

City Chambers
DUNDEE
DD1 3BY

7th February, 2012

Membership

Councillor Kevin Keenan
Councillor Richard McCready
Bailie Derek Scott
Councillor Fraser Macpherson
Councillor Bob Duncan
Bailie William Sawers
Councillor Craig Melville
Councillor Stewart Hunter

All other Members

Agenda and papers for information

Dear Sir or Madam

SCRUTINY COMMITTEE

Please attend the **SCRUTINY COMMITTEE** to be held in the main Council Chamber, City Chambers, City Square, Dundee on Wednesday, 15th February, 2012 at 2.00 pm. Substitute members are allowed.

Yours faithfully

DAVID K DORWARD

Chief Executive

Members are reminded that, in terms of The Councillors Code, it is their responsibility to make decisions about whether to declare an interest in any item on this agenda and whether to take part in any discussions or voting.

This will include all interests, whether or not entered on your Register of Interests, which might be perceived as influencing your opinion/vote on any matter.

1 ST PAUL'S ACADEMY

(Report No 70-2012 enclosed).

2 CRAIGIEBARNES PRIMARY SCHOOL

(Report No 55-2012 enclosed).

3 REVIEW OF PREVIOUS YEARS EXTERNAL AUDIT PLANS

(Report No 60-2012 enclosed).

4 EXTERNAL AUDIT REPORT - OVERVIEW OF KPMG AUDIT APPROACH FOR AUDIT SCOTLAND APPOINTMENTS FROM 2011/2012 ONWARDS

(Report No 63-2012 enclosed).

5 INTERNAL AUDIT REPORTS

(Report No 75-2012 enclosed).

6 CORPORATE PERFORMANCE SELF-ASSESSMENT 2011/2012 - REPORT FOR SIX MONTHS TO 30TH SEPTEMBER, 2011

(Report No 71-2012 enclosed).

REPORT TO: SCRUTINY COMMITTEE - 15 FEBRUARY 2012
REPORT ON: HMle INSPECTION OF ST PAUL'S RC ACADEMY
REPORT BY: DIRECTOR OF EDUCATION
REPORT NO: 70-2012

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to report on the findings of the HMle Inspection of St Paul's RC Academy.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Scrutiny Committee:

- i) notes the contents of this report; and
- ii) instructs the Director of Education to monitor progress towards meeting the areas for improvement contained in the report.

3.0 FINANCIAL IMPLICATIONS

3.1 None

4.0 MAIN TEXT

4.1 St Paul's RC Academy was inspected by Her Majesty's Inspectorate of Education (HMle) in September 2011. They published a report on their findings on 1 November 2011. At the time of the inspection the roll was 969.

4.2 HMIE identified the following key strengths of the school:

- the welcoming atmosphere and caring ethos;
- the commitment of staff to improve the school;
- the support provided for young people entering the school from P7; and
- the quality of accommodation and facilities.

4.3 The following areas for improvement were agreed with the school and education authority:

- raise expectations and improve the consistency of young people's learning experiences and achievements;
- improve arrangements to meet the learning needs of young people, including those requiring additional support;
- improve the curriculum to meet the needs and entitlements of all young people; and
- develop consistent and rigorous approaches to self-evaluation.

4.4 Quality Indicators

4.4.1 HMIE reports use a six-point scale for reporting performance:

excellent	outstanding, sector leading
very good	major strengths
good	important strengths with some areas for improvement
satisfactory	strengths just outweigh weaknesses
weak	important weaknesses
unsatisfactory	major weaknesses

4.4.2 The following quality indicators from "How Good Is Our School 3" (HGIOS 3) were evaluated:

Quality Indicator	
Improvements in performance	satisfactory
Learners' experiences	satisfactory
Meeting learning needs	weak
The curriculum	weak
Improvement through self-evaluation	weak

4.5 St Paul's RC Academy formed part of an authority extended review in March 2010. As part of the review a number of strengths were commented on including the welcoming and caring atmosphere of the school and the leadership and commitment of the Head Teacher. In addition to this the role of the Guidance mentors and the emerging role of the staff working groups in school improvement were commented on favourably. The final report, although highlighting areas of good practice, identified a number of action points. These included improving the consistency of learning teaching through the extension of active learning and greater emphasis on differentiation. The extended review report also recommended reviewing and extend the role of Support for Learning teachers to maximise the impact for learners and implementing more consistently approaches to promoting positive behaviour. Although some of these actions points had been overtaken before this HMIE visit, the main points for action identified by HMIE are still broadly in line with the findings of the extended review.

4.6 The school, supported by the authority progressed the action plan created after the extended review, but the pace of the implementation and the impact was affected by a number of key staffing issues in the SMT. The Head Teacher at the time of the extended review left post in December of 2010 and acting arrangements have been in place in the school until August 2011 when the current Head Teacher took up post. In March 2011 one of Depute Head Teachers in St Paul's RC Academy left the school due to internal promotion and this vacancy was filled by a short term acting arrangement in the school. These substantial changes in senior staffing have caused delays in implementing all of the changes recommended as part of the authority extended review. These management difficulties, along with a considerable amount of staff turnover due to the merger, are acknowledged by HMIE in the report findings.

4.7 The school prior to, during and after the inspection has been supported by the authority through the QIO team and are currently finalising an action plan to respond to the main recommendations. This action plan will form the basis for the next school improvement plan which is scheduled to commence in June 2012. HMIE recognised the commitment of the school staff and management to take forward the recommendations and particularly highlighted the very positive start made by the newly appointed Head Teacher.

5.0 POLICY IMPLICATIONS

5.1 This report has been screened for any implications in respect of sustainability, strategic environment assessment, anti-poverty and equality impact assessment and risk management.

5.2 There are no major issues.

6.0 CONSULTATION

6.1 This report has been subject to consultation with the Chief Executive, the Director of Finance and the school's Head Teacher.

7.0 BACKGROUND PAPERS

7.1 None.

Michael Wood
Director of Education

PC/MM

23 November 2011

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Dundee City Council**

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1 November 2011

Dear Parent/Carer

St Paul's RC Academy

Dundee City Council

Recently, as you may know, my colleagues and I visited and inspected your child's school. Throughout our visit we talked to many parents and young people and we worked closely with the headteacher and staff. We wanted to find out how well young people were learning and achieving and how well the school supported young people to do their best. The headteacher shared with us the school's successes and priorities for improvement. We looked at some particular aspects of the school's work including: support for young people and the contribution made by the school's partners; progress being made towards Curriculum for Excellence; quality and consistency of learning and teaching; and the ethos and levels of expectation of staff and young people. As a result, we were able to find out how good the school was at improving children's education. I would now like to tell you what we found.

How well do young people learn and achieve?

The majority of young people learn and achieve well. However, many young people, particularly at S1 to S4, are capable of achieving more.

Most young people feel safe and well cared for. They enjoy their learning, benefiting from the attractive learning environment. In most lessons, young people listen attentively and concentrate well on their work. They respond well to being given opportunities to work together in groups and to take responsibility for their learning. In some lessons, activities are too teacher-led and young people are too passive in their learning. Young people are beginning to develop skills in evaluating their own work and in setting themselves targets for their learning. This is well done in a few classes but needs to be more consistent overall. Across the school, children are learning about global citizenship as a result of the strong links developed with a village in southern India. These links successfully encourage young people to develop Catholic values and contribute positively to the school's ethos. In some subjects, homework makes a strong contribution to young people's learning. This is too variable, however, and staff do not all share the same high expectations for young people. Overall, the quality of young people's learning experiences is too inconsistent across the school.

Young people achieve well through taking part in various activities, including a wide range of out-of-hours clubs. At S5 and S6, young people develop their own skills by helping younger learners and other members of the community. Several take on responsibility well across the school, for example, as prefects. The school does not collect reliable information on young people's progress and attainment during S1 and S2. Staff recognise that they should make better use of available assessment data. By the end of S4, young people's attainment is, overall, well below national averages and poorer than in schools serving young people with similar needs and backgrounds. However, in the past three years, attainment has shown promising signs of improvement. By the end of S6, attainment remains below national averages but is generally in line or better than in schools serving young people with similar needs and backgrounds. The school is working very well to improve the number of young people who go on to further and higher education, employment or training.

How well does the school support young people to develop and learn?

There is considerable scope to improve how well the school meets the learning needs of all young people, including those who require additional support.

In around half of the lessons we observed, tasks and activities were well-matched to meet the needs of most learners. In a significant number of lessons, activities were too easy, particularly for higher-achieving pupils. Teachers need to take more account of young people's individual needs and achievements and encourage all young people to have high expectations. Staff make very effective use of digital examination papers for young people who require additional support. Across the school, teachers could make better use of information and communications technology to motivate and support young people in their learning. Support for learning staff provide helpful individual support in some classes but do not share a clear understanding of their roles and responsibilities. Important improvement priorities identified by the school and education authority have not been fully addressed. As a result, teachers are not sufficiently aware of how best to support young people in their learning. Arrangements for young people with Additional Support Plans need to be improved and shared more effectively with relevant teachers. Young people are well supported in moving from P7 into S1.

The curriculum, overall, provides most young people with a broad range of subjects and opportunities. Partner agencies, including Dundee College, and initiatives such as "Xplore" and "Kick It, Kick Off", make a positive contribution to the curriculum. These contributions could be improved further through better joint planning and evaluation. Staff are beginning to deliver courses at S1/S2 which help young people to link their learning across different subjects. City-wide consortium arrangements help the school to provide a wider range of courses at Advanced Higher for young people at S6. Staff are at a very early stage in developing the curriculum in line with Curriculum for Excellence. Working groups to improve the curriculum have had variable impact and success. Across the school, staff do not yet share common approaches to developing young people's skills in literacy and numeracy. Arrangements to enhance young people's awareness of health and wellbeing need to be developed further.

How well does the school improve the quality of its work?

The school's approaches for self-evaluation and its arrangements for planning improvements have made too little impact on improving the quality of its work.

Most staff are reflective and show a willingness to learn new skills and contribute to school improvements. In some departments, arrangements for self-evaluation and planning for improvement are very thorough. Across the school, however, the consistency of practice varies too much. Arrangements to analyse and improve young people's performance in national examinations are too variable and lack rigour. Senior managers need to develop and share higher expectations,

building on existing good practice within the school. Observations of learning have not yet improved the consistency of young people's learning experiences.

Following the school's formation as a result of amalgamation, there has been a period of considerable staff turnover and acting assignments at senior management level. The very recently appointed headteacher has made a strong start in identifying strengths and areas needing to be improved. Staff are optimistic about the school's potential for further improvement.

This inspection of your school found the following key strengths.

- The welcoming atmosphere and caring ethos.
- The commitment of staff to improve the school.
- The support provided for young people entering the school from P7.
- The quality of accommodation and facilities.

We discussed with staff and the education authority how they might continue to improve the school. This is what we agreed with them.

