

# National scrutiny plan 2017/18

A summary of local government  
strategic scrutiny activity



Prepared on behalf of the Strategic Scrutiny Group  
May 2017

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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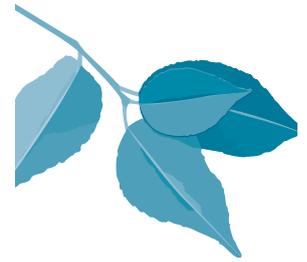
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# Background

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**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, Her Majesty's Inspectorate of Prosecution 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 (including appointed auditors from 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 2017/18 National Scrutiny Plan (NSP) for local government is one of the key outputs from the SRA process. It summarises all planned strategic scrutiny activity from April 2017 to March 2018 in each of Scotland's 32 councils<sup>1</sup>. It also covers work between scrutiny bodies and councils to validate self-evaluation that is designed to support improvement.

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

<sup>1</sup> 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.

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# Part 1

## Strategic context

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**5.** This year's NSP has been prepared at a time when councils, other public bodies and their partners continue to review the way they deliver services in light of the financial and demographic challenges they face.

**6.** The last twelve months have seen unprecedented political, social and financial change in Scotland, the UK and internationally, and it's clear that the future holds more uncertainty. Public scrutiny has a vital role to play in holding public bodies to account and helping them to improve, and this is even more important in times of change.

**7.** The devolution of powers and responsibilities set out in the Scotland Acts of 2012 and 2016 requires a more strategic approach to Scottish public financial management and reporting as public bodies need to work within an increasingly complex budget process.

**8.** The outcome of the European Union (EU) referendum, the triggering of Article 50 and the options for Brexit bring significant uncertainty. This creates capacity pressures on the UK and Scottish Governments and has wide-ranging consequences for funding streams to public bodies. The outcome of the Brexit vote and the ongoing negotiations have also reframed the debate about Scottish independence and the prospects for a second independence referendum.

**9.** The demand for public services is changing, reflecting the make-up of Scotland's population, with greater pressures in particular on health and social care services. Major changes are taking place to how public services are delivered, for example through the integration of health and social care services and greater community empowerment. A consistent theme of much recent scrutiny activity has been the scale of the challenge of delivering transformational change and improving outcomes at a time of rising demand and reducing resources.

**10.** Public services are increasingly provided through a diverse range of public, private and third sector organisations or through partnership arrangements. This means that services can be delivered in new and innovative ways, but it also creates more complex lines of responsibility and accountability.

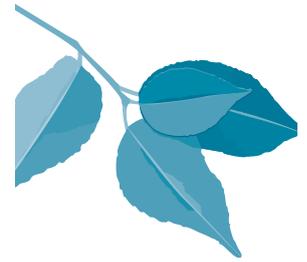
**11.** In this context, it is important that public scrutiny continues to support councils and their partners to work with their populations to ensure they have access to the services and support they need. Equally, objective and authoritative public scrutiny is essential in supporting a strong and effective system of service delivery and financial accountability and transparency in Scotland.

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# Part 2

## Scrutiny activity

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### National scrutiny programmes

**12.** There is a range of national scrutiny activity planned across councils over the next year and beyond. Where activity has been identified for 2017/18 that impacts on individual councils and their delivery partners, it is included in the National Scrutiny Plan. In addition, there may be a range of other unplanned scrutiny that takes place across councils during the year. For example, Education Scotland undertook a focused review of local authorities' actions to tackle unnecessary bureaucracy and undue workload in schools in August 2016. This was at the request of the Cabinet Secretary for Education and Skills and was one strand within a wider set of actions announced in the Scottish Government's Delivery Plan. Education Scotland visited each of the 32 local authorities to review the demands placed on schools by local authorities in relation to Curriculum for Excellence. A summary of review findings was published in September 2016.

**13.** Significant pieces of national scrutiny activity that are planned during 2017/18, as well as developments in scrutiny approaches are outlined below.

### Audit Scotland

#### Best Value

**14.** 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.

**15.** The new approach began to be rolled out from October 2016. It includes an assessment each year of aspects of Best Value as part of an integrated annual audit and a public Best Value Assurance Report (BVAR) 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. BVARs for the six councils in the first year of the programme will be reported to the Accounts Commission during 2017/18.

**16.** The five-year rolling Best Value programme will be reviewed and refreshed annually in agreement with the Accounts Commission. The results of the SRA process will make a significant contribution to the audit intelligence that inform decisions about the programme, both in terms of the sequencing and timing of audits and the focus of audit work at individual councils.

### National performance audits

**17.** Audit Scotland carries out a programme of national performance audits that it undertakes on behalf of the Accounts Commission and Auditor General

for Scotland. Audit Scotland has several performance audits covering local government planned during 2017/18. It will be carrying out audits covering arm's-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 the performance audit programme for 2017/18 is available [here](#) 

### **Housing benefit risk assessments**

**18.** Audit Scotland will also continue to carry out a national programme of housing benefit risk assessments across councils during 2017/18. 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.

