
To: Audit, Scrutiny & Petitions Board

On: 25th April 2016

Report by: Chief Executive

Heading: Local Scrutiny Plan 2016/17 for Renfrewshire Council

1. Summary

- 1.1 This paper provides the Audit, Scrutiny and Petitions Board with an overview of the key points in the Local Scrutiny Plan for 2016/17 for Renfrewshire Council. The Local Scrutiny Plan is attached at Appendix 1.
- 1.2 The Local Scrutiny Plan is prepared each year by the Local Area Network which consists of representatives from all the main scrutiny bodies that engage with the Council – Audit Scotland, the Care Inspectorate, Education Scotland and the Scottish Housing Regulator. The Local Area Network meets annually to carry out a shared risk assessment and decide whether the Council requires external scrutiny in any specific areas for the year ahead.
- 1.3 The conclusion of the Local Area Network at the end of this year's shared risk assessment is that no scrutiny risks have been identified which require specific scrutiny. However, audit and inspection work will continue to take place, such as ongoing inspection of care establishments. The Council will also be subject to a range of scrutiny that is part of national activity, such as the validated self-evaluation (VSE) of educational psychology services across all councils and the review by Education Scotland on the five councils (including Renfrewshire Council) that were early adopters of Skills Development Scotland's programme in 2015/16. A table setting out the planned external scrutiny for Renfrewshire is included at the end of the Local Scrutiny Plan.
- 1.4 For this year all councils' approaches and plans for three areas were assessed: 1. financial outlook; 2. integrated joint board preparation; and 3. community ownership. As noted in the Local Scrutiny Plan, the Auditors are satisfied with the Council's plans for these areas. In service areas they are satisfied that either, there is sufficient information to demonstrate performance, or that the Council has demonstrated self-awareness of the

standards of performance required, or that there is evidence to demonstrate awareness and monitoring of the key risks to meeting outcomes.

- 1.5 Audit Scotland is changing its approach to Best Value audits following a review in 2014, they concluded the need for more frequent assurance on Best Value across all 32 councils. This will include an annual assessment of aspects of Best Value for each Council at least once in a five-year period. The new approach will be rolled out from October 2016.

2. Recommendations

- 2.1 It is recommended that the Audit, Scrutiny and Petitions Board:
- I. Notes that no scrutiny risks have been identified for 2016/17 which require specific scrutiny by the Local Area Network;
 - II. Notes the planned external audit activity for 2016/17, set out in Appendix 1 of the Local Scrutiny Plan; and
 - III. Agrees that a paper on the new Best Value Audits is to be presented back to the Audit, Scrutiny & Petitions Board.

3. Background

- 3.1 The Local Scrutiny Plan, which was previously the Assurance and Improvement Plan, has been published annually by the Council's Local Area Network since June 2010. Prior to this date each Council was required to participate in a Best Value audit on a 3 year cycle. Since 2010, Local Area Networks have met annually to carry out a shared risk assessment process to identify risks. "Risks" in this context refer to risks that will trigger scrutiny work and not inherent risk, for example as in the risk of harm to an individual. The aim of the shared risk assessment is to focus external scrutiny activity where it is most needed.

4. Changes to Best Value Audits

- 4.1 As set out in the Local Scrutiny Plan, paragraphs 18-20, during 2016 the appointment of a new external audit team will take place for all Scottish councils and a new approach for Best Value Audits will be implemented.
- 4.2 Following Audit Scotland's review in 2014, they concluded the need for more frequent assurance on Best Value across all 32 councils. This will include an annual assessment of aspects of Best Value for each council at least once in a five-year period. The Audits will have an increased emphasis on driving improvement, and a strong focus on the quality of service experienced by the public and the outcomes achieved. The new approach will be rolled out from October 2016.
- 4.3 Once guidance on the approach for the new Best Value Audits is available a paper will be presented to the Audit, Scrutiny & Petitions Board.
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Implications of the Report

1. **Financial** – *none*
2. **HR & Organisational Development** – *none*
3. **Community Planning** – It is anticipated that the new Best Value Audits will also have implications for Community Planning Partners Audit's.
4. **Legal** – *none*
5. **Property/Assets** - *none*
6. **Information Technology** – *none*
7. **Equality & Human Rights** –

