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Progress report

# Action plan 2016/17



ACCOUNTS COMMISSION 

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## Key to progress:

**Complete:** This action has been completed

**Complete and continuing:** While an action has been completed, it continues as part of further ongoing activity

**Continuing:** This action has started but will require further input from the Commission.

Action	Progress at end March 2017
<b>Develop the audit by:</b>	
Ensuring that our annual overview report, to be published in early 2017, provides effective reporting of the performance of councils in relation to those challenges that we identified in our current overview report	<p><b>Complete</b></p> <p>For the first time this year we published two overview reports:</p> <ul style="list-style-type: none"><li>• <a href="#"><i>Local government in Scotland: Financial overview 2015/16</i></a> was approved at our meeting on 10 November 2016 and published on 29 November.</li></ul> <p>There was a formal response from COSLA.</p> <p>There were also formal responses from Scottish Labour and the Scottish Green Party.</p> <p>The report was presented by the Deputy Chair of the Commission to the Scottish Parliament's Local Government and Communities Committee on 14 December as part of its scrutiny of the Scottish budget.</p> <p>The report has been downloaded 2,148 times and the podcast 20 times.</p> <p><a href="#"><i>Local government: Performance and challenges 2017</i></a> was approved at our meeting on 9 February 2017 and published on 7 March.</p> <p>There was a formal response from COSLA.</p> <p>There were also formal responses from Scottish Labour, the Conservatives and the Scottish Greens.</p>

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Action	Progress at end March 2017
<p>Implementing, and continuing to develop, our new approach to auditing Best Value which is better integrated with other audit work and will provide more regular assurance about the performance of all councils</p>	<p><b>Complete and continuing</b></p> <p>We reported on progress with Best Value in four councils: South Ayrshire (29 June 2016), Angus (4 October), Falkirk (1 December) and East Dunbartonshire (15 December).</p> <p>We made a new round of five-year appointments for all audited bodies, accompanied by a revised Code of Audit Practice, which includes our approach to Best Value.</p> <p>At our June 2016 meeting we agreed the overall framework of the new approach. It brings together audit work on Best Value, the annual financial audit and the multi-agency shared risk assessment process. The introduction of the framework coincides with the new five-year audit appointments by the Commission and the first reporting of the new approach will be seen in annual audit reports in October 2017. In addition, at its March 2017 meeting, the Commission agreed the sequence of reporting of six Best Value Assurance Reports, reporting on audit work in six councils during 2016/17. These will be reported from June 2017.</p>
<p>As part of this, contributing to a review and update of the characteristics of Best Value being led by the Scottish Government and councils, including ensuring that it reflects our expectations</p>	<p><b>Continuing</b></p> <p>The Scottish Government has convened a group involving councils taking this objective forward, with a view to concluding later in 2017. Audit Scotland acts as an observer on this group on behalf of the Commission.</p>
<p><b>Encourage effective reporting of performance by:</b></p>	
<p>Working with councils to help further enhance the scope and use of the Local Government Benchmarking Framework</p>	<p><b>Complete and continuing</b></p> <p>We continue our relationship with the project board and with councils. Board representatives attended our meeting in February 2017 and briefed us on the data outputs from the framework. We considered the National Benchmarking Overview Report 2015/16 at our meeting in March 2017 and agreed a series of observations which we will take forward with the Board.</p>
<p>Developing effective assessment of public performance reporting by councils, through our auditing of Best Value.</p>	<p><b>Continuing</b></p> <p>Auditors are required to consider this matter in audit planning and risk assessments. We expect to see reporting in annual audit reports in October 2017.</p> <p>It will also be addressed in more depth in Best Value Assurance Reports, work on which in six councils will be reported from June 2017.</p>
<p><b>Reflect the interests of the citizen, service user and communities by:</b></p>	
<p>Reviewing how guidance in relation to the Community Empowerment Act affects our work</p>	<p><b>Continuing</b></p> <p>We continue to monitor this matter.</p> <p>As part of our rolling five-year work programme that we agreed in March 2017, we will undertake a performance audit on community empowerment during 2018/19.</p>

