



Briefing 10/31 July 2010

Scottish Local Government Scrutiny Co-ordination 2010-11

To: All Chief Executives, Main Contacts and Email Contacts (Scotland)

CC: All Chief Executives, Main Contacts (England, Northern Ireland and Wales)

Key issues

- Provides an update on the revised scrutiny arrangements operating in Scottish local government which places an emphasis on greater collaboration between scrutiny bodies.
- Builds upon Scottish Governments desire to progress the findings of the Crerar report which aims to introduce a more proportionate and risk based approach to audit and inspection. Local Government has had real and legitimate concerns about the nature, volume and cost of audit and inspection activity taking place within councils, together with the amount of real value created. Auditors estimate a 36% reduction will be achieved in terms of time spent on strategic scrutiny work in Councils in 2010/11 compared to that in 2008/9.
- Scottish Councils now have bespoke Assurance and Improvement Plans based on their strategic/operational circumstances, identifying areas that offer and present potential risks. Risks have been evaluated and graded and this will inform the future plans of the respective scrutiny bodies. This should ensure a more proportionate and targeted approach to scrutiny. The plans cover the period 2010-2013 and synchronize with the Best Value 2 audit programme, which will also operate to a three year cycle.
- Assurance and Improvement Plans are constructed to reflect the risks facing a Council, drawing upon a range of information. Councils need to have rigorous and robust arrangements in place to support self assessment/evaluation at both corporate and service levels. There is a growing need for Councils to be self aware in terms of the strengths they display and also the areas for development and improvement.

1. Scottish Local Government Scrutiny – Background

Following the publication of the Crerar report in September 2007, the Scottish Government indicated that it wished to establish a simplified and coherent approach to delivering local government scrutiny. For its part local government had become rightly concerned about the nature and the volume of audit/inspection activity. There has been a growing concern about the real value of audit and inspection in addition to the associated costs.

A key aspect of the Scottish Governments agenda has been to secure an improvement in the co-ordination of scrutiny, streamline the process and achieve greater effectiveness whilst at the same time protecting the independence of scrutiny bodies. To deliver the objectives, the Scottish Government has put in place a number of initiatives including:-

- Establishing the Scrutiny Improvement Programme Board to oversee the Scottish Governments response
- Setting up five fixed term thematic action groups (Reducing Burdens, Accountability/Governance, User Focus, Complaints Handling and Policy and Approaches)
- Announcing restructuring plans for scrutiny bodies in November 2008

In February 2008, the Accounts Commission was asked to establish a transitional gate keeping role in respect of the scrutiny of local government. A scrutiny co-ordination strategic group was established to set priorities and oversee development activity. The following key priorities were subsequently agreed:-

- Improving the planning and scheduling of scrutiny activity
- Developing a single corporate assessment
- Implementing a shared risk assessment framework

The strategic group consists of representative drawn from Her Majesties Inspectorate of Education (HMIE), Social Work Inspection Agency (SWIA), National Health Service Quality Improvement Service (NHS QIS), Care Commission, Scottish Housing Regulator, Convention of Scottish Local Authorities (COSLA) and Audit Scotland.

2. Current Position – Assurance and Improvement Plans for each Council

The revised arrangements have resulted in each Council now having in place an Assurance and Improvement Plan which highlights the amount of scrutiny they will be subject to over the period 2010/13.

The Assurance and Improvement Plans have been developed in a collaborative manner between the Councils and the scrutiny bodies concerned with responsibilities to and for local government. Each Assurance and Improvement Plan sets out the planned scrutiny activity for the Council over the period for April 2010 until March 2013 and is based on a shared risk assessment of the Council. Efforts have been made to ensure scrutiny activity is proportionate to the assessed scrutiny risks.

The Assurance and Improvement Plans draw upon a range of information including previous audit and inspection reports on the Council by the various scrutiny bodies as well as self assessment information and other supporting evidence from the Council. The shared risk

assessment process is highly dependent on a Councils approach to self evaluation at both corporate and service levels. At corporate/service levels Councils need systematic arrangements in place in order to capture the results of self assessment exercises and act on the findings through an improvement planning process.

3. Assurance and Improvement Plans

The Assurance and Improvement Plans are tailored to the individual strategic and operational risks facing a Council. The risks are subsequently evaluated and graded using a traffic light system. This will result in a more proportionate approach to the amount of audit and inspection a particular local authority will be subject to over the period 2010-13.

As part of the risk assessment process national risks have been identified and they include:

- Protection, welfare and access to opportunities for children, adults in need of support and protection for older people
- Assuming public money is being used properly
- The impact of the recession

In addition the Improvement Plans focus upon:

- Progress in delivering the National/Local outcomes which are contained with respective Single Outcome Agreements
- Specific services including Education and Social Care and a commentary on the key elements of a Best Value Council which forms the basis of corporate assessment

4. Next Steps

The changes highlighted in this briefing reflects national and local Governments policy commitment to improve scrutiny in terms of it role, value, nature and volume. The delivery of the Assurance and Improvement Plans will inform Audit Scotland's approach to the BV2 audit within individual Councils.

5. APSE Comment

APSE believes that the independent audit and inspection of public services is vital and that public services should be highly transparent and accountable. There is a clear need for the independent scrutiny of local government services. APSE fully supports the use of self evaluation/assessment as a tool to improve the corporate/service performance of councils in delivering services. A key challenge will be to establish robust self evaluation models that stand the test of time and deliver improved results, this will be difficult given the current financial climate.

The need for other performance information cannot be underestimated; APSE has developed comprehensive systems to manage performance over the past 10 years which can be used, Performance Networks.

In addition, Councils are advised to consult and use as appropriate both the APSE Performance Networks and Improvement model together with the Competiveness Continuum as they are practical tools designed to help Councils with their continuous improvement efforts in providing Best Value services.

For further information please contact Andrew Spowart and or Gary Mooney on 01698 459051.