- Raise expectations and improve the consistency of young people's learning experiences and achievements.
- Improve arrangements to meet the learning needs of young people, including those requiring additional support.
- Improve the curriculum to meet the needs and entitlements of all young people.
- Develop consistent and rigorous approaches to self-evaluation.

As a result of our inspection findings we think that the school needs additional support and more time to make necessary improvements. Our District Inspector along with the local authority will discuss the most appropriate support in order to build capacity for improvement, and will maintain contact to monitor progress. We will return to evaluate aspects of provision and the progress in improving provision within eighteen months of publication of this letter. We will then issue another letter to parents on the extent to which the school has improved. In that letter we will inform you if we are going to carry out a further inspection visit.

Alistair Brown
HM Inspector

Additional inspection evidence, such as details of the quality indicator evaluations, for your school can be found on the Education Scotland website at <http://www.hmie.gov.uk/ViewEstablishment.aspx?id=12197&type=3>

Please contact us if you want to know how to get the report in a different format, for example, in a translation. You can contact us at enquiries@educationscotland.gsi.gov.uk or write to us at BMCT, Education Scotland, Denholm House, Almondvale Business Park, Almondvale Way, Livingston EH54 6GA.

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REPORT TO: SCRUTINY COMMITTEE - 15th FEBRUARY 2012

**REPORT ON: EDUCATION SCOTLAND (HMIe) INSPECTION OF
CRAIGIEBARNES PRIMARY SCHOOL AND NURSERY CLASS**

REPORT BY: DIRECTOR OF EDUCATION

REPORT NO: 55- 2012

1.0 PURPOSE OF REPORT

1.1 The purpose of this paper is to report on the findings of Education Scotland (HMIe) following an inspection at Craigiebarnes Primary School and Nursery Class.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Scrutiny Committee:

- i) notes the contents of this report; and
- ii) instructs the Director of Education to monitor progress towards meeting the areas for improvement contained in the report.

3.0 FINANCIAL IMPLICATIONS

3.1 None.

4.0 MAIN TEXT

4.1 Craigiebarnes Primary School and nursery class were inspected by Her Majesty's Inspectorate of Education (HMIe) in September 2011. They published a report on their findings on 29th November 2011. At the time of the inspection 310 children were on the primary department roll and 55 children aged between three and five years were attending the nursery class on a part-time basis.

4.2 HMIe identified the following key strengths of the school:

- Happy and confident children who enjoy their learning.
- Teamwork of staff in creating a positive and caring ethos.
- Partnership with parents.
- Use of the nursery outdoor area to develop children's physical skills.
- Children's skills in using computers to enrich their learning.

4.3 The following areas for improvement were agreed with the school and education authority:

- Ensure tasks and activities meet the learning needs of all children through appropriate differentiation, pace and challenge.
- Take a more focused approach to self-evaluation to ensure consistency in children's learning experiences.
- Continue to develop Curriculum for Excellence

4.4 Quality Indicators

4.4.1 HMle reports using a six-point scale for reporting performance:

excellent	outstanding, sector leading
very good	major strengths
good	important strengths with some areas for improvement
adequate/satisfactory	strengths just outweigh weaknesses
weak	important weaknesses
unsatisfactory	major weaknesses

4.4.2 The following quality evaluations were given at this inspection:

Quality Indicator	Nursery Grade	Primary Grade
Improvements in performance	Good	Good
Children's/Learners' experiences	Good	Good
Meeting learning needs	Good	Good
The curriculum	Good	
Improvement through self-evaluation	Satisfactory	

4.4.3 The Craigiebarns Primary School Improvement Plan (2009-2012) will be reviewed in order to maintain a focus on the areas for improvement identified by Education Scotland (HMle). These areas for improvement will be carried forward into the next School Improvement Plan 2012 - 2015 and will be regularly reviewed, monitored and evaluated in line with both the school's and the authority's quality improvement calendars.

4.4.4 Education Scotland indicated that they are satisfied with the overall quality of educational provision at Craigiebarns Primary School and Nursery Class. Therefore they will make no further visits in connection with this inspection. The education authority will inform parents about the school's progress as part of the authority's arrangements for reporting to parents on the quality of the school.

5.0 POLICY IMPLICATIONS

5.1 This report has been screened for any implications in respect of Sustainability, Strategic Environment Assessment, Anti-Poverty and Equality Impact Assessment and Risk Management.

5.2 There are no major issues.

6.0 CONSULTATION

6.1 This report has been subject to consultation with the Chief Executive, Depute Chief Executive (Support Services), Director of Finance.

7.0 BACKGROUND PAPERS

7.1 The following Background Papers were relied upon in preparation of this Report:

- EDUCATION SCOTLAND (HMle) INSPECTION REPORT FOR CRAIGIEBARNES PRIMARY SCHOOL AND NURSERY CLASS, DUNDEE

MICHAEL WOOD
Director of Education

DATE 24th January 2012

***Craigiebarns Primary School and Nursery Class
Dundee City Council***

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29 November 2011

Dear Parent/Carer

**Craigiebarns Primary School and Nursery Class
Dundee City Council**

Recently, as you may know, my colleagues and I visited and inspected your child's school. Throughout our visit we talked to parents and children and we worked closely with the headteacher and staff. We wanted to find out how well children were learning and achieving and how well the school supported children to do their best. The headteacher shared with us the school's successes and priorities for improvement. We looked at some particular aspects of the school's recent work including leadership at all levels, active learning and tracking children's progress. As a result, we were able to find out how good the school was at improving children's education. I would now like to tell you what we found.

How well do children learn and achieve?

Overall, we think your children are happy, confident and engage well in their learning. In the nursery, children are happy and comfortable in the playroom and are developing positive relationships with each other. They continue to develop skills at playing together, sharing toys and taking turns. They are aware of nursery routines and rules. Children in the Visually Impaired Unit feel safe and are well cared for. They are confident in interacting with adults in the Unit and well-known adults across the school. Children in the Unit are developing well their sense of physical and social wellbeing. Across the primary stages, almost all children are well behaved and attentive in class. In almost all lessons, children have opportunities to be active in their learning and work together. Staff use learning logs and learning walls successfully to involve children more with their learning. They realise that there is scope to extend this work further. Children talk enthusiastically about participating in their 'Through the Decades' concert to celebrate the 40th anniversary of the opening of the school. Children achieve well in the expressive arts. For example, those who

participated in the school's wind and string ensembles achieved a gold award at the Dundee Arts Festival.

We are confident that most children are developing their literacy and numeracy skills well. In the nursery, most children are developing their ability to listen to adults and other children. A few children use story books independently in the playroom. The majority of older children recognise their name in print and can identify their own name on snack cards, painting labels and class registers. Children experiment with mark-making when writing tickets during imaginary play at the 'train'. They enjoy using early numbers and most children are learning to count and recognise numbers to ten. In the Unit, almost all children are making suitable progress in relation to the targets within their additional support plans. Across the primary classes, almost all children are developing very good skills in reading. They enjoy reading and discuss their ideas confidently. They discuss their ideas confidently. Children write well in a range of styles including, for example, play scripts. However, children would benefit from more opportunities to write at length. Overall, spelling and punctuation could be improved. Children are motivated with their mathematics and numeracy work. They respond positively to recently-introduced active learning approaches. Children are developing their numeracy skills well across the curriculum. For example, children in P5/6 and P6 are using their skills in measurement to create models of planets. Across the school, children are making very good progress in developing their health and wellbeing. They have a real understanding of what they need to do to have a healthy lifestyle. They can readily identify ways to stay safe. They are confident in discussing the need for a balanced diet. Children achieve well in a broad range of physical activities such as football, basketball, swimming and gymnastics. Across the school, children are developing effective skills in art and design. At several stages, they are able to reflect on the work of famous artists as a stimulus for their own work.

How well does the school support children to develop and learn?

Staff in the school and nursery support your children to develop and learn well. They provide children with a broad and balanced curriculum which develops children's skills in key curricular areas. Staff are becoming more confident in using the experiences and outcomes of Curriculum for Excellence when planning children's learning. The school makes effective use of visits to enhance the curriculum. For example, children in P4/5 visited Sensation as part of a topic on dinosaurs. Children in the nursery recently went on a farm visit. In the nursery, staff use the well-developed outdoor grounds effectively to support children in developing their physical skills. Children have good opportunities to use computers and, as a result, they are skilled in using them across the curriculum. Staff interact effectively with children. However, staff do not always share the purpose of activities with children. In most lessons, tasks and activities are set at an appropriate level of difficulty for most children. However, this is not consistent in all lessons. At times, the pace of lessons and use of teaching time could be sharper to create more challenge for all children. Across the school and nursery, staff should continue to work with children to help them identify their next steps in learning and to know themselves as learners. Support for learning staff work effectively with children who need additional help with their learning. The learning needs of these children are identified early and met well. Children in the Unit are well supported both in their own base and in the primary classes. Staff work hard to provide an appropriate range of activities to

encourage mobility and social independence. Throughout the school, staff work effectively with other services to support children both in school and with out-of-school activities. We think that the Craigiebarns Parent Partnership and you as parents support the school well.

How well does the school improve the quality of its work?

The headteacher and recently appointed depute headteacher are committed to the work of the school. Together with staff, they are now in a good position to develop a clearer sense of direction for the future development of the school. A range of approaches to monitor the work of the school are in place and lead to improvement. These now require a sharper focus to ensure a consistency in learning experiences across the school. Staff should seek the views of parents and children more in evaluating and developing the work of the school. Staff are reflective and are keen to continue to develop the experiences for your child. For example, the school's literacy group has raised successfully the profile of literacy in the school. We believe that, with the continued support of the local authority, Craigiebarns Primary School is in a sound position to improve further and provide even more positive learning experiences for your child.

This inspection of your school and nursery class found the following key strengths.

- Happy and confident children who enjoy their learning.
- Teamwork of staff in creating a positive and caring ethos.
- Partnerships with parents.
- Use of the nursery outdoor area to develop children's physical skills.
- Children's skills in using computers to enrich their learning.

We discussed with staff and the education authority how they might continue to improve the school and nursery class. This is what we agreed with them.

- Ensure tasks and activities meet the learning needs of all children through appropriate differentiation, pace and challenge.
- Take a more focused approach to self-evaluation to ensure consistency in children's learning experiences.
- Continue to develop Curriculum for Excellence.

What happens at the end of the inspection?

We are satisfied with the overall quality of provision. We are confident that the school's self-evaluation processes are leading to improvements. As a result, we will make no further visits in connection with this inspection. The local authority will inform parents about the school's progress as part of the authority's arrangements for reporting to parents on the quality of the school.

Alan Urquhart
HM Inspector

Additional inspection evidence, such as details of the quality indicator evaluations, for your school can be found on the Education Scotland website at <http://www.hmie.gov.uk/ViewEstablishment.aspx?id=8386&type=2>.

