



The Scottish  
Government  
Riaghaltas na h-Alba

# Working in Partnership with Scrutiny Bodies

This Advice Note summarises the powers and responsibilities of our respective scrutiny bodies and sets out the rationale for how Integration Authorities can work jointly with these organisations.



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### 1. Introduction

**1.1** The Public Bodies (Joint Working) (Scotland) Act 2014<sup>1</sup> requires Health Boards and Local Authorities to integrate planning for, and delivery of, certain adult health and social care services. The Act requires them to prepare jointly an integration scheme setting out how this joint working is to be achieved. There is a choice of ways in which they may do this: the Health Board and Local Authority can either delegate their functions between each other, or can both delegate functions to a third body called the Integration Joint Board. Delegation between the Health Board and Local Authority is commonly referred to as a “lead agency” arrangement.

The Integration Authority for the area of the Local Authority will be established in one of these models of integration. The Act requires the Integration Authority to plan and deliver services in line with integration principles, that are set out within the Act and to contribute to the achievement of National Health and Wellbeing Outcomes that are set out in Regulations.<sup>2</sup> The Integration Joint Boards that are established under the Act will be local government bodies under Section 106 of the Local Government (Scotland) Act 1973<sup>3</sup>.

**1.2** Alongside the Public Bodies (Joint Working) (Scotland) Act 2014, the Public Services Reform (Scotland) Act 2010<sup>4</sup> places a duty on a range of scrutiny bodies to co-operate and coordinate their activities with each other, and to work together to improve the efficiency, effectiveness and economy of their scrutiny of public services in Scotland.

**1.3** This advice note provides a summary of the relevant work of the respective scrutiny bodies. It describes their respective powers and responsibilities and sets out how they intend to work together to ensure that a proportionate and ‘joined-up’ approach to the scrutiny of health and social care developments is achieved.

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<sup>1</sup> [The Public Bodies \(Joint Working\) \(Scotland\) Act 2014](#)

<sup>2</sup> [The Public Bodies \(Joint Working\) \(National Health and Wellbeing Outcomes\) \(Scotland\) Regulations 2014](#)

<sup>3</sup> [Section 106 of the Local Government \(Scotland\) Act 1973](#)

<sup>4</sup> [The Public Services Reform \(Scotland\) Act 2010](#)

### 2. Background

2.1 Health and social care integration is a significant programme of reform. Given the scale of the changes and the relevance to a number of scrutiny bodies, Audit Scotland, the Care Inspectorate and Healthcare Improvement Scotland have worked together to develop a flexible and responsive scrutiny approach that can evolve to reflect the developing nature of this complex programme of change. Underpinning this are a series of short, medium and longer-term factors that scrutiny bodies will consider as part of their work on integration:

- **Short term:** Initial scrutiny work during 2015/16 will focus on establishing a baseline position on local progress in establishing health and social care integration arrangements. This will draw on the local audit and inspection work that the Care Inspectorate, Healthcare Improvement Scotland and Audit Scotland will be undertaking as part of their core responsibilities which is set out later in this paper.
- **Medium-term:** When an Integration Authority has implemented their strategic plan for a period of at least a year, it will report on its performance in relation to planning and carrying out the integration functions (including financial performance; performance against national outcomes and delivery of Best Value). At this point the Care Inspectorate, Healthcare Improvement Scotland and Audit Scotland will work together to jointly assess the progress that has been made in establishing joint strategic commissioning arrangements and the early impact of the implementation of integration of health and social care. This audit work will not begin until April 2017 at the earliest. Other joint strategic inspection by the Care Inspectorate and Healthcare Improvement Scotland will continue to develop from the current position as stated.
- **Longer-term impact:** Although it will be important to monitor the impact of health and social care integration on an on-going basis, given the scale and significance of the changes that the integration agenda is seeking to achieve, there will also be a need to review its longer-term impact once partners have embedded the integrated approach. This longer-term piece of work would assess whether health and social care integration has delivered its policy intention of better integrated public services and improved outcomes for service users. It would be premature to assess these longer-term impacts in the first two years of the new arrangements.