(a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report as the paper is for noting only. If required the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website
8. **Health & Safety** – *none*
9. **Procurement** – *none*
10. **Risk** –Shared Risk Assessment is a proportionate and risk-based approach to assessing Scottish Councils.
11. **Privacy Impact** – *none*

List of Background Papers

- (a) Background Paper 1 – Local Scrutiny Plan 2016/17 for Renfrewshire Council

The foregoing background papers will be retained within Chief Executive's Service for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is *Nicola Irvine-Brown, Policy Lead, Nicola.irvine@renfrewshire.gov.uk, 0141 618 7414*

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Renfrewshire Council

Local Scrutiny Plan

2016/17



March 2016

Renfrewshire Council

Local Scrutiny Plan 2016/17

Introduction

1. This local scrutiny plan sets out the planned scrutiny activity in Renfrewshire 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.

Local Scrutiny Plan 2015/16

3. The 2015/16 plan did not identify areas requiring direct scrutiny by the LAN, other than those areas subject to national scrutiny or part of a programme of planned work.

Update on 2015/16 activity

4. At the request of the Renfrewshire Community Planning Partnership (CPP), the Care Inspectorate led a joint inspection of children's services. The inspection differs from previous joint inspections of services to protect children in that it focused on the role of the wider CPP and not just the Child Protection Committee. The report, published in December 2015, commended the work of partners. The inspection measured progress against nine quality indicators. Renfrewshire Council received six 'very good', two 'good' and one 'adequate' grade, which the report described as a very positive result given the scale of inspection.
5. The Audit Scotland report on Housing Benefits Performance in June 2015 reported that Renfrewshire Council had made commendable progress in addressing risks raised in our 2012 audit of housing and council tax benefits with 23 risks actioned and only one outstanding.

Local Scrutiny Plan 2016/17

6. The risk assessment for 2016/17, completed by the LAN, has not identified any areas where specific scrutiny is required. [Appendix 1](#) documents the areas where scrutiny, as a planned programme of work, is to be carried out. This is the same position as in the previous local scrutiny plan in 2015. Scrutiny activity undertaken in the last 12 months was either at the request of the council or part of national activity.

Commentary on specific areas

Financial outlook

7. The council set its revenue 2015/16 budget at £378 million. This includes £9.5 million for tackling poverty and regeneration initiatives and payroll inflationary increases of £3.1 million. A number of efficiency measures have been agreed and are being implemented across the council. Some of the more significant measures include debt smoothing savings of £2.7 million and revision of the corporate support model, anticipated to realise recurring savings of £4.6 million. As at 8 January 2016, the council forecast a revenue underspend of 0.3 per cent on a revised net expenditure budget of £380 million.
8. As reported to members in March 2016, the council's 2016/17 grant figure has, on a like for like basis, decreased by 3.4 per cent from 2015/16.
9. The council's budget strategy had been framed around an assumed loss of revenue grant over two years (2016/17 – 2017/18) of 5 per cent. The reduction of 4.52 per cent in one year is larger than expected and impacts on level of savings now required to deliver a balanced budget. The council had two meetings to consider budgets for 2016/17; on 26 February 2016 it agreed the budget for Housing Revenue Account and average rent increase of 2 per cent. It met on 3 March 2016 and approved a balanced budget of £382 million. This includes additional £8.8 million social care funding from the Scottish Government. The underlying saving required is over £20 million. Officers now forecast a remaining gap of between £1million to £6 million for 2017/18 after the impact of the Better Council Change Programme and debt smoothing strategy.
10. The LAN will monitor the impact of the changes implemented to deliver savings through their ongoing work and Audit Scotland will report on the council's progress in managing the funding gap as part of the annual audit.

Integrated joint board preparation

11. The Integrated Joint Board (IJB) covering Renfrewshire Council area was legally constituted in June 2015. The partnership is on track to deliver the integration scheme which must be in place by 1 April 2016. A programme of work consisting of ten work streams is in place and a timeline for delivery has been agreed and progress monitored.

12. Renfrewshire Council Internal audit completed their review of the financial governance and assurance arrangements in place; they found them to be in line with the Public Bodies (Joint Working) (Scotland) Act, regulations and professional guidance. They reported there is a well established budget setting process within the Council and due consideration was given to all material adjustments.
13. However, like all integrated joint boards, the budget for 2016/17 cannot be agreed until health and council budgets are finalised and the health budget will not be agreed before 1 April 2016, and probably not until June 2016.
14. A strategic plan has been prepared and reflects feedback from public consultation. It will be finalised once the 2016/17 financial budget is agreed.

