

# Aberdeenshire Council

## Local Scrutiny Plan

2017/18



May 2017

# Aberdeenshire Council

## Local Scrutiny Plan – April 2017 to March 2018

### Introduction

1. This local scrutiny plan sets out the planned scrutiny activity in Aberdeenshire Council during the financial year 2017/18. 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 2017/18, which is available on the Audit Scotland website.

### Scrutiny risks

3. Through the 2017 shared risk assessment process, the LAN did not identify any new risks which require scrutiny. Financial sustainability was however identified as an area of continuing concern and the LAN agreed there would be ongoing oversight and monitoring through the local audit process.
4. During the year, Audit Scotland progressed fieldwork on performance audits on Early Learning & Childcare (ELC) and Equal Pay along with a follow-up of Self-Directed Support. The fieldwork for these studies is ongoing with reports scheduled for publication in summer 2017 with the exception of ELC which will conclude in winter 2017.
5. In October 2016, Audit Scotland published a Risk Assessment report on the council's housing benefit service. Since the previous risk assessment in 2012, the service has experienced significant change as a result of the welfare reform agenda and the implementation of a new staffing structure. The assessment highlighted a recent substantial increase in the number of new claim applications received by the council which resulted in a backlog of work building up from February 2016.
6. The council had put arrangements in place to clear the backlog and improve performance including the use of controlled overtime, introducing a more streamlined new claim process and securing additional resources. Overall, these measures were found to be having a positive impact. While the risk assessment highlighted that the

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average days taken to process new claims was 37 days, significantly higher than the council's target of 22 days, benefit payments were found to be accurate. Otherwise no new risk areas were identified and there were no outstanding risks from the 2012 report.

7. Education Scotland working in partnership with Aberdeenshire Council carried out a validated self-evaluation of Aberdeenshire Council's Educational Psychology Service. Concluded in February 2017, Education Scotland are confident that the service working closely with the wider Education and Children's Services team will build on their strengths and act on the learning from the validated self-assessment process to refine and review their strong psychological offer to stakeholders and children, young people and families in Aberdeenshire. The strong leadership of the Principal Educational Psychologist and the distributive leadership evident across the service team has impacted positively on the quality of the service delivered to children, young people and their families. There is close synergy between the service's work and the educational priorities of the council, with a clear shared vision for improvement. Education and Children's Services now need to streamline planning to maximize the impact of the service's contribution to strategic developments, particularly in relation to national priorities.
8. The Scottish Government provided £120 million funding to school head teachers across Scotland in 2017/18 through the Pupil Equity Fund. The level of funding for each school is based on the number of pupils eligible for free school meals and is intended to be used to raise attainment. Plans for taking forward the Pupil Equity Fund are under discussion.
9. The Care Inspectorate and Healthcare Improvement Scotland reported in October 2015 on the joint inspection of services for children and young people. This identified some key areas for development in Aberdeenshire. The Community Planning Partnership has delegated the accountability and responsibility for addressing the key areas for development and developing the new plan for Children's Services to the Chief Officer Group for Children. The chief officers come together under the remit of their statutory responsibilities, working collaboratively to provide accountability for scrutiny and reassurance that services are delivering in line with statutory responsibilities, and able to ensure action is taken to address any barriers. The new plan is effective from April 2017.
10. The Care Inspectorate has been leading a project on the validated self-evaluation of Alcohol and Drug Partnerships (ADPs) across Scotland during 2016. The purpose of this activity was to support the validation of ADP services' self-assessment of local implementation and service compliance with the Quality Principles: Standard Expectations of Care and Support in Drug and Alcohol Services. Field work activity has been concluded and all ADPs received individual summary feedback to support continuous improvement. Responses and action plans will be monitored through routine contact with the partnerships. A national overview report bringing key messages together will be published in May 2017.

