



Internal Audit Report
Housing and Community Safety
Partnership Working – Community Justice Partnership
17-04
August 2017

Final Report

Legal and Governance
Corporate and Democratic Services
Perth & Kinross Council
Council Offices
2 High Street
Perth
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Internal Audit

“Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”. Public Sector Internal Auditing Standards (PSIAS)

The Council’s Audit Committee has approved the PSIAS as the relevant standard for its Internal Audit activity.

Background and Introduction

This audit was carried out as part of the audit plan for 2017/18, which was presented to the Audit Committee on 18 April 2017. Audit testing was carried out in July 2017.

The Community Justice (Scotland) Act 2016 was passed by the Scottish Parliament last year. The purpose of the Act was to establish a new model for the governance and delivery of Community Justice in Scotland. The Act dissolved the Community Justice Authorities (CJA) from 1 April 2017 and replaced them with Community Justice Partnerships in each of the 32 local authority areas in Scotland. The Act defines Community Justice and also the 8 Statutory Partners.

Report 17/24 to the Community Safety Committee on 18 January 2017 advised that at its meeting on 24 February 2016 the Council approved the establishment of a shadow Community Justice Partnership to ensure the development of the necessary arrangements for the changeover from CJAs to the local Community Justice Partnership in 2017.

The above report advised that the Perth and Kinross Community Planning Partnership has agreed that the Community Justice Partnership should be part of the local community planning process and will report to it. Most Community Justice Partnerships in Scotland are being positioned in local Community Planning Partnerships and the Scottish Government considers this to be best practice.

Scope and Limitations

The scope of this assignment was to review the Community Justice arrangements and controls in place within the Housing and Community Safety Service regarding the changes required by The Community Justice (Scotland) Act 2016. The audit did not review the workings of the Statutory Partners.

The audit included reviews and testing carried out at the Criminal Justice Service based at St Martins House, Perth.

Control Objectives and Opinions

This section describes the purpose of the audit and summarises the results. A ‘control objective’ is a management objective that requires the maintenance of adequate and effective internal controls to ensure that it is achieved. Each control objective has been given a rating describing, on the basis of the audit work done, the actual strength of the internal controls found to be in place. Areas of good or poor practice are described where appropriate.

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Control Objective: To provide assurance over the arrangements in place within Community Justice regarding the changes as a result of The Community Justice (Scotland) Act 2016

Internal Audit Comments:

The undernoted provides assurance over the arrangements in place within Community Justice regarding the changes as a result of The Community Justice (Scotland) Act 2016 and details scope to enhance some of these arrangements.

The Outcomes Improvement Plan (OIP) details Community Justice improvement actions aimed at collectively demonstrating delivery of the new arrangements. Actions are led by the Council or another nominated lead agency such as a statutory partner. The OIP details the seven Community Justice Outcomes as per the Scottish Government's National Outcomes, Performance and Improvement Framework and are linked to the National Strategy for Community Justice.

Awareness presentations have been delivered to various audiences for example: a Community Justice Reform presentation which referred to the statutory and non-statutory partners, improvement actions, outcomes, performance, scrutiny and inspection and the need to develop an improvement plan.

Work is progressing to document the links between the OIP and the Local Outcomes Improvement Plan. A monitoring framework will be devised to measure and report on progress against the improvement actions.

On 17 May 2017, the Council agreed to combine the responsibilities of the Housing and Health Committee and the Community Safety Committee to form a new Housing and Communities Committee (HCC). The Scheme of Administration will be updated to reflect the changes to new Committee's responsibilities as part of the ongoing work relating to the review of the political decision-making structure within the Council which is due to be reported to Council in December 2017. The HCC endorsed the OIP at its first meeting on 31 May 2017.

Community Justice Scotland reviewed the OIP in June 2017. The Service advised they were awaiting their formal response and that verbal feedback was that the timescales for some activities were too tight. This is similar to the audit finding that many of the improvement actions have a completion date of September 2017.

There is benefit in publishing Community Justice information on the Council's internet and intranet sites which could improve the awareness of the topic to the wider audience.

The audit was carried out at the early stages of this process. There is benefit therefore in considering the inclusion of a future audit assignment which focusses again on the arrangements and also the delivery of the OIP.

