

**REPORT TO: SCRUTINY COMMITTEE – 28 JUNE 2017**

**REPORT ON: LOCAL SCRUTINY PLAN 2017/18**

**REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**REPORT NO: 219-2017**

## **1 PURPOSE OF REPORT**

To provide elected members with a summary of the Local Scrutiny Plan 2017/18 that was recently issued by Audit Scotland on behalf of the various regulatory inspection bodies responsible for scrutinising the services provided by the Council.

## **2 RECOMMENDATIONS**

It is recommended that elected members note the information contained within this report and in the attached Local Scrutiny Plan 2017/18.

## **3 FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from this report.

## **4 MAIN TEXT**

- 4.1 The attached Local Scrutiny Plan (LSP) sets out a high-level programme of the scrutiny work planned to be undertaken during the period 2017/18 by the various regulatory bodies responsible for scrutinising the services provided by the Council.
- 4.2 The plan is the product of a collaborative approach adopted by the various scrutiny bodies. Through working together and sharing knowledge, expertise and information, this approach aims to maximise the efficiency and effectiveness of external scrutiny arrangements and focus activity where it is most needed and to determine a proportionate scrutiny response over the period of the plan.
- 4.3 The plan is based on a shared risk assessment undertaken by a local area network (LAN) made up of representatives of the various inspection agencies. The process draws on a range of evidence with the aim of determining the appropriate level of scrutiny required. The LSP therefore covers a wide range of the City Council's activities and, whilst some areas for improvement and monitoring have been identified, the overall findings are positive. In particular, the Council can take encouragement from the following points:
- the LAN has again not identified any risk areas from its assessment where specific scrutiny is required
  - the Council has continued to make progress with its transformation programme '*Changing for the future*' and has been proactive in improving financial sustainability and reviewing its senior management structure
  - an Audit Scotland report highlighted that the Council's housing benefit service has delivered an excellent level of claims processing performance and is continually seeking new ways to modernise and develop the service to deliver further improvements
  - in March 2016, the Care Inspectorate issued a joint inspection report *Services for children and young people in Dundee City* which identified a number of strengths

- Education Scotland's validated self-evaluation of educational psychology services was positive, with strengths identified
- Education Scotland's report on the quality of Careers Information Advice and Guidance services delivered by Skills Development Scotland (SDS) identified strengths in a number of areas
- Education Scotland's review of Community Learning and Development identified a number of strengths

4.4 A summary of the nationally driven scrutiny activity planned for 2017/18 is shown in Appendix 1 of the LSP. For some of their scrutiny activity in 2017/18, scrutiny bodies are still to determine their detailed programmes including which specific Council areas they will cover. Where a Council is to be involved directly, the relevant scrutiny body will confirm this with the Council and appropriate LAN lead in due course.

4.5 The new approach to auditing Best Value is being rolled out over the five year audit appointments. It includes an assessment each year of aspects of Best Value as part of an integrated annual audit and a Best Value Assurance Report (BVAR) for each Council at least once in a five year period. A BVAR report is not planned for Dundee City Council in 2017/18. Best Value audit work planned for 2017/18 will focus on the Council's arrangements for demonstrating best value in financial and service planning, financial governance and resource management.

4.6 In addition to the specific work outlined in Appendix 1, routine scheduled audit and inspection work will take place through the annual audit process and other ongoing inspection work.

## 5 **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of sustainability, Strategic Environmental Assessment, Anti-Poverty and Equality Impact Assessment and Risk Management. There are no major issues.

## 6 **CONSULTATIONS**

The Council Management Team were consulted in the preparation of this report.

## 7 **BACKGROUND PAPERS**

None.

**GREGORY COLGAN**  
**EXECUTIVE DIRECTOR OF CORPORATE SERVICES**

**16 JUNE 2017**

# Dundee City Council

## Local Scrutiny Plan

2017/18



# Dundee City Council

## Local Scrutiny Plan 2017/18

### Introduction

1. This local scrutiny plan (LSP) sets out the planned scrutiny activity in Dundee City Council during the financial year 2017/18. 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 2017/18, which is available on the Audit Scotland website.

