

<b>Committee:</b>	Audit Committee
<b>Meeting Date:</b>	30 January 2014
<b>Lead Councillor/s:</b>	Councillor Mark Bee
<b>Local Councillor/s:</b>	All Councillors
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### **Performance and Risk Management Annual Report 2013**

#### **Brief summary of report**

1. The following report provides the Committee with an update on the Council's performance and risk management arrangements and outcomes from inspection activity during 2013.

#### **Action recommended**

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|---|
| 2. That the Committee notes the content of this report and satisfies itself that robust arrangements are in place for the effective management of performance and risk. |
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#### **Reason for recommendation**

3. To update the Committee on the arrangements in place and provide it with the latest developments for these key 'business as usual' areas of the Council.

#### **Who will be affected by this decision?**

4. Service users, councillors and officers responsible for service delivery.

## **Main Body of Report**

### **PERFORMANCE MANAGEMENT**

#### **Introduction**

5. In recent years there has been a significant shift nationally in the scope and content of performance management data reporting and inspection and assessment regimes for local authorities. Developments such as the abolition of the Audit Commission, Comprehensive Area Assessments (CAA), Local Area Agreements, and the associated National Indicator Set, have reinforced the government's commitment to reducing the data burden on local authorities. Councils now have a greater degree of freedom to focus on capturing the data and intelligence that most effectively enables them to manage their activities at a local level.
6. However, despite these changes in national policy, councils continue to be subject to a significant level of regulatory and other inspection activity, and indeed are still required to submit a large number of statutory data returns; in particular, relating to social care (both adults and children) and finance. Children and Young People's Services continue to be rigorously inspected by Ofsted, as do Adult Care Services through the Care Quality Commission (CQC).
7. In addition, requirements from national initiatives such as the transparency and localism agenda, and the establishment of new statutory bodies, such as the Health and Wellbeing Boards, are generating new demands, including monitoring of the Joint Health and Wellbeing Strategy. With the transfer of Public Health to the County Council last year a new responsibility has passed to the Council to monitor progress and achievement against the Public Health Outcomes Framework.
8. In 2011 the Local Government Association (LGA) published a proposal for sector-led improvement in local government - 'Taking the Lead'. The objective of this initiative was primarily to fill the gap left by the removal of national inspection, performance and improvement frameworks. The 'Taking the Lead' initiative provides resources and guidance to help councils self regulate, the main emphasis and key driver being peer reviews whose purpose is to provide challenge to support a council's improvement agenda.
9. The LGA's approach on sector-led self regulation is further underpinned by the concept of councils exchanging performance information through the nationally hosted online Data Hub - 'LG Inform'. This web-based national platform aims to assist councils with benchmarking and peer review activity by providing a tool that authorities can use to compare performance data. 'LG Inform' has been significantly enhanced and was re-launched in 2013, and will provide a useful resource alongside other online resources, such as the Public Health Outcomes Framework Data Tool. However, in common with these sorts of tools, 'LG Inform' currently only draws on nationally available and audited performance

information, which means that the data is often two or three years old which limits the potential to monitor progress against local priorities in 'real time'.

10. The scaling-back of national performance regimes has resulted in a reduction in the availability of benchmarking data. For this reason, and because 'LG Inform' is still a relatively new service with functionality and analytical capabilities still being developed, the Council has continued to subscribe to CIPFA's value for money benchmarking service.
11. The service provides the Council with pre-published national level performance and financial information that enables it to compare outcomes at service level and produce a value for money assessment. The toolkit compares unit costs (cost of providing council services per head of population) relative to performance outcomes across services. From this, data can be manipulated to show what a council spends against how it performs, enabling each Council to compare its relative value for money. Consideration of relative value for money provides useful context in assessing where it may be possible to drive out further costs from a service (especially where there is high performance and high cost), and identify potential risk areas where further cost reduction could damage already low performance.

### **Corporate approach to performance reporting**

12. The Council's corporate approach to performance management and reporting is outlined in the 'Corporate Planning and Performance Framework and Guidance' document which is reviewed and updated annually. The guide summarises the key elements that managers at all levels within the organisation need to take into account in undertaking their planning and performance activities – these elements include the Council's priorities, budget strategy, transformation programmes, ASPIRE, health and safety, and equalities and inclusion. The document also outlines how the organisation aims to achieve these aspirations through robust and effective business planning and performance management arrangements.
13. The guidance seeks to ensure that there is a high level of consistency in approach across the organisation, whilst at the same time allowing a degree of flexibility for individual directorates and services to adapt the processes to their specific needs. The latest guide, which relates to the 2014-15 financial year, was published in early December and can be obtained from the Business Development Team on request or viewed on the Council's Intranet (Colin) at:  
<http://colin.suffolkcc.gov.uk/SpecialistSupport/PlanningAndPerformance.htm>
14. In 2013 good progress has been made to further enhance performance management and reporting arrangements within the Council.
15. The Corporate Planning and Performance Board, which was established at the beginning of 2012, continues to oversee the planning, performance and business intelligence processes across the Council, and to ensure these are being managed effectively. The Board meets quarterly to coincide with the Council's cycle of performance reporting, and includes performance representatives from

each of the directorates as well as from relevant corporate teams including Business Development, Strategic Finance, Strategic HR and Internal Audit.

16. The integrated 'balanced scorecard' approach to performance reporting, that brings together a wide range of data and other evidence such as performance information, finance and HR data, and customer insight, is the model that has been adopted for use within the organisation, and this continues to be promoted across the Council. This approach allows performance to be seen 'in the round' rather than simply focusing solely on 'traditional' performance measures. The balanced scorecard model has been adopted corporately and is increasingly being used within directorates and individual services and teams.

