

ABERDEEN CITY COUNCIL

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COMMITTEE	Audit, Risk & Scrutiny
DATE	24 <sup>th</sup> November 2016
DIRECTOR	Angela Scott
TITLE OF REPORT	Audit Scotland National Reports
REPORT NUMBER:	OCE/16/144
CHECKLIST COMPLETED	Yes

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1. PURPOSE OF REPORT

The purpose of this report is to present a summary of Audit Scotland national studies published in the last cycle together with any actions taken or agreed to be taken by the Council in response to these.

2. RECOMMENDATION(S)

that the Committee:-

(a) note the detail of the reports:-

- “Maintaining Scotland’s Roads”
- “Social Work in Scotland”

(b) consider officers’ comments.

3. FINANCIAL IMPLICATIONS

There are no direct financial implications arising from this report.

4. OTHER IMPLICATIONS

Every national Audit Scotland review is likely to have implications for this Council. The nature of the implications will vary depending on the subject matter. Officers are required to assess these and report to committees.

## 5. BACKGROUND/MAIN ISSUES

Audit Scotland has an annual programme of national reviews it undertakes. Some of these are specific to individual councils and Community Planning Partnerships, others are intended for local government and other public sector bodies more broadly.

Since the last time this was reported to Committee there have been 2 reports with direct significance for Aberdeen City Council.

- “Maintaining Scotland’s Roads”
- “Social Work in Scotland”

A summary of each report is set out below.

## **A. Maintaining Scotland's Roads**

This audit follows up previous audit reports in 2011 and 2013. It reviews:

- changes in road condition and spending on roads maintenance since the 2011 report
- progress made against previous audit recommendations
- progress in implementing the actions set out in the NRMR, in particular Option 30.

### Summary

Roads authorities, locally and nationally, urgently need to demonstrate a much greater commitment to innovation, comparing relative efficiency and being clearer with the public about the impact on road condition of agreed spending levels. It is clear that the status quo is no longer an option if there is to be any improvement in road condition. A longer term view is required, one that takes into account both the need for new roads and the maintenance of the existing road network.

Independent survey results indicate that the condition of council maintained roads has remained stable at around 63 per cent in acceptable condition over the period 2011/12 to 2014/15. There is significant variation in road condition among councils. There is also concern that the survey approach does not always pick up the full extent of failures in the structural integrity of lower road layers. Fifty-seven per cent of users report that road condition is a major concern. While 13 authorities increased their spending, overall council expenditure on roads maintenance continues to decrease, from £302 million in 2011/12 to £259 million in 2014/15 (14 per cent). Overall, councils spent £33 million (13 per cent) less on planned and routine maintenance in 2014/15 than the Society of Chief Officers of Transportation Scotland considers was necessary to maintain the current condition of local roads.

The condition of trunk roads declined from 90 per cent in acceptable condition in 2011/12 to 87 per cent in 2014/15. Most of this decline is associated with the condition of motorways. Transport Scotland attributes this to more resurfacing work, instead of more expensive reconstruction which would also improve the condition of the lower road layers. Transport Scotland's expenditure on trunk roads maintenance fell from £168 million in 2011/12 to £162 million in 2014/15 (four per cent). It spent £24 million (38 per cent) less on structural maintenance in 2014/15 than it considers was necessary to maintain trunk road condition at its current levels.

In the current context of reduced public spending, the competing priorities of some services, such as education, health and social care mean that roads maintenance budgets may be put under further pressure. There is evidence that roads authorities are better prioritising and targeting roads maintenance, and using cheaper treatment options. This has helped available budgets go further but carries risks. Increasing the use of surface dressing might help to

maintain the condition of the surface of the road network in the short term, but this may not deliver value for money in the longer term. It is important that 6 | proper scrutiny and challenge includes taking account of all options and users' views when considering spending on roads.

Progress with introducing a shared services approach to roads maintenance, a central theme of the 2012 National Roads Maintenance Review, has been disappointingly slow. Councils are in the process of establishing regional governance bodies for local roads maintenance but there is still no clear plan and timetable for determining the extent of shared services at an operational level. Scottish ministers want to see councils make more progress, and be able to demonstrate the efficiency savings and other benefits arising, before trunk roads could be considered for inclusion in such regional arrangements.