Community ownership

15. The Community Empowerment (Scotland) Act 2015 (the Act) places community planning on a new statutory footing and introduces new powers for communities and community groups to get involved in planning to improve or running local public services. Arrangements are being put in place to meet the requirements of the Act, eg:
 - Renfrewshire Council, supported by the Head of Policy and Commissioning, will ensure the requirements of the Act are followed up.
 - The structure of Renfrewshire Community Planning Partnership includes a Forum for Empowering Communities and progress on implementing the Act is reported to each meeting. The chief executive of Engage Renfrewshire (single access point for community action, volunteering and social enterprise in Renfrewshire) chairs the forum.
 - Engage Renfrewshire is organising an event on asset transfer for third sector organisations in spring 2016. Renfrewshire Council has an asset transfer policy in place and in April 2015 agreed to the transfer of land at Linwood to a community development trust.
 - Renfrewshire is a pilot area for developing revised national standards on community engagement; Community Planning Partnerships are encouraged to use these standards as a tool for community empowerment.

Planned scrutiny activity

16. As shown in [Appendix 1](#), Renfrewshire Council will be subject to a range of 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 outlining 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.
17. 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.

National studies

18. Audit Scotland plans to undertake performance audit work in three areas covering local government during 2016/17. It will undertake a performance audit on early learning and childcare and a follow-up on audit on self-directed support. Audit Scotland will also carry out audit work on equal pay, but is still 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](#).
19. **Auditing best value** 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.
20. 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.
21. 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. However, appropriate elements of the new approach, such as reporting mechanisms, will also be tested in some councils.
22. **The Care Inspectorate** - 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 self-assessment and check 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. This will 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.

23. **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 and undertaking a variety of thematic programmes of work
24. **Education Scotland** is redeveloping its model of reviews of CIAG services delivered by Skills Development Scotland (SDS). There will now be five reviews in 2016-17: Highland, Renfrewshire, South Lanarkshire, Midlothian and Dundee. These reviews focus on authorities which have 'early adopter' schools which received an enhanced service offer from SDS as part of the pilot programme in 2015-16. The enhanced service in these schools included support for transition of pupils from primary to secondary, one-to-one interviews for pupils in S2 and S3 and increased contact with parents and teachers. The council will be part of the Education Psychology Service (EPS) VSE work for 2016/17.
25. **The Scottish Housing Regulator** 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. SHR has assessed that no additional scrutiny is required in Renfrewshire Council beyond statutory/ ongoing work during 2016/17.
26. **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.
27. **HMFSI** has not identified Renfrewshire Council in their local planned inspections.

29 March 2016

Appendix 1: Scrutiny plan

Scrutiny body	Scrutiny activity	Date
Audit Scotland	A targeted follow-up on the recommendations made in the 2013 report <i>Scotland's Public Sector Workforce</i> , will be carried out.	May-June 2016
Care Inspectorate and Healthcare Improvement Scotland	Validated Self-Evaluation (VSE) activity with Alcohol and Drug Partnerships (ADP).	Onsite review to commence in March 2016. Dates for Renfrewshire Council to be determined.
Education Scotland	Education Psychology Service (EPS) validated self-evaluation (VSE) work in 2016/17. Careers Information, Advice and Guidance (CIAG) Review	January – March 2017 October 2016
Her Majesty's Inspectorate of Constabulary (HMICS)	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.	To be confirmed
Her Majesty's Fire Service Inspectorate (HMFSI)	Renfrewshire Council has not been included in inspection work for 2016/17	N/A
Scottish Housing Regulator (SHR)	The Scottish Housing Regulator (SHR) will publish the findings of its thematic inquiry work completed during 2015-16. It will carry out further thematic inquiries during 2016-17. SHR 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 and the LAN lead.	To be confirmed Quarter 2

Renfrewshire Council

Local Scrutiny Plan 2016/17

A summary of local government strategic scrutiny activity

This report is available in PDF and RTF formats,
along with a podcast summary at:

www.audit-scotland.gov.uk 

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