17. Performance reporting to the Corporate Management Team (CMT) has undergone further revision in the last year to improve the breadth and quality of the performance intelligence. CMT receives quarterly performance reports which incorporate the following elements:

a) Corporate Health:

- finance - including progress with delivering agreed financial savings targets, and forecast variance against predicted spend.
- workforce - including trends in staff numbers and costs, recruitment trends and staff sickness levels.
- equalities and inclusion – progress in achieving the corporately-important priority actions.
- corporate health and safety – progress in achieving the objectives from Council's Health and Safety Strategy.

b) Performance against Corporate Priorities:

- performance measures and outcomes for each of the five corporate priorities (Economic Growth and Jobs; Education; Caring for Vulnerable People; Localism and 'Our Place'; Building on Suffolk's Strengths). The current list of performance measures for each priority is included as Appendix 1.
- place-based performance profile – in support of the Localism and 'Our Place' priority, a recent development has been the inclusion of a 'place-based' performance profile in the CMT report. This will allow CMT to focus on particular areas of the county where there are particular concerns or issues. This approach was trialled for the first time in the Quarter 2 (October 2013) CMT report, using Lowestoft as the locality. A different locality will be the focus for each CMT report – for example, the Quarter 3 report will focus on Haverhill.

c) Risk Management – summary of the corporate risk register (highlighting any changes to the register since the previous report), ratings for each risk and details of the mitigation in place.

d) Customer Insight – includes information on complaints and compliments, public access and customer services management information (e.g.

website usage, customer satisfaction), and feedback from significant consultation exercises.

- e) Corporate Programmes and Projects – progress updates for each of the Council’s most significant programmes and projects, such as Broadband, Raising the Bar, Future Back Office Requirements (FBOR), Our Place, Suffolk Growth Strategy, Suffolk Family Focus, and the Single Public Sector Estate. Updates on all of the Council’s major transformation programmes are now included in the CMT report.

18. Corporate performance reports are also shared with the County Council’s Leadership Team (CMT and the Cabinet).

19. Directorate Management Teams (DMTs) also consider regular performance reports which are in line with the overall corporate approach. For Children and Young People’s Services (CYP), Economy, Skills and Environment (ESE) and Public Protection (PPD), these are considered on a quarterly basis. Given the complexity of the ‘Supporting Lives, Connecting Communities’ programme, and the need to monitor progress closely, the Adult and Community Services (ACS) DMT currently considers a monthly performance report. Work is underway with Public Health to develop its regular performance reporting arrangements, and again these will be fully in line with the overall corporate approach.

20. The content of all performance reports are kept under constant review to ensure that they align with the transformational changes that are taking place across the organisation. CYP and ACS directorates continue to refine their performance reporting arrangements to measure the success of their new operating models. This enables them to monitor regularly whether the delivery of early intervention and prevention strategies are helping to reduce the costs of specialist support. Both of these directorates also continue to focus on improving data quality and meeting the Council’s obligation to complete mandatory data returns to government departments.

21. Support, advice and challenge are provided to individual directorates by officers from the Business Development Team.

### **Corporate external inspection activity**

22. As mentioned above, the Council is subject to a significant level of regulatory and other inspection activity. A summary of the main activities undertaken in 2013 is provided below.

### **Financial accounts and pensions**

23. In September the Audit Committee approved the Statement of Accounts for 2012/13 for which Ernst and Young issued an unqualified opinion. The auditors concluded that the financial statements had been well prepared and that appropriate arrangements had been made to secure economy, efficiency, and effectiveness.

24. This was the first year that the external audit was undertaken by Ernst and Young.

**Health and Safety Executive (HSE)**

25. There has not been a formal investigation by the HSE since February 2012 and the last improvement notice was received in January 2011.

**Service external inspection activity**

**Care Quality Commission (CQC) Inspections**

26. In December 2012 the Council received its first CQC inspection under the new Section 75 partnership arrangements. CQC selected five regulatory outcomes to inspect which included meeting a number of standards as part of each outcome. It is pleasing to report that universal children’s health services have met all five outcomes and associated standards, including safeguarding. This is a very positive outcome which provides external validation and assurances in relation to Section 75 provider services.

27. For Adult Social Care services CQC inspections focus on assessment across a set of five standards:

1. Standards of treating people with respect and involving them in their care
2. Standards of providing care, treatment and support that meets people's needs
3. Standards of caring for people safely and protecting them from harm
4. Standards of staffing
5. Standards of quality and suitability of management

28. For each of the five sets of standards a judgement is given by the inspector:

The standards are being met
Requires improvement
Enforcement action required

**Home Care – Outcomes from CQC Inspections 2013**

<b>SERVICE PROVIDER:</b>	<b>Treat people with respect and involve them in their care</b>	<b>Provide care, treatment and support that meets people's needs</b>	<b>Care for people safely and protecting them from harm</b>	<b>Staffing</b>	<b>Quality and suitability of management</b>
Suffolk County Council					
Bury Home Care, Bury St Edmunds <i>Inspection date: Dec 2012</i>	Improvement required x	Standards met ✓	Standards met ✓	Standards met ✓	Improvement required x
Suffolk Coastal Home Care, Saxmundham <i>Inspection date: Jan 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓

<b>SERVICE PROVIDER:</b> <b>Suffolk County Council</b>	<b>Treat people with respect and involve them in their care</b>	<b>Provide care, treatment and support that meets people's needs</b>	<b>Care for people safely and protecting them from harm</b>	<b>Staffing</b>	<b>Quality and suitability of management</b>
Borders Home Care, Newmarket <i>Inspection date: Feb 2013</i>	Standards met ✓	Standards met ✓	Improvement required x	Improvement required x	Improvement required x
Mid Suffolk Home First, Stowmarket <i>Inspection date: Mar 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Home First, Haverhill <i>Inspection date: Jun 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Improvement required x	Improvement required x
Home First, Mildenhall <i>Inspection date: Jun 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Improvement required x	Improvement required x
Home First South, Ipswich <i>Inspection date: Oct 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓

