

Agenda Item	12
Report No	HC/17/15

**External scrutiny: Local Scrutiny Plan Update 2015-16**  
Report by the Chief Executive

**Summary**

The annual Local Scrutiny Plan (LSP) 2015-16 for Highland Council has been produced by the Local Area Network (LAN). The plan produced by the LAN is based on a shared risk assessment undertaken by representatives of all the scrutiny bodies who engage with the Council. The LSP shows no additional scrutiny is required of the Council during 2015/16.

**1. Introduction**

- 1.1 Audit Scotland coordinates a Local Scrutiny Plan (LSP) for every council in Scotland. The plan is based on a shared risk assessment undertaken by a local area network (LAN), comprising representatives of scrutiny bodies who engage with the Council. This year's process has been streamlined to provide a clearer focus on the key areas of audit, inspection and regulatory interest. These changes are intended to create a better targeted and more user friendly risk assessment process. The LAN has also moved from a three year Assurance and Improvement Plan to a one year LSP.
- 1.2 The six scrutiny bodies involved are: Audit Scotland; Education Scotland; the Care Inspectorate; Her Majesty's Inspectorate of Constabulary for Scotland; Her Majesty's Fire Service Inspectorate and the Scottish Housing Regulator (SHR). They draw on evidence from:
- the annual report to the Controller of Audit and elected members;
  - Single Outcome Agreement and associated development plan;
  - Council performance data and self-evaluation evidence;
  - SOLACE/Improvement Service, Local Government Benchmarking Framework
  - Evidence from the external scrutiny bodies and their work in Highland.
- 1.3 The Council's programme 'Working Together for the Highlands' has a commitment that we will: 'continue to measure our progress openly, report on it publicly and listen to communities, to ensure we are delivering services that provide best value for Council Taxpayers'. The LSP contributes to this commitment by forming part of our performance management and performance reporting arrangements.

**2. The Local Scrutiny Plan – assessment of risk and consequential scrutiny activity**

- 2.1 The shared risk assessment process draws on a range of evidence with the aim of determining any scrutiny activity required of the Council in terms of it achieving its strategic priorities and demonstrating good corporate performance. It also takes into account any scrutiny needs arising from risks identified at the national level. The LSP 2015-16 for Highland Council is attached as appendix 1 of this report. All 32 local authority LSPs were published by Audit Scotland on 31 March 2015 along with the national scrutiny plan. The Highland plan identifies no areas where additional scrutiny is required. This is the same assessment since 2010 when the process was introduced.

- 2.2 While no further scrutiny is required, there are some areas identified as requiring on-going monitoring by the relevant scrutiny body. These relate to:
- Integrated Care (Adult Services): Joint inspection of Adult services in Highland, undertaken January to March 2015.
  - Self-evaluation in primary and secondary schools: the overall quality of self-evaluation is improving but remains a concern in some schools.
  - Education (leadership and governance): monitor impact of Service restructure on education leadership (new).
  - Use of resources: recognising the level of budget savings the council is required to find (new).

2.3 Positively the LSP notes that:

- Integrated Care (Children's Services): The 2014 inspection of children's services evaluated the service positively and highlighted a number of areas of strengths.
- Criminal Justice Services: the successful self-evaluation and joint assessment with Northern Criminal Justice Authority (NCJA) with an action plan to sustain what is already working well.
- Community Learning and Development: community planning partners have a good understanding of the strengths and areas for improvement within the Council's learning communities.

2.4 Planned external scrutiny:

A scrutiny plan is part of the LSP and on pages 5-7 of the attached appendix the following areas of scheduled audit and inspection activity have been identified contributing to national audit reports:

- Multi-Agency Public Protection Arrangements (MAPPA) (June 2015)
- Education – Validated Self-Evaluation (VSE) psychology services (over next 2 years)
- Local Policing (including scrutiny & engagement) (over next 3 years)
- Local Fire & Rescue (including scrutiny & engagement) (over next 5 years)
- Scottish Housing Regulator (SHR) thematic inquiries 2015/16 – possible involvement, to be confirmed

In addition there are three Audit Scotland national performance audits on social care; health and social care integration and roads maintenance (follow up).