Please contact us if you want to know how to get the report in a different format, for example, in a translation. You can contact us at enquiries@educationscotland.gsi.gov.uk or write to us at BMCT, Education Scotland, Denholm House, Almondvale Business Park, Almondvale Way, Livingston EH54 6GA.

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Footnote

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REPORT TO: SCRUTINY COMMITTEE - 15 FEBRUARY 2012

REPORT ON: REVIEW OF PREVIOUS YEARS' EXTERNAL AUDIT REPORT
ACTION PLANS

REPORT BY: DIRECTOR OF FINANCE

REPORT NO: 60-2012

1 **PURPOSE OF REPORT**

To provide elected members with an update on the progress on implementing recommendations from previously agreed external audit reports.

2 **RECOMMENDATIONS**

It is recommended that elected members note the information below and detailed on Appendix A updating progress on implementing previously agreed recommendations.

3 **FINANCIAL IMPLICATIONS**

None.

4 **MAIN TEXT**

4.1 In November 2005, revised procedures were agreed with Audit Scotland for dealing with external audit reports, management letters and reviewing previously agreed action plans. These procedures included that the Director of Finance would review agreed action plans regularly to ensure the timeous implementation of previously agreed recommendations. In addition, it was agreed that the Director of Finance would report annually to the Audit & Risk Management Sub-Committee (now Scrutiny Committee) on the progress on implementing recommendations.

4.2 The attached appendix A details the position for each individual report issued by Audit Scotland together with further information on the recommendations as follows:

Column A details the total number of recommendations that are due for implementation to date. This excludes any recommendations that have already have been reported in previous progress reports.

Column B details the total number of the above recommendations (column a) that have now actually been implemented.

Column C details the number of recommendations that are considered no longer applicable e.g. these recommendations may have been superseded by subsequent recommendations in follow up reports.

Column D details the total number of recommendations that are still outstanding to be implemented and the original target date agreed has now passed.

Column E details the total number of recommendations that are still outstanding to be addressed although are not yet due for implementation.

- 4.3 In summary, a total of 15 recommendations were carried forward from the previous progress report as being beyond their original target implementation deadline and a further 22 recommendations from previously issued reports are now also due for implementation. Since the last progress report was submitted to the Scrutiny Committee in October 2010, Audit Scotland have issued a further 3 reports that include a total of 3 recommendations that were targeted to have been implemented to date. In total, 40 recommendations are therefore considered due to have been implemented to date, of which a total of 36 have either been addressed or are no longer considered applicable by the Council. The remaining 4 recommendations have not yet been fully implemented by their original target deadline although overall, significant progress has been made and, where relevant, revised target dates have been set. In addition, a further 16 recommendations are still outstanding although these actions have not yet reached their target implementation date. Of the recommendations that have not yet been implemented none require further action or intervention at this time, further progress on these will be reported in due course.
- 4.4 Financial year 2010/11 was the final year of Audit Scotland's appointment as external auditor for the City Council. KPMG LLP have been appointed as the Council's new external auditor for the next five years from 2011/12. Procedures for dealing with external audit reports, management letters and reviewing previously agreed action plans will be discussed with KPMG LLP in due course and updated as necessary. In the meantime, the Director of Finance will continue to review progress on implementing any outstanding recommendations from action plans detailed on Appendix A and report findings of this review to the Scrutiny Committee thereafter.

5 POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of sustainability, Strategic Environmental Assessment, Anti-Poverty and Equality Impact Assessment and Risk Management.

There are no major issues.

6 CONSULTATIONS

The Chief Executive and Depute Chief Executive (Support Services) have been consulted on the content of this report.

7 BACKGROUND PAPERS

Audit Scotland: External Audit Reports (various)

MARJORY M STEWART
DIRECTOR OF FINANCE

03 FEBRUARY 2012

DUNDEE CITY COUNCIL

SCRUTINY COMMITTEE - 15 FEBRUARY 2012

REVIEW OF PREVIOUS YEARS' EXTERNAL AUDIT REPORT ACTION PLANS

Report Details	Number of Recommendations					Other Comments
	a) Due to be implemented	b) Implemented since previous report **	c) No longer considered applicable	d) Still outstanding to be implemented	e) Due for implementation in the future	
Capital Project Management	6	2	3	1	-	This report was issued in September 2008 and included a number of longer-term action points of which 6 were carried forward as requiring further action. Whilst items relating to Central Waterfront & PPP Schools Project (ref action plan 7 & 8) are now considered as implemented, it is noted that as with all long-term projects, these items will still require to be continually monitored over the remaining duration of the projects. The items considered as no longer applicable (ref action plan 12, 13 & 14) all relate to Asset Management Planning and have now been superseded by recommendations made in subsequent reports. The item still outstanding beyond the originally agreed implementation date (ref action plan 9) relates to the clarification of procedures included in the Council's Financial Regulations for reporting overspends on capital projects and capital budget virements. These amendments have not yet been made and will be reflected in the next review of Financial Regulations. No further action is required at this time and progress will be reported in due course.
Report to Members on the 2007/08 Audit	1	1	-	-	-	Outstanding item from previous report related to efficiency agenda and has now been implemented. Notwithstanding this the Council will continue to seek to identify efficiency savings for ongoing years as part of Council's overall Efficiency programme.
Corporate Governance: Systems Assurance	4	3	1	-	-	This report was issued in June 2009 and included a total of 4 recommendations. Of these 3 have been completed since the previous report, the other item (ref action plan 4) is no longer considered as applicable as this matter has been superseded by subsequent external audit reports.
Review of Cash Management	6	5	1	-	-	This report was issued in September 2009 and included a number of recommendations that have already been addressed. Of the 6 items outstanding since the previous report, 5 have now been implemented (ref action plan 3ii, 5, 8, 13 & 14). Item 7 relates to arrangements for collection of local tax although this has now been superseded by the wider review of collection accounts currently being undertaken as part of the Council's Changing for the Future Programme.

DUNDEE CITY COUNCIL

SCRUTINY COMMITTEE - 15 FEBRUARY 2012

REVIEW OF PREVIOUS YEARS' EXTERNAL AUDIT REPORT ACTION PLANS

Report Details	Number of Recommendations					Other Comments
	a) Due to be implemented	b) Implemented since previous report **	c) No longer considered applicable	d) Still outstanding to be implemented	e) Due for implementation in the future	
Report to Members on the 2008/09 Audit	2	2	-	-	-	This report was issued in October 2009 and the matters still outstanding (ref action plan 2 & 4) related to funding arrangements for DERL and the implementation of all outstanding issues from the separate review of Cash Management (see also above). These items are both now considered as implemented. It is acknowledged however, that the Council will continue to closely monitor the performance of DERL in both financial and operational terms and report this to Committee accordingly. No further action is required at this time and progress will be reported in due course.
Follow-up of Change Management and Application Systems Review	2	2	-	-	-	Items 1 & 2 relating software change control arrangements and the establishment of audit trail information for Housing Stock Information System have now been fully addressed.
Report to Members on the 2009/10 Audit	12	10	-	2	-	This report was issued on November 2010 and included a total of 12 action points that were agreed to be addressed. Of the items that were due to be actioned to date, 10 have been implemented (ref action plan 1, 2, 4, 5i, 5ii, 6i, 7, 8, 9 & 10). The actions still outstanding relate to procurement (ref action plan 6ii & 6iii), work on these areas is continuing and both of these items are expected to be completed by end of June 2012.
CERDMS	4	4	-	-	-	All outstanding items regarding this report have now been considered the appropriate action taken.
Corporate Governance Review *	1	-	-	1	8	This report was issued in September 2011 and included a total of 9 recommendations. Of these only 1 should have been implemented to date, this related to the project management arrangements for implementation of procurement improvements. Work relating to this item has been delayed slightly and is now likely to be implemented by end of February 2012. The remaining recommendations are not yet due for implementation although these items are being continually reviewed and no further action is required at this time.

DUNDEE CITY COUNCIL

SCRUTINY COMMITTEE - 15 FEBRUARY 2012

REVIEW OF PREVIOUS YEARS' EXTERNAL AUDIT REPORT ACTION PLANS

Report Details	Number of Recommendations					Other Comments
	a) Due to be implemented	b) Implemented since previous report **	c) No longer considered applicable	d) Still outstanding to be implemented	e) Due for implementation in the future	
Voluntary Early Retirement and Redundancy Schemes *	2	2	-	-	1	This report was issued in October 2011 and included 3 action points that were agreed to be addressed. Of these, 2 points were due to have been implemented to date. The outcome of the teachers VER scheme (ref action plan 1i) was reported to Policy & Resources Committee in December (report 507-2011 refers) and the issue regarding pension scheme accounting (ref action plan 2) has been treated accordingly in the 2010/11 Statement of Accounts. The remaining action relates to the teachers 2012/13 VER scheme (ref action plan 1ii) is not yet due for implementation. No further action is required at this time and progress will be reported in due course.
Report to Members on the 2010/11 Audit *	-	-	-	-	7	This report was issued in November 2011 and included 7 action points that were agreed to be addressed. None of these action points are due for implementation. No further action is required at this time and progress will be reported in due course.
Total	40	31	5	4	16	

* New reports that have been issued since the previous progress report was submitted to Scrutiny Committee on 20 October 2010 (Report 586-2010 refers).

** Where appropriate, implemented recommendations are subject to continual review and further action is taken as required.

REPORT TO: SCRUTINY COMMITTEE - 15 FEBRUARY 2012

**REPORT ON: EXTERNAL AUDIT REPORT - OVERVIEW OF KPMG AUDIT
APPROACH FOR AUDIT SCOTLAND APPOINTMENTS FROM 2011-12
ONWARDS**

REPORT BY: KPMG

REPORT NO: 63-2012

1 PURPOSE OF REPORT

To submit to elected members the above report that provides an introduction to KPMG together with an overview of our audit approach and summarises our key responsibilities as the Council's appointed external auditor.

2 RECOMMENDATIONS

It is recommended that elected members note the information included in the attached report.

3 MAIN TEXT

- 3.1 Following our appointment by Audit Scotland as external auditor for the City Council for five years from 2011/12, we have produced the above report that outlines the planned approach to undertaking our audit. The document sets out our statutory and professional responsibilities in terms of the Code of Audit Practice and also outlines our key audit objectives.
- 3.2 The report sets out our audit approach which focuses on the key issues and risks facing the City Council in terms of corporate governance arrangements, systems of internal control, performance management and other issues important to our opinion on the financial statements. The document also sets out the key stages of the planned audit process together with a summary of procedures for working with internal audit, materiality considerations and arrangements for communication and reporting.
- 3.3 Finally the report provides details of the KPMG audit quality framework that sets out seven key drivers of audit quality together with their impact on our audit approach.