### **Residential Care Homes – Outcomes from CQC Inspections 2013**

<b>SERVICE PROVIDER:</b> <b>Care UK Community Partnerships Limited</b>	<b>Treat people with respect and involve them in their care</b>	<b>Provide care, treatment and support that meets people's needs</b>	<b>Care for people safely and protecting them from harm</b>	<b>Staffing</b>	<b>Quality and suitability of management</b>
Crabbe Street Ipswich <i>Inspection date: May 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Ixworth Court, Bury St Edmunds <i>Inspection date: May 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Sidegate Lane, Ipswich <i>Inspection date: May 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Paddock House, Eye <i>Inspection date: May 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
The Dell, Beccles <i>Inspection date: Jun 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Blyford Residential Home, Lowestoft <i>Inspection date: Jul 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Hawthorn Drive, Ipswich <i>Inspection date: Jul 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Wamil Court, Bury St Edmunds <i>Inspection date: Jul 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Improvement required x	Standards met ✓

<b>SERVICE PROVIDER:</b> Care UK Community Partnerships Limited	<b>Treat people with respect and involve them in their care</b>	<b>Provide care, treatment and support that meets people's needs</b>	<b>Care for people safely and protecting them from harm</b>	<b>Staffing</b>	<b>Quality and suitability of management</b>
Angel Court, Hadleigh <i>Inspection date: Aug 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Lehmann House, Wickham Market <i>Inspection date: Sep 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Mills Meadow, Woodbridge <i>Inspection date: Sep 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Stradbroke Court, Lowestoft <i>Inspection date: Sep 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Glastonbury Court, Bury St Edmunds <i>Inspection date: Oct 2013</i>	Improvement required x	Improvement required	Standards met ✓	Improvement required x	Standards met ✓
Place Court, Haverhill <i>Inspection date: Nov 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓

29. Wade House in Stowmarket has not yet been inspected since being transferred to Care UK.

30. Information about Care UK's performance was presented to the Care Home Contract Development Board Annual Review meeting in December 2013.

### **Learning Disabilities Residential and Domiciliary Care – Outcomes from CQC Inspections 2013**

<b>SERVICE PROVIDER:</b> Leading Lives Limited	<b>Treat people with respect and involve them in their care</b>	<b>Provide care, treatment and support that meets people's needs</b>	<b>Care for people safely and protecting them from harm</b>	<b>Staffing</b>	<b>Quality and suitability of management</b>
Cathedral View, Bury St Edmunds <i>Inspection date: May 2013</i>	Standards met ✓	Standards met ✓	Improvement required x	Standards met ✓	Standards met ✓
66 St Edmunds Road, Stowmarket <i>Inspection date: May 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Kesgrave Bungalow, Ipswich <i>Inspection date: Aug 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Burgess House, Ipswich <i>Inspection date: Oct 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Short Break Respite Unit, Stowmarket <i>Inspection date: Nov 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓



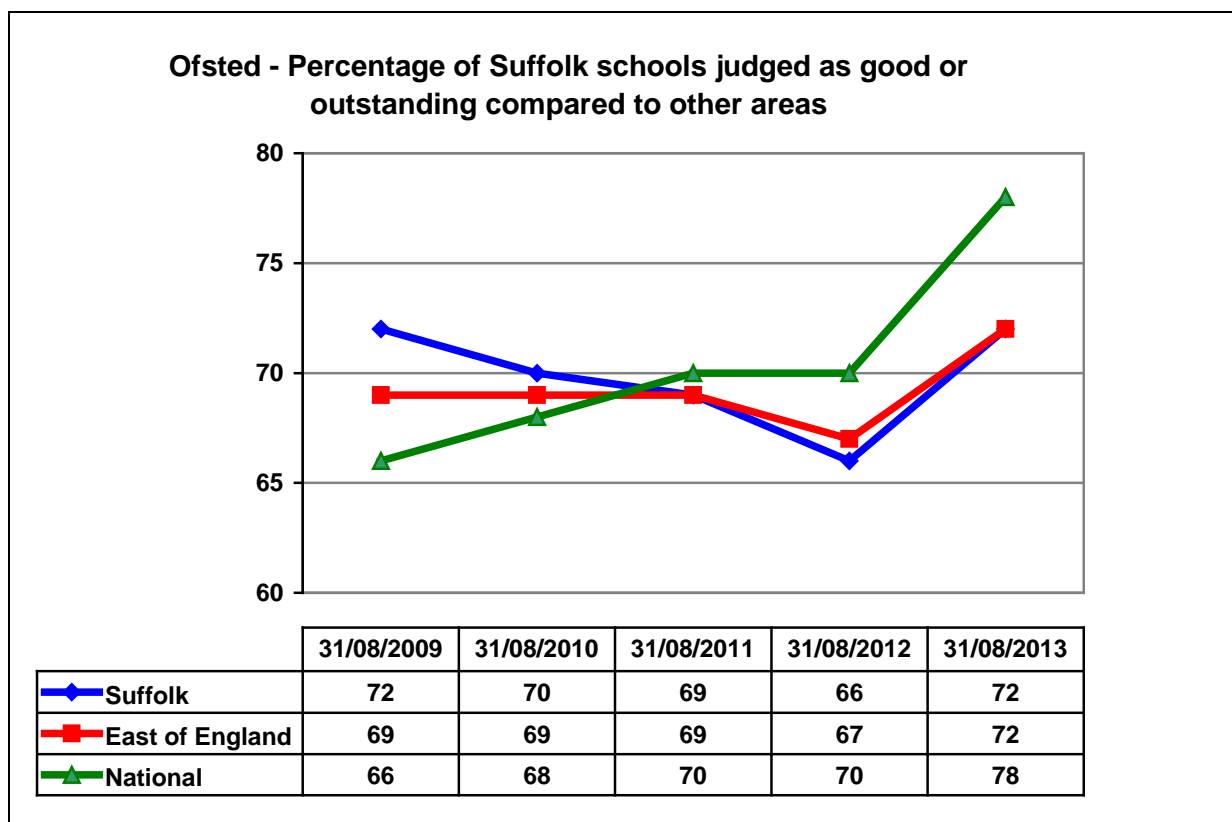
SERVICE PROVIDER: Leading Lives Limited	Treat people with respect and involve them in their care	Provide care, treatment and support that meets people's needs	Care for people safely and protecting them from harm	Staffing	Quality and suitability of management
John Turner House, Lowestoft <i>Inspection date: Nov 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓
Supported Housing and Domiciliary, Lowestoft <i>Inspection date: Nov 2013</i>	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓	Standards met ✓

