area                     | R/A/G   | 2011/12 Update   |
|--------------------------|---|--|
|                          |   | The council will be asked to provide a detailed progress report in November 2011 which will be considered as part of the next SRA cycle.   |
| Self-evaluation          | <b>Uncertainty</b>  | <p>Self-evaluation was identified as an area of uncertain scrutiny risk for 2010/11 as there was insufficient evidence to demonstrate that the council was able to undertake effective self-evaluation. HMIE undertook follow through inspections of the council's education functions and of the education psychology service in the first quarter of 2010/11. The former found very good progress in improving approaches to self-evaluation within establishments. However, it also found that further development was required of aspects of self-evaluation across services. The latter found likewise for the psychology service. HMIE's child protection follow through inspection in June 2010 found that approaches to delivering service improvements through self-evaluation were at an early stage of development in individual services.</p> <p>The council has continued to take action to embed PSIF and has committed itself strongly to doing this. It has completed an initial cycle of all service areas using PSIF and has now embarked on a second cycle. This will include an assessment on the progress made in implementing the action plans from the first cycle. Whilst recognising that it takes time to embed self-evaluation the limited evidence of the impact to date of the council's approach means that we have concluded that this remains an area of uncertainty. (see paragraph 11 for details of planned scrutiny)</p> |
| Management of its people | <p><b>No significant concerns</b></p> <p><b>Uncertainty</b></p> | <p>There are a number of strengths in the council's approach to managing its people and this was assessed overall as an area of no significant concerns for 2010/11. This remains the case.</p> <p>It has a workforce strategy, but has historically faced a number of recruitment difficulties. Numerous RAF personnel have family members who are employed by the council. Given the decision to close one RAF base and the continuing uncertainty about the other, this remains an area of uncertainty in this regard. The local external auditor will continue to monitor this as part of the annual audit process.</p>  |

## Changes to 2010/11 Risk Assessments

| Area  | 2010/11 Risk Assessment        | 2011/12 Risk Assessment  | Reason for Change   |
|---|--------------------------------|--|---|
| Financial position and financial management | <b>No significant concerns</b> | <b>Uncertainty</b><br><br><br><br><br><br><br><br><br><br><b>No significant concerns</b> | <p>The financial position. Financial leadership and efficiency was categorised as an area of no significant concerns for 2010/11. The Comprehensive Spending Review covering public sector expenditure for the period 2011/15 was announced in October 2010 and the Scottish Government responded to it by announcing a single year Scottish budget for 2011/12. This creates an uncertainty over the financial position and medium term financial planning. Given the extent of the financial savings to be made, the closure of RAF Kinloss and potential closure of RAF Lossiemouth we have categorised the financial position as an area of uncertain scrutiny risk for 2011/12</p> <p>Financial management. The council demonstrates sound financial management. It has indicated that cumulative annual savings of up to £40 million may be required by 2016/17, equating to 20% of the net revenue budget for the current year. It undertook extensive public consultation in preparation for setting the budget. The council approved its budget for 2011/12 on 10 February. (see also national risk priorities for more detail).</p> |

## National risk priorities

5. The protection and welfare of vulnerable people. Child protection was identified as an area of high scrutiny risk for 2010/11. Significant concerns in this area had been identified by both HMIE and SWIA. A follow through child protection inspection was undertaken by HMIE in June 2010. It found that overall, good progress had been made in responding to the main points for action in the original inspection report in February 2009. However, leadership of a coordinated approach to joint self-evaluation was needed and approaches to delivering service improvements through self-evaluation were at an early stage of development in individual services. Child protection is therefore now categorised as an area of uncertain scrutiny risk and inspectors will revisit the council in February 2012 as part of the second round of child protection inspections.
6. The Adult Support and Protection Act came into effect in 2008. SWIA's follow-up performance inspection in 2009 found that the adult protection committee was still evolving. It said that Community services needed to retain a strong focus on assessing and managing risk in adult's services. Adult protection is categorised as an area of uncertain scrutiny risk and it will be considered as part of SWIA's Initial Scrutiny Level Assessment (SLA) in 2011/12.

