

**MEETING: 6 FEBRUARY 2020**

**REPORT BY: DIRECTOR OF PERFORMANCE AUDIT AND BEST VALUE**

**STRATEGIC SCRUTINY GROUP - UPDATE**

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## **Purpose**

1. The purpose of this paper is to update the Accounts Commission on the work of the Strategic Scrutiny Group (SSG). The previous update to the Commission was in September 2019. This paper summarises the main areas of development since then, including implementing the new approach to the Shared Risk Assessment process (SRA) and consideration of a number of scrutiny developments affecting local government.

## **Background**

2. The Strategic Scrutiny Group was established in February 2008, in response to the Scottish Government asking the Accounts Commission to facilitate and coordinate the scrutiny of local government. Since 2008, the group has undertaken a wide range of work, designed to make the strategic scrutiny of councils more proportionate and risk based. In doing so, it established the shared risk assessment process and each year publishes a National Scrutiny Plan (NSP). The SSG is chaired by the Chair of the Accounts Commission, and the Deputy Chair of the Accounts Commission is also a member of the group (see Appendix 1 for Terms of Reference).
3. There have been three areas of focus for the SSG since September 2019:
  - (a) local government scrutiny developments
  - (b) implementation of the new approach to the SRA and National Scrutiny Plan (NSP)
  - (c) review of terms of reference.

## **Key areas of work**

### ***Local government scrutiny***

4. As previously reported, the SSG has taken forward work in several key areas, including reviewing and refreshing the SRA process and the development of principles for community empowerment. The SSG has an ambition to work collaboratively on areas they have identified as high risk, where they have a shared interest or where they determine that they can add real value. Given the positive impact from the group's work on community empowerment, the SSG agreed to carry out some collaborative work on drug services given the risks raised by scrutiny bodies involved in SSG.
5. The SSG has also been exploring engagement between scrutiny bodies, the Scottish Government and future scrutiny work in key policy areas through a series of round table discussions. These sessions aim to continue to improve scrutiny coordination and make best use of intelligence. The first in this series focused on health and social care integration, and a round table discussion was held on 11 November 2019. The discussion focused on how scrutiny needs to change to better adapt to the work of integration, including what we need to stop and start doing and what scrutiny might look like in the future.

6. The Care Inspectorate and Healthcare Improvement Scotland have been jointly tasked with delivering a model of scrutiny for integration that is more focused on outcomes. The new model needs to have an appropriate balance between health and social care. It is intended to be a very different way to approaching scrutiny, which:
  - is based much more on health and care standards and focused on the users' experience of care and health care in the context of integration
  - has more of an improvement focus from the beginning.
  - is more intelligence led with scrutiny being more focused as a result.
7. The Care Inspectorate is joining up its intelligence around certain key inspections, for example, inspections of individual care homes and its programme of strategic inspections. It is committed to refocusing regulatory care inspection activity to help provide a clearer picture of people's complete experience of care and better intelligence about how the whole system of care is working.
8. As local authority bodies, the duty of best value applies to IJBs. The Accounts Commission and Audit Scotland are planning how to audit best value in IJBs, recognising the already busy scrutiny landscape. These audits will start in Autumn 2021., coinciding with next round of audit appointments. A key part of the round table discussion touched on how scrutiny bodies can make best use of their collective intelligence to inform their work, including development of the new approach to best value in IJBs.
9. Based on the issues raised from the round table, the group agreed to take forward the following:
  - A sub-group of people from the meeting to develop an action plan for a scrutiny model. This could include mapping of intelligence on IJBs.
  - The Sharing Intelligence for Health and Social Care Group to set out a map of intelligence in respect to primary health, primary care and community care to help to inform scrutiny.<sup>1</sup> Depending on timing, this could be done to help inform our development work on best value.
10. Following the success of the health and social care integration round table, a further session is planned to focus on Justice in the near future.
11. At its last meeting in 2019, the SSG agreed to develop a think piece on the landscape of scrutiny post Crerar and Christie now we are 10 years on. This would take account of local government experience in risk and ensuring self-evaluation is real, meaningful, honest and candid.