**STEPHEN REID
DIRECTOR
KPMG, LLP**

**KEITH MACPHERSON
AUDIT SENIOR MANAGER
KPMG, LLP**

25 JANUARY 2012



KPMG
cutting through complexity

Dundee City Council

Overview of KPMG audit approach for Audit Scotland appointments from 2011-12 onwards



Contents

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KPMG Values	
Value	Benefit to you
We lead by example	Our culture is founded on individuals being accountable for their actions. This fosters strong leadership, resulting in confidence among our clients that any issues will be addressed and resolved quickly
We work together	Teamwork is built into our working patterns – giving you the benefit of a cohesive approach with no breakdowns in communication
We respect the individual	We encourage our staff to grow and develop within the firm. This aids staff retention and hence team continuity
We seek the facts and provide insight	We listen to our clients and challenge their thinking, building strong relationships based on trust
We are open and honest in our communication	We will always flag issues promptly, meaning no surprises and a transparency of dialogue
We are committed to our communities	We encourage involvement in the local community – an understanding which gives us insight into your diverse community of stakeholders
Above all, we act with integrity	We guard our professional reputation jealously and are independent in our judgements

Public services across Scotland face enormous challenges – how to deliver against increasing demands with reducing financial resources; how to protect those services really valued by the public; how to maintain the commitment of public service staff in difficult circumstances; and how to create a culture of sustainable change which allows services to adapt to a rapidly evolving environment.

The financial challenge is unprecedented, with Scottish Government forecasting that budgets will not return to 2009-10 levels until 2025-26. The UK Comprehensive Spending Review indicated that to 2014-15, the Scottish budget would be cut by 12% in real terms. In 2011-12 the cut will be particularly acute, with the impact varying considerably from one public sector organisation to another. At one level, the debate is about levels of spend as an end in themselves, rather than what the spend is achieving. However, at another level, the debate should be about how the current approach to managing public services is revised; how opportunities for productivity are captured and increasing the relationships between funding, results and accountability.

In these circumstances, the existence of a strong and vital audit process is of great significance, presenting not only an independent opportunity to report on performance, resource utilisation, efficiencies, the past and value for money, based on an objective consideration of the facts, but also to inform the debate itself. Audit Scotland is responding to the changing landscape by ensuring that the audits of public bodies address the major risks and performance issues, while ensuring that all work remains relevant to today's agenda and reducing the cost of its work to public bodies.

We were therefore delighted earlier this year when, following a competitive tendering process, Audit Scotland awarded KPMG some 28 appointments across local and central government and further education. These appointments recognised our track record in delivery of a quality of service and opinion of the highest standard, maintained through the skills, dedication and resourcefulness of our Scottish public sector audit team. More widely, across the UK, we have several hundred staff working exclusively on public sector audit work for Audit Scotland, the Audit Commission, National Audit Office and Wales Audit Office, with significant time and resource into training these staff, demonstrated in the numerous awards that recognise excellence in our audit approach and as an employer.

Audits increasingly require complex judgements and as a firm with global breadth and local depth, we routinely deploy specialist staff in areas such as IT advisory, performance improvement, forensic accounting, indirect tax, property valuation and actuarial services to assist the core engagement team in forming those judgements. This ensures that the audited bodies and Audit Scotland receive the full benefit from working with a multidisciplinary firm.

This report introduces our responsibilities as external auditors and our audit approach. It also sets out how we will approach transition to our role as your auditors and the arrangements in place to ensure quality in our audit service.

Audit Scotland's requirements

Audit Scotland's appointment terms include a requirement that audits are undertaken in accordance with a Code of Audit Practice ("the Code") approved by both the Auditor General for Scotland and the Accounts Commission. The Code applicable to appointments from 2011-12 reflects developments in the way that Best Value audit is conducted and the introduction of shared risk assessments of councils.

Audits carried out in accordance with the Code's stated basic principles will help ensure a high standard of stewardship of public funds and promotion of Best Value in the use of resources, using an approach which is risk based, proportionate and adds value.

The Code is part of the overall framework for the conduct of public audit in Scotland, outlining the responsibilities of external auditors:

- Legislation – establishes the legal framework for audits to be carried out.
- Joint statement on the principles for the audit of Scottish public sector bodies – sets out the overarching principles for integrated public audit.
- Code of Audit Practice – outlines the responsibilities of appointed auditors.
- Letter of appointment – sets out the contractual elements of an auditor's appointment.
- Guidance – issued by Audit Scotland to provide detailed guidance on the application of the Code for particular years or specific pieces of work.

The Code explains how external auditors should carry out their functions under the Public Finance and Accountability (Scotland) act 2000 or the Local Government (Scotland) Act 1973. The audit of financial statements is covered by engagement and ethical standards issued by the (UK) Auditing Standards Board, so the Code focuses more on the wider functions of public sector auditors. The Code expects work in each part of the audit to inform and complement work in other parts. Fundamentally, each responsibility or objective requires a risk-based approach to audit planning which reflects the auditor's and other scrutiny bodies' overall assessments of the business risks that apply to the audited body. This assessment will be influenced by the audited body's own risk management processes and assessments and any guidance issued by Audit Scotland, for example, about priorities and risks, and the interests and expectations of key stakeholders.

There will be occasions where the application of the Code depends on the specific circumstances of the audited body and the auditor's assessment of what is reasonable and appropriate in those circumstances. Subject to statutory requirements, there may also be circumstances where parts of the Code are impracticable or inappropriate, for example, because of the size or nature of a body. In those circumstances, the auditor applies the Code to the audit of the body in so far as judged appropriate.

The auditor's main objectives are to:

- provide an opinion of the audited body's financial statements and, where required by the relevant authorities, the regularity of transactions;
- review and report on, as appropriate, other information published with the financial statements, including the annual governance statement, statement on internal control or statement on internal financial control, and remuneration report;
- review and report on (as required by relevant legislation, the Code and any guidance issued by Audit Scotland) the audited body's:

Audit Scotland's requirements (continued)

- corporate governance arrangements as they relate to: the review of systems of internal control; the prevention and detection of fraud and irregularity; standards of conduct, and prevention and detection of corruption
- financial position
- arrangements to achieve Best Value. For local authorities, the Accounts Commission has approved arrangements so that a team from Audit Scotland is primarily responsible for discharging the auditor's formal responsibilities in this area
- other aspects of arrangements to manage performance, as they relate to economy, efficiency and effectiveness in the use of resources
- in local government bodies, arrangements for preparing and publishing statutory performance information
- examine and report on grant claims and other returns submitted by audited bodies, to the extent required by the relevant authorities, and in accordance with any guidance issued by Audit Scotland;
- where required, review and report on the whole of government accounts return; and
- participate in arrangements to co-operate and coordinate activity with other scrutiny bodies and, where appropriate, the Scottish Ministers. These include, in particular, the arrangements established by the Accounts Commission for the planning of local government audit, inspection and scrutiny.

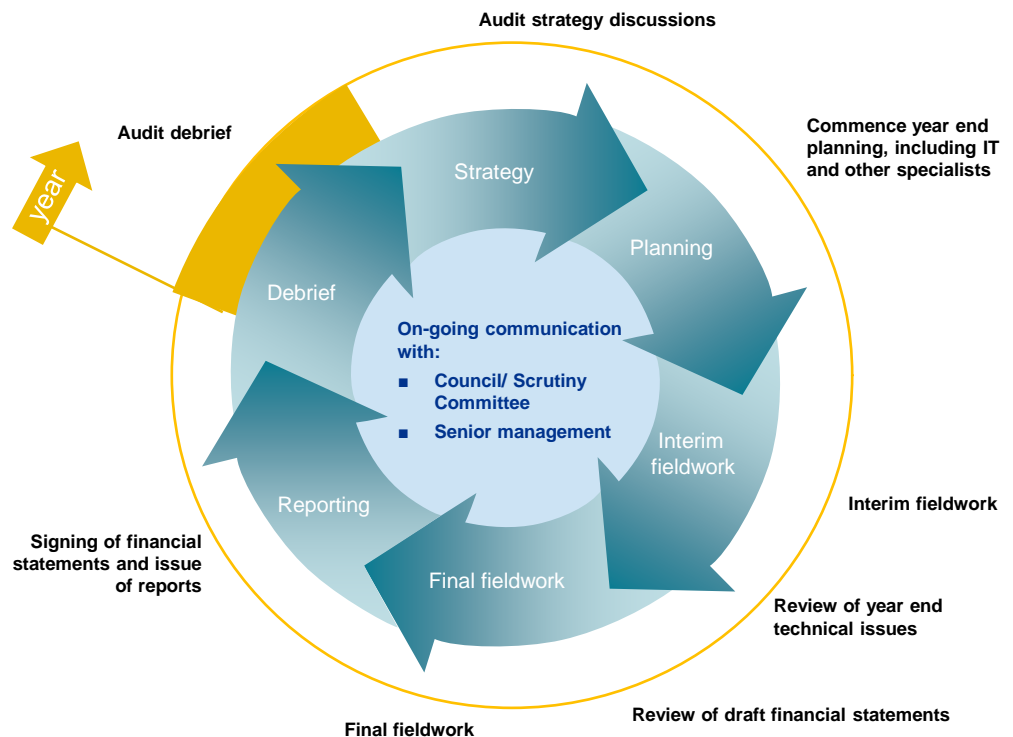
Our approach

KPMG's approach is based on quality – of the methodologies we apply, of our technical knowledge and, perhaps most importantly, in the way in which we will interact with you.

Consistent with the requirements of Audit Scotland's Code, our audit approach focuses on the key issues and risks facing you in terms of your corporate governance arrangements, systems of internal control, performance management and issues important to our opinion on your financial statements.

Our approach involves:

- input at appropriate stages by the engagement director and manager, including the determination of the audit strategy, consideration of key areas of judgement and reporting of findings;
- regular dialogue with senior management to ensure that the audit reflects changes in the business that lead to new or additional risks or areas of judgement and that these issues are considered as they arise;
- technical input based on the breadth and depth of our experience;
- consideration and testing of internal controls, drawing on the input of your internal auditors where appropriate. This enables us to provide insight and our view of your operations through informal benchmarking of those operations and controls by reference to our experience elsewhere;
- analytical review of results, financial position and performance indicators; and
- consideration of the content of reports and statements by those charged with governance to ensure that "messages" are presented effectively.