### **Care Inspectorate**

#### **Alcohol and drugs partnerships**

**19.** During 2016/17, the Care Inspectorate carried out Validated Self-Evaluation (VSE) activity with Alcohol and Drug Partnerships (ADPs). The purpose of this activity was 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 inform the future programme of national support for continuous improvement. The Care Inspectorate provided feedback from its work to individual ADPs in December 2016 and is due to publish a national overview report in May 2017.

#### **Joint inspection of services for children**

**20.** As part of the Child Protection Improvement Programme announced by the Minister for Childcare and Early Years in March 2017, the Care Inspectorate will lead the development of a future model of joint inspection of services for children that focuses on the experiences of, and outcomes for, the most vulnerable children. In developing the revised framework, the Care Inspectorate is chairing a short-life working group, which includes scrutiny partners, to consider all recommendations from inspections relevant to the Child Protection Improvement Programme. In particular, the group is looking at systems review, data, evidence and leadership. The group is also considering how scrutiny and improvement work can best be provided for services for all children and families, including collaborating with other partners to develop and improve the use of self-evaluation tools. The Care Inspectorate is scheduled to provide a report to ministers by 31 May 2017, recommending the way forward for a revised inspection framework, including the proposed scope of future inspections. This framework is to be in place by the time the current framework concludes in December 2017.

#### **Coordinating national and local scrutiny of progress with health and social care integration**

**21.** There are a number of scrutiny bodies with an interest in the performance of integration authorities and the progress that is being made nationally and locally in delivering health and social care integration:

- The Accounts Commission is responsible for appointing external auditors to integration authorities.
- During 2017/18 the Auditor General for Scotland and the Accounts Commission will be undertaking their second national performance audits on health and social care integration. This audit will follow up on

the emerging risks highlighted in their initial December 2015 report and will assess the early impact that health and social care integration is having in shifting the balance of care and improving outcomes for older people. It will consider issues such as: governance arrangements; budget setting; strategic planning; engagement with the voluntary sector, GPs, and housing providers; the development of locality planning; and, carer and user involvement.

- From 1 April 2017, the Care Inspectorate and Healthcare Improvement Scotland (HIS) have new responsibilities to inspect the planning, organisation or coordination of the services that health boards and local authority's delegate to integration authorities, as set out within their integration schemes. The Care Inspectorate and HIS must also review and evaluate the effectiveness of the integration authority's strategic plan, and encourage improvement in the effectiveness of that plan if necessary. They will commence a programme of joint inspections of health and care partnerships in 2017/18, focusing on joint strategic planning and commissioning, governance and leadership and outcomes for adults/older people.

**22.** Audit Scotland, the Care Inspectorates and HIS will coordinate their various audit and inspection interests in integration authorities and health and social care integration, drawing on each other's work and deploying joint teams where appropriate.

#### **Thematic review of adult support and protection**

**23.** Adult support and protection was included as a focus area during the Care Inspectorate-led joint inspections of services for older people undertaken between 2012/13 and 2016/17.

**24.** In light of reviewing the methodology for joint inspections of services for older people to focus on the quality of strategic commissioning, in 2017/18 the Care Inspectorate will lead on developing a joint approach to scrutinising adult support and protection. This is an approach that should identify strengths and areas for improvement that can be disseminated relatively quickly across partnership areas. It may also help inform policy planning, development and implementation, support improvement nationally and identify whether additional more targeted scrutiny and assurance may be required.

#### **Thematic review of self-directed support implementation**

**25.** This remains a key Scottish Government policy. Self-directed support was included as a focus area during the joint inspections of services for older people undertaken between 2012/13 and 2016/17. In light of the review of the methodology for joint inspections of services for older people, during 2017/18 the Care Inspectorate will lead on developing a thematic review of aspects of self-directed support. As with adult support and protection, this approach should help inform policy planning, development and implementation and identify whether additional more targeted scrutiny and assurance is required.

**26.** The Care Inspectorate's work on self-directed support will complement and build on the audit work that Audit Scotland has been carrying out over the past year in following up its first audit on [Self-directed support](#)  in June 2014. The outputs of the current audit work will be published during the summer of 2017.

#### **Education Scotland**

**27.** Education Scotland is currently reviewing arrangements for providing public assurance on the quality of the education functions of local authorities. Its inspectors

will undertake appropriate independent or joint evaluative activity within local authorities to report publicly on raising educational attainment and closing the attainment gap. During 2017/18, Education Scotland's scrutiny programme will continue to include validated self-evaluation of educational psychology services; strategic inspection of community learning and development provision; and scrutiny work on the quality of careers information and guidance services delivered by Skills Development Scotland across council areas.

### Her Majesty's Fire Service Inspectorate (HMFSI)

**28.** 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 three local authority areas during 2017/18. HMFSI also has a programme of thematic inspection planned, but this work is unlikely to result in contact with local authorities. However, HMFSI may also carry out ad hoc inspections in response to specific events, which could involve contact with local authorities.

