

# The Moray Council

## Local Scrutiny Plan

2016/17



March 2016

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### Introduction

1. This local scrutiny plan sets out the planned scrutiny activity in Moray Council during 2016/17. The plan is based on a shared risk assessment undertaken by a local area network (LAN), comprising representatives of all the scrutiny bodies who engage with the council. The shared risk assessment process draws on a range of evidence with the aim of determining any scrutiny activity required and focusing this in the most proportionate way.
2. This plan does not identify or address all risks in the council. It covers only those risk areas that the LAN has identified as requiring scrutiny, or where scrutiny is planned as part of a national programme. Planned scrutiny activity across all councils in Scotland informs the National Scrutiny Plan for 2016/17, which is available on the Audit Scotland website.

### Scrutiny risks

3. The Assurance and Improvement Plan (AIP) for 2014-17 identified three scrutiny activities to be carried out during the financial year to March 2015. The first of these was Audit Scotland Best Value follow-up activity where the audit work took place during May and June 2015 and with the report findings published by the Accounts Commission in October 2015. The report stated that the Commission was encouraged by the council's progress in aligning its strategic plans, priorities and objectives; the awareness and commitment of the management team; and the focus on elected member and employee development. Substantial improvement activity was underway. It was too early to judge its overall effectiveness. The council was moving in the right direction but the pace of improvement needed to increase significantly. In particular, the financial challenge facing the council – to reduce spending by over £16 million by March 2018 - required demonstrable leadership by elected members in approving and implementing a comprehensive strategy to achieve the necessary savings. In addition, the council needed to quicken progress in its approach to engaging with customers. It also needed to follow through on recent employee engagement activity to develop a more positive workforce culture. Audit Scotland will continue to monitor developments in this area through the 2016/17 annual audit process.
4. The Moray Council and Education Scotland worked together on a validated self-evaluation of the Educational Psychology Service in May 2015. This was a positive

experience in which stakeholders were able to demonstrate effective and robust self-evaluation systems leading to improvement.

5. The Joint Thematic Review of MAPPA (Multi-Agency Public Protection Arrangements) in Scotland has concluded with the report of the review published in November 2015. Main findings of the review were that there was strong evidence that MAPPA was well-established across Scotland and that Responsible Authorities, through joint working and information sharing discharge their duties effectively under the terms required by the Management of Offenders. However, whilst MAPPA was effective in contributing to keeping people safe, overall efficiency in the management of risk could be improved by implementing a more proportionate and consistent approach through streamlining processes and reducing unnecessary bureaucracy. The Scottish Government and Responsible Authorities have been asked to provide an action plan in response to the review's recommendations. The Care Inspectorate and HMICS (Her Majesty's Inspectorate of Constabulary) will monitor progress against this plan and publish their findings as part of their annual reporting process.
6. The Moray Local Area Network (LAN) has shared information and intelligence and has met in order to undertake a scrutiny risk assessment for 2016-17. It has been assisted in this by the provision of information by the council. LAN representatives also met with the council's corporate management team in August 2015 for a discussion on the council's improvement agenda and in order to receive an update on developments within the council.
7. As a result of the LAN's considerations, the following scrutiny risk assessments have been made.
  - **Leadership and governance.** There is a delicate political balance on the council which comprises of an Independent – Conservative minority administration. Since November 2014, the Service Development Group (SDG) has been the primary forum for taking forward the council's strategic business. It is an administration only group and in recognition of this, the council's Corporate Management Team (CMT) meets on a fortnightly basis with the opposition, as well as their regular meetings with the SDG. One advantage of this approach is that it allows for regular engagement between the CMT and a large proportion of the elected members.

The Best Value Audit found that the CMT is committed to change and has a shared understanding of the challenges the council faces. Previous acting-up positions in the CMT are now filled on a substantive basis. The Best Value Audit saw evidence that elected members had contributed to their own development through their involvement in a range of development programme activities. The council and its subcommittees are governed by its Standing Orders, a Scheme of Delegation and its Financial Regulations, all of which were updated in 2014/15. Given the above, the LAN has concluded that no additional risk based scrutiny is required beyond statutory/ongoing work.

