

National scrutiny plan 2016/17

A summary of local government
strategic scrutiny activity



Prepared on behalf of the Strategic Scrutiny Group
March 2016

ACCOUNTS COMMISSION 

 AUDIT SCOTLAND



Inspectorate of
Prosecution in
Scotland



Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively.

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Background



1. The National Scrutiny Plan for local government has been jointly prepared by members of the Strategic Scrutiny Group (SSG). This group comprises Scotland's main public sector scrutiny bodies – the Accounts Commission, Audit Scotland, Education Scotland, the Care Inspectorate, Healthcare Improvement Scotland, Her Majesty's Inspectorate of Constabulary in Scotland, Her Majesty's Fire Service Inspectorate, Her Majesty's Inspectorate of Prisons, The Inspectorate of Prosecution in Scotland and the Scottish Housing Regulator. Details of each body can be found in [Appendix 1](#). In this report, they are collectively referred to as scrutiny bodies.

2. The SSG was established in February 2008 to support the delivery of better coordinated, more proportionate and risk-based local government scrutiny. Since then, local government scrutiny bodies (Audit Scotland, Care Inspectorate, Education Scotland, the Scottish Housing Regulator and appointed auditors (including private sector Audit Firms)) have worked together through Local Area Networks (LANs) to share intelligence and agree the key scrutiny risks in each of Scotland's 32 councils. Annually, each LAN prepares a Local Scrutiny Plan (LSP) setting out the planned scrutiny activity for the council to respond to those specific risks. LSPs also include nationally programmed scrutiny, such as the Care Inspectorate's joint inspections of services for children, young people and families and joint inspections of adult health and social care services. This approach, called Shared Risk Assessment (SRA), is designed to ensure well coordinated proportionate and risk-based scrutiny.

3. This 2016/17 National Scrutiny Plan (NSP) for local government is one of the key outputs from the SRA process. It is the seventh such plan and summarises the strategic scrutiny work¹ from April 2016 to March 2017 in each of Scotland's 32 councils. It includes all strategic scrutiny activity of which we are currently aware. It also covers validating self-evaluation work between scrutiny bodies and councils that is designed to support improvement.

4. A separate table showing planned scrutiny activity is available on the [Audit Scotland website \[PDF\]](#) .

¹ Strategic scrutiny work does not include scrutiny activity carried out at service unit or institution level, such as inspections of individual schools or care homes, or the annual financial audit of public bodies.

Part 1

Strategic context



5. This year's NSP has been prepared at a time of significant change in the public sector delivery landscape as a consequence of, among other things, the establishment of new statutory Integration Joint Boards (IJBs) to implement health and social care integration. Also the passing of the Community Empowerment (Scotland) Act, which places new statutory duties on public bodies to work together to improve outcomes and address inequalities through community planning.

6. Alongside those developments major changes are also taking place in the world of scrutiny, such as:

- the SSG develops its collective response to the Scottish Government's public service reform agenda (eg, health and social care integration and the Community Empowerment Act)
- the SSG reflects further on its experience of place-based audit and inspection and what that means for its work and the shared risk assessment (SRA) process
- the Accounts Commission develops its plan for implementing its new approach to auditing Best Value in local government, which will take effect as part of the new local government audit appointments from 1 October 2016
- the Care Inspectorate and its partners review their approach to joint inspections of services for children, young people and families and adult health and social care services to ensure that they reflect national priorities, the creation of IJBs and the new joint inspection responsibilities for the Care Inspectorate and Healthcare Improvement Scotland around integrated health and social care and joint strategic commissioning
- how Education Scotland considers best to provide public assurance on the extent to which Education Authorities are meeting their improvement duties under the Standards In Scotland's Schools Act 2000.


Part 2


Scrutiny activity



National scrutiny programmes

7. There is a range of national scrutiny activity planned across councils over the next year and beyond. Where activity has been identified for 2016/17 that impacts on individual councils, it is included in the NSP. Significant pieces of national scrutiny activity that are planned during 2016/17 include:

