

City of Edinburgh

Council

Local Scrutiny Plan

2017/18



May 2017

City of Edinburgh Council

Local Scrutiny Plan – April 2017 to March 2018

Introduction

1. This local scrutiny plan sets out the planned scrutiny activity in City of Edinburgh 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. 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 City of Edinburgh 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. Consideration will also be given, where applicable, to the council's response to previous Best Value reports. The findings for this work will be reported in the Annual Audit Report.
4. The council has an approved financial strategy and medium-term revenue budget framework covering the period until 2020/21. The assumptions within the framework are reviewed on an at-least quarterly basis. While the assumptions are, by extension, indicative, a high-level, ten-year financial planning model is also maintained.
5. The potential for further pressures to emerge relative to the budget framework assumptions for 2018/19 and subsequent years has been acknowledged and the Council Leadership Team (CLT) has initiated a process whereby a programme of potential options will be made available to the incoming Administration in May 2017.

6. The LAN will continue monitoring the council's financial position and plans as part of the annual audit process.
7. The council is implementing a transformation programme aimed at building a lean and agile organisation with a focus on individuals and communities. Four core projects around localities, business and support services, customer and asset management have been developed and are supported by a number of cross-cutting workstreams. Total recurring annual savings of £70 million (revised from £77 million in January 2017) are anticipated through the delivery of the programme with the savings coming from organisational reviews of services, implementation of a new asset management strategy and reducing payments to third parties.
8. The council continues to make good progress in implementing the programme. Improved senior officer and elected member scrutiny of the development, implementation and monitoring of savings has contributed to a marked increase in delivery, with over 92 per cent of approved savings on track to be delivered in 2016/17. Significant savings have been delivered through staffing efficiencies, with the implementation of the transformation programme resulting in overall staff numbers reducing by 1,008 FTE between October 2015 and January 2017 (6.6 per cent reduction). The paybill for the same period has reduced by 6.5 per cent. Organisational reviews are either complete or underway. Those underway are expected to be complete by August 2017. At the outset, heads of service were tasked with designing new staffing structures which could support the continued delivery of quality services whilst ensuring the necessary cost savings were delivered.
9. A new structure for executive directors was approved in December 2015. This rearranges some responsibilities, with areas such as ICT, Strategy & Insight, and Communications now reporting directly to the chief executive and the deputy chief executive post now replaced by an executive director of resources. Permanent appointments to the posts of executive director of communities and families and executive director of resources were made in March 2017.
10. In August 2015 the council awarded CGI the contract for the provision of ICT services. Following a transition of services in late 2015 and early 2016, the CGI contract went live on 1 April 2016. The council has reported a number of benefits from the first phase of implementation of the contract, including significantly increased network bandwidth in council schools and council offices.
11. A further 12 projects will be delivered through 2017 as part of the CGI contract, with joint governance arrangements in place involving the council, CGI and supply chain partners. Most of these projects have commenced, although officers have acknowledged that timescales for implementation of some projects, such as Enterprise Integration and Enterprise Resource Planning, have slipped due to technical, contractual and resource challenges. Progress updates on the workstreams are reported regularly to management team and committee.

12. The LAN will continue monitoring progress on these IT projects through the annual audit process.
13. A joint inspection of health and social work services for older people was carried out by the Care Inspectorate and Health Care Improvement Scotland in the autumn of 2016. This was concluded in December and the draft report with evaluations has since been shared with the Edinburgh Partnership. The inspection has highlighted several areas that have been evaluated as weak and one area where the inspection has evaluated performance as unsatisfactory. As a result of local election timetable, the final report is likely to be published in May 2017. There are a number of recommendations for improvement which the partnership is required to take forward.
14. In March 2017, Education Scotland carried out a strategic inspection of community learning and development (CLD) in the council and CLD provision in the south-west area of the city. This inspection highlighted strengths, including the safe and nurturing environment which helped to facilitate life-changing impacts for learners and the well-targeted interventions which addressed health inequalities and tackled social isolation. Areas for improvement included: the need to strengthen the governance of CLD at all levels; agree shared outcomes and methods of reporting with partners and improve communication with all stakeholders; and improve the use of self-evaluation supported by robust data to inform planning. Education Scotland will provide support for the authority in implementing its improvement agenda and will carry out a further inspection by June 2018.
15. The council has spent all of its allocated Scottish Attainment Challenge (SAC) funding. Plans for taking forward the Pupil Equity Fund (PEF) are under discussion.
16. To assess the risk to social landlord services the Scottish Housing Regulator (SHR) has reviewed and compared the 2015/16 performance of all Scottish social landlords to identify the weakest performing landlords. It found that City of Edinburgh is in the bottom quartile for all social landlords in relation to: tenants satisfied with the standard of their home when moving in; gypsies/travellers satisfied with the management of the site; factored owners satisfied with the factoring service; time to complete non-emergency repairs; repairs completed right first time; gas safety; rent collected; gross arrears and some aspects of its homelessness service.