- **Resource planning and management.** The audit opinion on the 2014/15 accounts was unqualified. There are no concerns over the council's financial sustainability in the short term. The General Fund is maintained to ensure the council has a working balance to help cushion the impact of uneven cash flows, avoid necessary temporary borrowing and provide contingency for unexpected or emergency events. Previously the council has identified a general fund balance of £5 million as desirable. This is significantly lower than the current balance of £24 million (at 31 March 2015). However, long term financial planning shows significant funding gaps and the need for substantial additional savings in the next few years. The council is in the process of identifying, prioritising and implementing savings plans. External auditors have recommended that this should be closely monitored to ensure the council is able to bridge these forecasted funding gaps to maintain service delivery. In January 2016, the administration indicated that it was giving consideration to an 18 per cent Council Tax increase in response to the Scottish Government's proposed budget settlement for the council. However, the Government subsequently increased the financial penalty for councils which increase council tax and the increase will not form part of the Administration's budget.

Along with community planning partners, the council has undertaken a full review of current preventative activities across the partnership linked to the SOA priorities. Work has also been done to gather cost information against these priorities and the Community Planning Partnership Board has approved funds for this work and a Prevention Working Group has been formed to progress this activity.

Given the above, the LAN has concluded that no additional risk based scrutiny is required beyond statutory/ongoing work.

- **Performance management and improvement.** The council has aligned its community plan and corporate plan, and now has a clear set of strategic priorities and objectives. It has recently agreed a performance management and continuous improvement framework but it is too early to say how effective this will be. The council's Corporate Plan 2015-17 sets out how it will help deliver the agreed priorities identified in Moray 2023 (The CPP's community plan). It also sets out the financial challenges facing the council and the need to adapt as an organisation to meet these. The community plan and corporate plan are clearly aligned. The CMT has been working on revising the overall strategic framework for the council and seeking to embed improvement in its core management arrangements. The Designing Better Services programme came to an end in December 2015. The corporate plan and the financial strategy will be the drivers for change, and proposals are emerging for a Gateway Process and a corporate Project Management Office (PMO) to support and monitor the change process.

The PSIF continues to be used in all council services, apart from the Education and Social Care directorate which uses its own self-evaluation tools and external

inspection reports. The council uses a three-year cycle for PSIF, and completed the second cycle in March 2014. The way in which committees are scrutinising performance is changing. Previously, the Audit and Performance Review Committee had the lead role in examining the council's performance. The council now expects individual service committees to have a greater role in scrutinising service performance. In June 2015, the Audit and Scrutiny Committee replaced the Audit and Performance Review Committee with the intention that it should focus on strategic audit and scrutiny issues rather than the detail of service performance. The council is developing a more co-ordinated approach to customer focus. It has developed a customer focus strategy and this should be used to drive an increased pace of change in responding to the views of its customers. Given the relative newness of the revised performance management framework and the need for the council to take forward its customer focus; these areas will be part of the focus of the various scrutiny bodies' on-going engagement with the council during 2016-17. This is considered sufficient to mitigate any risks in this area. As such, no additional risk based scrutiny is required beyond statutory/on-going work.

- **Education and children's services.** The council continues to make positive progress in implementing Curriculum for Excellence. It has established a schools and curriculum development strategy group. The group has agreed key themes that have been developed into a five year plan. Secondary schools work together well and share their curriculum plans. Tracking and monitoring children and young people's progress across the broad general education remains a challenge. This is a significant area of concern and as a result ongoing monitoring by Education Scotland's Area Lead Officer will be required. Improving information on children's progress in the broad general education will be a priority for the partnership agreement between Moray Council and Education Scotland. To address this, the council has been implementing On Track with Learning and is working closely with other councils through the Northern Authority Forum. During 2015, the majority of inspections of primary schools and of early year's centres were positive. One secondary school was inspected which will be subject to continuing engagement. The council has established a Children and Young People's Partnership chaired by a councillor. The focus of this partnership is targeted largely on child protection and GIRFEC rather than on universal entitlements. The multi-agency GIRFEC Strategy Group has been re-established and has established three operational groups to take forward the key priorities agreed in the action plan. Named Person training has already been rolled out to all relevant education professionals and a trial has taken place of a Named Person service throughout school holiday periods which will be evaluated.