The report's recommendations are shown below together with Council officers' comments:-

<b>Recommendation</b>	<b>Officer Comments</b>
<b>The Strategic Action Group should:</b>	
<p><i>i. Ensure that the Roads Collaboration Board works with regional group partners to determine a clear plan and timetable for:</i></p> <ul style="list-style-type: none"> <li><i>– supporting the development of regional arrangements for roads services to secure the benefits arising, such as efficiencies, increased service resilience and professional skills, while also preserving local accountability</i></li> <li><i>– making decisions on the extent of shared services at an operational level</i></li> <li><i>– learning lessons from existing shared service models such as the Ayrshire Roads Alliance, Tayside Contracts and further afield</i></li> <li><i>– establishing a baseline position, so that roads authorities can measure the expected benefits from collaboration over time</i></li> <li><i>– develop outcome measures which demonstrate the contribution of well-maintained roads to Scotland's economy</i></li> </ul>	Noted
<b>Councils should:-</b>	
<p><i>i. Ensure that they work closely with the Roads Collaboration Programme and regional group partners to determine</i></p>	The Northern Roads Collaboration Forum has met three times in 2016 with a general agreement to move forward to a Joint

<i>the extent of shared service models for roads maintenance operations</i>	Committee to deliver collaborative working
<i>ii. Ensure that they implement the findings of the consultant's review of Roads Asset Management Plans (RAMPs) where relevant</i>	Project 2 RAMP went to Committee in January 2016, a further update will go to Committee January 2017. An Action Plan has been implemented to take forward the exp. consultants visit of October 2016
<i>iii. Implement methods for assessing and comparing councils' roads maintenance efficiency with the aim of identifying and learning from councils delivering services more efficiently</i>	A new costing system has been proposed that will allow a greater scrutiny of productivity and unit costs
<i>iv. Use the National Highways &amp; Transport (NHT) Network Survey, or similar, to obtain user views and perceptions of roads services consistently</i>	ACC carry out a customer survey via questionnaires sent out to local residents after work has been completed to obtain their views on the completed work.
<i>v. Use the results of user surveys to develop more proactive ways of engaging with the public over roads maintenance issues, and to help inform scrutiny and challenge of roads maintenance budgetary proposals.</i>	Results of the survey are discussed and presented to Committee as a satisfaction figure
<b>Councils and Transport Scotland should:</b>	
<i>i. Ensure that they use their RAMPs to inform elected members and Scottish ministers of long-term investment plans for maintaining roads that take into account the whole-life costing of treatment options</i>	Ramp with options for spend are presented to council on an annual basis
<i>ii. Ensure that the consequences of spending less than that necessary to maintain current road condition adequately features in budget setting processes to allow elected members and Scottish ministers make informed choices which take account of competing demands and priorities.</i>	This is highlighted within the Ramp report. Road Condition is presented as part of the annual Capital Budget proposed spend, from there it becomes part of the available information on the web site. This may need to be more prominent within the web
<b>Transport Scotland should:</b>	
<i>i. Make road condition information publicly available for the geographical areas of the trunk road network: North West, North East, South East and South West Scotland.</i>	Noted
<i>ii. Identify unit cost or other efficiency measures to evaluate the value for money provided by operating companies.</i>	Noted

<p><i>iii. Consider the overall trend in performance of operating companies and ensure it has appropriate mechanisms in place for addressing areas of poorer performance.</i></p>	<p>Noted</p>
<p><i>iv. Fully take account of the needs of the existing trunk road network when considering the affordability of large-scale transport investments taken forward within the Scottish Government's Infrastructure Investment Plan.</i></p>	<p>Noted</p>
<p><i>v. Consider its future strategy for maintaining the trunk road network. The strategy should fully reflect the progress made by council regional groupings in determining the extent of shared service models for roads maintenance operations. If Transport Scotland decides to renew its existing operating contracts, it should seek to maximise opportunities for greater collaboration with councils through contract conditions.</i></p>	<p>Noted</p>
<p><b><i>The Society of Chief Officers of Transportation Scotland (SCOTS) should:</i></b></p>	
<p><i>i. Work with councils to implement the findings of the consultant's review of RAMPs, and promote good practice where it is identified.</i></p>	<p>Noted</p>
<p><i>ii. Continue, as a matter of priority, to work with consultants to develop methods for assessing and comparing how efficient councils are at roads maintenance.</i></p>	<p>Noted</p>
<p><i>iii. Focus the work of the Scottish Roads Research Board so that it identifies a programme of research projects aimed at maximising innovation and sharing current good practice in delivering roads maintenance services.</i></p>	<p>Noted</p>

## **B. Social Work in Scotland**

The overall aim of the audit was to examine how effectively councils are planning to address the financial and demographic pressures facing social work. The objectives were to assess:

- the scale of the financial and demand pressures facing social work;
- the strategies councils are adopting to meet these challenges;
- the effectiveness of governance arrangements, including how elected members lead and oversee social work services;
- the impact of financial and demand pressures on people who use services and on carers, and how councils involve them in planning how services are provided.