Action	Progress at end March 2017
Working with stakeholders to ensure these interests are reflected effectively in supporting material in relation to Best Value	<p><b>Continuing</b></p> <p>We expect the Scottish Government and councils to be addressing the relationship between community empowerment and Best Value in their ongoing review and update of the characteristics of Best Value (discussed above), concluding later in 2017. We will consider this as we further develop our approach to auditing Best Value.</p>
Ensuring that all of our audit work reflects this perspective and helps councils improve in how they involve citizens, service users and communities.	<p><b>Continuing</b></p> <p>Auditors are required to consider this matter in audit planning and risk assessments. We expect to see reporting in annual audit reports in October 2017.</p> <p>It will also be addressed in more depth in Best Value Assurance Reports, work on which in six councils will be reported from June 2017.</p> <p>Ongoing performance audit reports on <i>Early learning and childcare</i> and <i>Self-directed support</i> have fulfilled this objective. These audits will report in the autumn of 2017.</p>
Exploring with our scrutiny partners opportunities for joint working to this end.	<p><b>Complete and continuing</b></p> <p>Auditors are required to consider this matter as part of shared risk assessments done with scrutiny partners, which form the basis of a local scrutiny plan for each council.</p> <p>The 32 local scrutiny plans are to be published in the summer of 2017.</p>
<b>Scrutinise the changing public service landscape by:</b>	
Monitoring the implications for councils of any further devolution of powers, such as welfare provisions	<p><b>Continuing</b></p> <p>We continue to monitor these matters. We responded to the Scottish Government consultation on social security in Scotland in October 2016.</p>
Ensuring audit activity reflects and holds councils to account in how they use alternative service delivery vehicles in following the public pound	<p><b>Complete and continuing</b></p> <p>Auditing councils' compliance with the Accounts Commission/ COSLA Code of Guidance on Funding External Bodies and Following the Public Pound (FPP) is embedded into the new approach for auditing Best Value. Auditors are expected to consider councils' arrangements to comply with the FPP Code as part of the risk based and proportionate approach to auditing Best Value. This was reported in annual audit reports in October 2016.</p> <p>As part of our rolling five-year work programme that we agreed in March 2017, we will undertake during 2017/18 performance audits on Arm's-length external organisations and City Deals.</p>
Further developing our approach to the audit of joint health and social care integration boards in relation to Best Value, governance and finance	<p><b>Complete and continuing</b></p> <p>Auditors have been appointed for the audit of the 30 joint integration boards.</p> <p>We continue to closely monitor these matters.</p> <p>As part of our rolling five-year work programme that we agreed in March 2017, we will undertake during 2017/18 the next in our series of performance audits, jointly with the Auditor General, on health and social care integration.</p>

Action	Progress at end March 2017
<b>Undertaking performance audits on:</b>	
Roads maintenance	<p><b>Complete</b></p> <p><i>Maintaining Scotland's roads: a follow-up</i> was approved by the Commission on 12 May 2016 and published on 4 August.</p> <p>There were formal responses from COSLA and the Scottish Government.</p> <p>There were also formal responses from Conservative, Scottish Labour and Scottish Green parties.</p> <p>The Commission Chair attended the Roads Collaboration Programme Board on 17 November 2016, to discuss the findings and recommendations of our report.</p>
Social work	<p><b>Complete</b></p> <p><i>Social work in Scotland</i> was approved by the Commission on 11 August 2016 and published on 22 September.</p> <p>There were formal responses from COSLA and the Scottish Government.</p> <p>There was also a formal response from Scottish Labour.</p> <p>The findings were also presented at the Scottish Government's Social Work Services Strategic Forum meeting on 27 September. The Forum recognised the report's key message that current approaches to delivering social work services will not be sustainable in the long term and said that this would be a key focus for their future discussions.</p>
Early learning and childcare	<p><b>Continuing</b></p> <p>This audit will report in late 2017.</p>
Equal pay	<p><b>Continuing</b></p> <p>This audit will report in the summer of 2017.</p>
Self-directed support	<p><b>Continuing</b></p> <p>This audit will report in the summer of 2017.</p>
Reporting on the impact of our previous performance audit on borrowing and treasury management in councils	<p><b>Complete</b></p> <p><i>Borrowing and treasury management in councils: impact report</i> was published in November 2016.</p> <p>The Commission has discussed the report with the Directors of Finance Section of CIPFA (Chartered Institute of Public Finance Accountants).</p> <p>The Commission has included in its rolling work programme the following:</p> <ul style="list-style-type: none"> <li>• An output around indebtedness and borrowing, to be produced in 2017/18.</li> <li>• A performance audit on value for money of the Non-Profit Distributing (NPD) model, to be undertaken in 2018/19.</li> </ul>