The Management Team for Education and Social Care is effective. There are three Heads of Service in the department of Education and Social Care who report to the Director. The council has undertaken significant organisational management changes in recent years. It has faced major challenges in areas such as teacher

recruitment and reorganising the school estate. The Director has taken direct approach to tackling teacher recruitment including developing an agreement between the council and a local housing provider to subsidise local housing for new teachers. The Director is working through the Northern Alliance of neighbouring authorities to tackle the teacher shortage. This forum also has potential for pooling expertise in quality improvement. Given the above, the LAN has concluded that no additional risk based scrutiny is required beyond statutory/ongoing work. Monitoring progress through the Area Lead Officer will be sufficient to manage risks.

- **Social work/social care.** The improvement plan which followed the joint inspection of services for older people in 2013/14 has been monitored by the link inspector and good progress is being made to address all areas for improvement. The improvement activity has now been integrated into mainstream work plans and does not require any further scrutiny. The partnership has been offered further support from the link inspector and local contact manager and while this offer has not been taken up fully, there remains a positive working relationship with services in Moray. With regards health and social care integration the joint inspection found that whilst the building blocks to achieve better integration were in place, the pace of change needed to be accelerated. The Partnership has been operating a shadow joint integrated board (IJB) since April 2015 with the full IJB coming into effect in April 2016. In December 2015, the Partnership launched a three month consultation on the draft Moray Health & Social Care Partnership (MHSP) Strategic Plan.

As indicated in the previous section, children and families social work services are managed as part of the Education and Social Care Directorate whose management team provide effective leadership. There has been positive engagement with children's services. A number of development sessions were held in Elgin, facilitated by the council and led by the Care Inspectorate. These included a range of professionals from the partnership. These sessions included self-evaluation/continuous improvement; implementation of Children and Young Persons Act; strategic planning and corporate parenting and commissioning.

Given the above, the LAN has concluded that no additional risk based scrutiny is required beyond statutory/on-going work. Monitoring progress through the link inspector will be sufficient to manage risks.

- **Housing and homelessness.** To assess the risks to social landlord services SHR has reviewed and compared the performance of all Scottish social landlords to identify the weakest performing landlords. SHR has assessed the performance of this council and concluded that no additional scrutiny is required beyond statutory work.
8. As shown in [Appendix 1](#), the council will be subject to a range of nationally driven scrutiny activity during 2016/17.

9. Audit Scotland plans to undertake performance audit work in three areas covering local government during 2016/17. It will undertake a performance audit on early learning and childcare and a follow-up on audit on self-directed support. Audit Scotland will also carry out audit work on equal pay, but is still considering the focus and outputs of work in this area. Any engagement with councils is still to be determined. Details of future audit work are available on the Audit Scotland website [here](#).
10. In December 2014, the Accounts Commission concluded its review of Best Value and set out principles for a new approach to auditing Best Value. These principles include the need for more frequent assurance on Best Value across all 32 councils, integrating the audit processes, an increased emphasis on driving improvement, and a strong focus on the quality of service experienced by the public and the outcomes achieved.
11. The new approach will be rolled out from October 2016 but will continue to evolve. It will include assessment each year of aspects of Best Value as part of an integrated annual audit and a public report, (Controller of Audit report to the Accounts Commission) for each council at least once in a five year period that will bring together an overall picture of the council drawn from a range of audit activity. The initial iteration of the rolling programme, which will be reviewed and refreshed annually in response to factors including the SRA, will be presented to the Accounts Commission in April 2016. The results of this current SRA will make a significant contribution to the audit intelligence that will underpin the new approach, and inform the development of the initial programme.
12. 2016 is a transition year. This includes development of the intelligence about each council for the new approach and the handover to new audit appointments. While preparation for the new approach progresses, Best Value audit work will continue, but, appropriate elements of the new approach, such as reporting mechanisms, will also be tested in some councils.
13. The Care Inspectorate will work together with partner regulatory agencies to continue to deliver a coordinated programme of joint scrutiny of Community Planning Partnerships and integration joint boards. In respect of Children's Services, the Inspectorate plan to undertake six joint strategic inspections in the 2016/17 year. This will include a joint inspection of services for children and young people in Moray. The inspection will take place over the second and third quarters of 2016/17. It will be led by the Care Inspectorate and will also involve participation by Healthcare Improvement Scotland, Education Scotland and HMICS. In respect of Adults' Services, the Care Inspectorate will continue to work with partner agencies to review the methodology of these joint inspections. Accordingly, the Inspectorate plan to undertake three joint strategic inspections of Adults' Services in the 2016/17 year. As well as the joint strategic scrutiny programmes, the Care Inspectorate will be undertaking – or continuing – to review its approach to the joint review of strategic commissioning; review the validated self-assessment of Alcohol and Drug Partnerships and undertake a variety of thematic programmes of work.