### **3. The usefulness of the LSP**

3.1 The LSP seeks to demonstrate that external scrutiny is becoming streamlined, risk based, proportionate and that it avoids duplication. External scrutiny should reduce overall as internal scrutiny and self-evaluation improves.

3.2 While the LSP shows limited scheduled external scrutiny, the full range of external audit and inspection activity includes inspections of schools and care establishments and activity from other regulators, notably the Equality and Human Rights Commission and SEPA.

### **4. Implications**

4.1 **Resources:** Reducing external scrutiny requires better internal scrutiny and there are costs associated with new processes of self-evaluation in terms of training, materials and staff time. These costs are included within current budgets.

4.2 **Legal:** External scrutiny operates within a legal framework which places duties on

the Council. Legal issues could arise with non-compliance with these duties, but as the LSP does not identify any additional scrutiny, there are no legal implications in considering the action resulting from this report.

- 4.3 **Equalities:** Audit Scotland through the LSP will continue to monitor if the council is providing effective leadership of equalities and is meeting its statutory obligations. A set of equalities outcomes have been published as part of the Council's compliance with publishing reports and these support building equality into all areas of council work.
- 4.4 **Climate Change/Carbon Clever:** SEPA now regulates the Council's progress with the carbon reduction commitment. It is noted above that SEPA is not part of the shared risk assessment process which produces the LSP.
- 4.5 **Risk:** The LSP identifies no additional scrutiny required of the Council.
- 4.6 **Gaelic/Rurality:** As outlined at 1.2 above the LSP takes account of Council performance data and this includes progress on delivering the Council Programme. The Programme contains a cross-cutting commitment to the 'principle of equal respect for the Gaelic and English languages'. There are a number of commitments which support rural communities including benefitting from renewable energy, service delivery to remote and rural communities, fuel poverty, fairly fuel prices and community transport. The annual performance report covers a number of relevant key actions and measures relating to these commitments.

## 5. Recommendations

Members are asked to note:

- 5.1 The Local Scrutiny Plan (LSP) attached at Appendix 1 which highlights that no additional scrutiny of the Council is required for 2015-16.
- 5.2 The positive comments made about the Council's Integrated Care (Children's Services), Criminal Justice Service and Community Learning and Development.
- 5.3 The areas where monitoring is planned (Integrated Care (Adult Services), self-evaluation in primary and secondary schools, education leadership and use of resources).
- 5.4 There are five areas of scheduled audit and inspection activity identified contributing to national audit reports and three national performance audits planned as outlined at 2.4 above.

Designation: Chief Executive

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# The Highland Council

## Local Scrutiny Plan

2015/16



March 2015

# The Highland Council

## Local Scrutiny Plan 2015/16

### Introduction

1. This local scrutiny plan sets out the planned scrutiny activity in The Highland Council during 2015/16. 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 where the LAN has identified that scrutiny is required, or which is planned as part of a national programme. Planned scrutiny activity across all councils in Scotland informs the National Scrutiny Plan for 2015/16, which is available on the Audit Scotland website.

### Scrutiny risks

3. The 2014-17 Assurance and Improvement Plan (AIP) reported that the LAN had assessed the majority of areas of the council as requiring no specific additional scrutiny in 2014/15. There were, however, some areas (homelessness, integrated care, criminal justice services, self evaluation in primary and secondary schools and community learning and development) that required ongoing monitoring by the scrutiny bodies. The findings from the ongoing monitoring activity undertaken during 2014/15 and how they impact on the LAN's latest assessment are set out in the following paragraphs.
4. **Homelessness:** the findings from the Scottish Housing Regulator's thematic inquiry into housing options were reported to the Community Services Committee on 21 August 2014. The covering report advised elected members of the need to review the delivery of homeless services to address the inquiry findings. Work is ongoing to address the inquiry findings and an update report was presented to the February 2015 meeting of the Community Services Committee. The LAN is satisfied that the council is making sufficient progress in this area and consequently the Scottish Housing Regulator will not be undertaking any additional scrutiny work at the council in 2015/16.
5. **Integrated Care (Children's Services):** the Care Inspectorate's recent inspection of children's services (published in April 2014) evaluated the service positively and

highlighted a number of areas of strength. These included a clear vision for children's services, effective early intervention support to vulnerable children and their families, committed staff working together guided by the Highland Practice model and a commitment to self evaluation. Integrated working has been well embedded and has begun to show benefits in terms of improved outcomes for children, young people and families as a result of the improved and earlier identification of children's needs and shared planning. Consequently, the LAN assessed this area as not requiring any additional scrutiny activity in 2015/16.