- Audit Scotland's programme of national performance audits that it undertakes on behalf of the Accounts Commission and the Auditor General for Scotland. Audit Scotland has several performance audits covering local government planned during 2016/17. It will be carrying out audits covering social work, early learning and childcare, and equal pay, as well as follow-up audits on self-directed support and maintaining Scotland's roads. The [performance audit programme for 2016/17](#)  is available online. Audit Scotland will also continue to carry out a national programme of housing benefit risk assessments across councils.
- The Care Inspectorate will undertake Validated Self-Evaluation (VSE) activity with Alcohol and Drug Partnerships (ADPs). The purpose of this activity is to support the validation of ADPs 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. The Care Inspectorate will provide brief, customised feedback to each ADP in order to help build their capacity for self-evaluation. A national overview report will also be completed by the end of 2016.
- Education Scotland will continue to work in partnership with councils to carry out a VSE of educational psychology services across all councils over a two-year period during 2016/17. It will also review the quality of Careers Information Advice and Guidance services delivered by Skills Development Scotland across all council areas. This will be the second of a three-year programme that began in 2015/16. In addition, Education Scotland will continue to engage with councils for the purpose of VSE.
- HMICS will continue to inspect local policing divisions across Scotland. Divisional inspections will cover partnership working and in particular, local scrutiny and engagement between Police Scotland and councils and the local Community Planning Partnership and Community Safety Partnership. Local police inspections also include a 'plus' element, which aims to

investigate national issues through a local lens. These elements are subject to separate reports published on its website www.hmics.org.uk .

- HMFSI will continue to inspect local fire and rescue services across Scotland over the next five years. These inspections will examine, among 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. HMFSI may also carry out ad hoc inspections in response to specific events, which can involve contact with local authorities.
- 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. The SHR will also review the Scottish Social Housing Charter data submitted by landlords and carry out data accuracy visits during the second quarter of 2016/17. Where councils are to be involved in a thematic inquiry or a data accuracy visit, the SHR will confirm this directly with the council and the LAN lead.

Scrutiny developments

8. There is a range of scrutiny developments taking place during 2016/17.

9. 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.

10. 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. 2016 is a transition year which will involve the further 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 as set out in the NSP. In addition, elements of the new approach, such as reporting mechanisms, will also be tested in some councils.

11. The Care Inspectorate, together with partner regulatory agencies (Healthcare Improvement Scotland, Education Scotland and HMICS) will continue to deliver a coordinated programme of joint scrutiny of Community Planning Partnerships and integration joint boards. Partner agencies are also reviewing the methodology for joint inspections of adults' services. As well as joint strategic scrutiny programmes, the Care Inspectorate will also be reviewing its approach to strategic commissioning, reviewing the validated self-assessment of alcohol and drug partnerships and undertaking a variety of thematic programmes of work.

Part 3

Strategic scrutiny group development and improvement priorities



12. The context in which the SSG operates has changed significantly since its establishment in 2008. A number of new scrutiny bodies have been created (Education Scotland, Care Inspectorate, Healthcare Improvement Scotland) and others have seen either their role and status amended (SHR) or the nature of the service that they inspect change from a local to national service (HMICS, HMFSI).

13. In August 2015, the SSG reflected on the progress that it has made since it was established in 2008. This acknowledged the SSG's strong track record of delivery across a range of fronts, including:

- building relationships and trust across agencies
- implementing the SRA process, which has improved coordination of scrutiny activity across the local government sector, and
- establishing the SSG as a useful forum for discussing key issues of joint strategic concern.

14. The SSG has also considered its future direction in the context of a much changed and rapidly changing public sector landscape that includes:

- the increasingly complex web of public service delivery arrangements
- demographic and other demand pressures facing Scotland's public services at a time of significantly reducing public finances
- new fiscal powers that are transferring to Scotland following the Smith Commission under the Scotland Act 2015
- the specific Scottish public policy approach of focusing on outcomes, prevention and partnership working, and
- Scotland's public service reform agenda (eg, health and social care, community empowerment, welfare reform).

15. In the context of this changing public sector policy and delivery landscape, the SSG will continue to work on improving the value it adds by:

- acting as the main forum for scrutiny bodies to develop coordinated strategic responses to major public-sector legislative changes or policy developments (including public service reform)

- broadening its scrutiny coordination role to include national thematic scrutiny activity and partnership-based audit and inspection work
- strengthening its focus on supporting improvement and promoting best practice in Scotland's public services, and
- better driving continuous improvements in operational scrutiny practices (eg the alignment of scrutiny approaches, promoting more shared training across agencies, implementing more consistent approaches to self-evaluation and supporting improvement).

16. The SSG also continues to act as a forum for scrutiny bodies to discuss key strategic scrutiny developments (eg, the Accounts Commission's new approach to auditing Best Value in local government; Healthcare Improvement Scotland's new approach to inspecting and building improvement capacity in the NHS; Education Scotland's developments in inspection approaches; and the Care Inspectorate's review of its approach to inspecting children and adults' services) and identifying opportunities for aligning assessment framework and methodologies.

