

Shetland Islands Council

Local Scrutiny Plan 2018/19



April 2018

Shetland Islands Council

Local Scrutiny Plan – April 2018 to March 2019

Introduction

1. This local scrutiny plan sets out any scrutiny risks identified by the local area network (LAN), proposed scrutiny responses and expected scrutiny activity for Shetland Islands Council during the financial year 2018/19.
2. The scrutiny risks and responses are 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 risks in the council and the IJB.
3. Expected scrutiny activity across all councils in Scotland informs the National Scrutiny Plan for 2018/19, which is available on the Audit Scotland website.

Scrutiny risks

4. The conclusion of this year's shared risk assessment is that no scrutiny risks have been identified which require specific scrutiny by the LAN in the coming year; however, there are a number of areas where the LAN will carry out ongoing oversight and monitoring. This is in line with the 2017/18 Local Scrutiny Plan issued in May 2017.

Financial sustainability and transformation

5. Financial management is strong with a robust budget setting process in place to deliver services in line with the council's priorities. In common with many other councils, Shetland is now projecting funding gaps over the next few years as a result of decreasing Scottish Government funding and increasing inflationary pressures on costs. The council has acknowledged that the current level of annual draw down from the General Fund is unsustainable in the medium to long term. Its Medium Term Financial Plan, approved by the Council in March 2017, forecast a funding gap of £20 million (with a range of £6 million to £40 million) up to 2021/22 if nothing was done about the current service delivery models. Despite increased funding as part of the 2018/19 settlement and a specific £5 million grant to support ferry revenue costs, the council is still projecting the long term gap to be around £20 million.
6. The council has achieved significant savings over the last six years, however, due to increasing demand for services and the reduction in funding, it will have to consider how it can transform service delivery through its Business Transformation Plan and Service Redesign Programme in order to meet citizens' needs with reduced budgets. The Corporate Management Team has recently refreshed the project initiation document for the Service Redesign Programme to incorporate the approved recommendations from the 2018/19

budget. Strategic Outline Cases are to be prepared by mid-May 2018 to allow the council to decide which business cases should be prioritised and options further explored. The council's reliance on reserves, long term financial sustainability and progress with the Business Transformation Plan will be reviewed as part of the annual audit and reported in the annual audit report in September 2018.

7. Long term financial sustainability within the Integrated Joint Board (IJB) is also considered a risk area. Latest projections show that the IJB is expecting to overspend by £3.246 million in 2017/18 against a budget of £42.634 million (7.6 per cent) and has identified a funding gap of £6.753 million by 2020/21. While NHS Shetland has agreed to provide one-off funding to meet the 2017/18 overspend, the underlying position remains. The IJB needs to work closely with both the council and NHS Shetland to agree action to ensure that budgets are delivered in line with the resources available. This will also be reviewed as part of the annual audit process and the outcome reported to both the council and the IJB in September 2018.
8. The chief executive of the council retired in January 2018. On the 28 February 2018 the council appointed Maggie Sandison to the post, who has served as the director of infrastructure services since October 2013. The director of development services had been appointed as interim chief executive while the recruitment process was concluded. In view of the pressures noted above and need to transform services, it is important the council and the IJB have strong leadership in place. In particular, in view of the workforce challenges faced within both adult and children's social work services, as discussed further below, it is important that there is strong leadership and oversight to ensure that quality and improvement work is sustained.

Social care services

9. The Care Inspectorate has noted that within adults' social care services, senior officers and the chief executives have been effective in supporting continued improvement. Performance reports for adult social work and social care services are presented regularly to the IJB. Within children's services, a lack of capacity along with carrying vacant posts over periods of time and secondment of key staff off island have impacted on the ability to sustain quality assurance and improvement work within children and families services. Agency staff have been appointed whilst decisions on restructuring/ review of children services are to be made.
10. Recruiting experienced social workers into senior/specialist roles continues to be a significant problem within Shetland, with some senior posts unfilled for many months. Whilst historically this has been less of an issue within adults' services, the imminent departure of the executive service manager for adult services and continued long term vacancy of executive service manager for resources could have an impact on the provision of health and social care. These two posts are key to supporting the continued timely delivery of services to adults and older people. As the out of hours work in Shetland, supervised by these service managers, is undertaken by social workers in addition to their contracted hours, there is a risk in relation to the provision of these services.