### Key Messages

Current approaches to delivering social work services will not be sustainable in the long term. There are risks that reducing costs further could affect the quality of services. Councils and Integration Joint Boards (IJBs) need to work with the Scottish Government, which sets the overall strategy for social work across Scotland, to make fundamental decisions about how they provide services in the future. They need to work more closely with service providers, people who use social work services and carers to commission services in a way that makes best use of the resources and expertise available locally. They also need to build communities' capacity to better support vulnerable local people to live independently in their own homes and communities.

Councils' social work departments are facing significant challenges because of a combination of financial pressures caused by a real-terms reduction in overall council spending, demographic change, and the cost of implementing new legislation and policies. If councils and IJBs continue to provide services in the same way, we have estimated that these changes require councils' social work spending to increase by between £510 and £667 million by 2020 (16–21 per cent increase).

The integration of health and social care has made governance arrangements more complex, but regardless of integration, councils retain statutory responsibilities in relation to social work services. Elected members have important leadership and scrutiny roles in councils. It is essential that elected members assure themselves that service quality is maintained and that risks are managed effectively. Elected members have a key role to play in a wider conversation with the public about service priorities and managing people's expectations of social work and social care services that councils can afford to provide in the future. The Scottish Government also has an important role to play in setting the overall context of the debate.

With integration and other changes over recent years, the key role of the chief social work officer (CSWO) has become more complex and challenging. Councils need to ensure that CSWOs have the status and capacity to enable them to fulfil their statutory responsibilities effectively.

The report's recommendations are shown below:-

<b>Social work strategy and service planning</b>
<b>Councils and IJBs should:</b>
<i>instigate a frank and wide-ranging debate with their communities about the long-term future for social work and social care in their area to meet statutory responsibilities, given the funding available and the future challenges</i>
<i>work with the Scottish Government, their representative organisation (COSLA or the Scottish Local Government Partnership (SLGP)), Social Work Scotland and other stakeholders to review how to provide social work services for the future and future funding arrangements</i>
<p><i>i. develop long-term strategies for the services funded by social work by:</i></p> <ul style="list-style-type: none"> <li><i>– carrying out a detailed analysis of demographic change and the contribution preventative approaches can make to reduce demand for services</i></li> <li><i>– developing long-term financial and workforce plans</i></li> <li><i>– working with people who use services, carers and service providers to design and provide services around the needs of individuals</i></li> <li><i>– working more closely with local communities to build their capacity so they can better support local people who may be at risk of needing to use services</i></li> <li><i>– considering examples of innovative practice from across Scotland and beyond</i></li> <li><i>– working with the NHS and Scottish Government to review how to better synchronise partners' budget-setting arrangements to support these strategies</i></li> </ul>
<b>Governance and scrutiny arrangements</b>
<b>Councils and IJBs should:</b>
<i>ensure that the governance and scrutiny of social work services are appropriate and comprehensive across the whole of social work services, and review these arrangements regularly as partnerships develop and services change</i>
<p><i>improve accountability by having processes in place to:</i></p> <ul style="list-style-type: none"> <li><i>– measure the outcomes of services, for example in criminal justice services, and their success rates in supporting individuals' efforts to desist from offending through their social inclusion;</i></li> <li><i>– monitor the efficiency and effectiveness of services</i></li> <li><i>– allow elected members to assure themselves that the quality of social work services is being maintained and that councils are managing risks effectively;</i></li> <li><i>– measure people's satisfaction with those services;</i></li> <li><i>– report the findings to elected members and the IJB.</i></li> </ul>
<b>Councils should:</b>
<i>demonstrate clear access for, and reporting to, the council by the CSWO, in line with guidance</i>
<i>ensure the CSWO has sufficient time and authority to enable them to fulfil the role effectively</i>
<i>ensure that CSWO annual reports provide an annual summary of the performance of the social work service, highlighting achievements and weaker areas of service delivery, setting out the council's response and plans to improve weaker areas and that these are actively scrutinised by elected members</i>

<b>Workforce</b>
<b>Councils should:</b>
<i>work with their representative organisation (COSLA or the SLGP), the Scottish Government and private and third sector employers to put in place a coordinated approach to resolve workforce issues in social care</i>
<i>as part of their contract monitoring arrangements, ensure that providers who use zero hours contracts allow staff to accept or turn down work without being penalised</i>
<b>Service efficiency and effectiveness</b>
<b>Councils and IJBs should:</b>
<i>when planning an initiative, include evaluation criteria and extend or halt initiatives depending on the success of new approaches in improving outcomes and value for money</i>
<i>work with COSLA to review the eligibility framework to ensure that it is still fit for purpose in the light of recent policy and legislative changes</i>
<b>Councils should:</b>
<i>benchmark their services against those provided by other councils and providers within the UK and overseas to encourage innovation and improve services</i>

**Officer Comment:-**

The recommendations from this report are to be considered by the Aberdeen City Health and Social Care Partnership Integration Joint Board and, for the Committee's information, a copy of a proposed IJB Action Plan is attached as Appendix A.