7. Assuring public money is being properly used. The council demonstrates sound financial management but continues to face significant financial pressures as a result of the current economic climate, increasing demand for services for the elderly and the severe winter weather. No specific scrutiny activity is planned, but Audit Scotland as the local external auditor will continue to monitor this area as part of the annual audit process.
8. The council's response to the challenging financial environment. The Comprehensive Spending Review covering public sector expenditure for the period 2011/15 was announced in October 2010 and the Scottish Government responded to it by announcing a single year Scottish budget for 2011/12 and this creates an uncertainty over medium term financial planning. The financial climate will impact on the council's ability to deliver its outcome targets and maintain service performance into the future. The extent of this is currently uncertain and will be kept under review by LAN members. The council has indicated that cumulative annual savings of up to £40 million may be required by 2016/17, equating to 20 per cent of the net revenue budget for the current year. It undertook extensive public consultation in preparation for setting the budget. The impact of the decision to close RAF Kinloss and potential closure of RAF Lossiemouth may further increase the pressure on the council's finances. The council approved its budget for 2011/12 on 10 February.
9. Although the council has been proactive in preparing financial plans and identifying savings, in common with all councils there is a risk that it will be unable to deliver all of these savings, given their scale. This is therefore an area of uncertainty. No specific scrutiny activity is proposed, but again Audit Scotland, as local external auditor will assess this as part of the annual audit process.

## Scrutiny plan changes

10. **2011/12** - SWIA's ISLA was scheduled for completion in 2010/11. This was postponed due to the severe weather and further to discussion with the council, the ISLA scrutiny will now take place in May 2011.
11. Some focused best value work was proposed for 2011/12 to examine the progress made by the council and its partners to measure outcomes and impact. However, given the overall improvement made by the council in its ability to demonstrate the impact it is making in delivering its priorities we will not now proceed with this activity in 2011/12. Instead we will further assess the council's progress in developing indicators and measuring impact in the next SRA cycle. There is a close inter-relationship between an outcome focus and self-evaluation which we are continuing to evaluate as an area of uncertainty. Some focused Best Value work to assess Moray Performs and the progress being made by the council around self-evaluation is planned for 2012/13. We will use the further assessment of the council's progress in terms of outcomes as part of the next SRA cycle to help determine some of the detail and the timing of the assessment of Moray Performs. However, given that self-evaluation continues to be area of uncertainty, at this we stage we would plan to undertake this in the first half of 2012/13.

12. HMIE's follow-through evaluation of the educational psychology service took place in April 2010. It concluded that more requires to be done in relation to service improvement planning, consistency of practice and stakeholder engagement. HMIE will carry out a further visit in Aug/Sep 2011 to review the ways in which the Education Psychology Service has continued to engage with stakeholders to deliver improved outcomes for children and young people. HMIE will also review the alignment of their approach to planning and self-evaluation with authority priorities and objectives.
13. **2012/13** - As stated at Paragraph 9, we plan to undertake a Best Value assessment of Moray Performs in order to explore the council's progress on self-evaluation. This will include any issues on its approach to outcomes arising from the re-assessment of this as part of next year's SRA. This will be led by Audit Scotland, but will be done jointly and in collaboration with other scrutiny bodies.
14. **2013/14** – As yet no indicative scrutiny has been identified for 2013/14. This may change and in particular as the new scrutiny bodies SEQIA (The Scottish Quality and Improvement Agency) and SCSWIS (Social Care and Social Work Improvement Scotland) develop their scrutiny plans.

## Review of 2010/11 planned activity

15. HMIE follow through inspection of the educational psychology service took place in April 2010 (five Inspector days).
16. HMIE follow through inspection of education functions (six inspector days) took place in June 2010.
17. Audit Scotland and HMIE Best Value work on leadership (AS seven days and HMIE two days) took place in June.
18. Audit Scotland and HMICS Best Value Audit and Inspection of Grampian Police Board took place in June 2010 (0.14 (one hour interview with a member) Inspector days).
19. The Care Commission's inspections of the council's adoption and fostering services took place in February 2010 (seven Inspector days).
20. HMIE's follow through child protection took place in June 2010 (30 inspector days).
21. The file reading component of the SWIA ISLA took place in February 2011 (12 inspector days)