### Scrutiny risks

3. The LAN has not identified any risk areas from its assessment, where specific scrutiny is required, other than that which is nationally directed or part of ongoing work programme. Whilst this is the case, there are some areas identified for ongoing oversight and monitoring as described below. The previous LSP identified some nationally driven work and the results of this work have been considered as part of this years LAN risk assessment, and are also reflected below.

### Local priorities

4. Dundee City Council continues to participate in the Dundee Partnership (the partnership) as the vehicle for the delivery of community planning in the city and whose vision for the city is to:
  - have a strong and sustainable city economy that will provide jobs for the people of Dundee, retain more graduates and make the city a magnet for new talent
  - offer real choice and opportunity in a city that has tackled the root causes of social and economic exclusion, creating a community which is healthy, safe, confident, educated and empowered
  - be a vibrant and attractive city with an excellent quality of life where people choose to live, learn, work and visit.

5. The partnership has responsibility to provide shared, overall leadership under four agreed strategic themes: work and enterprise; children and families; health, care and wellbeing; community safety and justice.
6. The council has reviewed its senior management structure, and is in the process of developing locality outcome improvement plans (LOIPs) and its new corporate plan. These developments are designed to address the implications of public sector reforms and specifically the Community Empowerment (Scotland) Act 2015. The LAN will monitor the impact on the council of its response to public sector reforms.

### Financial sustainability

7. The reform agenda has a significant impact on service delivery arrangements including joint working with NHS Tayside through the Dundee City Integration Joint Board. The Auditor General has highlighted the significant financial pressures currently facing NHS Tayside.
8. The LAN continues to monitor the council's financial position and the challenges to service delivery in the future from increased demand and reducing resources. As part of the 2015/16 annual audit, the external audit highlighted that the council had set out the key aspects of a medium term financial strategy, but recommended that management should present a three year budget to members based on current year budget and updated for known changes to income and expenditure.
9. The council agreed £9 million savings in order to deliver a balanced budget for 2017/18. The council has continued to make progress with its transformation programme '*Changing for the future*' and has been proactive in improving financial sustainability and reviewing its senior management structure (streamlining portfolios). Together with the development of LOIPs and renewing its corporate plan, the council are to develop a new transformation programme. External auditors will continue to monitor developments in this area through the 2017/18 annual audit process with work on financial and service planning, financial governance and resource management.
10. The capital plan 2017-22 includes record levels of capital expenditure for the council with £378 million of investment planned over the period. Against this backdrop of an increased capital investment programme, there have been consistent significant underspends over a number of years. In 2016/17 capital expenditure is projected to be underspent against the original budget by £26.8 million (22 per cent) due to slippage of programmes into future years. The LAN will continue to monitor whether these delays in providing an appropriate infrastructure has an adverse impact on council services.
11. Audit Scotland produced a report '*Housing benefit – benefits performance audit risk assessment*' in November 2016. The report highlighted that the service has delivered an excellent level of claims processing performance and is continually seeking new ways to modernise and develop the service to deliver further improvements. The report also highlighted a few improvement areas in relation to the performance framework and the classification of overpayments. The review concluded that the council's proposals to

reduce the risks identified in the report will make a positive contribution to the continuous improvement of the housing benefit service and therefore no further scrutiny of this area is required.