31. Despite the Residential Care Homes and Learning Disabilities Residential and Domiciliary Care being divested services, the Council is still responsible and accountable for the quality of the services provided. The Council has a dedicated Care Quality and Compliance Team based in ACS who monitors CQC outcomes as a client function for the County Council.

## Children's and Young People's Services

### School Inspections

32. Outcomes from Ofsted Inspections of Suffolk schools during 2013 compared to national and regional trends.



33. According to the latest performance data published by Ofsted, 72% of Suffolk's schools are currently judged as being 'Good' or 'Outstanding'. This mirrors the

East of England average but places the county behind the national average of 78%.

34. In late summer 2013 Ofsted undertook a more focused period of inspections on a number of local authority areas including Suffolk. In total, Ofsted inspected 33 Suffolk schools over a two week period. This volume of inspections would normally take place over a whole term. In addition to the 33 schools physically inspected, 20 'Good' and 'Outstanding' schools were contacted and asked questions about the levels of support and challenge they receive from the council.
35. The outcomes of the 33 schools inspected during the intensive two week period are set out below:

2 improved from Satisfactory to Good
3 declined from Outstanding to Good
2 declined from Good to Inadequate
1 declined from Good to Requires Improvement
4 declined from Satisfactory to Inadequate
21 retained the same grade
6 schools from the sample went into Ofsted Inadequate category

36. Action plans are in place to address the issues for the schools judged as 'Inadequate', and these will be given high priority in terms of support and challenge by the Council. Plans are also in place to support improvement in the schools judged as 'Requiring Improvement'.
37. In November Ofsted published its letter to the Director for Children and Young People setting out its findings from the focused inspection period. The letter raised concerns about the number of schools that are not yet rated 'Good' or 'Outstanding'. Whilst challenging, Ofsted has also recognised that the County Council has a clear plan for improvement and that it has communicated this with schools and key stakeholders through the 'Raising the Bar' programme. The letter also acknowledges that there is evidence of the impact of some local authority interventions. The Director for Children and Young People will meet with the Regional Director for Ofsted later this term to share the Council's action plans in response to the identified areas for development.

### **Ofsted Inspection – Child Protection**

38. An unannounced inspection of the Council's arrangements for the protection of children was undertaken in June 2013. This was the first full inspection of Suffolk's child protection arrangements since November 2010.
39. The Council was given an overall rating of 'Adequate' that compares relatively well with other similar authorities. The framework within which the inspection was undertaken is widely recognised as being very challenging, applying more

exacting standards compared with previous inspections of child protection arrangements.

40. The inspectors considered key aspects of a child's journey through the child protection system and the effectiveness of the support offered by the Council. The methodology included case file scrutiny, observed practice and discussions with social workers, managers and other professionals, including members of the Local Safeguarding Children Board, children, young people and their families. The inspection team also considered relevant performance data, reports and management information.
41. The inspection addressed four distinct areas: overall effectiveness, the effectiveness of the help and protection provided to children, young people, families and carers, the quality of practice and, finally, leadership and governance. The inspection report makes reference to a number of particular strengths within the service as well as examples of good professional practice, effective interventions and well developed partnership working.
42. One of the areas identified for improvement relates to the need to ensure that decisions in respect of non-child protection referrals are taken in the Integrated Access Team within acceptable timescales. The inspectors found a small number of lower priority cases in which there had been some delay in decision making whilst further information was sought. This area was addressed during the course of the inspection.
43. Further key areas for improvement include: the need to ensure that the identity and cultural needs of all children are reflected in their assessments and plans; children are actively supported to contribute to, and attend where appropriate, their case conferences; the need to develop the skills and confidence of staff in partner agencies to take on the 'lead professional' role in some cases and in Independent Reviewing Officers to enhance their role in promoting greater quality in reporting, planning, intervention and impact.

#### **Ofsted Inspection - Private Fostering**

44. An inspection of private fostering arrangements in Suffolk took place in February 2013.
45. The inspection judged that the service for children privately fostered in Suffolk is 'Good', and concluded that 'managers and social work staff demonstrate a real commitment to promoting the welfare of children and young people in private fostering arrangements in Suffolk.
46. The inspection also highlighted that the service has '*clear and comprehensive policy and procedural guidance, effective pro-forma recording tools, and promotes real consistency in the assessment and monitoring of private fostering arrangements. The experience and expertise of managers and staff ensures the support given reflects the uniqueness of each arrangement*'.

