

# **Agenda Item 8**



**Title/Subject: National Audit and Inspection Report Overview**

**Meeting: Audit Committee**

**Date: 23 September 2019**

**Submitted By: Chief Finance Officer**

**Action: For Noting**

## **1. INTRODUCTION**

- 1.1. The purpose of this report is to provide an overview of the national reports published in the last six months.

## **2. RECOMMENDATION**

- 2.1 The IJB is asked to note the contents of this report.

## **3. BACKGROUND**

- 3.1. In June 2019, the IJB Audit Committee agreed to receive a National Audit and Inspection Report Overview paper as a standing item at each meeting. This arrangement recognised that reports may need to be considered in a range of places, such as the IJB or Clinical and Care Governance Committee with the requirements dependent on the nature of the report and the requirements that flow from it. However, it was also recognised that as a minimum all national reports must be noted and where appropriate action plans are required, these must be developed and monitored.
- 3.2. Where reports are not considered by the IJB or Clinical and Care Governance Committee (CCGC), a summary of the reports will be included in the overview paper.
- 3.3. Audit Committee members can highlight if they think that more detailed consideration of any paper is required, and if so, what the appropriate reporting route would be.



## 4. NATIONAL REPORTS

- 4.1. The table below lists the reports that have been issued since the last report in June 2019 and where the report has been considered. Where appropriate a summary of the report is also included below.

Report	Date	Consideration to Date
<a href="#">Mental Welfare Commission for Scotland – Announced visit to Wards 4 &amp; 5, FVRH</a>	February 2019	To be scheduled for a future CCCG committee
<a href="#">Mental Welfare Commission for Scotland – Announced visit to Lochview</a>	March 2019	To be scheduled for a future CCCG committee
<a href="#">Audit Scotland – Planning for Outcomes Briefing</a>	June 2019	Summary provided in this report.
<a href="#">Audit Scotland – Fraud and irregularity update 2018/19</a>	July 2019	Summary provided in this report.
<a href="#">Strategic Scrutiny Group – Principles for community empowerment</a>	July 2019	Summary provided in this report.
<a href="#">Audit Scotland – NHS workforce planning – part 2</a>	August 2019	Will be referenced as part of the Integrated Workforce Plan to come back to the IJB.

### 4.2. **Audit Scotland – Planning for Outcomes Briefing**

This report is structured in three sections:

- The Scottish approach to public sector reform
- The challenges that an outcomes based approach brings
- How an outcomes based approach can work in practice.

- 4.3 The Scottish approach to public sector reform is reflected in the 11 national performance framework outcomes which the whole of the public sector should be working towards. These are shown in the diagram below. These outcomes are underpinned by 81 national performance indicators.