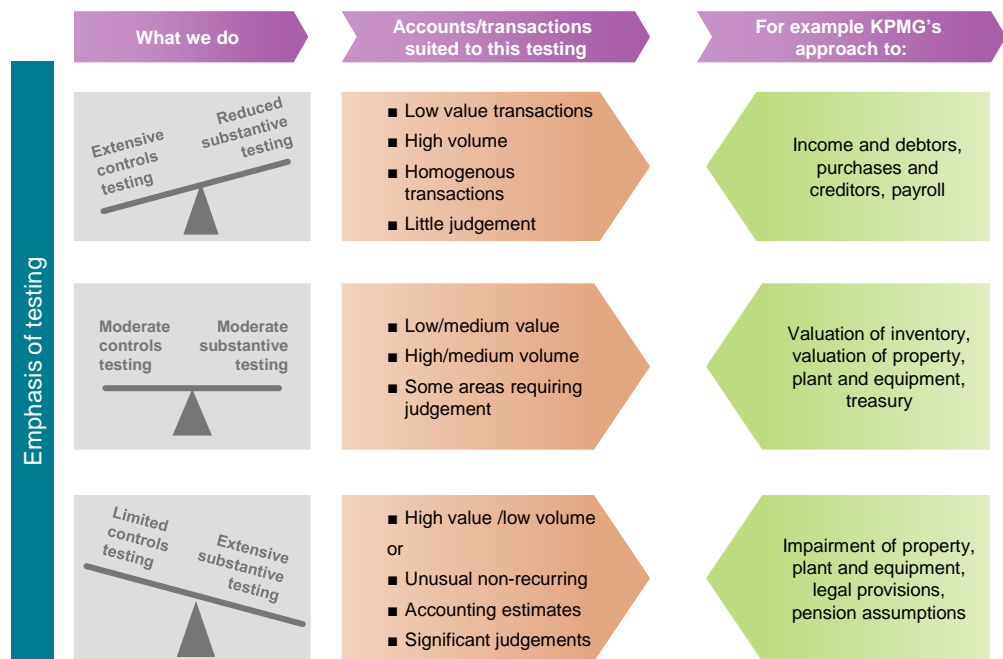
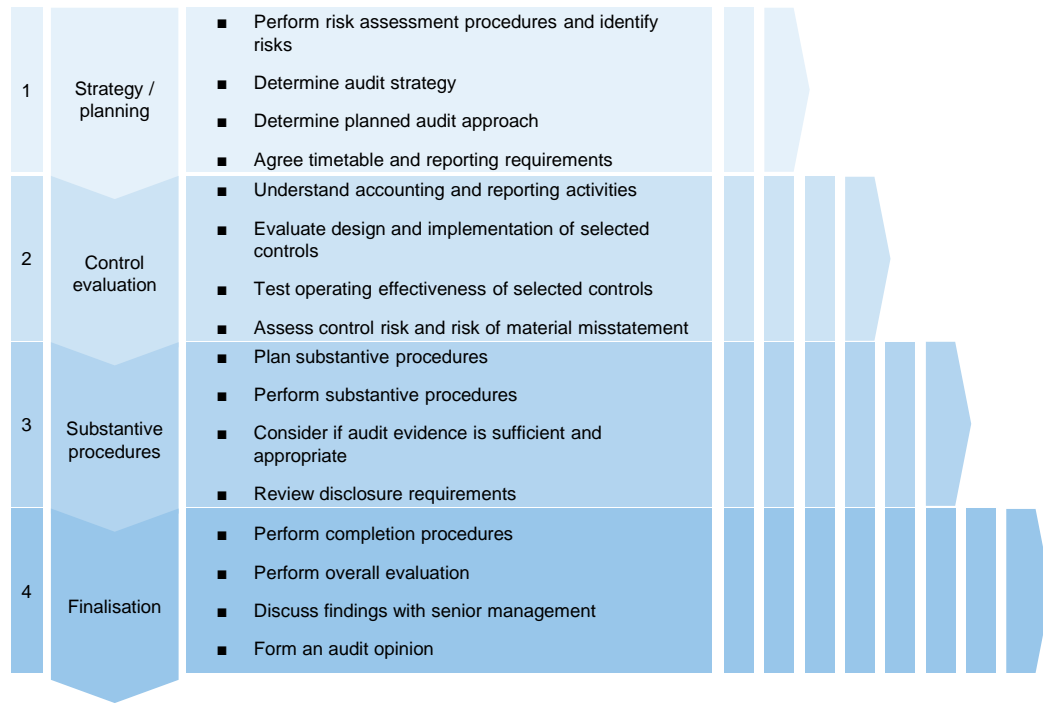
Our approach (continued)

Within the audit process for each year, there are four distinct phases of our work in relation to the financial statements. Within each phase, there are a number of steps which, cumulatively, contribute to the formation of the audit opinion.

Professional judgment is used in determining the most effective balance of work on internal controls and substantive audit testing.

We use our eAudit activity based and electronic audit file tool to support the audit process. eAudit integrates our methodology, guidance, sector knowledge and other tools to manage the process from beginning to end.

Audit process – key stages



Note: Assuming controls are found to operate as designed.

Our approach (continued)

Working with internal audit

We will liaise with your internal auditors to understand their approach and to ensure duplication of effort is minimised. Professional standards require us to:

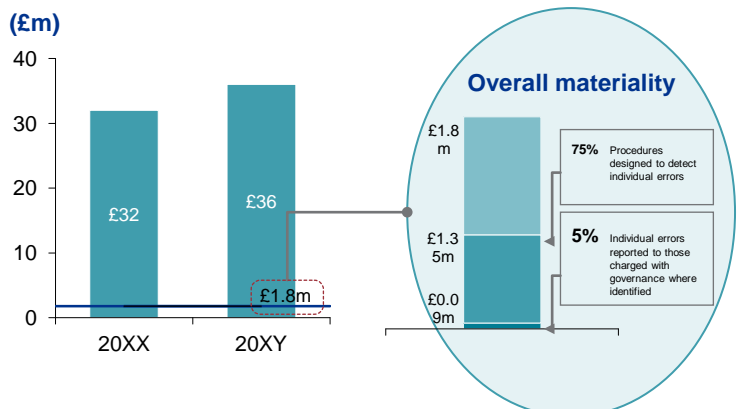
- consider the activities of internal audit and their effect, if any, on external audit procedures;
- obtain a sufficient understanding of internal audit activities to assist in planning the audit and developing an effective audit approach;
- perform a preliminary assessment of the internal audit function when it appears that internal audit is relevant to our audit of the financial statements in specific audit areas; and
- evaluate and test the work of internal audit, where use is made of that work, in order to confirm its adequacy for our purposes.

In each year's audit process, we will consider the internal audit work proposed during the planning phase, updating understanding and considering work undertaken during the interim and final audit visits to determine the extent of actual assurance that can be taken from the work performed.

The general programme of work will be reviewed for significant issues to support our general work in assessing the statement on internal control or statement on internal financial control.

Materiality

Our audit work is planned to provide reasonable assurance that the financial statements are free of material misstatement and give a true and fair view. The assessment of what is material is a matter of professional judgment and includes consideration of both the amount (quantity) and nature (quality) of potential misstatements. For public sector organisations we typically use a base calculation for planning materiality derived from either total revenue or expenditure. The following diagram illustrates our approach. For example, from expenditure of £36 million, planning materiality is set at £1.8 million and we design our procedures to detect errors at a lower level of precision, i.e. £1.35 million, although we have some flexibility to adjust this level downwards. We would report identified errors greater than £90,000 to those charged with governance.



Our approach (continued)

Through regular meetings at appropriate levels, there will be open and timely discussions between us. As a result, matters arising from the audit can be identified and reported to allow you to manage them throughout the year.

We aim to make the transition to KPMG as seamless as possible. We take care to assemble a team for each audit with requisite skills and experience to ensure that we move quickly up the learning curve.

Our years of experience in serving similar organisations, together with our risk-based and tailored approach will mean a smooth and efficient transition to KPMG.

Communication and reporting

In addition to discussing the output from the development of each year’s audit planning process with the scrutiny committee, we will normally issue a report or other written output from each element of the audit.

In each case, draft versions of the report will be discussed with management to obtain agreement on factual accuracy and action plans summarising recommendations arising from our work. These will normally include agreed timescales and the member of staff to be responsible for implementation.

In relation to our work on the financial statements, professional standards require that we communicate to those charged with governance on a number matters, including summaries of adjusted and unadjusted audit differences and disclosure differences (adjusted and unadjusted) prior to your approval of those financial statements.

All the audit work for each year is brought together in an annual audit report which, when finalised, is submitted to Audit Scotland and the Accounts Commission to inform their consideration of the audit.

Transition

It is natural for you to have questions and uncertainties about the change of auditors which inevitably arises through application of the public audit model. However, we are convinced that the experience that resides within the firm, the nominated engagement leaders and the rest of the engagement team can provide you with the comfort of a smooth handover. We have already begun to formulate our transition plan based on our previous experience of transitioning similar organisations and the understanding of you and your business.

Step 1	Step 2	Step 3	Step 4
<ul style="list-style-type: none"> ■ Conduct interviews with key members of management ■ Gain an understanding of services and corporate culture ■ Establish key reporting dates ■ Obtain an understanding of significant accounting policies and practices 	<ul style="list-style-type: none"> ■ Understand systems and procedures, including IT arrangements ■ Identify significant classes of transactions ■ Identify non-routine matters and potentially significant accounting matters ■ Review interim management accounts ■ Understand internal audit arrangements 	<ul style="list-style-type: none"> ■ Prepare preliminary risk assessment ■ Schedule further meetings with management to confirm significant risks 	<ul style="list-style-type: none"> ■ Confirm understanding of key business processes and identification of key controls ■ Identify and evaluate control environment ■ Design detailed audit approach

Our approach (continued)

The standards to which we will work when performing our audit are only achieved if we have your support. This expectation of support is represented in the derivation of the fee for our work.

Our expectations of you

The efficiency and effectiveness of our audit also depends on the way in which you support our work through:

- Briefing us on key issues affecting your business;
- Agreeing contact points for each aspect of the audit and ensuring that they are readily available during the times when our staff are on site conducting audit fieldwork;
- Responding promptly to requests for documentation and other information required as part of the audit;
- Responding to and agreeing draft reports within an agreed timescale;
- Facilitating the completion of internal audit work, particularly in relation to areas directly relevant to our audit, in good time for our visits; and
- Ensuring that full draft financial statements (and any accompanying reports) in advance of the final audit visit start date and that only agreed adjustments are processed following receipt of this draft.

Audit quality framework

Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion.

To ensure that every partner and employee concentrates on the fundamental skills and behaviours required to deliver an appropriate and independent opinion, we have developed our global Audit Quality Framework.

Seven key drivers of audit quality

Tone at the top

Tone at the top is the umbrella that covers all the drivers of audit quality and maximizes our outcomes through a focused and consistent voice.

Association with the right clients

One of the keys to managing audit quality is to understand the nature of our clients' business and the issues they face and build a robust audit response to the identified risks.

Clear standards and robust audit tools

Professional practice, risk management and quality control are the responsibilities of every KPMG partner and staff member. We expect our people to adhere to the clear standards we set and we provide a range of audit tools to support them in meeting these expectations.

Recruitment, development and assignment of appropriately qualified personnel

One of the key drivers of audit quality is ensuring the assignment of partners and staff members appropriate to your risks and the public sector.

Commitment to technical excellence and quality service delivery

We ensure that our people bring to you the most up to the minute and accurate technical solutions and together with our specialists are capable of solving the most complex audit issues and delivering valued insights.