Action	Progress at end March 2017
<p>Continuing to work with our strategic scrutiny partners in coordinating and refining our approaches to scrutiny, audit and inspection.</p>	<p><b>Complete and continuing</b></p> <p>The <i>National Scrutiny Plan for Local Government 2017/18</i> and 32 local scrutiny plans are to be published in the summer of 2017.</p> <p>The Strategic Scrutiny Group, consisting of a range of scrutiny and inspection partners responsible for the scrutiny of local government and convened by the Accounts Commission, reviewed during 2016/17 its response to Scotland's public services reform agenda. It concluded that it needs to ensure that future external scrutiny itself demonstrates a culture of efficiency and effectiveness, involving:</p> <ul style="list-style-type: none"> <li>• Greater operational collaboration between scrutiny bodies.</li> <li>• Increased reliance on each other's evidence and intelligence wherever appropriate, where this avoids duplication of effort.</li> <li>• Alignment of scrutiny frameworks.</li> <li>• Explicit linkages to public sector improvement framework and demonstration of the use and understanding of appropriate improvement methodologies when deciding if improvement is happening.</li> </ul> <p>An action plan is now in place to take this commitment forward.</p>
<p><b>Promote good practice and innovation by:</b></p>	
<p>Publishing a <i>How councils work</i> report on roles and responsibilities in councils</p>	<p><b>Complete</b></p> <p><i>How councils work: Roles and responsibilities</i> was approved by the Commission on 8 September 2016 and published on 8 November.</p> <p>The report was timed to support councils in reviewing their arrangements in the run up to the May 2017 local Government elections. A letter was sent out to all council chief executives and council leaders to accompany the report and emphasise the importance of training for elected members given the changing environment of local government.</p>

Action	Progress at end March 2017
<p>Ensuring that every performance audit:</p> <ul style="list-style-type: none"> <li>contains practical advice for elected members and officers</li> <li>makes background data available for use by councils and citizens</li> </ul>	<p><b>Complete and continuing</b></p> <p>All of our published performance audits and overview reports have fulfilled this objective. Examples are:</p> <p>Our report <i>Local government in Scotland: Financial overview 2015/16</i> has two supplements: a self-assessment checklist for councillors and detailed analysis of the Local Government Pension Scheme. Our website contains an interactive graphic comparing financial data of individual councils. There is also a spreadsheet setting out information from our database of unaudited accounts.</p> <p>Our report <i>Local Government in Scotland: Performance and challenges 2017</i> has two supplements: a self-assessment checklist for councillors and a compendium of good practice.</p> <p>Our <i>Roads maintenance in Scotland</i> report is accompanied by interactive graphics on our website with background data</p> <p>Our <i>Social work in Scotland</i> report has four supplements:</p> <ul style="list-style-type: none"> <li>Presenting the findings of our survey of service users and carers.</li> <li>Listing advisory group members, who gave advice and feedback at important stages of the audit. It also describes the detailed audit methodology, the roles and responsibilities of the key social work organisations and social work legislation.</li> <li>Describing the governance and scrutiny arrangements in each of our fieldwork councils, providing an illustration of the variety and complexity of arrangements across Scotland.</li> <li>A self-assessment checklist for elected members.</li> </ul> <p>A supplement to our 2014 <i>School education</i> report was published in October 2016, setting out practical advice on effective scrutiny of education performance.</p>
<p>Ensuring we better identify, promote and share good practice from across our audit work.</p>	<p><b>Complete and continuing</b></p> <p>All of our published performance audits and overview reports have fulfilled this objective. Examples are:</p> <p>Our report <i>Local Government in Scotland: Performance and challenges 2017</i> has two supplements: a self-assessment checklist for councillors and a compendium of good practice.</p> <p>We discussed our <i>Roads maintenance in Scotland</i> report with the Roads Collaborative Programme Board, led by local authorities.</p> <p>Our website includes a hub of resources around transforming health and social care, including: exhibits that visualise complex data and processes in an accessible and informative way; a compendium of published reports and scopes for forthcoming work; background data; blogs; reports on work around sharing intelligence among scrutiny bodies; case studies of new models of health and social care; and annual audits of health and social care organisations.</p>