### **Ofsted Inspections 2013 – Children’s Homes**

<b>Children’s Home</b>	<b>Date of Inspection in 2013</b>	<b>Outcome</b>
Woodman's Place, Martlesham	November	Adequate
Grange Road, Beccles	January	Good Progress
Pakefield Road, Lowestoft	February	Good Progress
Redwood Lodge, Stowmarket	August	Good
Alexandra House, Bury St Edmunds	August	Good

47. The Children’s Accommodation Service is monitored by the independent Local Safeguarding Children Board for Suffolk and involves the children, families, partner providers and other stakeholders. The service continues to review and improve its practices in line with current legislation and good practice research, and by investing in the modernisation of buildings, staff training and development.

### **Ofsted Inspections 2013 – Children’s Centres**

<b>Children’s Centre</b>	<b>Date of Inspection in</b>	<b>Outcome</b>
Cornfields Children's Centre, Sudbury	February	Satisfactory
Ravenswood Community Children's Centre, Ipswich	March	Inadequate
The Quayside Children's Centre, Ipswich	April	Satisfactory
Butterflies Children's Centre, Beccles	April	Good
Foley House Children's Centre, Newmarket	April	Inadequate
Highfield Children's Centre, Ipswich	August	Good
The Phoenix Children's Centre, Sudbury	October	Requires improvement
Jigsaw Children's Centre, Bury St Edmunds	October	Requires improvement
Bluebells Children's Centre, Bury St Edmunds	October	Requires improvement
Brett River Children's Centre, Hadleigh	December	Requires improvement

48. Ofsted introduced a new inspection framework for Children’s Centres in April 2013. The new framework made a number of changes to the inspection process,

including replacing the 'Satisfactory' judgement with 'Requires Improvement'. Ofsted defines 'Requires Improvement' as 'not as good as the service might reasonably be expected to be in one or more key areas'.

49. The new framework also changed the way Ofsted inspects Children's Centres. If two or more centres share leadership and integrated services across an area in one local authority, Ofsted will inspect them as a children's centre grouping. This group is subject to a single inspection report and outcome. All other centres are inspected as a single entity. During inspection, Ofsted now focuses on how a Children's Centre helps families with young children access services and improves wellbeing, including those families who find it difficult or are unwilling to do so.
50. According to Ofsted's 'Data View' service, the overall performance of Suffolk Children's Centres compared to the national trend shows that as at 31 August 2013, 69% of Suffolk's Children's Centres were judged as 'Outstanding' or 'Good', which is on a par with the national average (also 69%), and significantly better than the East of England average of 62%.

#### **Ofsted Inspection - Early Years and Childcare**

51. The proportion of all early years providers judged good or better in Suffolk is higher compared with England overall and has been higher since 2009. In 2012, 82% of providers were judged as good or better in Suffolk compared to 74% in England.
52. Ofsted data shows that Suffolk is rated number 19 out of 162 local authorities where providers are 'most likely to be good or outstanding'.

#### **Suffolk Fire and Rescue Service - Operational Assessment and Fire Peer Challenge**

53. The peer challenge comprises a self-assessment report which is then subject to external officer and councillor peer challenge. It is a mechanism to provide authorities and Chief Fire Officers with information that helps them to consider whether their operational service delivery is efficient, effective and robust. The process assists with identifying strengths and areas for development, inform strategic improvement plans, assessing performance and identifying and disseminating notable practice.
54. The Suffolk Fire and Rescue Service's self-assessment was subject to challenge by the peer review team in December 2013 and the detailed findings will be available in early 2014.

#### **Transparency Compliance with Code of Recommended Practice**

55. An internal audit of the Council's compliance to the Code of Recommended Practice for Local Authorities on Data Transparency ('The Code') was undertaken in early 2013 and noted that the Council is open and transparent about the way it spends public money.

## **RISK MANAGEMENT**

### **Background**

56. As reported to the Committee in last year's annual report, the Council's overall approach to managing risk is based upon the Active Risk Management (ARM) model. ARM is a pragmatic and flexible approach to risk management in which staff actively manage risks by considering a number of basic questions in their everyday work, such as:

- What could go wrong?
- If it happens, what will be the impact?
- What am I doing about it?
- Is it working?
- How am I monitoring it?

57. The corporate database system (JCAD Risk) is used to record risks and responses, and its use has resulted in a more coherent and consistent approach to managing risk across the organisation, with consequently more comprehensive and meaningful risk reporting to the Corporate Management Team (CMT) and Directorate Management Teams (DMTs).

58. The flexibility inherent in ARM encourages risk owners to tailor their risk management approach to suit their business environment and operational needs and use the most effective means of recording. However, it is still necessary for risk owners to follow good practice when recording information, such as, risk score and mitigation, for a risk.

59. Where the use of the corporate database system does not lend itself to the specific purpose of risk management activity, for example where there are a number of detailed risks under a larger headline risk, then risk owners are encouraged to use the most effective means of recording whilst ensuring that the headline risk is recorded on JCAD. This is particularly the case where large or complex projects develop their own risk logs and may use other systems to share project plans and risk registers.

### **Focus of Activity in 2013**

60. The use of Active Risk Management (ARM) continues to increase across the County Council, and is becoming an integral part of how we work in the Council rather than a stand-alone activity. Risk management is embedded within business planning and performance management processes, and is being given due consideration as part of programme and project management, starting from the initiation/planning stage, right through the lifecycle of projects. There now seems to be a genuine appreciation for the benefits to be derived from the ARM approach, as managers become increasingly familiar with it.

61. Ensuring that the corporate database system (JCAD Risk) is a true and accurate reflection of the major threats and opportunities facing the Council, continues to be a major focus to ensure that the Corporate Management Team (CMT) and

Directorate Management Teams (DMTs) receive comprehensive and up-to-date reporting on major threats and opportunities, to allow them to make effective decisions on mitigating actions.