Performance of effective and efficient audits

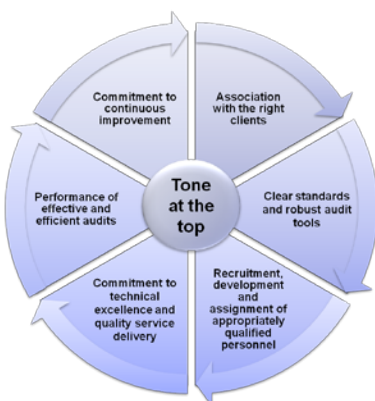
We understand that how an audit is conducted is as important as the final result. Our drivers of audit quality maximise the performance of the engagement team during the conduct of every audit.

Commitment to continuous improvement

We focus on ensuring our work continues to meet the needs of stakeholders. To achieve this goal, we employ a broad range of mechanisms to monitor our performance, respond to feedback and understand our opportunities for improvement.

Impact on our audit approach

- The engagement leader achieves this by clearly articulating our audit strategy internally and externally, committing a significant proportion of time throughout the audit, and directing and supporting the team.
- We will invest time in understanding the significant risks you face and shaping the audit approach to address them. Where required, we will supplement the existing skills and experience of the engagement team with specialist involvement, performing additional testing and consulting others.
- We dedicate significant resources to keeping our standards and tools complete and up to date. The global rollout of KPMG's eAudit application has significantly enhanced existing audit functionality. eAudit enables KPMG to deliver a highly effective audit which is compliant with all professional standards.
- Each of the team members assigned to your audit are members of our Scottish public sector audit team. This team works wholly with clients providing public services or those working on a not-for-profit basis.
- We promote technical excellence and quality service delivery through training and accreditation, developing business understanding and industry knowledge, investment in technical support, development of specialist networks, and effective consultation processes.
- The plan for each year's audit will be discussed with the audit committee. As a matter of routine, we will also discuss audit findings with the audit committee at each appropriate stage of the audit.
- We use a number of internal inspection programmes, including reviews of firm wide procedures and a sample of audit engagements.
- We operate a formal programme to actively solicit feedback from clients on the quality of specific services that we have provided.





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REPORT TO: SCRUTINY COMMITTEE – 15 FEBRUARY 2012

REPORT ON: INTERNAL AUDIT REPORTS

REPORT BY: CHIEF INTERNAL AUDITOR

REPORT NO: 75-2012

1.0 PURPOSE OF REPORT

To submit to Members of the Scrutiny Committee a summary of the Internal Audit Reports finalised since the last Scrutiny Committee.

2.0 RECOMMENDATIONS

Members of the Committee are asked to note the information contained within this report.

3.0 FINANCIAL IMPLICATIONS

None

4.0 MAIN TEXT

4.1. The day-to-day activity of the Internal Audit Service is primarily driven by the reviews included within the Internal Audit Plan. Broadly, on the completion of a specific review, a report which details the audit findings and recommendations is prepared and issued to Management for a formal response and submission of Management's proposed action plan to take the recommendations forward. Any follow-up work subsequently undertaken will examine the implementation of the action plan submitted by Management.

4.2. Executive Summaries for the reviews which have been finalised in terms of paragraph 4.1 above are provided at Appendix A. Within each Executive Summary the prime aim is to provide both Members and Management with key information which includes the reason for undertaking the review, summary financial data and statistics, the areas encompassed within the review and specific areas which were excluded, the principal audit objectives, an audit opinion on the adequacy of the systems and control framework of the area reviewed, the key conclusions based on the audit findings and recommendations and a summary of Management's response to the audit report. The full reports are available to Members on request.

5.0 POLICY IMPLICATIONS

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

6.0 CONSULTATIONS

The Chief Executive, Depute Chief Executive and Director of Finance have been consulted on the content of this report.

7.0 BACKGROUND PAPERS

None

Sallie Dailly, Chief Internal Auditor

DATE: 31 January 2012

i) INTERNAL AUDIT REPORT 2011/15

Client	Corporate
Subject	Risk Management Arrangements

Introduction

A review of the Council's risk management arrangements is part of the planned internal audit work.

Risk management is regarded as an essential element of good governance and decision-making, both in the private sector and across government and the public services. In their publication *Worth the Risk: Improving Risk Management in Local Government*, the Audit Commission defines risk as "the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies" and risk management as "the process by which risks are identified, evaluated and controlled".

In terms of the Council's risk management arrangements the Corporate Risk Register was submitted to the Policy and Resources Committee in June 2011 (Report No 285-2011). In addition, the 2010-12 departmental service plans, submitted to the relevant committee during 2010, incorporated a departmental risk register which reflected their key service objectives. The Council's strategic management of risk is included within the remit of the Risk and Business Continuity Manager who is based within the Finance Department, reporting to the Head of Financial Services.

The terms of reference of the Council's Scrutiny Committee which were revised in June 2010 and included within its remit is "to consider and monitor the strategy, plan and performance of Council's risk management arrangements and seek assurances that action is being taken on risk related issues". This area had previously been included within the remit of the former Audit and Risk Management Sub-Committee.

Scope and Objectives

The overall objective of the review was to undertake a high level review of the risk management arrangements in the Council and assess if they were in line with recommended risk management practices.

Conclusion

The principal conclusion drawn from this review is that there are weaknesses in the system which should be addressed.

The main areas highlighted in the report are as follows:

- Through our discussions with the Risk and Business Continuity Manager and Social Work and Environmental Directorate teams we noted a good knowledge of the insurance and business continuity risks facing the Council. In addition, an understanding of project risks with specific examples such as the waterfront development were highlighted in discussions. However, a clear and robust process to capture the wider strategic and business risks facing the Council was not evident. Given this the Council's risk management arrangements should be reviewed with a view to ensuring an appropriate focus on the wider strategic and business risks. The key areas that require to be strengthened and developed include governance, the risk management strategic plan, roles and responsibilities, the corporate risk register and departmental risk registers.

Management Response to the Audit Report

The audit findings and recommendations were formally reported to the Chief Executive and Director of Finance and appropriate action agreed to address the matters raised.

ii) INTERNAL AUDIT REPORT 2011/16

Client	Social Work
Subject	Control Self Assessment for Social Work Establishments

Introduction

A review of the development of control self assessment for establishments within the Social Work Department was part of the planned internal audit work.

The term 'system of internal control' is used to describe the totality of the way an organisation designs, implements, tests and modifies controls in specific systems to provide assurance at the corporate level that the organisation is operating efficiently and effectively. Within this context staff in the Department at an operational level are responsible for ensuring adherence to good practice in such areas as financial planning, budget monitoring, purchasing, financial controls, income, banking, petty cash, voluntary funds, property and data security.

Following a risk assessment to identify locations within the Social Work Department handling larger amounts of money central support staff set up a programme of financial control visits for 2010/11. Such visits were intended to provide a mechanism for central support staff to assess the adequacy of the procedures operated at an establishment level and also to provide an opportunity to identify areas for improvement or where further training may be required. In addition such work could be used to inform the process for signing off the year end assurance statement.

In some areas of the Council control self assessment has been developed to assist in gauging internal control effectiveness and to reduce the level of inspection activities required.

Scope and Objectives

The overall object of the review was to examine the systems operated in respect of the planned financial control visits and the development of control self assessment for establishments within the Department.

Conclusion

The principal conclusion drawn from this review is that whilst there is basically a sound system of control there are some areas where it is viewed improvements can be made.

The main area commented upon in the report is as follows:

- To maximise utilisation of available resources in the provision of assurance to management and reduce the level of inspection activities required, consideration should be given to the introduction of control self assessment.

Management Response to the Audit Report

The audit finding and recommendation were formally reported to the Director of Social Work and appropriate action agreed to address the matters raised.

iii) INTERNAL AUDIT REPORT 2011/17

Client	Education
Subject	Control Self Assessment for Education Establishments

Introduction

A review of further developments in the use of control self assessment within the Education Department was part of the planned internal audit work.

The term 'system of internal control' is used to describe the totality of the way an organisation designs, implements, tests and modifies controls in specific systems to provide assurance at the corporate level that the organisation is operating efficiently and effectively. Within this context at an operational level, staff within the various education establishments are responsible for ensuring adherence to good practice in such areas as devolved school budgets, purchasing and ordering, income, banking, petty cash, school funds, security and inventories.

The Education Department has used control self assessment questionnaires previously as a tool to inform the assessment of the control environment within establishments and identify areas of potential risk. One of the benefits of this approach is that it can result in a reduction in the level of internal inspection activities required. In addition, such work can also be used to inform the process for signing off the Department's year end assurance statement. The previous control self assessment exercise was undertaken in 2009. During the 2011/12 financial year the centrally based Education Finance Team established a working group to review the content of the questionnaire previously used with a view to updating it prior to being issued to establishments for completion.

Currently the Department has responsibility for a total of 56 establishments. The breakdown across the various sectors is 9 secondary, 37 primary, 9 nursery and 1 special.

Scope and Objectives

The overall objective of the review was to examine the final draft of the control self assessment questionnaire prepared by staff within the centrally based Education Finance Team and provide comment on potential areas for improvement prior to it being issued to the Department's establishments.

Conclusion

The principal conclusion drawn from this review is that whilst there is basically a sound system of control there are some areas where it is viewed improvements can be made.

The main areas commented upon in the report are as follows:

- To further strengthen the content of the questionnaire prior to it being issued consideration should be given to the inclusion of contextual narrative to underpin the linkage between risk assessment and the control self assessment process. In addition, to assist in the assessment of the effectiveness of internal controls the questionnaire should be amended to include the designations for example of committee members and personnel having access to computerised systems.

Management Response to the Audit Report

The audit findings and recommendations were formally reported to the Director of Education and appropriate action agreed to address the matters raised.

iv) INTERNAL AUDIT REPORT 2011/18

Client	Corporate
Subject	Arrangements for the Management of Asbestos

Introduction

A review of the arrangements in place in the Council for the management of asbestos was part of the planned internal audit work.

The Health and Safety Executive (HSE) describes asbestos as a "naturally occurring fibrous material". Asbestos is a good insulator, has good fire protection properties and protects against corrosion. Consequently, prior to 2000 when usage was completely banned, it was extensively used in new and refurbished buildings in various materials including ceiling tiles, pipe insulation, boilers and sprayed coatings. Workers most likely to come into contact with asbestos are those in the construction, maintenance and refurbishment related professions / trades. Asbestos containing materials in good condition are safe, however, if damaged or disturbed can release dangerous fibres which, if breathed in, can have serious health implications. Of the order of 0.7% of UK deaths each year are as a result of asbestos related diseases. Asbestos related diseases do not affect people immediately, but later on in life. The HSE is to re-launch its asbestos information campaign in 2012 to improve awareness.