### ***Revised approach to the SRA***

12. The SRA is designed to support more proportionate and risk-based scrutiny. It provides the basis on which the Accounts Commission seeks to meet its responsibilities to Scottish Ministers to facilitate and co-ordinate scrutiny in local government.
13. In our previous update to the Commission we set out how we have been developing aspects of the new approach to the SRA and the NSP and areas which needed to improve. Since then we have been implementing these improvements, including:

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<sup>1</sup> Data about health and social care services is shared and considered by the Sharing Intelligence for Health and Social Care Group. Audit Scotland works with the Care Inspectorate, Healthcare Improvement Scotland, the Mental Welfare Commission for Scotland, NHS Education for Scotland and NHS Scotland on this group.

- (a) **More focused meetings of the SSG's Operational Sub group** - In order to share the responsibilities within SSG, the Care Inspectorate now chair the Operational sub-group. This group brings together the larger scrutiny bodies represented on the SSG, including Audit Scotland, The Care Inspectorate, Education Scotland and The Scottish Housing Regulator, and its role is critical to the success of scrutiny coordination and the new approach to the SRA. To aid this the operational sub-group now has a stronger and more structured focus on coordinating future scrutiny activity, exploring and implementing opportunities for scrutiny collaboration and publishing the NSP. Audit Scotland continues to support the functioning of this group and the SRA more widely.
- (b) **Publishing a new National Scrutiny Plan** – One of the most significant changes in the revised approach to SRA has been the removal of local scrutiny plans (LSPs). This has been supported by the production of an improved NSP with greater transparency around the reasons for scrutiny, that can be used in local engagement and inform local planning. As reported to the Commission in November, we published the first of the new style NSPs on 30 September 2019. Alongside the NSP we have introduced an interactive version on the Scrutiny Improvement page of Audit Scotland's website. The NSP will be refreshed every six months to reflect any changes in scrutiny programmes during the year. At its most recent meeting the Operational sub-group began planning for a refresh of the NSP in March 2020.
- (c) **Local Area Networks (LANs) using the new approach** – LANs typically meet between November and February each year during the annual audit planning process. So far, 7 LANs have notified us that they have held meetings for this year's SRA, with others planning dates to meet. Feedback from LAN leads so far has been positive, with meetings being productive and attendance much improved compared to last year. The operational scrutiny group is in the process of collating the outputs and feedback from the SRA process and will report a summary and its implications for future scrutiny to the SSG.

### ***Review of Terms of Reference***

- 14. The Terms of Reference (Appendix 1) were comprehensively reviewed and finalised in 2018, and the SSG committed to review them annually. The group reviewed them in November 2019, and agreed to add the Scottish Public Sector Ombudsman (SPSO) to its membership. The SSG also considered the frequency of its meetings and agreed to continue to meet quarterly until both the new approach to SRA and the NSP are fully embedded. Members will consider whether to meet less frequently at a future meeting in early 2020. It was agreed that the Terms of Reference be reviewed in another 12 months.

### **Conclusion**

- 15. The Commission is invited to:
  - a) consider the update on the work of the SSG
  - b) comment on the progress set out against the key areas
  - c) highlight any other issues for consideration.

**Fraser McKinlay**  
**Director of Performance Audit and Best Value**  
**29 January 2020**

# Strategic Scrutiny Group

## Terms of reference

Prepared for Strategic Scrutiny Group  
Updated November 2019

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# Terms of Reference

1. The Strategic Scrutiny Group (SSG) is in place to promote collaboration and shared learning amongst Scotland's main public sector scrutiny bodies with a view to holding public bodies to account and supporting improvement in public services for the people of Scotland.
2. The SSG is underpinned the obligations of the Public Service Reform (Scotland) Act and by the five principles of scrutiny:
  - public focus
  - independence
  - proportionality
  - transparency
  - accountability.