## Appendix 1 Summary of scrutiny activity

| Moray Council Scrutiny Plan  | 2011-12                            |     |      |      |     |      |     |     |     |     |     |     |
|--|------------------------------------|-----|------|------|-----|------|-----|-----|-----|-----|-----|-----|
| Scrutiny activity year 1   | Apr                                | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar |
| SHR – Homelessness Improvement Plan (carried over from previous AIP)   |                                    |     |      |      |     |      |     |     |     |     |     |     |
| SWIA - post ISLA (Initial Scrutiny Level Assessment) scrutiny (carried over from previous AIP)               |                                    |     |      |      |     |      |     |     |     |     |     |     |
| HMIE – follow through evaluation of the educational psychology service                                       |                                    |     |      |      |     |      |     |     |     |     |     |     |
| Audit Scotland – Assessment of council’s customer focus approach (carried over from previous AIP)            |                                    |     |      |      |     |      |     |     |     |     |     |     |
| HMIE – Child Protection (2) inspection, including Adoption and Fostering (carried over from previous AIP)    |                                    |     |      |      |     |      |     |     |     |     |     |     |
| Audit Scotland – Best Value audits of fire and rescue services   |                                    |     |      |      |     |      |     |     |     |     |     |     |
| Audit Scotland – Housing Benefit Audit (tbc).  |                                    |     |      |      |     |      |     |     |     |     |     |     |
|  | 2012-13                            |     |      |      |     |      |     |     |     |     |     |     |
| Scrutiny activity year 2   | Apr                                | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar |
| Audit Scotland led – Focused Joint Best Value Work to assess Moray performs (carried over from previous AIP) |                                    |     |      |      |     |      |     |     |     |     |     |     |
|  |                                    |     |      |      |     |      |     |     |     |     |     |     |
|  |                                    |     |      |      |     |      |     |     |     |     |     |     |
|  | 2013-14                            |     |      |      |     |      |     |     |     |     |     |     |
| Indicative scrutiny activity for rolling third year  | Potential scrutiny bodies involved |     |      |      |     |      |     |     |     |     |     |     |
|  |                                    |     |      |      |     |      |     |     |     |     |     |     |
|  |                                    |     |      |      |     |      |     |     |     |     |     |     |



\* In April 2008, the Accounts Commission agreed to a request from the Department for Work and Pensions (DWP) to take over the Benefit Fraud Inspectorate's responsibility for inspecting housing and council tax benefit (benefits) services in Scotland. As Audit Scotland has no inspection function, this 'benefits performance audit' work has been incorporated into the annual audit of local government. The timing of the audits will be confirmed through the LAN lead.

#### **Footnotes**

- The focus of the AIP is strategic scrutiny activity, that is scrutiny activity which is focused at corporate or whole service level, but there will also be baseline scrutiny activity at unit level on-going throughout the period of the AIP. This will include, for example, school and residential home inspections. Scrutiny bodies also reserve the right to make unannounced scrutiny visits. These will generally be made in relation to care services for vulnerable client groups. The annual audit of local government also comprises part of the baseline activity for all councils and this includes work necessary to complete the audit of housing benefit and council tax benefit arrangements. HMIE, through the District Inspector, will continue to support and challenge Education Services regularly and as appropriate.
- The new body, Social Care and Social Work Improvement Scotland (SCSWIS), will be in place from April 1st 2011 and will regulate care services and inspect social work services based on the Public Services Reform (Scotland) Act 2010.
- SCSWIS will undertake supported self evaluation work with councils during 2011. Planning is currently taking place and SCSWIS will contact LAN leads when the detail of the fieldwork is established.
- HMIE and Learning and Teaching Scotland are to form a new quality and improvement agency on 1 July 2011.
- The Accounts Commission has decided to undertake Best Value audits of Fire & Rescue Services and Authorities during 2011. Planning is currently taking place and Audit Scotland will contact LAN leads when the detail of the fieldwork is established.
- Audit Scotland also undertakes a series of national performance audit studies. Field visits to individual local authorities often form part of this work. When a visit is planned to a council this will be communicated to the council through the LAN lead.