The Control of Asbestos Regulations 2006 (the Regulations) prohibit the importation, supply and use of all forms of asbestos and require that if you own, occupy, manage or have responsibilities for non-domestic premises that may contain asbestos, or you are responsible for the non-private parts (i.e. common areas) of domestic premises, you either have a legal duty to manage the risk from this material or co-operate with whoever manages that risk. The Council is legally required under these Regulations to discharge a number of responsibilities including taking reasonable steps to find out if there are asbestos containing materials in its premises (including common areas in its housing stock), making and keeping up-to-date records of its location and condition, assessing the risk, providing information on the location and condition of materials to anyone liable to work on or disturb them and ensuring adequate information, instruction and training is given to employees who are, or are liable to be, exposed to asbestos or who supervise such employees.

Scope and Objectives

The overall objective was to carry out a review of the arrangements for the management of asbestos.

Conclusion

The principal conclusion drawn from this review is that there are weaknesses in the system which should be addressed.

The main areas highlighted in the report are as follows:

- To ensure that the Council complies with the Regulations, working groups should be established as planned so that the procedural documents listed in the Policy are developed and implemented by 31 March 2012.
- To ensure a co-ordinated and consistent approach to asbestos management within the Council, the two Duty Holders should work in conjunction with one another. In addition, a mechanism should be established for the onward communication of information on asbestos management.
- To assist with promoting awareness and understanding of asbestos related matters, including associated risks and how to mitigate these, the Council should develop a corporate targeted training and awareness programme in line with Regulations. A central register of asbestos related training should also be maintained.
- To reduce the potential risk of accidental exposure to asbestos, the responsibilities for ensuring / arranging all necessary surveys and re-inspections are carried out should be agreed, documented and clearly communicated to key staff. Arrangements should be put in place to ensure that information on the location and condition of asbestos containing materials identified within common areas of domestic premises is routinely provided to anyone liable to work on or disturb them. An appropriate re-inspection programme should also be established for all premises.

iv) INTERNAL AUDIT REPORT 2011/18 (cont'd)

Client	Corporate
Subject	Arrangements for the Management of Asbestos

Management Response to the Audit Report

The audit findings and recommendations were formally reported to the Director of City Development and the Director of Housing and appropriate action agreed to address the matters raised.

v) INTERNAL AUDIT REPORT 2011/ 21

Client	Corporate
Subject	Periodicals, Publications and Subscriptions

Introduction

A review of the periodicals, publications and subscriptions was part of the planned internal audit work.

As part of the Council's Changing for the Future (CFTF) Programme a review of Discretionary Expenditure has been undertaken. Expenditure was broadly defined as being discretionary if it is not required by statute or to achieve the Council's key objectives. The budget heads included in the CFTF review were staff training and conferences; furniture, fixtures and fittings; newspapers, periodicals and publications; hospitality; professional and other subscriptions and Council publications (hardcopy) and the key outcomes were reported to the CFTF Board in August 2011 and thereafter to the Policy and Resources Committee (Report 365-2011). From the work undertaken it was concluded that savings of the order of £0.25m could be made across these budget heads in a full financial year. Of this total, £32,000 related to expenditure on periodicals, publications and subscriptions.

Following on from the above it was agreed that internal audit would undertake a more detailed exercise in this area with a view to assessing if there was duplication across departments in respect of published materials being purchased and subscriptions being paid. In addition as part of this further work consideration was to be given to the practicalities of establishing a more co-ordinated approach which would enable departments to identify technical and professional resources available to them within the Council.

Budgeted expenditure for 2011/12 for periodicals, publications and subscriptions was of the order of £218,000. Actual expenditure to the end of December 2011 was approximately £154,000.

Scope and Objectives

The overall objective of the review was to examine periodicals, publications and subscriptions purchased by the Council in order to assess if there is duplication across departments and if there are opportunities for maximising sharing of resources.

Conclusion

The principal conclusion drawn from this review is that whilst there is basically a sound system of control there are some areas where it is viewed improvements can be made.

The main areas commented upon in the report are as follows:

- To reduce the risk of duplication of supply a more co-ordinated approach to the acquisition and access of reference material across the Council should be introduced. To facilitate this a corporate online register should be established. Where possible electronic copies of reference material should be purchased in preference to hard copy. In addition, given a significant proportion of the overall expenditure on publications and periodicals is in respect of newspapers consideration should be given to exploring ways in which this can be reduced.

Management Response to the Audit Report

The audit findings and recommendations were formally reported to the Director of Finance and appropriate action agreed to address the matters raised.

REPORT TO: THE SCRUTINY COMMITTEE - 15 FEBRUARY 2012

**REPORT ON: CORPORATE PERFORMANCE SELF-ASSESSMENT 2011/2012 -
REPORT FOR SIX MONTHS TO 30 SEPTEMBER 2011**

REPORT BY: DIRECTOR OF FINANCE

REPORT NO: 71-2012

1 PURPOSE OF REPORT

1.1 The purpose of this report is to advise Elected Members of the performance of Dundee City Council for the six months to 30 September 2011, as defined by the Key Quarterly Performance Indicators.

2 RECOMMENDATION

2.1 Elected Members note that performance levels for the first six months to 30 September 2011 have generally been maintained or improved.

2.2 All Chief Officers should review the contents of Appendix 1 as it relates to their service and consider if there are any indicators for which performance can be improved over the remainder of the 2011/2012 financial year.

3 FINANCIAL IMPLICATIONS

3.1 All initiatives to improve performance must be kept within existing budgets.

4 BACKGROUND

4.1 The Council has now been monitoring performance on a quarterly basis for over three years during which time it has become clear that the very process of monitoring performance more frequently than the traditional annually has helped improve performance and in some cases significantly.

4.2 The second annual performance self-assessment which took place in 2010/2011 has now been reviewed. These annual indicators are now being recorded within the quarterly reports where possible which should assist performance improvement.

5 PERFORMANCE OVERVIEW

5.1 The key performance indicators to be measured on a quarterly basis are listed in Appendix 1. Performance for each of these has been colour coded with green reflecting a performance improvement of >5% and amber denoting performance of +/-5%. Red denotes performance deterioration of >5% which is supported by comprehensive Position Statements for more detailed consideration.

5.2 In Appendix 1, 86% of the performance indicators either showed performance being maintained or improved. This is consistent with previous reported figures. Only 7 indicators suggested a significant deterioration in performance. 17 of the indicators demonstrated significant improvement on the same period for the previous year.

6 A WORKING CITY

6.1 The Council is currently collecting 11 indicators on a quarterly basis in this category for which 82% have either maintained or improved performance compared to the previous period. The only indicators which declined were related to the re-opening of the McManus Galleries for which the 2011/12 figures will provide a more suitable benchmark to measure future improvements.

7 **QUALITY OF LIFE AND SOCIAL INCLUSION**

- 7.1 The Council is currently collecting 11 indicators on a quarterly basis in this category for which 82% have either maintained or improved performance compared to the previous period. Noise complaints and waste tonnage collected were the only areas in which performance declined.

8 **HEALTHY, SAFE COMMUNITIES**

- 8.1 The Council is currently collecting 7 indicators on a quarterly basis in this category for which 86% have either maintained or improved performance compared to the previous period. Homelessness is the only area in which performance declined.

9 **GETTING IT RIGHT FOR EVERY CHILD**

- 9.1 The Council is currently collecting 4 indicators on a quarterly basis in this category. Three of these have either maintained or improved performance with the remaining item being a new indicator.
- 9.2 It should be noted that it is intended to add two or three more indicators into this analysis in future with the agreement of the Service department.

10 **CORPORATE CHANGE AND IMPROVEMENT**

- 10.1 The Council is currently collecting 21 indicators on a quarterly basis in this category for which 90% have either maintained or improved performance. Planning applications and the Non Domestic Rates Collection Rate were the only areas in which performance declined significantly.

11 **POLICY IMPLICATIONS**

- 11.1 This report has been screened for any policy implications in respect of Sustainability, Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

12 **CONSULTATION**

- 12.1 The Chief Executive and Depute Chief Executive have been consulted on the content of this report.

13 **BACKGROUND PAPERS**

- 13.1 Audit Scotland Performance Guidelines 2010/11 and 2011/12.

MARJORY M STEWART
DIRECTOR OF FINANCE

31 JANUARY 2012

Corporate Performance - Council Priorities

Priority	2009/10	2010/11 compared to previous year	2010/11 6 months to 30-Sep-10	2011/12 6 months to 30-Sep-11	Estimated Position 2011/12	Comment
(1)A Working City						
Leisure and Community Services						
Number of times terminals are used per 1000 population	1297	1278	663	684		Performance maintained
Visits to museums per 1,000 population	1517	2710	1677	1152		Decline of 31% due to very high figure last year PS1
Visits to museums per 1,000 population in person	1016	2207	1425	1072		Decline of 25% due to very high figure last year PS2
Number of attendances per 1000 population for all pools	3814	3895	2078	2001		Performance maintained
Number of attendances per 1000 population for indoor facilities	6203	6406	3014	2916		Performance maintained
Visitors to Council libraries	1,383,533	1,387,270	708,281	720,565		Performance maintained
Number of activities promoting reading	3,705	3,536	1,723	1,837		Good improvement
Number of library visits per 1,000 of the population	9711	9675	4940	4993		Performance maintained
Borrowers as a percentage of the resident population	16.9	17.0	12.7	12.9		Performance maintained
Visits to Community Centres per 1,000 population	2321	2725	1240	1474		Improvement of 19%
Attendances at learning provision per 1,000 population	131	148	75	87		Excellent improvement

(2)Quality of Life and Social Inclusion						
Protective Services						
Average time between noise complaint and attendance -hrs	9.8	8.98	8.4	9.6		Decline of around 14%
Average time between complaint and attendance - Part V ASBA 2004 - mins	18	15.6	17.6	15.9		Good improvement
% of consumer complaints processed within 14 days	79.8	76.9	80.4	80.0		Performance maintained
% of business advice requests dealt with within 14 days	96.5	98.0	94.8	96.4		Performance maintained
Housing						
Average time to let Council Houses Non Low Demand	81	99.88	98.70	69.08		Excellent improvement of over 30%
Average time to let Council Houses Low Demand	119	109.6	106.60	83.06		Excellent improvement of over 22%
Waste Management						
Number of complaints per 1,000 households	13.9	19.3	13.3	11.0		Good improvement
Tonnage of municipal waste collected	95975	94484	51020	53855		Increase just over threshold at 5.55%
Tonnage of municipal waste landfilled	15346	18983	10703	5142		Improvement of 52%
% of municipal waste recycled by the authority	40.1	34.56	38.8	49.1		Continued excellent improvement
% of household waste recycled by the authority	N/A	N/A	N/A	32.1		This is a new indicator from SEPA