Strength of Internal Controls:

Moderately Strong

Management Action and Follow-Up

Responsibility for the maintenance of adequate and effective internal controls rests with management.

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Where the audit has identified areas where a response by management is required, these are listed in Appendix 1, along with an indication of the importance of each 'action point'. Appendix 2 describes these action points in more detail, and records the action plan that has been developed by management in response to each point.

It is management's responsibility to ensure that the action plan presented in this report is achievable and appropriate to the circumstances. Where a decision is taken not to act in response to this report, it is the responsibility of management to assess and accept the risks arising from non-implementation.

Achievement of the action plan is monitored through Internal Audit's 'follow up' arrangements.

Management should ensure that the relevant risk profiles are reviewed and updated where necessary to take account of the contents of Internal Audit reports. The completeness of risk profiles will be examined as part of Internal Audit's normal planned work.

Acknowledgements

Internal Audit acknowledges with thanks the co-operation of J Irons, Community Justice Co-ordinator and C Cranmer, Team Leader, Community Safety during the audit.

Feedback

Internal Audit welcomes feedback, in connection with this audit or with the Internal Audit service in general.

Distribution

This report has been distributed to:

B Malone, Chief Executive

J Fyffe, Senior Depute Chief Executive

J Valentine, Depute Chief Executive

L Cameron, Interim Director (Housing and Community Safety)

L Simpson, Head of Legal & Governance Services

D Fraser, Head of Adult Social Work and Social Care

K McNamara, Head of Community Planning, Strategic Commissioning and Organisational Development

G. Taylor, Head of Democratic Services

N Rogerson, Service Manager - Community Safety

J Irons, Community Justice Co-ordinator

C Cranmer, Team Leader - Community Safety.

External Audit

Authorisation

The auditor for this assignment was D McCreddie. The supervising auditor was M Morrison.

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This report is authorised for issue:

Jacqueline Clark
Chief Internal Auditor
Date: 24 August 2017

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Appendix 1: Summary of Action Points

No.	Action Point	Risk/Importance
1	Governance Arrangements	Low
2	Published Information	Low
3	Community Justice Outcomes Improvement Plan	Medium
4	Monitoring of the Plan	Medium
5	Local Outcomes Improvement Plan	Medium

Appendix 2: Action Plan

Action Point 1 - Governance Arrangements

The 18 January 2017 Community Safety Committee and the 31 May 2017 Committee reports state that the Community Justice National Strategy will have seven outcomes. However, whilst the National Strategy refers to some of the outcomes, it does not detail all seven outcomes.

A separate 19 February 2016 Community Planning Partnership Board (CPPB) presentation stated that the Board will sign off a draft local Strategy. However, the Service advised there will be no local Strategy and this is not required under the relevant Act and the National Strategy will be followed.

To avoid misunderstandings there is benefit in updating Committee and the CPPB of the current position with the Strategy.

Management Action Plan

- a) A future Community Justice report to the HCC will advise of the linkage of the Outcomes in the Improvement Plan to the National Strategy.
- b) The Community Planning Partnership Board will be advised that there will be no Community Justice local strategy as the National Strategy will be followed.

Risk/Importance:	Low
Responsible Officer:	C Cranmer, Team Leader - Community Safety.
Lead Service:	Housing and Community Safety
Date for Completion (Month / Year):	a) May 2018 b) June 2018
Required Evidence of Completion:	a) Extract from HCC report. b) Extract from CPPB report.

Auditor's Comments

Satisfactory

Action Point 2 - Published Information

An 18 January 2017 paper to the Communities Safety Committee reports the need for statutory partners to publish a participation statement on their engagement with the third sector and communities as part of the community justice planning process. The paper also stated that the community justice outcomes improvement plan should be published.

However, the participation statement is not published on www.pkc.gov or the intranet site, Eric and whilst the outcomes improvement plan is published, it is not a separate publication but part of committee papers which may make the information less easy to find.

The publication of such information on the Council's internet and intranet sites and as part of a new Community Justice section could improve the awareness of the topic to the wider audience.