17. The SSG has identified three priority areas for scrutiny developments that it wishes to take forward over the next year. These are:

- a shared vision and values for modern effective scrutiny, that sets out the added value that scrutiny brings and how it contributes to improvement
- a route map for how scrutiny needs to adapt and change to meet the challenges of 21st century public service delivery
- the delivery of a step change in the alignment and integration of operational scrutiny activity.

18. It plans to take forward these three interconnected strategic developments as a single programme of work over the coming year.

Appendix 1

The Local Government Scrutiny Coordination Strategic Group members



Accounts Commission	The Accounts Commission is a non-departmental public body (NDPB). The Accounts Commission is the public's independent watchdog for local government in Scotland. Its role is to examine how Scotland's 32 councils manage their finances, help these bodies manage their resources efficiently and effectively, promote Best Value and publish information every year about how they perform.
Audit Scotland	Audit Scotland is a statutory body providing services to the Accounts Commission and the Auditor General for Scotland (AGS). Working together, the Accounts Commission, the AGS and Audit Scotland ensure that public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.
Care Inspectorate	The Care Inspectorate (formally, Social Care and Social Work Improvement Scotland) is a non-departmental public body (NDPB). The Care Inspectorate's purpose is to provide assurance and protection for people who use care, social work and children's services and to support improvement in social care and social work provision.
Education Scotland	Education Scotland is an executive agency. It is the Scottish Government's national development and improvement agency for education. It is charged with providing support and challenge to the education system, from early years to adult learning, in line with the government's policy objectives.
Healthcare Improvement Scotland	Healthcare Improvement Scotland (HIS) is a health body. The function of HIS is to improve the quality of the care and experience of every person in Scotland every time they access healthcare by supporting healthcare providers.
Her Majesty's Fire Service Inspectorate	The Fire Service Inspectorate in Scotland exists to provide independent, risk based and proportionate professional inspection of the Scottish Fire and Rescue Service. Its purpose is to give assurance to the Scottish public and Scottish Ministers that the Service is working in an efficient and effective way, and to promote improvement in the Service. Through this, the Inspectorate provides external quality assurance to the Service, and provides support to the Service in delivering its functions.
Her Majesty's Inspectorate of Constabulary in Scotland	Her Majesty's Inspectorate of Constabulary in Scotland (HMICS) provides independent scrutiny of both Police Scotland and the Scottish Police Authority. Its approach is to support Police Scotland and the Authority to deliver services that are high quality, continually improving, effective and responsive to local needs. It can inspect other UK police services that operate in Scotland and are members of the National Preventive Mechanism, inspecting police custody centres to monitor the treatment and conditions for detainees.
Her Majesty's Inspectorate of Prisons for Scotland	Her Majesty's Chief Inspector of Prisons for Scotland is required to inspect the 15 prison establishments throughout Scotland in order to examine the treatment of, and the conditions for prisoners. The Chief Inspector also has responsibility for the inspection of legalised police cells. These are cells and the treatment of and conditions for prisoners under escort.
Her Majesty's Inspectorate of Prosecution	The Inspectorate of Prosecution in Scotland is headed by HM Chief Inspector who reports directly to the Lord Advocate. The aim of the Inspectorate is to enhance the quality of service and public confidence in the Crown Office and Procurator Fiscal Service through independent inspection and evaluation.
Scottish Housing Regulator	The Scottish Housing Regulator (SHR) is a non-ministerial department. The statutory objective of the SHR is to safeguard and promote the interests of people who are or may become homeless, tenants of social landlords, or recipients of housing services provided by social landlords.

Appendix 2

Glossary



Local Scrutiny Plan (LSP)	A document which captures agreed areas of risk and good practice, and the resulting scrutiny response for each council. It is the primary planning document for scrutiny bodies.
Local Area Network (LAN)	There is a LAN for each council, comprising representatives of all the scrutiny bodies who engage with the council. LAN members ensure that information and intelligence held by each scrutiny body is shared.
Local Government Benchmarking Framework (LGBF)	The LGBF reports on how much councils spend on particular services, their performance and how satisfied people are with these services. It supports-evidence based comparisons between similar councils so that they can work and learn together to improve their services.
National Scrutiny Plan (NSP)	The aggregation of the individual council's scrutiny plans into a national plan detailing all the scrutiny work planned across Scottish councils.
Scottish Social Housing Charter	The Scottish Social Housing Charter sets the standards and outcomes that all social landlords should aim to achieve when performing their housing activities. The Charter was approved by the Scottish Parliament and came into effect from 1 April 2012.
Shared Risk Assessment (SRA)	A joint approach using key information about local government to plan scrutiny activity that is proportionate and based on risk.
Validated Self-Evaluation (VSE)	Assistance provided by Education Scotland to councils on request, to help them develop their own methods and quality of self scrutiny.

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