## Commission publications 2016/17

Publication	Formally approved by Commission	Publication date	Notes <sup>1</sup>
<b>Overview reports</b>			
Local government in Scotland: Financial overview 2015/16	10 Nov 2016	29 Nov 2016	<p>Report downloads: 2,688</p> <p>Podcast downloads: 181</p> <p>Lead articles in <i>Herald</i> and <i>Scotsman</i>; covered in the <i>Courier</i>, <i>Daily Mail</i>, <i>Daily Record</i>, <i>Daily Telegraph</i>, <i>Evening News</i>, <i>Evening Times</i>, <i>i</i>, <i>Metro</i>, <i>National</i>, <i>Press and Journal</i>, the <i>Sun</i>, and <i>Times</i>. Also online coverage, including analyses in the <i>Guardian online</i> and <i>BBC online</i>, <i>Public Finance</i>, and <i>Holyrood</i>.</p> <p>Broadcast coverage by BBC Radio Scotland, BBC1 Scotland, Forth One, Forth 2, Heart Scotland West, and Kingdom FM.</p>
Local government in Scotland: Performance and challenges 2017	9 Feb 2017	7 Mar 2017	<p>Report downloads: 1,292</p> <p>Podcast downloads: 45</p> <p>Lead article in the <i>Herald</i>; covered in the <i>Courier</i>, <i>Daily Express</i>, <i>Daily Mail</i>, <i>Daily Record</i>, <i>Daily Telegraph</i>, <i>i</i>, <i>Metro</i>, <i>National</i>, <i>Press and Journal</i>, and <i>Scotsman</i>.</p> <p>Broadcast coverage by BBC Radio Scotland, BBC1 Scotland, Kingdom FM, and Wave 102.</p>
<b>Best Value audits</b>			
South Ayrshire Council	9 Jun 2016	29 Jun 2016	<p>Report downloads: 901</p> <p>Covered in the <i>National</i> and also substantial local press coverage.</p>
Angus Council	8 Sep 2016	4 Oct 2016	<p>Report downloads: 611</p> <p>Covered in <i>Courier</i>, <i>National</i>, and <i>Scotsman</i>.</p>
Falkirk Council	10 Nov 2016	1 Dec 2016	<p>Report downloads: 735</p> <p>Podcast downloads: 170</p> <p>Lead article in the <i>Herald</i>; covered in the <i>National</i> and <i>Scotsman</i>.</p>
East Dunbartonshire Council	8 Dec 2016	15 Dec 2016	<p>Report downloads: 566</p> <p>Podcast downloads: 86</p> <p>Lead article in the <i>Herald</i>; covered in the <i>Record</i>, <i>Evening Times</i>, and <i>Scotsman</i>.</p> <p>Broadcast coverage by STV West, Forth One, Forth Two, and Central 103.1.</p>

Publication	Formally approved by Commission	Publication date	Notes <sup>1</sup>
<b>Performance audits</b>			
Maintaining Scotland's roads: a follow-up report	12 May 2016	4 Aug 2016	<p>Report downloads: 2,397</p> <p>Podcast downloads: 208</p> <p>Leader articles in the <i>Herald</i>, <i>Paisley Daily Express</i> and <i>Scotsman</i>; covered in the <i>Courier</i>, <i>Daily Express</i>, <i>Daily Mail</i>, <i>Daily Record</i>, <i>Daily Star</i>, <i>Daily Telegraph</i>, <i>Evening Times</i>, <i>Herald</i> (including a letter), <i>National</i>, and <i>Times</i>. Also online coverage.</p> <p>Broadcast coverage by BBC Radio Scotland, BBC1 Scotland, Clyde 1, Forth One, Forth Two, Kingdom FM, Moray Firth Radio, Northsound, Tay FM, and Wave 102.</p>
Social work in Scotland	11 Aug 2016	22 Sept 2016	<p>Report downloads: 5,812</p> <p>Podcast downloads: 271</p> <p>Leader article in the <i>Sun</i>; covered in the <i>Courier</i>, <i>Daily Express</i>, <i>Daily Mail</i>, <i>Daily Record</i>, <i>Daily Star</i>, <i>Daily Telegraph</i>, <i>Evening Times</i>, <i>Herald</i>, <i>National</i>, and <i>Times</i>. Columns in <i>Sunday Mail</i> and <i>Scotsman</i> (and letters). Also online coverage.</p> <p>Also significant specialist coverage and stakeholder interest expressed on social media.</p> <p>Broadcast coverage by BBC Radio Scotland and STV.</p>
<b>How councils work</b>			
Roles and working relationships in councils: are you getting it right?	8 Sep 2016	8 Nov 2016	Report downloads: 2,363
<b>Impact reports</b>			
School education	8 Oct 2015	18 Oct 2016	Report downloads: 95
Borrowing and treasury management	8 Dec 2016	1 Nov 2016	Report downloads: 113
<b>Other audit products</b>			
School education: scrutiny supplement	8 Oct 2015	18 Oct 2016	Report downloads: 75



Publication	Formally approved by Commission	Publication date	Notes <sup>1</sup>
<b>Other publications</b>			
Annual report 2015/16	12 May 2016	26 May 2016	Downloads: 901
Engagement plan 2015/16: Progress report	12 May 2016	26 May 2016	Downloads: 134
Action plan 2015/16: Progress report	12 May 2016	26 May 2016	Downloads: 158
Strategy and annual action plan 2016-21	12 May 2016	26 May 2016	Downloads: 523
Engagement strategy and engagement plan 2016/17	12 May 2016	26 May 2016	Downloads: 462
Code of audit practice 2016	10 Mar 2016	26 May 2016	Downloads: 1,365

Note: 1. Download figures at 31 March 2017.

## Progress Report

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