14. HMICS will continue to inspect local policing across Scotland during 2016/17 as part of its rolling work programme. These inspections will examine, amongst other things, local scrutiny and engagement between Police Scotland and councils. HMICS will identify and notify LANs and the local Policing Divisions to be inspected approximately three months prior to inspection.
15. The Scottish Government has confirmed in its funding letters to Alcohol and Drugs Partnerships (ADPs) that the Care Inspectorate will undertake Validated Self-Evaluation (VSE) activity with Alcohol and Drug Partnerships. The purpose of this activity is to support the validation of ADP and services' self-assessment of local implementation and service compliance with the Quality Principles: Standard Expectations of Care and Support in Drug & Alcohol Services. The findings from this validation work will be reviewed by the Scottish Government to consider and inform the future programme of national support that will further encourage and support delivery of continued improvements at ADP and service level. It is anticipated that all 30 ADPs will participate. On site activity is likely to commence in March 2016 with a national overview report completed by the end of 2016. The Care Inspectorate will also provide brief, customised feedback to each ADP in order to help build their capacity for self-evaluation.
16. Her Majesty's Fire Service Inspectorate (HMFSI) will be inspecting local fire and rescue services across Scotland over the next five years. These inspections will examine, amongst other things, local scrutiny and engagement between the Scottish Fire and Rescue Service and councils. As part of its programme, HMFSI will inspect four local fire and rescue services during 2016/17. Moray is included in the 2016/17 programme. It is expected that this work will be carried out in Quarter 3/autumn, with dates to be agreed in due course.
17. The Scottish Housing Regulator (SHR) will publish the findings of its thematic inquiry work completed during 2015-16. It will carry out further thematic inquiries during 2016-17. SHR will also review the Charter data submitted by landlords and carry out data accuracy visits during the second quarter of 2016/17. If the council is to be involved in a thematic inquiry or a data accuracy visit SHR will confirm this directly with the council and the LAN lead.
18. For some of their scrutiny activity in 2016/17, scrutiny bodies are still to determine their work programmes which specific council areas they will cover. Where a council is to be involved, the relevant scrutiny body will confirm this with the council and the appropriate LAN lead.
19. In addition to specific work shown in [Appendix 1](#), routine, scheduled audit and inspection work will take place through the annual audit process and the ongoing inspection of school and care establishments by Education Scotland and the Care Inspectorate respectively. Audit Scotland will carry out a programme of performance audits during 2016/17 and individual audit and inspection agencies will continue to monitor developments in key areas of council activity and will provide support and challenge as appropriate. This will help to inform future assessment of scrutiny risk.



## Appendix 1: Scrutiny plan

Scrutiny body	Scrutiny activity	Date
Audit Scotland	No risk based scrutiny planned	
Care Inspectorate	No risk based scrutiny planned	
	Joint inspection of services for children and young people	2 <sup>nd</sup> /3 <sup>rd</sup> quarter 2016/17
	Validated Self-Evaluation of Alcohol and Drug Partnerships	1 <sup>st</sup> quarter 2016/17
Education Scotland	No risk based scrutiny planned	
Her Majesty's Inspectorate of Constabulary (HMICS)	Inspection of local policing across Scotland over the next three years. This will examine, amongst other things, local scrutiny between Police Scotland and councils. The geographic areas to be inspected during 2016/17 have yet to be determined.	
Her Majesty's Fire Service Inspectorate (HMFSI)	Local based inspection of fire and rescue services	3 <sup>rd</sup> Quarter 2016/17
Scottish Housing Regulator (SHR)	<p>The Scottish Housing Regulator (SHR) will publish the findings of its thematic inquiry work completed during 2015-16. It will carry out further thematic inquiries during 2016-17.</p> <p>SHR will also review the Charter data submitted by landlords and carry out data accuracy visits during the second quarter of 2016/17. If the council is to be involved in a thematic inquiry or a data accuracy visit SHR will confirm this directly with the council and the LAN lead.</p>	<p>To be determined</p> <p>Quarter 2</p>


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### 2016/17

#### A summary of local government strategic scrutiny activity

This report is available in PDF and RTF formats, along with a podcast summary at:  
[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) 

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Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN  
T: 0131 625 1500 E: [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk)   
[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) 