PS3

PS4

Priority	2009/10	2010/11 compared to previous year	2010/11 6 months to 30-Sep-10	2011/12 6 months to 30-Sep-11	Estimated Position 2011/12	Comment
(3)Healthy, Safe Communities						
Adult Social Work						
% social enquiry reports submitted by due date	97.0	99.0	99.5	99.3		Performance maintained
% probationers seen by a supervising officer < 1 week	76.3	80.2	80.0	94.1		Excellent improvement of 17%
Average hours to complete a community service order	4.7	5.4	5.1	4.9		Performance maintained
Housing						
Average time between homeless presentation and completion (days)	34.1	36.9	30.5	43.93		
Protective Services						
% of food alerts receiving a response within 48 hours	100	100	100	100		Performance maintained
% of communicable disease notifications receiving a response < 2 working days	100	100	100	100		Performance maintained
% of pest control responses made < 5 working days	100	99	100	98		Performance maintained
(4)Getting it right for every child						
Childrens Services						
% of looked after children placed with approved Dundee L.A. foster carers	N/A	73.8	48.8	68.6		Excellent improvement of 40%
% of children given a supervision order seen within < 15 days	92.8	87.5	84.9	92.45		Good improvement of 9%
% of referrals responded to within 24 hours	96.1	96.9	96.0	100.0		Performance maximised
% of initial CP case conferences taking place within 21 days of CP referral	N/A	N/A	N/A	17.0		This is a new indicator

PS5

(5)Corporate Change and Improvement						
Development Services						
% of householder planning applications dealt with within 2 months	66.7	86.5	87	86		Performance maintained
% of all planning applications dealt with within 2 months	54.8	69.9	72	67		Decline just over threshold Still above Scottish Average
Benefits Administration						
Average number of days taken to process new claims	37	31.7	37.8	21.6		Significant improvement of 43%
% of cases for which the calculation of benefit due was correct	97.8	82.3	80.5	84.8		Good improvement of 5.34%
% of benefit claims determined within 14 days	89	85.6	79.6	92.8		Significant improvement of 16.6%
Housing						
% of house sales completed within 26 weeks	98.2	93.9	94.4	92.3		Performance maintained
Roads & Lighting						
% of traffic light repairs within 48 hours	99.2	99.80	100.00	98.50		Performance maintained
% of street light repairs within 7 days	95.6	92.5	95.2	95.4		Performance maintained

PS6

Priority	2009/10	2010/11 compared to previous year	2010/11 6 months to 30-Sep-10	2011/12 6 months to 30-Sep-11	Estimated Position 2011/12	Comment
(5)Corporate Change and Improvement						
Corporate Management						
Days sickness absence for local government employees	13.7 days	10.6 days	5.18 days	5.08 days		Improvement of 1.93%
Days sickness absence for teachers	9.7 days	6.2 days	2.76 days	2.32 days		Improvement of 15.94%
Accidents to employees of the Council	374	334	160	162		Performance maintained
Percentage of corporate complaints resolved within 5 days	N/A	N/A	60.0	61.0		Performance maintained
Average number of visits made to the Council website	4323	5646	4637	5324		Significant improvement of 15%
% of CT income in the year collected in the year	91.4	92.93	53.3	54.3		Good improvement of 1.9%
% of NDR income due collected in the year	95.2	95.65	50.7	46.4		Decline of 8.5%
% of invoices paid within 30 days	94	95	92	91		Performance maintained
% of Dundee suppliers paid within 14 days	82	86	81	79		Performance maintained
Housing						
Rent arrears as a percentage of the net rent debit	9.1	9.6	9.1	8.8		Good improvement of 3.3%
Finance						
Revenue Budget as a percentage of expenditure	-0.10	0.10	0.20	0.00		Within pre-defined tolerances
Capital Budget as a percentage of expenditure	-4.60	-4.50	1.10	-4.30		Within pre-defined tolerances
% of creditors paid electronically	93.8	94.0	94.1	95.0		Performance maintained

PS7

Key

- performance improved by > 5%
- performance deteriorated by > 5%
- performance maintained within the above tolerances
- N/A no ranking as not a statutory indicator
- * represents a benchmark other than Audit Scotland's

DUNDEE CITY COUNCIL				
Statutory Performance Indicators				
Position Statement				
Department	Leisure & Culture Dundee			
Performance Indicator	1) Number of visits to/usages of council funded or part funded museums and expressed per 1,000 population 2) Number of visits in part a) that were in person and expressed per 1,000 population			
Trend 1	Previous +1	Previous	Current	
Trend 2	N/A	1677	1152	
	N/A	1425	1072	
Deterioration rate 1	31.00%			
Deterioration rate 2	25.00%			
Latest City Ranking	3			
	2			
Statistical Overview	Performance for these indicators has been greatly influenced by the refurbishment of the McManus Galleries.			
Specified/Non-specified	Specified			
Commentary	The McManus re-opened in February 2010, with 2010-11 being the first full year opening. As is usual with projects of this type visitor number are well up on the norm due to the factors of the building being closed for a number of years and visitors being curious to see what the new faculty has to offer. These factors wane over the months and visitor numbers start to settle to a normal level.			
Recovery Assessment	We would expect these figures to show a decline for the rest of the year, although the % decline may improve over the year.			
Other Comment	The current year 2011-12 should be used has the base year for future			

<u>DUNDEE CITY COUNCIL</u>				
<u>Statutory Performance Indicators</u>				
<u>Position Statement</u>				
Department	Environment			
Performance Indicator	Average time between noise complaint and attendance on site (hours)			
Trend	Previous +1	Previous	Current	
	N/A	8.4	9.6	
Deterioration rate	14.00%			
Latest City Ranking	1			
Statistical Overview	This is an indicator collected by Audit Scotland and considered important. Latest rankings show that Dundee was the best performer of the four big cities			
Specified/Non-specified	Specified			
Commentary	The decrease is due to a slight reduction in staffing levels during the period. However the indicator is still well within target and it is believed this will remain the case throughout 2011/2012			
Recovery Assessment	Expected to continue to improve over time			
Other Comment				

<u>DUNDEE CITY COUNCIL</u>				
<u>Statutory Performance Indicators</u>				
<u>Position Statement</u>				
Department	Environment			
Performance Indicator	Tonnage of municipal waste collected			
Trend	Previous +1	Previous	Current	
	N/A	51,020	53,855	
Deterioration rate	5.55%			
Latest City Ranking	N/A			
Statistical Overview	This indicator is not collected by Audit Scotland however it was specified in the Improvement Service's list of recommended indicators			
Specified/Non-specified	Non-spec			
Commentary	The increase is just over the 5% tolerance level due to increases in garden waste and commercial contracts. It is hoped that this will fall back below the 5% threshold for the full year.			
Recovery Assessment	The long-term trend for this indicator should be downwards as the public get used to waste minimisation in the coming years			
Other Comment	Best estimate is that this indicator will only increase by 1.5% in the full 2011/2012 financial year and that therefore it will be amber.			

DUNDEE CITY COUNCIL				
Statutory Performance Indicators				
Position Statement				
Department	Housing			
Performance Indicator	Average time between homeless presentation and completion			
	Previous +1 2009/10 compared to previous year	Previous 2010/11 6 months to 30/09/11	Current 2011/12 6 months to 30/09/11	
Trend	Not known	30.5	43.93	
Deterioration rate	-44.03%			
Latest City Ranking	N/A			
Statistical Overview	This is not an Audit Scotland indicator. However there is a multi-part homelessness indicator compiled by Audit Scotland and the subject is obviously important to the Council.			
Specified/Non-specified	Non-spec			
Commentary	<p>Average time between presentation and completion of the Council's homeless duty encompasses several phases, including time taken to assess applications, time spent in temporary accommodation and time taken to source independent living solutions. For the first 6 months of 2011/12 average time taken to assess applications was 16 days with 79% of applications assessed within the 28 day timescale against a target of 70% completions. In Council owned temporary accommodation average length of stay in hostels fell from 71 days in 10/11 to 54 days in 11/12 and in furnished dwellings the average length of stay fell from 159 days in 10/11 to 136 days in 11/12. The deterioration in overall time between presentation and completion arises from the growing number of households on the homeless list who are staying care of friends and relatives and who are awaiting permanent rehousing, this reflects overall availability of permanent housing in both the Council and RSL sectors.</p> <p>The growth in numbers on the list is a consequence of the Council's decision to meet the Scottish Governments 2012 Homelessness Target early by abolishing priority need and accepting a duty to provide permanent housing for all who are assessed as unintentionally homeless. This is actually a positive move and puts DCC in the forefront of Scottish L.A's in meeting this target. A further positive aspect of 2011/12 performance which has impacted negatively on performance figures is the work being done to arrive at permanent housing solutions for those classed as unmet need. This group have complex needs and have been staying in hostels in the voluntary sector for lengthy periods. The rehousing of a number of this group during 2011 with appropriate care and/or support has distorted the overall presentation to completion average.</p>			
Recovery Assessment				
Other Comment				

<u>DUNDEE CITY COUNCIL</u>				
<u>Statutory Performance Indicators</u>				
<u>Position Statement</u>				
Department	City Development			
Performance Indicator	Percentage of all planning applications dealt with within 8 weeks			
Trend	Previous +1	Previous	Current	
	N/A	72	67	
Deterioration rate	6.94%			
Latest City Ranking	4			
Statistical Overview	Performance is lower than the other main cities but only marginally for Aberdeen and Glasgow. Current performance is also above the Scottish average for all 32 councils.			
Specified/Non-specified	Specified			
Commentary	This indicator, although down on the 2010 figure, is better than the performance for the same period for every year from 2005 to 2009. The 2010 figure was exceptional and was achieved in a period when the number of planning applications was at an all time low yet staff numbers remained relatively constant.			
Recovery Assessment	Every attempt will be made to improve performance to try to emulate the 2010 figure albeit with diminished staffing resources.			
Other Comment				

<u>DUNDEE CITY COUNCIL</u>				
<u>Statutory Performance Indicators</u>				
<u>Position Statement</u>				
Department	Finance - Revenues			
Performance Indicator	% of NDR income due collected in the year			
Trend	Previous +1 N/A	Previous 50.7	Current 46.4	
Deterioration rate	8.5%			
Latest City Ranking	3			
Statistical Overview	Performance has dropped from the previous financial year. This indicator is not collected by Audit Scotland but is collected by CIPFA Directors of Finance Section and considered important.			
Specified/Non-specified	Non-spec.			
Commentary	<p>The total amount to collect in 2011 is £1.4m higher than that of 2010. The continuing financial situation is also contributing to the reduction in the amounts collected. Several firms are no longer paying by direct debit and are leaving it until the last minute to settle their rates payments. Under the legislation, recovery action cannot be taken until the start of October.</p> <p>As at the end of December, the collection rate in 2011, although still below the equivalent figure in 2010, it is only 0.47% of a difference. Furthermore an extra £700,000 has been collected in 2011.</p>			
Recovery Assessment	Recovery will depend on how businesses fare during the current financial climate. However the collection rate has improved since September.			
Other Comment				