

# **Fife Council**

## **Local Scrutiny Plan**

### **2016/17**



March 2016

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# Fife Council

## Local Scrutiny Plan 2016/17

### Introduction

1. This local scrutiny plan sets out the planned scrutiny activity in Fife Council during 2016/17. 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 2016/17, which is available on the Audit Scotland website.

### Scrutiny work undertaken

#### Local Scrutiny Plan 2015/16

3. The 2015/16 Local Scrutiny Plan identified eight areas of nationally driven work which were planned to be carried out in Fife Council. Details of the outcome of these areas of work are noted below.
4. Audit Scotland identified three national performance audits to be carried out in 2015/16 relating to health and social care integration; social work; and a follow-up review of roads maintenance. The report on health and social care integration was published on 3 December 2015 and made no specific reference to Fife Council. The reviews of social work in Scotland and the follow-up of roads maintenance are ongoing and are scheduled to be published in June 2016. A further report on the changing models of health and social care has also recently been published, in March 2016.
5. A joint inspection of services for children and young people, led by the Care Inspectorate and involving Healthcare Improvement Scotland, Education Scotland and Her Majesty's Inspectorate of Constabulary Services (HMICS) was carried out at Fife Council in 2015, as part of the wider planned programme of national scrutiny work. The findings of the review are due to be reported in early 2016. This follows a Joint Inspection of Services for Older People in 2014/15.
6. In 2015, the Care Inspectorate and HMICS carried out a joint thematic review of multi agency public protection arrangements (MAPPA) in Scotland. Fife, as a Strategic

Oversight Area, was part of that review. A report setting out the findings from the review was published on 26 November 2015. The key message is that MAPPA is making an effective contribution to public safety and sex offender management. There are a number of recommendations and areas for development which are intended to improve efficiency in processes and each Strategic Oversight Area and responsible authority will be asked to outline how these will be implemented and progress monitored and evaluated.

7. The Scottish Housing Regulator (SHR) carried out a number of thematic inquiries in 2015/16. SHR will publish the findings of its thematic inquiry work completed during 2015/16, however none of the thematic inquiries were carried out at Fife Council.
8. A report on Education Scotland's review of the quality of careers information advice and guidance services delivered by Skills Development Scotland in Fife was published on 29 January 2016. Overall, Education Scotland's evaluation of the quality was very positive, with five of the six key themes reported as very good i.e. presenting major strengths and one as good. The validated self evaluation of educational psychology services which is supported by Education Scotland was not carried out in 2015/16 but will be taken forward in 2016/17.

## Scrutiny risks

### Financial sustainability

9. In each year of our audit appointment since 2011/12, we have reported that Fife Council has been anticipating significant funding gaps in the short to medium term. In January 2016, Fife Council re-assessed its future funding gap. The gap, which is generally based on the existing service delivery model with demographic amendments, was identified at £29.3 million in 2016/17 rising to £91.5million in 2018/19 (which equates to 12 per cent of revenue expenditure).
10. Fife Council has been actively seeking to identify savings opportunities to help bridge the gap but has long recognised that the anticipated savings opportunities from conventional service delivery will not be sufficient to bridge the funding gap. The council recognises that transformational change will be required across all services, but it is only in the last year that a focussed assessment has been taken forward and services tasked with identifying longer term transformation in the way they deliver services, from which the council's change programme is being established. The scale of the financial challenge cannot be underestimated and members will need to be prepared to make increasingly difficult decisions over service delivery.
11. An additional financial burden is being placed on the council which will have a significant impact on the council's reserves in 2015/16 and future years. The council has reached an agreement with employee representatives to settle employees' outstanding equal pay claims. The council estimates settlement of these claims will exceed £50 million. A proposed funding strategy was agreed at the Executive

Committee on 2 February 2016 which will see the reserves level falling to 0.75 per cent (of general fund expenditure) by 2017/18. The council's reserve policy is to hold a minimum of two per cent.

12. There is a risk that the council is unable to identify the savings required through its savings strategy or through transformational change to bridge its projected funding gap. The LAN does not plan to undertake any specific scrutiny activity in this area in 2016/17, however the external auditor will continue to monitor the financial position of the council as part of the annual audit process.

#### Education and children's services

13. The LAN has concluded that no specific additional scrutiny work is required beyond the on-going inspection and support activity that Education Scotland provides to the council. Outcomes from almost all inspections of educational establishments in the last year were positive with increasing evaluations of very good and excellent.
14. Overall, inspection information indicates that most children and young people aged 3-15 are making good progress across broad general education requirements in literacy and numeracy. Improving attainment for all remains one of the council's key challenges, including improvement for those who are the lowest performing. In most key measures at the senior phase of secondary education, young people's attainment continues to improve. Work continues to improve the attainment of young people in national examinations for some indicators. The council has effective arrangements for monitoring and tracking children's and young people's progress and establishments are aware of expectations of reporting, evaluating and providing evidence for improvement planning.

#### Social work and social care services

15. The LAN has identified no requirement for scrutiny beyond statutory and ongoing work. The two main areas of the Care Inspectorate's scrutiny activity are the joint inspections of services for older people and of services for children and young people referred to above. No issues have arisen from the two inspections in Fife which are likely to require further scrutiny activity during 2016/17.
16. The integration of health and social care services in Scotland requires to be implemented fully by 1 April 2016. Although the Integrated Joint Board has been established and good progress has been made, significant aspects of health and social care integration still require to be progressed. We plan to monitor progress with integration.
17. The Care Inspectorate's link inspector meets with the council's senior managers in the education and children's services and in the health and social care directorate on a regular basis. The council is responsive to this engagement which allows performance issues and action plans arising from inspections activity to be subject to sufficient monitoring and oversight.