11. To assess the risk to social landlord services, the Scottish Housing Regulator (SHR) has reviewed and compared the performance of all Scottish social landlords to identify the weakest performing landlords. SHR has assessed that no additional scrutiny is required in this council beyond statutory/ongoing work during 2017/18. SHR will publish the findings of its thematic inquiry work into gas safety and repairs completed during 2016/17. It may carry out further thematic inquiries during 2017/18. SHR will also review the Scottish Social Housing Charter data submitted by landlords and carry out data accuracy visits during the second quarter of 2017/18. 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.
12. In February 2017, the council agreed a balanced revenue budget for 2017/18 having been allocated a lower financial settlement than expected and after identifying budget savings of £21.1 million. A key aspect in delivering the budget was the council's decision to increase council tax by 2.5 per cent which is expected to raise additional income of £3.1 million.
13. The council continues to develop a Medium Term Financial Strategy which represents a more structured approach to financial planning across services and a more structured view of the revenue budget, capital plan and council reserves allowing the council to plan for the full financial impact of decisions taken now on future years' budgets. Indicative five year revenue budgets have been agreed with a forecast cumulative deficit of £40.8 million by 2021/22. Taking a longer term view of its financial position should also assist the council in managing the anticipated shortfall position. The LAN will continue to monitor the council's financial position and the challenges to service delivery from increased demand and reducing resources. This will be reported through the Annual Audit Report.
14. In previous years, the LAN commented on the council's slower than anticipated progress in delivering its transformation programme. Some concern was also raised about the council's management of its longer term funding gap. With the rotation of public sector auditors from Autumn 2016 and changes in the LAN's membership, we do not intend to comment in detail on these matters at this stage but to consider them further as part of the local audit activity this year.

## Planned scrutiny activity

15. As shown in Appendix 1, the council will be subject to a range of risk-based based and nationally driven scrutiny activity between April 2017 and March 2018. For some of their scrutiny activity in 2017/18, scrutiny bodies are still to determine which specific council areas they will cover in their work programmes. Where a council is to be involved, the relevant scrutiny body will confirm this with the council and the appropriate LAN lead.
16. The Accounts Commission agreed the overall framework for a new approach to auditing Best Value in June 2016. Best Value will be assessed over the five year audit appointment, as part of the annual audit work. In addition a Best Value Assurance

Report (BVAR) for each council will be considered by the Accounts Commission at least once in this five year period. The BVAR report for Aberdeenshire Council is not planned in the period covered by this scrutiny plan. The Best Value audit work planned this year will focus on the council's arrangements for demonstrating Best Value in financial and service planning, financial governance and resource management, and will be reported in the Annual Audit Report.

17. Education Scotland has developed a new model of inspection for Community Learning and Development (CLD). The inspection will be based on the local authority area and will include both local authority and partners' CLD provision. It is anticipated that all local authorities will be covered over a three year period with Aberdeenshire Council scheduled in the first year. Education Scotland will also engage in a review of Careers Information and Guidance delivered by Skills Development Scotland.
18. The Care Inspectorate and Healthcare Improvement Scotland will introduce a revised approach to the joint strategic inspections of services for adults for 2017/18 which will assess the extent to which the planning, organisation and coordination of services comply with the principles of integration and contribute to the national health and wellbeing outcomes. Inspections will include a focus on joint strategic commissioning. In 2017/18, the Care Inspectorate will also lead on thematic activity in the areas of adult support and protection and self-directed support, working with a range of scrutiny partners.
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 2017/18 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.

**May 2017**

## Appendix 1: Scrutiny plan

Scrutiny body	Scrutiny activity	Date
Audit Scotland	Audit Scotland plans to undertake performance audit work in four areas covering local government during 2017/18. Local auditors will provide information to support performance audits and to inform wider analysis on Arm's Length External Organisations (ALEOs), city deals, children's mental health and health and social care integration.	<b>To be determined</b>
Audit Scotland	Local auditors will review the council's arrangements for demonstrating Best Value in financial and service planning and financial governance and resource management. This will be reported in the Annual Audit report.	<b>September 2017</b>
Education Scotland	Strategic inspection of community learning and development.	<b>October 2017</b>
Education Scotland	Review of the quality of Careers Information Advice and Guidance (CIAG) services delivered by Skills Development Scotland across all council areas.	<b>March 2018</b>

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#### 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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