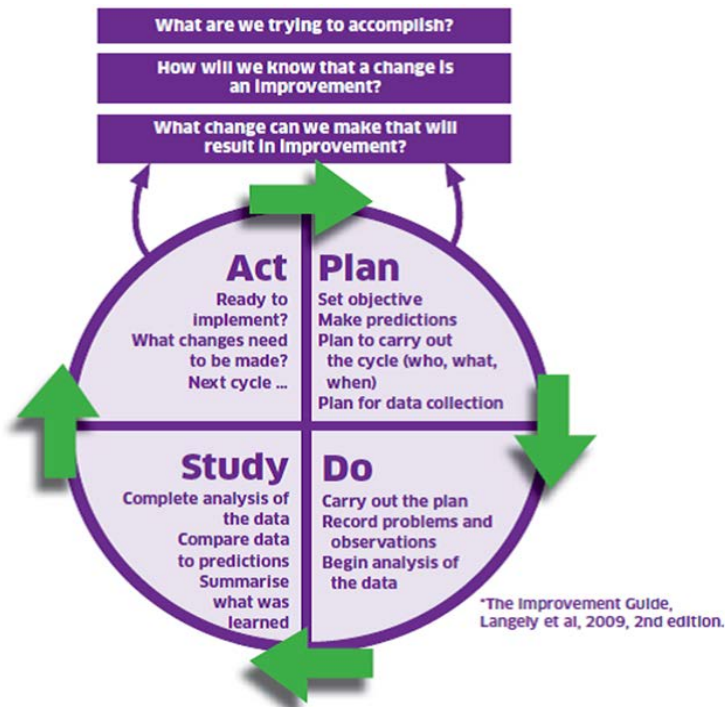


- grow up loved, safe and respected so that they realise their full potential
- live in communities that are inclusive, empowered, resilient and safe
- are creative and their vibrant and diverse cultures are expressed and enjoyed widely
- have a globally competitive, entrepreneurial, inclusive and sustainable economy
- are well educated, skilled and able to contribute to society
- value, enjoy, protect and enhance their environment
- have thriving and innovative businesses, with quality jobs and fair work for everyone
- are healthy and active
- respect, protect and fulfil human rights and live free from discrimination
- are open, connected and make a positive contribution internationally
- tackle poverty by sharing opportunities, wealth and power more equally

4.4 Challenges to the success of an outcomes based approach have been reflected in previous reports from Audit Scotland, and include:

- The need for closer collaboration. The report references some of the issues that have arisen through the integration agenda, for example lack of collaborative leadership and strategic capacity and disagreements over governance arrangements.
- National outcomes that could be seen at times to compete against each other, for example economic development and environmental concerns.
- Difficulties in measuring the impact on outcomes in some cases.

4.5 The Audit Scotland reports sets out the requirements for making an outcomes based approach work. Central to this is effective, joined up working and the report replicates the six features required to support integration. The Scottish Government previously developed a three step improvement framework, replicated below. This framework asks that leaders are clear about their aims, methods and measurements of change.



- 4.6 Activities of public sector organisations should be aligned to outcomes to ensure it is clear what any new strategy is trying to achieve and what success will look like. The Scottish Government developed a five step approach to evaluation:
- Identify the problem
  - Review the evidence
  - Draw a logic model
  - Identify indicators to be used and data to be collected
  - Evaluate the success of the model.
- 4.7 An emphasis is placed on the need to ensure financial reporting shows the link between financial decisions and outcomes, making clear the link between spending and impact. This needs to include reporting on the potential impact of financial pressures on outcomes.
- 4.8 Finally the report emphasises the need to have meaningful and sustained engagement with communities, listening to people's experience of what matters to them and understanding that priorities can change as a result.
- 4.9 **Audit Scotland – Fraud and irregularity update 2018/19**  
This brief report highlights a number of frauds that have been reported by external auditors during 2018/19. 17 cases of fraud were reported, totalling almost £0.674m.
- 4.10 The report provides a summary of the reported frauds and the factors that allowed the fraud to be committed. Public bodies are asked to consider whether the weaknesses noted may also exist in their own organisations and

to take action accordingly. Auditors are also asked to confirm whether internal controls are sufficient.

#### 4.11 **Strategic Scrutiny Group (SSG) – Principles for community empowerment**

The Strategic Scrutiny Group brings together Scotland's main public sector scrutiny bodies which has recognised community empowerment as a priority area. This report was written for scrutiny bodies and the SSG endorses the principles for community empowerment as a common framework under which to carry out scrutiny work. The SSG also suggests that these principles could be used as a tool to support community empowerment approaches across the public sector.

4.12 The report identifies five principles for community empowerment and these are replicated in the diagram below.



4.13 A number of case studies are included in the paper, including two examples which have involved health and social care – citizen's jury and participatory budgeting.

## 5. **CONCLUSIONS**

5.1 This report provides a summary of a number of national audit and inspection reports which have been recently published.

### **Resource Implications**

There are no resource implications arising from this report.

**Impact on IJB Outcomes and Priorities**

The IJB is committed to delivering on the outcomes and principles set out in the Strategic Plan. This has to include, for example, effectively planning for services, having appropriate governance structures and ensuring safe, high quality services are in place. The National Audit reports and Inspection Reports will provide standards and recommendations that the IJB can assess itself against to ensure delivery of the Strategic Plan.

**Legal & Risk Implications**

There are no legal implications arising from this report. Failure to consider the findings of National Audit reports and Inspection reports would increase the risk that the outcomes of the Strategic Plan are not delivered and potentially that service users are harmed. This in turn would impact on the financial and reputational risk of the IJB and partners.

**Consultation**

There are no consultation implications arising from this report.

**Equalities Assessment**

There are no equality implications arising from this report.

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Approved for Submission by: Patricia Cassidy, Chief Officer

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**Date:** 11 September 2019

**List of Background Papers:** The papers that may be referred to within the report or previous papers on the same or related subjects.