### Her Majesty's Inspectorate of Constabulary in Scotland (HMICS)

**29.** 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](http://www.hmics.org.uk) .

### Her Majesty's Inspectorate of Prisons for Scotland (HMIPS)

**30.** HMIPS will inspect prisons in Scotland, jointly with Healthcare Improvement Scotland, Education Scotland, the Care Inspectorate and the Scottish Human Rights Commission. Each prison will be monitored on a weekly basis by volunteer Independent Prison Monitors who are allocated to each prison. Reports of findings from both inspection and monitoring are published regularly throughout the year. In 2017/18, HMIPS will also publish its report of a study of the lived experience of older prisoners in Scotland's prisons.

### Inspectorate of Prosecution in Scotland (IPS)

**31.** The IPS will publish the findings of its thematic inquiry work completed during 2016/17, including a review of the investigation and prosecution of sexual crimes in Scotland, having regard to the availability of support agencies for victims provided in local authority areas. As part of its programme, IPS will continue to inspect service delivery by the Crown Office and Procurator Fiscal Service at both national and local level.

### Scottish Housing Regulator (SHR)

**32.** The 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. 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 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.

**33.** The SHR has identified four local authorities for scrutiny this year – Glasgow City, Dumfries & Galloway, Shetland Islands, and Highland councils. The SHR's engagement with Glasgow City and Dumfries & Galloway councils is continuing from last year because of serious performance issues around homeless services. Shetland Islands and Highland councils have been identified for scrutiny this year, because of their poor performance around a range of tenant service performance indicators, and in the case of Shetland, scrutiny risks in relation to its homeless service.

**34.** The SHR plans to carry out its scrutiny with these four councils by means of ongoing engagement throughout the year. It has not identified the need for any specific on-site scrutiny work and as such, its engagement with the councils is not reflected in the national scrutiny plan for 2017/18.

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# Part 3

## Strategic scrutiny group priorities

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**35.** Since it was established in 2008, the Strategic Scrutiny Group (SSG) delivered more coordinated scrutiny in local government by implementing the SRA process in Scotland's 32 councils.

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

**37.** A key ambition for the SSG is to move beyond the coordination of scrutiny towards greater collaboration and integration of scrutiny activity and approaches.

**38.** Over the next year the SSG's priorities are to focus its collective efforts in areas that:

- will deliver improvements in efficiency and add value to how scrutiny is delivered;
- create more public value through greater collaboration and the alignment of scrutiny assessment frameworks and approaches; and
- will deliver more sharing of skills and expertise across scrutiny bodies and ensure that scrutiny partners are learning from each others good practices and from scrutiny approaches and methodologies.

**39.** The SSG has identified several cross-cutting themes (Community Empowerment, Integrated public service delivery, prevention, addressing inequalities and improvement) as potential lenses through which any future collaborative scrutiny can be viewed. There are also several practical areas already identified for scrutiny activity where greater collaborative scrutiny between SSG members can be developed, including:

- Health and social care integration
- Fire reform
- Mental Health (including prisoner healthcare and support)
- Housing

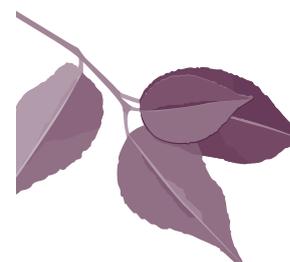
- Children's Services
- Educational attainment.

**40.** The SSG is keen to use future collaborative scrutiny activity as an opportunity to test new approaches to scrutiny in line with the recommendations of its 2016 short-life working group on 'Scrutiny in the 21st century'. This would mean:

- focusing on the impact that implementation of the community empowerment and integrated children's services agendas are having on improving outcomes and addressing inequalities within specific communities
- adopting more flexible approaches to resourcing scrutiny activity (shared leadership of scrutiny teams, staff secondments, etc.)
- testing common methodologies and scrutiny approaches.

# 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 is a non-departmental public body (NDPB). Its purpose is to provide robust, independent assurance and protection for people who use social work and social care services and support innovation and improvement. It undertakes work itself or with scrutiny partners as in the case of children's services inspections.
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	Her Majesty's 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 provides oversight and scrutiny of the 15 prisons in Scotland, by way of inspection and monitoring, in order to report on the conditions in prison and the treatment of prisoners. Monitoring is conducted by volunteer Independent Prison Monitors, who are required to visit every prison every week, to respond to prisoners' requests and to monitor conditions. HMIPS also has responsibility for inspecting court custody cells and the conditions in which prisoners are transported.

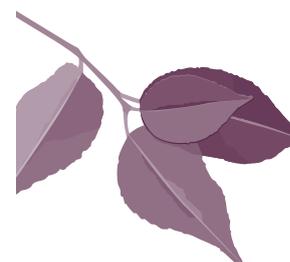
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Inspectorate of Prosecution in Scotland	The Inspectorate of Prosecution in Scotland is headed by HM Chief Inspector who reports directly to the Lord Advocate. The aim of the Inspectorate is to enhance the quality of service and public confidence in 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.

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# Appendix 2

## Glossary



Local Scrutiny Plan (LSP)	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 and has been revised with effect from 1 April 2017.
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.

# National scrutiny plan 2017/18

## 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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