Planned scrutiny activity

17. 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 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.
18. 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. 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.

19. Audit Scotland plans to undertake performance audit work in a range of areas covering local government during 2017/18. These include Arms Length External Organisations (ALEOs), city deals, children's mental health and health and social care integration. Any engagement with individual councils is still to be determined. Details of future audit work are available on the Audit Scotland [website](#).
20. Audit Scotland will also continue to carry out a national programme of housing benefit risk assessments across councils during 2017/18 and this includes Edinburgh. It will review its future approach to the scrutiny of benefits in light of the changing powers around social security in Scotland and recent changes to Best Value auditing.
21. Following the findings of the joint inspection of health and social work services for older people in 2016, the Care Inspectorate envisages that ongoing work will be undertaken to support improvement. There will also be a clear expectation that the Care Inspectorate and Health Care Improvement Scotland will undertake follow-up scrutiny activity within a 12 month period of the report being published.
22. HMFSI will continue to inspect Scottish Fire and Rescue Service (SFRS) local service delivery across Scotland. These inspections will examine, among other things, local scrutiny and engagement between the SFRS and councils. As part of its programme, HMFSI intends to inspect service delivery in Edinburgh during 2017/18.
23. In relation to its housing and homelessness services, SHR will engage with the council to monitor its progress in addressing the weaknesses identified in relation to: tenants satisfied with the standard of their home when moving in; gypsies/travellers satisfied with the management of the site; factored owners satisfied with the factoring service; time to complete non-emergency repairs; repairs completed right first time; gas safety; rent collected; gross arrears and some aspects of its homelessness service. The council will submit quarterly progress reports in relation to its proposed improvement actions and outcomes. SHR will meet with council officials as necessary.
24. 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.
25. The LAN notes the significant reductions in staff arising from transformation activities to date, as well as the potential for the remaining reviews to result in further reductions. The LAN is keen to understand how staff reductions have been distributed across council departments and services and the potential impact of the loss of both numbers

and skills. The LAN will explore these issues in more detail with the council during 2017/18.

26. The LAN has considered other key risk areas within its scope and concluded that there are no further scrutiny risks that require specific work this year. This does not mean that the council has addressed all risks, or that all areas of performance are improving. However, it does mean that the LAN is satisfied that:

- there has been further information gathered by the LAN to demonstrate performance in areas where, previously, further information was required
- the council has demonstrated self awareness of the standards of performance required at a service level
- there is evidence to demonstrate the council's awareness of, and monitoring of, the key risks to meeting outcomes and service delivery.

May 2017

Appendix 1: Scrutiny plan

Scrutiny body	Scrutiny activity	Date
Audit Scotland	Audit Scotland has four planned performance audits covering local government in 2017/18 focusing on Arms Length External Organisations (ALEOs), City Deals, Children's Mental Health and Health and Social Care Integration.	To be determined
	Audit Scotland will also continue to carry out a national programme of housing benefit risk assessments across councils during 2017/18 and this includes Edinburgh.	January – March 2018
Care Inspectorate and Healthcare Improvement Scotland	There are no planned joint inspections for adult or children's services for 2017/18. The Care Inspectorate will be undertaking themed inspections/reviews around adult support and protection and self-directed support, though it is not yet known if the Edinburgh partnership will be included in these.	To be determined
	The Care Inspectorate and Health Care Improvement Scotland will undertake follow up scrutiny activity within a 12 month period of the report on the joint inspection of health and social work services for older people being published.	To be determined.
Education Scotland	Career Information, Advice and Guidance (CIAG) reviews and follow-up visits.	November 2017
	Education Scotland will carry out a further strategic inspection of Community Learning and Development (CLD) and CLD provision in the south-west area of the city.	January – March 2018
Her Majesty's Fire Service Inspectorate (HMFSI)	HMFSI will continue to inspect Scottish Fire and Rescue Service (SFRS) local service delivery across Scotland. These inspections will examine, among other things, local scrutiny and engagement between the SFRS and councils. As part of its programme, HMFSI intends to inspect service delivery in Edinburgh during 2017/18.	January – February 2018
Scottish Housing Regulator (SHR)	SHR will engage with City of Edinburgh Council to monitor its progress in addressing the weaknesses identified in relation to tenants satisfied with the standard of their home when moving in; gypsies/travellers satisfied with the management of the site; factored owners satisfied with the factoring service; time to complete non-emergency	Quarterly

Scrutiny body	Scrutiny activity	Date
	repairs; repairs completed right first time; gas safety; rent collected; gross arrears and some aspects of its homelessness service. The council will submit quarterly progress reports in relation to its proposed improvement actions and outcomes. SHR will meet with council officials as necessary.	
	The Scottish Housing Regulator (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. 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.	To be determined

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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 

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Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN

T: 0131 625 1500 E: info@audit-scotland.gov.uk 

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