The Council's Education and Children's Services Committee received a Bulletin Report on 17<sup>th</sup> November which advised members of the key messages of the report.

## 6. IMPACT

### **Improving Customer Experience –**

The actions which flow from national reports will have varying impact on customers. From an internal customer perspective, these reports allow the members of the Audit, Risk and Scrutiny Committee to undertake their role on behalf of the Council.

### **Improving Staff Experience –**

The impact of governance in local authorities is a key determinant of its effectiveness. The regular and consistent reporting of national level reports with implications for Aberdeen City Council strengthen governance. Depending on the subject matter of national reports the potential impact can be relevant for staff, customers and use of resources. In this case, the national report relates to workforce planning which has a very direct impact on staff and, by association, customers. The specific impact of any proposals relating to Workforce Planning will be fully set out when proposed.

### **Improving our use of Resources –**

The actions which flow from national reports will have varying impact on resources. These will be stated depending on the subject matter.

### **Corporate -**

With regards to the national report referred to in this report, workforce planning is an integral part of corporate and service planning, underpinning the Council's to deliver quality services.

### **Public –**

Whilst no direct implications arise from this “scrutiny” report, the Council's workforce planning arrangements must take account of the equality duty.

## 7. MANAGEMENT OF RISK

There are no identified material risks which would result from the approval of the recommendations in this report. The actions and recommendations contained in the report are a response to identified risks and are designed to mitigate these.

## 8. BACKGROUND PAPERS

Audit Scotland report

- “Maintaining Scotland's Roads”
- “Social Work in Scotland”

## 9. REPORT AUTHOR DETAILS

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## Aberdeen Health &amp; Social Care Partnership

<b>SOCIAL WORK STRATEGY AND SERVICE PLANNING</b>	
<b>Recommendation</b>	<b>Response</b>
Community involvement about the long-term future for social work and care to meet statutory responsibilities.	<ul style="list-style-type: none"> <li>• This will form part of the work we will do in relation to community engagement and participation in strategic and locality planning</li> <li>• Our workforce planning approach will take cognisance of this</li> </ul>
<b>Recommendation</b>	<b>Response</b>
Work with Scottish Government, Social Work Scotland and other stakeholders to review how to provide social work services for future and future funding arrangements	<ul style="list-style-type: none"> <li>• We will continue to engage with relevant Scottish Government and SWS work streams.</li> <li>• There are twice yearly meetings with Scottish Government Officials, the Chief Officer and Chief Executives.</li> <li>• Senior Managers and CSWO are members of SWS and engage in relevant standing committees of that organisation.</li> </ul>
<b>Recommendation</b>	<b>Response</b>
<p>Develop long term strategies for the services funded by social work by:</p> <ol style="list-style-type: none"> <li>1. Carrying out a detailed analysis of demographic change and the contribution. preventative approaches can make to reduce demand for services.</li> <li>2. Developing long-term financial and workforce plans.</li> </ol>	<ul style="list-style-type: none"> <li>• Demographic analysis is a key element of the strategic planning process and a focus on prevention and sustainability underpins the structure of the Strategic Transformation Programme as well as our Strategic Commissioning aims</li> <li>• Financial Strategy and workforce planning both underway and will be presented to the IJB.</li> </ul>

<ol style="list-style-type: none"> <li>3. Working with service users, carers and service providers to design and provide services around the needs of individuals.</li> <li>4. Working more closely with local communities to build community capacity to support people.</li> <li>5. Consider examples of innovative practice.</li> <li>6. Working with NHS and SG to review how to better synchronise partners' budgeting-setting arrangement to support these strategies.</li> </ol>	<ul style="list-style-type: none"> <li>• This is key to our locality team development as well as our approach to Self-Directed Support.</li> <li>• Our locality approach sets out to lead this capacity building and we are recruiting via the 3<sup>rd</sup> sector community builders to enhance this approach.</li> <li>• We believe our transformation programme to be innovative and also participate in national discussion and forums where best practice is shared and consider if new models can be adapted for the Aberdeen City context.</li> <li>• Aberdeen City Council and NHS Grampian have already synchronised budget setting arrangements in support of the Integration Joint Board.</li> </ul>
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**GOVERNANCE AND SCRUTINY ARRANGEMENTS**