62. A comprehensive 'reality check' review of the Corporate Risk Register (CRR) was undertaken in 2013 to assess whether the risks on the CRR fully reflected the most significant issues and threats facing the organisation. The review led to a number of changes to the CRR, including the addition of a number of new corporate risks, the re-categorisation of some corporate risks, and the removal of some out-of-date risks (see Appendix 2 for the latest iteration of the CRR). Ownership of corporate risks rests with the relevant Director or Assistant Director, who is responsible for reviewing and updating the risk records on a timely and regular basis.
63. Similarly directorate management teams and service management teams have been encouraged to review their own risk registers regularly and in a timely manner. As a result, directorate risk registers have been streamlined and are now a more accurate representation of the most significant threats and opportunities that directorates and services are exposed to. Additional support and advice regarding risk management has been provided to Public Health since it transferred to the County Council, to ensure that its risk management processes dovetail into the corporate approach.
64. Risk management is now properly established as an integral part of the corporate business planning process. Risks are used to inform priority-setting for directorate and service/team plans. The corporate planning guidance referred to earlier in the report provides advice as to how managers should use risk management, including informing the identification of priorities for directorate and service/team plans.
65. Risk management continues to feature prominently in performance reports for both the Corporate Management Team (CMT) and Directorate Management Teams (DMTs). All risks identified as 'corporately significant' are included in the quarterly CMT performance report, along with their current and controlled RAG (red/amber/green) rating, and commentary on mitigation. Similarly, DMT performance reports also include risk elements. In this way, management teams are able to consider risk alongside other elements of performance, rather than as a separate activity. This has undoubtedly significantly improved the visibility of risk management and helped to ensure that it remains 'on the radar' of management teams throughout the organisation.
66. Ongoing review and updating of the risk management area on the County Council's intranet (Colin) takes place to ensure that useful guidance and policy documents are kept up to date and are accessible. All of these documents can be obtained from the Business Development Team on request or accessed at:

<http://colin.suffolkcc.gov.uk/CouncilBusiness/CorporatePolicies/RiskManagement.htm>

## Areas of Focus for 2014

67. It is clear that risk management is becoming more widely adopted within the Council. The success of the review of the Corporate Risk Register and the cleansing exercises undertaken by all directorates provides a strong indication that ARM is increasingly being practised across the organisation. And by integrating risk management into planning and performance management processes, this has helped people throughout the organisation understand the benefits of risk management.

68. However, there is undoubtedly further work needed to continue the process of embedding risk management across the Council. Areas that require attention include:

Ensuring that the Corporate Risk Register is a 'live' system and thus responds to the fast-changing environment and new challenges and opportunities that the Council will face going forward.

Ensuring that risk management becomes fully embedded in team and service management activities, building on the approaches adopted for corporate and directorate management teams.

Ensuring that reporting processes are consistent across the various directorates and fully integrated into overall performance management processes.

Continuing to review the guidance documentation to ensure that it provides managers with the support and advice they need to undertake their risk management activities effectively.

Learning from best practice elsewhere so that the Council's approach to risk management benefits from regular review and continuous improvement.

69. In conclusion, a great deal of work has taken place on improving our risk management arrangements over the last year, but we recognise that there is further work to do and there will always be scope for improving the effectiveness and efficiency of our risk management processes.

## Sources of Further Information

a) Corporate Planning and Performance Framework and Guidance 2014-15  
<http://colin.suffolkcc.gov.uk/SpecialistSupport/PlanningAndPerformance.htm>

b) Risk Management area on SCC Intranet (Colin)  
<http://colin.suffolkcc.gov.uk/CouncilBusiness/CorporatePolicies/RiskManagement.htm>

*(a) and (b) above are also available from the Business Development Team on request.*

c) Ofsted Inspections reports search facility  
<http://www.ofsted.gov.uk/inspection-reports/find-inspection-report>

d) Care Quality Commission (CQC) inspections  
<http://www.cqc.org.uk/public/about-us/our-inspections>

e) LG Inform  
<http://lginform.local.gov.uk/>



## Appendix 1 – Performance and Outcome Measures from the Corporate Management Team (CMT) Performance Report

### Priority: Economic Growth and Jobs

Broadband Rollout: % premises with less than 2Mbps
Broadband Rollout: % premises with greater than 24Mbps
% working age (16-64) people economically inactive
% working age (16-64) in employment (since recession)
% (aged 16-64) unemployed (since recession)
% 16 - 24 year olds claiming Job Seekers Allowance
Average earnings; gross weekly pay
% 16 to 18 year-olds who are NEET (not in education, employment or training)
New business registrations per 10,000 population
Housing Affordability Ratio
Apprenticeship programme starts (ages 16 to 18)
Apprenticeship programme starts (ages 19 to 24)
Apprenticeship programme starts (age 25+)
% principal roads requiring maintenance
% non-principal roads requiring maintenance

### Priority: Education

School Inspections (Ofsted) % deemed as Outstanding
School Inspections (Ofsted) % deemed as Good
School Inspections (Ofsted) % deemed as Satisfactory
School Inspections (Ofsted) % deemed as Inadequate

Achievement at Early Years Foundation Stage
Key Stage 1: Reading Key Stage 1: Writing Key Stage 1: Maths
Key Stage 2 (Level 4) English
Key Stage 2 (Level 4) Maths
GCSE: 5 A* - C grades (including English & Maths)
'A' Levels – average point score per pupil
Adults qualified to NVQ2 or higher (e.g. 5 or more GCSEs A*-C)
Adults qualified to NVQ4 or higher (e.g. HND, Degree)