- 6. Integrated Care (Adult Services):** these services are delivered by NHS Highland through the Lead Agency partnership agreement. During 2014/15, Care Inspectorate reports from inspections of regulated care services provided in-house by NHS Highland were generally positive, although one care home for older people was closed temporarily due to allegations of adult support and protection issues. Inspections of a number of care homes and services for adults operated by independent providers have resulted in less positive findings, with a number of independently run care homes being assessed as 'weak'. Enforcement action has been required at six care home services for older people. Of these, four continue to have enforcement and two have extended improvement notices. The Care Inspectorate, supported by NHS Highland as the lead agency, has been working with these providers and teams of relevant professionals to address the issues raised.
- 7.** The continuing level of enforcement by the Care Inspectorate demonstrates that there are significant failings in some of the private care services. As a result, NHS Highland has embargos on admissions to these care homes which in turn results in delayed discharges from hospital. In addition, there were a number of upheld complaints concerning care home services for adults in Highland, mainly in services operated by private providers. The joint inspection of adult services in Highland, currently being undertaken by the Care Inspectorate and Health Improvement Scotland as part of the Care Inspectorate's wider programme of national work, will focus on how NHS Highland and its partners are responding to these key areas.
- 8. Criminal Justice Services:** these services were subject to a self-evaluation in April 2014 to identify strengths and areas for improvement in relation to the introduction of the Level of Service/Case Management Inventory (LSCMI) which measures the risk and need factors of late adolescent and adult offenders. The Northern Criminal Justice Authority submitted a joint assessment which identified areas for service improvement, particularly in performance monitoring and quality improvement. An action plan has been prepared to address these areas and acknowledges the need for ongoing actions to sustain what is already working well. Consequently, the LAN has assessed this area as not requiring any additional scrutiny activity in 2015/16.
- 9. Self evaluation in primary and secondary schools:** the overall quality of self-evaluation is improving, although it remains a concern in some schools. The council's

Quality Improvement Team has worked well with schools: to improve the system for observing lessons; to develop a more consistent and effective approach to school improvement planning; and to improve the impact of authority 'focused visits' to schools. The LAN has assessed this area as requiring ongoing oversight and monitoring during 2015/16.

10. **Community Learning and Development:** one learning community was inspected during 2014/15. Although this inspection concluded that some improvements were needed, the LAN noted that the Education Service, other council services and community planning partners (including the third sector) have formed a strategic partnership to build on their good understanding of the strengths and areas for improvement in learning communities within the council's area. In addition, learning communities are, overall, improving. Consequently, the LAN has assessed this area as not requiring any additional scrutiny in 2015/16. Education Scotland staff will continue to meet with council and High Life Highland staff at a strategic level to discuss any further support required at the authority level.
11. The 2015/16 shared risk assessment again concluded that the majority of areas of the council did not require any additional scrutiny beyond statutory and ongoing work. In addition to the areas set out above, a further two areas were identified as requiring ongoing oversight and monitoring during 2015/16 and these are set out below.
12. **Education (leadership and governance):** during 2014/15 the council combined the roles of Director of Health and Social Care and Director of Education, Culture and Sport into one post (Director of Care and Learning). The previous Director of Health and Social Care now has responsibility for the combined service and although initial indications are encouraging, it is too early to evaluate the impact of this change in leadership on the delivery of the council's education services. The Head of Education and the Quality Improvement Manager work well together and the latter is impacting well on the quality of self-evaluation across schools, although there is still a significant amount of work to do. The LAN has assessed this area as requiring ongoing oversight and monitoring during 2015/16. Education Scotland's Area Lead Officer will continue to monitor this area as part of his ongoing dialogue with the council.
13. **Use of resources:** the council has adopted a multi-year approach to budgeting and began the process of identifying savings proposals for 2015/16 to 2018/19 as part of its strategy to move to five year revenue budgeting with effect from 2014/15. In December 2014 the council agreed a package of savings totalling £42.8 million which will be phased over four years, with an estimated reduction of 313 full time equivalent (FTE) staff posts over this period. This allowed a balanced revenue budget to be set for 2015/16. Further savings of £13.3 million require to be found over the three years to 2018/19. Given the level of budget savings the council is required to deliver over the next four years, the LAN has assessed this as an area that requires ongoing monitoring in 2015/16. This will be undertaken as part of the annual audit process.