### Children and Families Service

12. The Children and Families Service was established in July 2015 integrating education, children services and criminal justice social work and a new Executive Director of Children and Families has recently been appointed. The service has now appointed staff to help to address capacity issues in implementing improvements in the service's quality improvement arrangements.
13. In March 2016, the Care Inspectorate issued a joint inspection report *Services for children and young people in Dundee City* which identified a number of strengths but also some areas for improvements including:
  - strengthening collaborative leadership for integrated children's services planning to identify and agree priorities and make effective use of partnership resources
  - developing a strategic approach to provide parenting and family support to ensure families get appropriate help and support at the right time
  - strengthening quality assurance and self-evaluation arrangements to show what is working well and what needs to improve and drive up quality and consistency
  - improving the quality and consistency of individual children's plans to be a more effective tool in directing staff's work to improve children's wellbeing.
14. In September 2016 the council agreed an improvement plan developed in conjunction with the Care Inspectorate and partners to address the improvement areas identified and these are being progressed appropriately across relevant operational, strategic and policy groups.
15. In December 2016, the council considered a report setting out proposals for the developments of strategic collaboration, enhanced partnership working and streamlined delivery of services between Angus, Dundee and Perth & Kinross councils in the area of Children and Families Services. The report recognised that activities are already taking place across the three council areas, including:
  - opportunities for joint training in areas such as planning, assessment and reporting to ensure consistency of approaches in the implementation of the National Improvement Framework and Child Protection
  - a shared initiative with Education Scotland, also including Fife Council, to consider the ways on which common quality improvement activities could be shared and built upon.
16. The council agreed to instruct the Executive Director of Children and Families Service to present a report at the June 2017 Policy and Resources Committee which includes an action plan for enhanced strategic and collaborative working across the three council

areas, in line with the Children and Young People (Scotland) Act 2014, from 2017 to 2020.

17. The council demonstrates improvement in some areas of educational attainment, however considerable improvement is required in others. The challenge for the council is to move from incremental to transformational change to improve its overall performance relative to: its virtual comparators; the national average; and close the attainment gap between the highest and lowest performing pupils. Additional funding through the Scottish Attainment Challenge (SAC) and the Pupil Equity Fund (PEF) is aimed at aiding the council to focus on closing the attainment gap. The SAC remains a significant focus within the council in closing the attainment gap and the council has spent most of its allocated Scottish Attainment Challenge funding. Plans for taking forward the Pupil Equity Fund (PEF) are under discussion. Attainment levels will continue to be kept under review by Education Scotland.
18. Education Scotland worked with the council in December 2016 to complete a validated self-evaluation (VSE) of educational psychology services. The VSE was positive, with strengths identified and a few areas highlighted for improvement, which informed the service improvement plan.
19. Education Scotland's report on the quality of Careers Information Advice and Guidance services delivered by Skills Development Scotland (SDS) identified strengths in a number of areas and is due to be published shortly. The five reviews in 2016/17, including Dundee City Council, focussed on authorities which have 'early adopter' schools which received an enhanced service offer from SDS as part of the pilot programme. 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. Similarly an Education Scotland review of Community Learning and Development, which is due for publication shortly, identified a number of strengths. On the other hand, outcomes from a small number of school inspections during the year have been variable.
20. As the requirements of the Community Justice (Scotland) Act 2016 come into force in April 2017, a local transitional plan is in place and work has been undertaken to ensure that the objectives of preventing and reducing offending are addressed through the arrangements through a new Reducing Re-offending Partnership.
21. Overall, the LAN has concluded that no specific additional scrutiny work is required beyond ongoing inspection and support activity for children and families services.

### **Alcohol & Drug Partnership**

22. The Care Inspectorate recently concluded a project on the validated self evaluation of Alcohol and Drug Partnerships (ADPs). All ADPs have received individual feedback to support continuous improvement and a national report will be published in May 2017.