### **Priority: Caring for Vulnerable People**

Total number of Troubled Families (Suffolk Family Focus)
Total number of Troubled Families 'turned around'
Average number of caseloads per Social Worker (Children's Social Care)
Number of Children in need (CIN) <i>excluding LAC and CPP</i>
Number of Looked after Children (LAC)
Number of Child Protection Plans (CPP)
Number of Common Assessment Framework (CAF) 'step up' to social care
Number of CAF 'step down' to social care
% Children in Need (0 to 5 year-olds) registered with a Children's Centre
% of adults with a learning disability in paid employment
% of adults with a learning disability who live in their own home or with their family
Permanent admissions to residential and nursing care homes, for younger people (18-64) per 100,000 population
Permanent admissions to residential and nursing care homes, for older people (65 and over) per 100,000 population

% of older people (65+) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services

Home First Team Enablement success rate:

% fully enabled only

% fully or partially enabled

### **Priority: Localism and 'Our Place'**

*Relevant performance measures for specific localities are identified for each CMT report.*

### **Priority: Building on Suffolk's Strengths**

Residual household waste collected per household (kg)

% household waste reused, recycled or composted

Tonnes CO2 emissions from SCC activity

Teenage Pregnancy; Number of births (girls aged 15 to 19)

Successful completion of drug treatment - opiate users

Breastfeeding; % of infants being breastfed at 6-8 weeks

Sexual Health access;  
% of individuals offered appointment within 48 hours

Sexual Health access;  
% appointees seen within 48 hours

Stop Smoking; 4 week smoking quitters

Obesity; % primary school children  
Year 6 (age 10-11)

Adults who take part in the recommended level of sport and physical activity

Citizens satisfied council / police tackle anti-social behaviour  
(British Crime Survey)

People killed or seriously injured on Suffolk's roads

Fire; attend all property fires within 11mins from alert (Fire Standard 1)

Fire; attend all road traffic collisions within 13mins from alert (Fire Standard 3)

Fire; On-Call availability Standard

## Appendix 2 – Corporate Risk Register (as at December 2013)

Business Unit	Risk Ref	Risk Details	Review Date	Current Risk Level	Controlled Risk Level
ACS	AC0061	Any delay or failure in the delivery of the new adult care operating model to deliver and fully engage, consult with local communities, stakeholders and staff may result in: 1. failure to secure planned savings in the period required; 2. the potential for legal challenge; 3. adverse public reaction to the planned changes.	09/01/2014	High	Medium
ACS	AC0069	Impact of welfare reforms (shared risk with CYP): All the changes proposed will only affect people of working age (pensioners will be fully protected). The changes will result in a reduction in people's incomes especially in respect of housing costs. Some people will inevitably resort to borrowing money particularly from "loan sharks".	30/03/2014	Medium	Medium
CYP	CY0026	Educational attainment does not improve at the national rate and Suffolk does not hit national expectations in the next two years at all Key Stages	02/07/2014	High	Low
CYP	CYVC0002	Workforce resources in Specialist Services are under severe pressure. This may lead to a lack of capacity, and compliance and competency being compromised. Consequently, children will not be protected and suffer significant harm. The subsequent reputational damage to the Council will be extreme.	02/04/2014	High	Medium
CYP	CY0018	Failure to complete the work of the Schools Organisation Review will lead to a continuing mix of 2-tier and 3-tier provision and therefore a lesser improvement in attainment than predicted for students overall.	02/07/2014	High	Medium
CYP	CY0037	Successful implementation of the new operating model for children and young people's services	27/12/2013	Medium	Medium
CYP	CY0035	The Learning Partnership in Suffolk is not effective in developing a new relationship with schools	27/12/2013	Medium	Medium
CYP	CY0036	The Suffolk Family Focus programme is not effective in addressing troubled families.	27/12/2013	Medium	Medium
CYP	CY0033	Musculoskeletal Disorders (MSDs): Failure to manage the risk associated with musculoskeletal disorders would leave the organisation vulnerable to litigation, reduced productivity and reputational damage.	29/08/2014	Medium	Low
ESE	ET0050	Insufficient reduction in emissions across Suffolk society resulting in failure to achieve ambition to be Greenest County, support the Green Economy and deliver our contribution towards achieving the targets with the Climate Change Act.	22/01/2014	High	Medium
ESE	ET0048	Inadequate infrastructure to support growth.	30/10/2013	Medium	Medium
ESE	ET0056	Failure to realise the benefits from the Energy from Waste programme	06/04/2014	Medium	Low

Business Unit	Risk Ref	Risk Details	Review Date	Current Risk Level	Controlled Risk Level
ESE	ET0057	Contract Management - We engage the services of a large number of partners and suppliers. The delivery model of our organisation is changing; we are becoming commissioners and there is increasing reliance on the use of contractors as we divest our services. Our role is often a facilitator for voluntary and community projects. We therefore have a duty as client to set an exemplary approach to risk management, setting out standards in our contracts, monitoring the performance against these standards to secure good practice.	11/01/2014	Medium	Low
ESE	ET0058	Growth Strategy and Delivery Plan fails to realise desired results across Suffolk.	tbc	Medium	Medium
ESE	ET0059	Failure to implement the statutory duty of the County Council becoming a Sustainable Drainage Approval Body by April 2014, could result in fines / financial losses.	05/01/2014	Very High	Medium
Fire and Rescue Service (PPD)	PPFR0056	Driving for Work - Failure to adequately manage the risks relating to staff's road safety would leave the organisation vulnerable to unplanned expenses, litigation, reduced productivity and reputational damage.	31/03/2014	Very High	Medium
Fire and Rescue Service (PPD)	PPFR0051	Risk that the Service is unable to adequately meet its statutory and discretionary responsibilities due to financial constraints.	02/03/2014	High	Medium
Fire and Rescue Service (PPD)	PPFR0048	Risk that the Authority is unable to meet its statutory responsibilities in the event of industrial action by members of FRS-related represented bodies.	18/03/2014	High	Medium
Public Health	PH0026	Failure of the service provider to secure fit-for-purpose accommodation, for the sexual health (SH) services, in the short to medium term, post end October, could result in the sexual health service being limited, with the Council being unable to fulfil its statutory obligation for the provision of accessible SH services and failure in the duty to improve health and decrease health inequalities, with a risk of reputational damage.	30/01/2014	Very High	Medium
Public Health	PH0022	The Director of Public Health and SCC have a responsibility to protect the health of the population post April 2013. The function will be split across SCC, the NHS Commissioning Board and Public Health England and there is a lack of clarity regarding final accountability which could lead to gaps and confused responsibility.	24/03/2014	Very High	Medium
Public Health	PH0025	Fire - Failure to adequately manage the risk associated with fire would leave the organisation vulnerable to unplanned expenses, litigation, reduced productivity and reputational damage.	01/11/2013	Very High	Medium