<b>Recommendation</b>	<b>Response</b>
<p>Ensure that governance and scrutiny of social work services are appropriate and comprehensive across the whole of social work services and review these arrangements regularly as partnerships develop and services change</p>	<ul style="list-style-type: none"> <li>• The CSWO is an advisory member of the IJB</li> <li>• CSWO is a member of the Clinical and Care Governance Committee and has an open invitation to attend the Clinical and Care Governance Group</li> <li>• The Clinical and Care Governance Structure sits within a wider Board Assurance Framework and is developing its governance and scrutiny processes – for social work purposes using the information routinely and regularly reported previously to the Service Committee</li> <li>• Clinical and Care Governance processes are in place for ACC and NHS Grampian to get assurance from the processes being in place and for social work and statutory purposes the CSWO and Chief Exec of ACC also report to Full Council – the CSWO in her report and the CE in relation to 'matters of interest to the Council in regard to the IJB</li> <li>• The Good Governance Institute have been commissioned to review the governance processes of the IJB and its Committees over the course of</li> </ul>

	its first 'live' year and this will be reported to the IJB
<b>Recommendation</b>	<b>Response</b>
<p>Improve accountability by having processes in place to:</p> <ul style="list-style-type: none"> <li>• Measure the outcomes of services and their success rates</li> <li>• Monitor the efficiency and effectiveness of services</li> <li>• Allow elected members to assure themselves that the quality of social work services is being maintained and that councils are managing risks effectively</li> <li>• Measure people's satisfaction with services</li> </ul> <p>Report the findings to elected members and the IJB.</p>	<ul style="list-style-type: none"> <li>• Clinical and Care Governance framework includes measurement of outcomes</li> <li>• Performance framework in development for the IJB measures against the 9 national outcome measures and includes a suite of local and national measure of service quality and user experience</li> <li>• We are also developing and refining approaches to measure outcomes across services commissioned for adult social care by the ACC as directed by the IJB</li> <li>• We will seek to strengthen our approaches to people's satisfaction with services</li> <li>• Regular performance reports are presented and the IJB is responsible for delivering an annual report to the Council and NHS also</li> </ul>
<b>WORKFORCE (councils should)</b>	
<b>Recommendation</b>	<b>Response</b>
<p>Work with representative organisation, Scottish Government and third/private sector employers to put in place a coordinated approach to resolve workforce issues in social care.</p>	<ul style="list-style-type: none"> <li>• A market facilitation plan is being developed in conjunction with our partners in the third and independent sectors showing the agreed principles and interventions that will provide individual support to providers and stabilise the local market.</li> <li>• The UNISON ethical care charter is in the process of being adopted by the Council and IJB.</li> <li>• Regular meetings are held with the third and private sector employers.</li> </ul>

	<ul style="list-style-type: none"> <li>Resolving the workforce issues in social care will cost more money at a time when budgets are already stretched due to the increasing complexity of client needs and demographics.</li> </ul>
<b>Recommendation</b>	<b>Response</b>
As part of contract monitoring arrangements, ensure that providers who use zero hours contracts allow staff to accept or turn down work without being penalised.	<ul style="list-style-type: none"> <li>There are currently no monitoring arrangements in respect of the relationship between employees on zero hours contracts and their employer.</li> <li>However the IJB supports the principles of the Ethical Care Charter and has directed that a working group be established to consider the implementation of the Charter and to provide the IJB with an update before the end of the financial year.</li> </ul>
<b>SERVICE EFFECIENCY AND EFFECTIVENESS</b>	
<b>Recommendation</b>	<b>Response</b>
When planning an initiative, include evaluation criteria and extend or halt initiatives depending on the success of new approaches in improving outcomes and value for money.	<ul style="list-style-type: none"> <li>The Programme Office Approach to the Transformation Programme sets out a clear, proportionate approach to evaluation.</li> </ul>
<b>Recommendation</b>	<b>Response</b>
Work with COSLA to review the eligibility framework to ensure that it is still fit for purpose in the light of recent policy and legislative changes.	<ul style="list-style-type: none"> <li>ACC are members of the Scottish Local Government Partnership and not CoSLA however currently apply the agreed national eligibility criteria guidance in respect of Social Work assessments.</li> </ul>