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## Housing and homelessness

18. To assess the risk to social landlord services, SHR has reviewed and compared the performance of all Scottish social landlords to identify the weakest performing landlords. For Fife Council:
- the council is in the bottom quartile for all social landlords in relation to the number of days to complete non-emergency repairs and tenant satisfaction. SHR will therefore engage with the council about these areas during 2016/17.
  - SHR has been engaging with the council about void rent loss, re-let times and rent collection rates and will continue to engage in these areas in 2016/17.
  - SHR has been engaging with the council on areas of weakness in the homelessness service. During 2016/17, SHR will engage further with the council as it takes forward its plan to eradicate the use of Bed and Breakfast facilities for temporary accommodation. SHR will also engage on improving access to and satisfaction levels with the quality of temporary and emergency accommodation.

## Planned scrutiny activity

19. As shown in [Appendix 1](#), the council will be subject to a range of nationally driven scrutiny activity during 2016/17 and further detail of this activity is noted below. For some of their scrutiny activity in 2016/17, 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.
20. Audit Scotland plans to undertake national performance audit work in three areas covering local government during 2016/17, although any engagement with councils is still to be determined:
- early learning and childcare
  - a follow-up audit on self-directed support
  - equal pay claims (Audit Scotland is still considering the focus and outputs of work in this area).
21. Details of future performance audit work are available on the Audit Scotland website [here](#).
22. Audit Scotland also plans to undertake further Housing Benefit performance audit work in specific councils in 2016/17. An audit at Fife Council is scheduled for quarter 2/3.
23. Education Scotland will be working in partnership with councils to carry out Validated Self-Evaluation of education psychology services across a number of councils in 2016/17. This work is scheduled for Fife Council between January and March 2017.
24. SHR will engage with the council to monitor its progress in addressing the weaknesses identified. The council will submit quarterly progress reports in relation to its proposed

improvement actions and outcomes and SHR will monitor the council's progress in addressing the weaknesses identified. The council will submit quarterly progress reports in relation to its proposed improvement actions and their outcomes and this will be followed by meetings with council officials.

25. SHR will carry out further thematic inquiries during 2016/17 and will review the Charter data submitted by landlords and carry out data accuracy visits during quarter 2. If the council is to be involved in a thematic inquiry or a data accuracy visit SHR will confirm this directly with the council.
26. Although there is no Care Inspectorate inspections planned for Fife in 2016/17, the Care Inspectorate will be reviewing its approach to strategic commissioning, reviewing the validated self-assessment of alcohol and drug partnerships and undertaking a variety of thematic programmes of work.
27. As noted in our 2015/16 Local Scrutiny Plan, Her Majesty's Fire Service Inspectorate (HMFSI) will be inspecting local fire and rescue services across Scotland over the next few years. This will include an examination of local scrutiny and engagement between the Scottish Fire and Rescue Service and councils. HMFSI will inspect four local fire and rescue services during 2016/17 but the local service in Fife is not scheduled as one of these inspections.
28. 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 2016/17 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.

## Best Value development

29. 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.
30. The new approach will be rolled out from October 2016 but will continue to evolve. It will include assessment each year of aspects of Best Value as part of an integrated annual audit and a public report (Controller of Audit report to the Accounts Commission) 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. The initial iteration of the rolling programme, which will be reviewed and refreshed annually in response to factors including the SRA, will be presented to the Accounts Commission in April 2016. The results of this current SRA will make a significant contribution to the audit intelligence

that will underpin the new approach, and inform the development of the initial programme.

31. 2016 is a transition year. This includes development of the intelligence about each council for the new approach and the handover to new audit appointments. While preparation for the new approach progresses, Best Value audit work will continue. Appropriate elements of the new approach, such as reporting mechanisms, will also be tested in some councils.

**March 2016**

## Appendix 1: Scrutiny plan

Scrutiny body	Scrutiny activity	Date
Audit Scotland	Three performance audits covering: <ul style="list-style-type: none"> <li>• early learning and childcare</li> <li>• a follow-up audit on self-directed support</li> <li>• equal pay. Audit Scotland is still considering the focus and outputs of work in this area.</li> </ul>	Fieldwork councils and dates to be confirmed.
Education Scotland	Validated self-evaluation (VSE) of education psychology services within the council.	Between January and March 2017.
Scottish Housing Regulator (SHR)	SHR will monitor the council's progress in addressing the weaknesses identified. The council will submit quarterly progress reports in relation to its proposed improvement actions and their outcomes. This will be followed by meetings with council officials.	To be confirmed
	SHR will publish the findings of its thematic inquiry work completed during 2015/16. It will carry out further thematic inquiries during 2016/17.	Quarter 2. If the council is to be involved in a thematic inquiry, SHR will confirm this directly with the council.
	SHR will review the Charter data submitted by landlords and carry out data accuracy visits.	Quarter 2. If the council is to be involved in a data accuracy visit, SHR will confirm this directly with the council.

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### A summary of local government strategic scrutiny activity

This report is available in PDF and RTF formats,  
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[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) 

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