Business Unit	Risk Ref	Risk Details	Review Date	Current Risk Level	Controlled Risk Level
Public Health	PH0024	Political risk to the County Council regarding some of the decisions it will need to take with its new responsibility to improve the health of the population – for example the implementation of the output from the consultation on water fluoridation.	24/03/2014	High	Medium
Public Health	PH0023	The expectations of the NHS for Public Health specialist support will be greater than the resources available post April 2013.	13/03/2014	Medium	Medium
Public Health	PH0021	Lack of understanding/influence/control over services commissioned for the Waveney population despite being accountable for services and outcomes for this population from April 2013.	30/03/2014	Medium	Medium
Public Health	PH0020	The allocated ring-fenced Public Health budget will not be large enough to cover the cost of contracted services and staffing. Liabilities for the NHS Suffolk area are defined as far as possible but there is still no financial information for Waveney.	30/03/2014	Medium	Low
RM	RM0007	Public Access: That there is a problem or something missed in the unravelling of the CSD contract and the setting up of new public access arrangements and SCC are unable to provide a full public access function when the contract ends.	21/01/2014	Medium	Medium
RM Business Development	RMPP0020	The various initiatives undertaken by the Council under the banner of 'Localism and Our Place', fail to promote resilience in communities and do not create local solutions that reduce demands for services.	14/01/2014	Very High	Medium
RM Business Development	RMPP0019	The current financial climate coupled with the ensuing harsh economic environment could result in the Council making decisions which adversely affect protected groups.	15/01/2014	High	Medium
RM Business Development	RMPP0021	Failure of the 'Better Broadband for Suffolk' project to deliver superfast broadband across Suffolk would damage the Council's reputation.	14/01/2014	High	Medium
RM Corporate Health and Safety	H&S0010	Complete and implement a CYP improvement plan following the Quality Safety Audit (QSA) in February 2013.	11/02/2014	High	Low
RM Corporate Property	RMPY0059	Asbestos - SCC has a portfolio of approx. 1000 properties; most will contain some type of asbestos. The responsibility for the day to day management of these properties is enacted by premises managers appointed as "responsible persons". Asbestos exposure can cause latent health issues and as such the management of asbestos in all of our buildings is a legal requirement and a high corporate priority.	tbc	High	Low

Business Unit	Risk Ref	Risk Details	Review Date	Current Risk Level	Controlled Risk Level
RM Corporate Property	RMPY0060	There is a risk to the SCC Single Public Sector Estate programme if participating partners' circumstances change.	12/02/2014	Medium	Low
RM Procurement & Contract Management	RMPR0026	Failure of business critical supplier results in loss of service or increased cost.	11/12/2013	Medium	Medium
RM Procurement & Contract Management	RMPR0023	Skills/Knowledge gap in contract management leads to poor supplier performance management, specifically on major divestment/outourcing contracts, resulting in reduced savings, possible over charging and/or possible service failure of supplier without advance warning.	03/03/2014	Medium	Medium
RM Scrutiny & Monitoring	RMSM0012	The Council does not have, or does not implement, the appropriate controls to prevent, detect, deter or respond to fraud with a result of financial loss, criticism from the External Auditor, and damage to reputation.	14/01/2014	High	Low
RM Strategic Finance	RMSF0020	Failure to collect Business Rates and Council Tax in line with assumptions.	03/03/2014	Medium	Medium
RM Strategic Finance	RMSF0019	Failure to identify sufficient savings to offset the significant grant reductions e.g. RSG that the government is imposing on local government.	03/03/2014	High	Medium
RM Strategic HR	RMSHR0006	Stress - Failure to adequately manage the risk related to stress would leave the organisation vulnerable to reduced productivity, litigation and reputational damage.	02/01/2014	Medium	Medium
RM Strategic HR	RMSHR0005	Industrial action leading to loss of service provision e.g. school closures, withdrawal of labour across all parts of the organisation. This would result in reputational damage, legal action, failure to deliver organisational commitments. Timescale of risk is 18 months from October 2012.	02/04/2014	High	Medium
RM Strategic HR	RMSHR0007	The culture of the council fails to enable our people to design and deliver a new model for public services within Suffolk.	01/04/2014	Medium	Medium
RM Strategic ICT	RMICT0018	Flood/Fire or other event. Effect: Loss of data centre, failure to deliver essential applications for an extended period. Result: Increased likelihood of injury to vulnerable people, loss of stakeholder confidence, damage to reputation. Loss of the data centre in Constantine House due to flood or other incident, leads to loss of nearly all ICT systems for a number of weeks resulting in significant difficulties in maintaining service delivery.	31/03/2014	High	Medium