## Planned scrutiny activity

14. As shown in Appendix 1, the council will be subject to a range of risk-based and nationally driven scrutiny activity during 2015/16. For some of their scrutiny activity in 2015/16, 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.
15. Audit Scotland has three planned performance audits covering local government during 2015/16. It will be working with the Care Inspectorate looking at social care and jointly with both the Care Inspectorate and Health Improvement Scotland (HIS) on a Health and Social Care integration position statement. It will also carry out a follow-up audit on roads maintenance. Any engagement with councils is still to be determined. Publication of these reports is scheduled for between October 2015 and February 2016.
16. The Care Inspectorate and HMICS will be undertaking a joint thematic review of Multi-Agency Public Protection Arrangements (MAPPA) in Scotland during 2015. This forms part of a wider programme of national inspection, and is not a result of the LAN shared risk assessment. The purpose of the review will be to assess the state, efficiency and effectiveness of the MAPPA in Scotland, in terms of keeping people safe and reducing the potential risk of serious harm by registered sex offenders in our communities. It will cover all 32 local authorities and involve local authorities, Police Scotland, NHS Boards and the Scottish Prison Service. The joint review will cover The Highland Council area during June 2015.
17. The Scottish Housing Regulator (SHR) has a planned programme of thematic inquiries into housing services which will be carried out largely in the first quarter of 2015/16, with publication of inquiry reports in the first and second quarters of the year. The thematic inquiries will cover a range of housing services including: Gypsy/Travellers; factoring services; gas safety; complaints handling; customer service standards; repairs; rent consultation; equalities; and openness and accessibility. Some of the thematic inquiries will not involve any on-site work at all and no local authority will be selected for on-site work in more than one thematic. The SHR will contact individual landlords with details about their potential inclusion.
18. During the first and second quarters of the year, the SHR will review the Charter data submitted by social landlords in May 2015 and identify topics for a further programme of thematic inquiries to be taken forward in the second and third quarters of the year.
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 2015/16 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.

**March 2015**

## Appendix 1: Scrutiny plan

Scrutiny body	Scrutiny activity	Date
Care Inspectorate	HMICS and the Care Inspectorate will undertake a review of the multi-agency public protection arrangements (MAPPA) in Scotland. This is part of the Care Inspectorate's wider programme of national work, and is not a result of the LAN shared risk assessment.	Fieldwork activity - June 2015
Education Scotland	Education Scotland will be working in partnership with councils to carry out a validated self-evaluation (VSE) of education psychology services across all councils over a two year period beginning in 2015/16. Education Scotland will notify councils of its VSE plans each academic term.	Date over next two years to be determined
Her Majesty's Inspectorate of Constabulary (HMICS)	HMICS will be inspecting local policing across Scotland over the next three years. This will examine, amongst other things, local scrutiny and engagement between Police Scotland and councils. Two local Policing Divisions are programmed to be inspected in addition to Edinburgh Division in 2015/16. The Divisions will be identified approximately three months prior to inspection, the first being no earlier than October.	Date over next three years to be determined
Her Majesty's Fire Service Inspectorate (HMFSI)	HMFSI will be inspecting local fire and rescue services across Scotland over the next five years. These inspections will examine, amongst other things, local scrutiny and engagement between the Scottish Fire and Rescue Service and councils. As part of this programme, HMFSI will inspect four local fire and rescue services during 2015/16. Highland is not included in the programme this year.	Date over next five years to be determined
Scottish Housing Regulator (SHR)	Scottish Housing Regulator (SHR) will carry out a number of thematic inquiries in 2015/16. If Highland Council is to be involved in a thematic inquiry the SHR will confirm this with the council and the appropriate LAN lead.	Councils to be determined.