2.2 The nature of the specific work that will be undertaken, and its timing, will be kept under review as health and social care integration develops. Consultation with key stakeholders will inform the approach taken to the work.

### 3. Scrutiny of health and social care integration

3.1 A number of scrutiny bodies have an interest in how the health and social care agenda is developing:

- **The Care Inspectorate and Healthcare Improvement Scotland** through their joint inspections of health and care services and through intelligence gathered in regulatory scrutiny activities at individual service level.
- **The Accounts Commission**, as the body that will appoint auditors to Integration Joint Boards and Health Boards and Local Authorities with a lead agency approach, has an interest in financial management, governance arrangements and the extent to which the new partnerships are able to demonstrate the delivery of Best Value.
- **The Auditor General for Scotland** (alongside the Accounts Commission) has an audit interest in the extent to which health and social integration, as a significant national policy development, is being implemented at national and local level, alongside its impact on NHSScotland.

[Annex A](#) summarises the statutory basis of the organisations listed above.

### 4. Inspection

4.1 Sections 54 to 56 of the Public Bodies (Joint Working) (Scotland) Act 2014 amend the Public Services Reform (Scotland) Act 2010 and the National Health Services (Scotland) Act 1978<sup>5</sup> to extend the remit of the Care Inspectorate<sup>6</sup> and Healthcare Improvement Scotland to inspect the planning, organisation or co-ordination of the services that Health Boards and Local Authorities delegate, as set out within their Integration Schemes, to Integration Authorities. In addition the Care Inspectorate and Healthcare Improvement Scotland must review and evaluate the effectiveness of the Integration Authority's strategic plan.

### 5. Audit

5.1 The Act covers the responsibilities of Integration Joint Boards in relation to the stewardship of, and accounting for, the monies received by them from the Local Authority and Health Board. This means that under the Act: the Chief Finance Officer of the Integration Joint Board will be responsible for its financial affairs; Integration Joint Boards are required to keep accounts and will have their accounts audited by the Accounts Commission for Scotland. As local government bodies, Integration Joint Boards are also covered by the duty of Best Value as set out in the Local Government in Scotland Act 2003<sup>7</sup>. The Accounts Commission has the power to audit the extent to which local government bodies are discharging their Best Value duty.

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<sup>5</sup> [The National Health Services \(Scotland\) Act 1978](#)

<sup>6</sup> In its founding legislation this body is still called Social Care and Social Work Improvement Scotland (SCSWIS)

<sup>7</sup> [The Local Government in Scotland Act 2003](#)

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**5.2** The Auditor General for Scotland also has an interest in health and social care integration by virtue of their powers under Section 23 of the Public Finance and Accountability (Scotland) Act 2000<sup>8</sup> which gives the Auditor General for Scotland specific powers to examine the economy, efficiency and effectiveness with which resources are being used by specified public bodies. These powers give the Auditor General for Scotland a general interest in the overall effectiveness of policy implementation by Scottish Government and its major public bodies.

## 6. Joined up scrutiny

**6.1** The Care Inspectorate, Healthcare Improvement Scotland, Accounts Commission and Auditor General for Scotland each have distinct statutory responsibilities for the audit, scrutiny and improvement of organisations providing health and care services in Scotland. The core work of the various scrutiny bodies is set out in detail at [Annex A](#). However, there are some areas where their duties have the potential to overlap. For example, in relation to arrangements for governance and accountability, achieving Best Value, performance management or community planning.

**6.2** The Care Inspectorate, Healthcare Improvement Scotland, Accounts Commission and Auditor General for Scotland are committed to ensuring that their work contributes to providing assurance that health and care services in Scotland are operating efficiently and effectively and delivering Best Value; and that their recommendations lead to demonstrable improvements in service delivery. These organisations work to ensure that audits and inspections are risk-based and proportionate, delivered efficiently and effectively and do not place an unreasonable burden on Local Authorities and Health Boards. In fulfilling their duty to co-operate, they are committed to:

- Joint discussions on planning our audit, scrutiny and improvement work, including sharing risk assessments (SRA).
- Sharing relevant information and respecting confidentiality of shared information.
- Maintaining effective communication and liaison.
- Working together where appropriate.
- Sharing knowledge, skills, expertise and experience.