Management Action Plan

The Service will arrange for a Community Justice section to be published on the Council's internet and Eric sites.

This section will include the community justice outcomes improvement plan and a participation statement regarding the engagement with the third sector and communities.

Risk/Importance:	Low
Responsible Officer:	C Cranmer, Team Leader - Community Safety.
Lead Service:	Housing and Community Safety
Date for Completion (Month / Year):	September 2017
Required Evidence of Completion:	Community Justice extract from pkc.gov and Eric regarding the participation statement and improvement plan.

Auditor's Comments

Satisfactory

Action Point 3 - Community Justice Outcomes Improvement Plan

There is benefit in reviewing the completion dates detailed in the Community Justice Partnership outcomes improvement plan as some dates may not be achievable. For example, the date for the nine improvement actions for outcome two is September 2017 with the same date for seven of the eleven actions for outcome three. This finding is aligned with verbal feedback from a recent Community Justice Scotland visit that the timescales for some activities are too tight. There is also scope to ensure that the lead agencies named as responsible for actions in the plan are indeed partners as two were found to be third parties.

There are links between the Structural Outcomes Indicators and the majority, but not all of the improvement actions. The Service advised this was due to some activities being outwith the control of the partners with other activities not requiring specific improvement actions as they are to be monitored as part of business as usual routines. To avoid misunderstanding there is benefit in the plan explaining why there may not be actions in respect of every single indicator.

As the plan evolves there is benefit in introducing a document history and version control system which may help ensure that all partners are working to the same version of the plan.

Management Action Plan

The Service will carry out a review of the completion dates detailed in the outcomes improvement plan. This review will also ensure that only partners are named as responsible for actions in the plan.

A section will be added to the plan that explains why there may not be improvement actions in respect of every single indicator.

The above changes will be summarised in a newly introduced document history and version control system.

Risk/Importance:	Medium
Responsible Officer:	C Cranmer, Team Leader - Community Safety.
Lead Service:	Housing and Community Safety
Date for Completion (Month / Year):	September 2017
Required Evidence of Completion:	Document history detailing updates to the outcomes improvement plan.

Auditor's Comments

Satisfactory

Action Point 4 - Monitoring of the Plan

The outcomes improvement plan details a number of improvement actions. The plan had just been implemented; therefore the Auditor was unable to test the monitoring of the plan.

The Service advised that the mechanisms for monitoring the plan were being discussed with partners and the Community Justice Partnership meeting of 31 August 2017 will include this as an agenda item.

A framework will also be devised to measure and report on the actions in the plan.

Management Action Plan

a) The 31 August 2017 Community Justice Partnership agenda will include an item regarding a monitoring mechanism for the outcomes improvement plan.

b) A framework will also be devised to measure and report on the actions in the plan. This framework will also be presented to the Community Justice Partnership.

Risk/Importance:	Medium
Responsible Officer:	C Cranmer, Team Leader - Community Safety.
Lead Service:	Housing and Community Safety
Date for Completion (Month / Year):	a) September 2017 b) September 2017
Required Evidence of Completion:	a) CJP agenda item detailing monitoring. b) Framework which monitors the outcomes improvement plan and relevant CJP minute extract.

Auditor's Comments

Satisfactory

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Action Point 5 - Local Outcomes Improvement Plan

The Housing and Communities Committee meeting of the 31 May 2017 advised that the Community Justice (Scotland) Act 2016 requires partners take account of the National Strategy for Community Justice and the Local Outcomes Improvement Plan (LOIP) when developing their Outcomes Improvement Plan (OIP).

Whilst the OIP is linked to the National Strategy there a need to evidence the process that links the LOIP and the OIP. The Service advised that this process was at an early stage and a template being devised to assist with this.

Management Action Plan

The Service will provide evidence as to the linkages between the outcomes improvement plan and the local outcomes improvement plan. This will be evidenced by the completion of a template which will assist with this process.

Importance:	Medium
Responsible Officer:	C Cranmer, Team Leader - Community Safety.
Lead Service:	Housing and Community Safety
Date for Completion (Month / Year):	October 2017
Required Evidence of Completion:	Completed template evidencing the links between the OIP and the LOIP.

Auditor's Comments

Satisfactory