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## Housing

23. To assess the risk to social landlord services the Scottish Housing Regulator (SHR) has reviewed and compared the 2015/16 performance of all Scottish social landlords to identify the weakest performing landlords. It found that Dundee City Council is in the bottom quartile for all social landlords in relation to properties with a gas safety certificate renewed by the anniversary date and the time it takes to complete emergency repairs.
24. The SHR has identified risks in the council's approach to homelessness and housing options. These relate to how people get access to its services and the number of homeless applications that the council makes. The number of people sleeping rough in the council's area is double the national average. In 2015/16 the council did not offer temporary accommodation to all the people who needed it, it takes a long time to carry out assessments and it also loses contact with a large number of people.
25. The council is aware of these areas of weaker performance and it has plans in place to address this. It told us that it has already achieved some performance improvements in relation to a number of these areas of service delivery.
26. The SHR will continue to engage with the council and monitor its performance in relation to gas safety, emergency repairs and its housing options and homelessness services. The SHR will review the council's quarterly performance management reports and meet council officials as necessary.

## Planned scrutiny activity

27. As shown in Appendix 1, the council will be subject to a range of nationally driven scrutiny activity between April 2017 and March 2018. For some of their scrutiny activity in 2017/18, scrutiny bodies have still to determine their work programmes and 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.
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.
29. The Accounts Commission agreed the overall framework for a new approach to auditing best value in June 2016. Best value will be assessed over the five year audit appointment, as part of the annual audit work. In addition a Best Value Assurance Report (BVAR) for each council will be considered by the Accounts Commission at least once in this five year period. A BVAR report for Dundee City Council is not planned in the period covered by this scrutiny plan. The best value audit work planned this year will focus on the council's arrangements for demonstrating best value in financial and service planning, financial governance and resource management, and will be reported in the Annual Audit Report.



30. Audit Scotland plans to undertake performance audit work in a range of areas covering local government during 2017/18. These include Arms Length External Organisations (ALEOs), city deals, children's mental health and health and social care integration. Any engagement with individual councils is still to be determined. Details of future audit work are available on the Audit Scotland website [here](#).
31. SHR will publish the findings of its thematic inquiry work into gas safety and repairs completed during 2016/17. It may carry out further thematic inquiries during 2017/18. SHR will also review the Scottish Social Housing Charter data submitted by landlords and carry out data accuracy visits during the second quarter of 2017/18. Where councils are to be involved in a thematic inquiry or a data accuracy visit, the SHR will confirm this directly with the council and the LAN lead.
32. HMICS will continue to inspect local policing across Scotland during 2017/18 as part of its rolling work programme. These inspections will examine, among other things, local scrutiny of and engagement with Police Scotland by councils. HMICS will also consider the local policing division's contribution to partnership working. The next local policing inspection will take place in Tayside Division in early 2017/18. Tayside Division spans the Dundee City, Angus and Perth & Kinross council areas.
33. Her Majesty's Fire Service Inspectorate will be inspecting local fire and rescue services across Scotland over the next three years. These inspections will examine, amongst other things, local scrutiny and engagement between the Scottish Fire and Rescue Service and councils.

**May 2017**

## Appendix 1: Scrutiny plan

Scrutiny body	Scrutiny activity	Date
Audit Scotland	Audit Scotland has five planned performance audits covering local government in 2017/18 focusing on ALEOs, City Deals, Early Learning and Childcare and Health and Social Care Integration – Part 2.	Timing to be confirmed.
Her Majesty's Inspectorate of Constabulary (HMICS)	The next local policing inspection will take place in Tayside Division in 2017/18. Tayside Division spans the Dundee City, Angus and Perth and Kinross council areas.	June-August 2017
Scottish Housing Regulator (SHR)	SHR will publish the findings of its thematic inquiry work into gas safety and repairs completed during 2016/17. It may carry out further thematic inquiries during 2017/18. SHR will also review the Scottish Social Housing Charter data submitted by landlords and carry out data accuracy visits during the second quarter of 2017/18. Where councils are to be involved in a thematic inquiry or a data accuracy visit, the SHR will confirm this directly with the council and the LAN lead.	To be determined.

# Dundee City Council

## Local Scrutiny Plan

### 2017/18

#### 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](http://www.audit-scotland.gov.uk) 

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