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<sup>8</sup> <http://www.legislation.gov.uk/asp/2000/1/section/23>

## **7. Joint strategic inspections of integrated care and health for adults**

**7.1** Working with partner scrutiny bodies, the Care Inspectorate and Healthcare Improvement Scotland have continued to develop and deliver a model of joint inspection of integrated care and health for adults (beginning with older people).

These will be the main vehicle through which the Care Inspectorate and Healthcare Improvement Scotland discharge their remit under Sections 54 to 56 of the Act to inspect the planning, organisation or co-ordination of the services that Health Boards and Local Authorities delegate, as set out within their Integration schemes, to Integration Authorities.

**7.2** The purpose of these joint inspections can include:

- Reviewing and evaluating the extent to which integrated services are complying with the integration delivery principles and contributing to achieving the National Health and Wellbeing Outcomes
- Reviewing and evaluating the extent to which the planning, organisation or co-ordination of integrated services are complying with the integration delivery principles and contributing to achieving the National Health and Wellbeing Outcomes
- Reviewing and evaluating the effectiveness of a strategic plan prepared under section 29 of the Act in complying with the integration delivery principles and contributing to achieving the National Health and Wellbeing Outcomes
- Encouraging improvement in the extent to which implementation of a strategic plan prepared under section 29 of the Act complies with the integration delivery principles and contributes to achieving the National Health and Wellbeing Outcomes

**7.3** The new model of joint inspection of integrated care and health for adults considers how well health and care systems work together to deliver outcomes for adults by providing support that allows people to live in the community at home or in a homely setting. Six inspections are being carried out in 2014/15 focusing on older people and a further six inspections are planned for 2015/16 four of which will be on older people.

During 2016/17 the Care Inspectorate and Healthcare Improvement Scotland will work together to develop the scrutiny methodology and also clarify roles and responsibilities under section 44 of the Public Services Reform (Scotland) Act 2010 to further improve the quality of social services.

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**7.4** During 2012/13 the Care Inspectorate developed a model for joint inspections of services for children in conjunction with Healthcare Improvement Scotland, Education Scotland and Her Majesty's Inspectorate of Constabulary in Scotland. This programme has now been mainstreamed and six joint inspections are undertaken annually based on risk and intelligence. This inspection approach will inform strategic inspections of integrated care and health for adults to ensure there is a focus on transitions between services for children and those within the scope of the local integration scheme.

### **8. Selection of areas to be inspected**

**8.1** The selection of the Integration Authority areas that will be subject to a strategic inspection in 2015/16 will be identified by taking an intelligence led, risk based approach.

**8.2** Key factors that are used to inform the selection of areas for inclusion in the inspection programme each year include:

- The outcomes of each year's annual shared risk assessment (SRA) of each Local Authority in Scotland.
- Information and intelligence sharing between the Care Inspectorate and Healthcare Improvement Scotland through integrated health and care assessments.
- Information and intelligence gathered through other regulatory activities and scrutiny of regulated care services within each partnership area.
- Other planned scrutiny activity in the Local Authority area and Health Board area (e.g. Best Value audit activity, Community Planning Partnership audit work, housing or education inspection work, hospital inspections or NHS governance work).

**8.3** Information is also shared between members of the national scrutiny schedulers and planners group to ensure that work is co-ordinated well and reflected in the National Scrutiny Plan.

### **9. Wider context**

Healthcare Improvement Scotland was asked by the Cabinet Secretary in August 2014 to consider how best to implement more comprehensive assessments of the quality of care in Scotland, which includes leadership, governance and safety. Work is underway to design this approach and Healthcare Improvement Scotland is taking care to ensure coherence between this work and the arrangements set out in this advice note.