11. The director of children's services has recently given permission for the interim executive manager children's resources, executive manager children and families/chief social work officer and an external consultant to explore a service review for children's services. The intention is that this will achieve a better balance of service delivery for Shetland in the longer term in relation to accommodated children as well as a more integrated and robust structure.
12. The Chief Officers Group (COG) has been proactive in giving consideration to appointing one independent chair to cover both the Child Protection Committee (CPC) and Adult Protection Committee (APC). This was partly triggered because the independent chair for the APC intends to retire August 2018 and acknowledgement by the COG of the potential challenges of having a member of the COG also chairing the CPC. One independent chair covering both posts is the preferred option.
13. Whilst no additional scrutiny requirement has been identified, the LAN will monitor progress with the recruitment of these key posts.

Education services

14. There is strong strategic leadership in education children's services. The council has appropriate governance in place to ensure that educational provision is well organised and well led. Scrutiny outcomes, including inspections, have been extremely positive in recent years, particularly in the primary sector. Outcomes for children and young people are generally in line with or higher than both the national average and the Virtual Comparator, although there is evidence of decline in a few measures. The council has made improvements to its approach to quality improvement within education. There are no school consultations planned for the period 2018-19. This will ensure stability. Overall there are no particular concerns with Shetland Islands Council's educational provision and therefore there will be no additional scrutiny in 2018/19 beyond the general inspection programme.

Housing services

15. 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. It found that Shetland Islands Council is in the bottom quartile for all social landlords in relation to: tenants satisfied with the quality of their home and tenants satisfied by the standard of their home when moving in, sustainability levels for non statutory homeless people, rent arrears, non-emergency repairs and repairs completed right first time. There is ongoing dialogue between the SHR and the council to fully understand the performance.
16. In relation to the council's homelessness service, SHR identified risks in relation to access, specifically the relationship between falling application levels and Housing Options cases.
17. The council continues to use bed and breakfast accommodation and overall its use of temporary accommodation appears to be increasing. The council allocate 21 per cent of its lets to statutory homeless people while a number of applicants are waiting longer than a year

for a final outcome. The council recognise that the supply of necessary housing has been particularly challenging and access remains an issue and is having ongoing dialogue with the SHR. Overall, outcomes for homeless people remain a risk in Shetland.

18. The SHR will continue its scrutiny of the council in relation to the housing and homelessness service weaknesses identified in this plan.
19. The SHR may carry out thematic inquiries during 2018/19 or it may carry out survey or on-site work to follow up on published thematic reports. 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 2018/19. Where councils are to be involved in a thematic inquiry, any follow-up work to a published thematic inquiry, or a data accuracy visit, the SHR will confirm this directly with the council and the LAN lead.

Scrutiny activity

20. Any expected scrutiny activity between April 2018 and March 2019 is shown in Appendix 1. For some of their scrutiny activity in 2018/19, scrutiny bodies are still to determine their work programmes and 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.
21. 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. The outcomes of this work will help to inform future assessment of scrutiny risk.
22. 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 Shetland Islands 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 Improvement and Financial Governance and Resource Management, and will be reported in the Annual Audit Report.
23. Audit Scotland plans to undertake performance audit work in a range of areas covering local government during 2018/19. These include City Deals, Health and Social Care Integration: progress update and Children and young people's mental health. Shetland Islands IJB has been selected as a case study site for the Health and Social Care work. Details of future audit work are available on Audit Scotland [website](#).

March 2018

Appendix 1: Scrutiny activity

Scrutiny body	Scrutiny activity	Date
Audit Scotland / external auditor	Best Value audit work this year will focus on the Council's arrangements for demonstrating Best Value in financial governance and resource management; and improvement. The outcome of this will be reported in the annual audit report.	April-September 2018
Audit Scotland	Audit Scotland plans to undertake performance audit work on City Deals, Health and Social Care Integration: progress update and Children and young people's mental health. Shetland Islands IJB has been selected as a case study site for the Health and Social Care work.	Case study work to commence w/c 24 April 2018
	From April 2017, the Care Inspectorate and Healthcare Improvement Scotland have a joint duty under the Public Bodies (Joint Working)(Scotland) Act 2014 to assess and report on the effectiveness of integration authorities' strategic plans. During 2018/19 the Care Inspectorate intend to visit three partnerships to report on their progress.	Dates and locations to be determined
	From April 2018, Scottish ministers have asked the Care Inspectorate to lead another programme of joint inspections of service for children and young people, with scrutiny partners Education Scotland, Healthcare Improvement Scotland and Her Majesty's Inspectorate of Constabulary in Scotland. They have asked us to provide assurance about how community planning partners are protecting and meet the needs of children and young people who have experienced, or are at risk of, abuse and neglect, and how they are working together to improve outcomes for children and young people who are subject to corporate parenting requirements. The Care Inspectorate intend to carry out five joint inspections in 2018/19.	Dates and locations to be determined

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**A summary of local government
strategic scrutiny activity**

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