

Shetland Islands Council

Local Scrutiny Plan 2016/17



March 2016

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Introduction

1. This local scrutiny plan sets out the planned scrutiny activity in Shetland Islands 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 risks

3. 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 a similar position to that in the previous 2015-16 Assurance and Improvement Plan (AIP) issued in March 2015. Scrutiny activity undertaken in the last 12 months was part of planned national activity. A number of reports have been issued on this work.
4. Financial management has been a considerable challenge for the council over a number of years. In particular the council's financial commitments had for some time entailed a continuing draw upon its reserves, which would not have been sustainable in the longer term. However, in recent years the council has focussed on achieving a sustainable financial position. The council's Medium Term Financial Plan (MTFP) sets out how the council plans to maintain its level of usable reserves, with draws on reserves being funded by returns on investments. The council still faces the difficulties of achieving its challenging savings targets, with a funding gap of £32 million over the four years to 2020/21 identified in the MTFP. Although there has been improvement in the council's planning and focus in this area, the LAN has assessed financial management as requiring ongoing oversight and monitoring, and this will be undertaken through the local audit.
5. The Public Bodies (Joint Working) (Scotland) Act 2014 requires local authorities and health boards to integrate their health and social care services and make arrangements

for the planning and resourcing of the services. In Shetland, these responsibilities have been delegated to the Shetland Islands Integration Joint Board (IJB) which was formally constituted in June 2015. It will assume responsibility for the delivery of the services delegated to it through the Integration Scheme from the start of 2016/17. The IJB is developing detailed efficiency schemes, with clear timeframes, that will create sustainability for 2016/17 and beyond. The LAN has assessed health and social care integration as an area where ongoing oversight and monitoring is required, and this will be undertaken as part of the local audit.

6. Overall Education Scotland considers that the quality and effectiveness of self-evaluation activity at a local establishment level is good. As evidenced by recent inspection reports, self-evaluation practice in both primary and secondary level is done to a high standard overall. This is contributing to improvement locally. However, the level of challenge/support offered by the central education service has been variable. Until recently this has been compounded due to officers' time taken up with organising ongoing school consultations. In recognition of this the council has initiated a comprehensive review of its approaches to quality assurance in schools as part of the School Comparison Project. The LAN has assessed self-evaluation activity within the Education department as an area requiring ongoing oversight and monitoring. Education Scotland will support but also monitor the effectiveness of central support and challenge and improvement programmes.
7. To assess the risk to social landlord services, the Scottish Housing Regulator (SHR) has reviewed and compared the performance of all Scottish social landlords in order to identify the weakest performing landlords. The council has made progress in meeting the Scottish Housing Quality Standard (SHQS). However, we found that Shetland Islands Council is in the bottom quartile for all social landlords in relation to sustainment for non-statutory homeless lets, non-emergency repairs, and the % of rent collected. It is also in the bottom quartile for tenant satisfaction with the overall service, on being kept informed about services and outcomes, participation, with the standard of their home when moving in, quality of their home, tenants who feel that the rent for their home represents value for money and complaints handling. In addition, aspects of its housing options and homelessness service such as access, temporary accommodation, case durations, final outcomes and waiting times are areas where improvement actions are required.
8. The council carried out an updated tenant satisfaction survey in October 2015. However, its performance on tenant satisfaction, responsiveness and aspects of the delivery of its housing options and homelessness service are areas for further focus and improvement action. Council officials have assured us that they are aware of these areas of weaker performance and have a number of plans in place to improve performance. The SHR will engage with Shetland Islands Council to monitor its progress in these areas.

9. The LAN has assessed that the areas of performance management and improvement and social care services require no additional scrutiny beyond statutory/ongoing work. The Care Inspectorate has undertaken a programme of inspections of regulated services in the Shetland Islands area during 2014-15 in accordance with its statutory obligations and annual inspection plan and will continue to do so in 2016-17.

Planned scrutiny activity

10. As shown in [Appendix 1](#), the council will be subject to a range of risk-based 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 for the 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.
11. Audit Scotland plans to undertake performance audit work in the following three local government areas during 2016/17:
 - early learning and childcare
 - equal pay
 - a follow-up on audit on self-directed support.
12. Audit Scotland is currently considering the focus and outputs of work in this area. Any engagement with councils is still to be determined. Details of future audit work are available on the Audit Scotland website [here](#).
13. 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.
14. 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.
15. 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. But,

appropriate elements of the new approach, such as reporting mechanisms, will also be tested in some councils.

16. 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. SHR has assessed that no additional Scrutiny is required beyond statutory work during 2016/17.
17. The Scottish Housing Regulator (SHR) will publish the findings of its thematic inquiry work which was completed during 2015/16. It will carry out a further thematic inquiry during 2016/17. SHR will also review the Charter data submitted by landlords and carry out data accuracy visits during the second quarter of 2016/17. 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.
18. The Scottish Government has confirmed in its funding letters to Alcohol and Drugs Partnerships (ADPs) that the Care Inspectorate will undertake Validated Self-Evaluation (VSE) activity with Alcohol and Drug Partnerships. The purpose of this activity is 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 be reviewed by the Scottish Government to consider and inform the future programme of national support that will further encourage and support delivery of continued improvements at ADP and service level. It is anticipated that all 30 ADPs will participate. On site activity is likely to commence in March 2016 with a national overview report completed by the end of 2016. The Care Inspectorate will also provide brief, customised feedback to each ADP in order to help build their capacity for self-evaluation.
19. The Care Inspectorate will work together with partner regulatory agencies to continue to deliver a coordinated programme of joint scrutiny of Community Planning Partnerships and integration joint boards. Partner agencies are reviewing the methodology for joint inspections of Adults' services. As well as joint strategic scrutiny programmes, the Care Inspectorate will also 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.
20. HMICS will continue to inspect local policing across Scotland during 2016/17 as part of its rolling work programme. These inspections will examine, amongst other things, local scrutiny and engagement between Police Scotland and councils. HMICS will identify and notify LANs and the local Policing Divisions to be inspected approximately three months prior to inspection.
21. In addition to specific work shown in [Appendix 1](#) and the performance audit work detailed in paragraph 9 above, routine, scheduled audit and inspection work will take place through the annual audit process. The ongoing inspection of school and care establishments will be performed by Education Scotland and the Care Inspectorate

respectively and individual audit and inspection agencies will continue to monitor developments in key areas of council activity providing support and challenge as appropriate. This will help to inform future assessment of scrutiny risk.

March 2016

Appendix 1: Scrutiny plan

Scrutiny body	Scrutiny activity	Date
Audit Scotland	Audit Scotland has three planned performance audits covering local government in 2016/17 focusing on early learning and childcare, self-directed support and equal pay.	
Care Inspectorate and Healthcare Improvement Scotland	The Care Inspectorate will undertake Validated Self-Evaluation (VSE) activity with Alcohol and Drug Partnerships with a national overview report completed by the end of 2016.	From March 2016 to December 2016
Scottish Housing Regulator (SHR)	<p>The SHR will undertake on going monitoring of the councils approach to tenant satisfaction, responsiveness and aspects of its housing options and homelessness services.</p> <p>The Scottish Housing Regulator (SHR) will publish the findings of its thematic inquiry work completed during 2015-16. It will carry out a further thematic inquiries during 2016-17.</p> <p>SHR will also review the Charter data submitted by landlords and carry out data accuracy visits during quarter 2.</p> <p>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.</p>	<p>2016 tbc</p> <p>Timing to be confirmed</p> <p>Quarter 2</p>

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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:

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