## Purpose

3. The SSG aims to deliver efficient and effective, well co-ordinated scrutiny that supports improvement across Scotland's public services. The SSG fulfils two main functions, to:
  - Oversee co-ordination of scrutiny activities across Scotland, focused on Local Authorities.
  - Bring together scrutiny bodies to consider significant policies or national risks facing Scotland, and where appropriate, responding collaboratively and providing shared leadership. This may take the form of sharing and improving approaches to scrutiny. SSG members are committed to working collaboratively, and this approach can assist individual scrutiny bodies to carry out their routine scrutiny activities.

## Membership

4. The SSG is chaired by the Accounts Commission, supported by staff from Audit Scotland. The SSG is made up of senior professionals, including Chief Executives and Chief Inspectors, from a wide range of organisations. The following organisations are core members of the SSG, and will each nominate a lead, normally the Chief Executive, and a deputy:
  - Accounts Commission
  - Audit Scotland
  - Care Inspectorate
  - Education Scotland
  - Healthcare Improvement Scotland
  - HM Inspectorate of Prisons
  - HM Inspector of Constabulary for Scotland
  - HM Inspector of Fire and Rescue

- Inspectorate of Prosecution in Scotland
  - Scottish Housing Regulator
  - Scottish Public Service Ombudsman
5. The Strategic Scrutiny Group welcomes the involvement of COSLA, SOLACE and representatives of various departments of the Scottish Government at each meeting.

### Roles and responsibilities

6. The SSG will promote collaboration in areas of shared interest where working together will add greatest value and creates collaborative gain. In promoting collaboration, the group acknowledges the specific and distinctive statutory roles and responsibilities that each organisation has, and their respective governance and accountability structures.
7. The SSG is responsible for the following:
- fostering and leading collaboration between scrutiny bodies
  - removing obstacles to the SSG overall purpose
  - maintaining at all times the focus of the SSG on its agreed purpose and work programme
  - considering key national legislation and policy developments affecting Scotland's public services and developing appropriate (collective, joint or individual) scrutiny responses
  - establishing appropriate communication and engagement arrangements with the Scottish Government and other key stakeholders (e.g. COSLA, SOLACE) in relation to scrutiny improvement
  - discussing and helping to address any issues outside the SSG control that are critical to its success
  - promoting a co-ordinated approach to supporting improvement and building self assessment capacity across the public sector (including promoting good practice)
  - practical oversight of the SSG agreed work programme, with the detailed work underpinning these activities led by a subgroup which will report routinely into the SSG
  - chairing or contributing to sub groups with clear objectives and which report routinely to the SSG.
8. To achieve its purpose, those who represent their organisations at the SSG will commit to:
- ensure their organisation contributes to the coordination of scrutiny activities in relation to local government through the SRA as appropriate
  - sharing of relevant findings and risks through the SRA in a timely manner
  - engage as appropriate in any joint or coordinated scrutiny activities, in line with the groups agreed work programme
  - ensuring they are appropriately represented at all scheduled SSG
  - providing oversight and challenge to the subgroup to ensure it contributes to the aims and purpose of the SSG
  - acting as champions for the work of the SSG within their own organisations and more widely
  - sharing any relevant updates or information from the SSG within their own organisations

- reporting back to their organisations and endorsing any proposals coming from the SSG in a timely manner
- notifying the SSG of any issues of concern or delay in relation to work programmes
- contributing to any outputs that the SSG determines useful.

9. Members of the SSG will expect:

- that each member will be provided with complete, accurate and meaningful information in a timely manner
- to be given reasonable time to make key decisions or respond to agreements
- to be alerted to potential risks and issues that could impact on work programmes as they arise
- open and honest discussions in relation to the aim of the group and any related work programmes
- ongoing 'health checks' to verify the overall status and 'health' of the SSG.

## Meetings

10. All meetings will be chaired by the Chair of the Accounts Commission. A meeting quorum will be representatives of at least 6 organisations making up the core membership of the SSG as set out at paragraph 4. Meeting agendas and minutes will be provided by Audit Scotland.
11. SSG meetings will be held four times per year at 102 Westport, Edinburgh. If required subgroup meetings will be arranged outside of these times at a time convenient to subgroup members.

## Amendment, Modification or Variation

12. This Terms of Reference may be amended, varied or modified in writing after consultation and agreement by the SSG and will be reviewed annually. The next review of this document is November 2020.