## Statutory Roles of Scrutiny Bodies

### Statutory roles of the Auditor General for Scotland (AGS), Accounts Commission and Audit Scotland

The Auditor General for Scotland (AGS) is responsible for ensuring propriety and value for money in the spending of public funds. The AGS investigates whether public bodies are achieving the best possible value for money and adhering to the highest standards of financial management. The AGS is independent and not subject to the control of any member of the Scottish Government or the Parliament.

The AGS is responsible for securing the audit of the Scottish Government and most other public bodies, except Local Authorities. In relation to health and care services, this includes the Scottish Government Directorates, Healthcare Improvement Scotland, Health Boards and the Care Inspectorate. In liaison with the Accounts Commission, the AGS also audits joint working arrangements between central and local government bodies, including Community Planning Partnerships.

The Accounts Commission is responsible for securing the audit of Local Authorities and associated bodies, including the new Integration Joint Boards that are being established under the Public Bodies (Joint Working) (Scotland) Act 2014 to support the process of health and social care integration. The Accounts Commission is also responsible for securing the audit of the performance by Local Authorities of their Best Value and Community Planning duties. The Local Government Act 1973 (as amended) and the Local Government in Scotland Act 2003 also gives the Accounts Commission powers to:

- Consider reports made by the Controller of Audit on matters arising from these audits, to investigate all matters raised and to conduct hearings where appropriate.
- Make recommendations to Scottish Ministers and to Local Authorities, as appropriate.
- Give directions to Local Authorities on the performance information they should gather, and publish information about how councils perform.
- Impose sanctions on individual officers and members in the event of having considered a special report from the Controller of Audit, finding that their negligence or misconduct leads to money being lost or that their actions are unlawful.
- To advise Scottish Ministers on Local Authority accounting matters.

Section 23 of the Public Finance and Accountability (Scotland) Act 2000 gives the AGS specific powers to examine the economy, efficiency and effectiveness with which resources are being used by specified public bodies. This includes the power to examine the arrangements made by these organisations to secure Best Value.

All appointed auditors must comply with Audit Scotland's Code of Audit Practice, which includes guidance on the principles of public audit, the statutory and other duties of auditors, and audit requirements relating to financial statements, corporate

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governance and reporting the audit. The audited annual financial statements for public bodies, including the independent auditor's report, will be sent to the relevant Minister and laid before Parliament.

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the AGS and the Accounts Commission. Audit Scotland provides independent assurance to the people of Scotland that public money is spent properly and provides value for money. It supports improvement in public services by holding to account those responsible for spending public funds. The values of independence and integrity, valuing people, quality, co-operation and effective communication underpin all of its work.

Audit Scotland may also undertake planned performance audits and Best Value audits on public bodies involved in the provision or commissioning of health and social care services or on specific aspects of their work, as requested by the AGS or the Accounts Commission.

### **Statutory role of the Care Inspectorate**

The role and functions of the Care Inspectorate are set out in the Public Services Reform (Scotland) Act 2010 ("the PSR(S) Act"), the Adults with Incapacity (Scotland) Act 2000 (Part 4 only) and the Mental Health (Care and Treatment) (Scotland) Act 2003.<sup>9</sup>

The Care Inspectorate is the independent regulator of social care and inspector of social work services across Scotland, as set out in the PSR(S) Act. It regulates, inspects and supports improvement of care, social work and child protection services for the benefit of the people who use them.

The system of regulation adopted by the Care Inspectorate takes account of the National Care Standards and the Codes of Practice for Employers and Employees as developed by the Scottish Social Services Council. Care service providers should comply with all relevant legislation, whether regulated or enforced by the Care Inspectorate or elsewhere.

The Care Inspectorate has the statutory responsibility for ensuring that providers of care services are fit to provide that service and that they continue to comply with the regulations made under the PSR(S) Act taking into account the National Care Standards and the Codes of Practice for Employers and Employees. The Care Inspectorate has a range of powers to assist it in fulfilling these regulatory responsibilities.

The Care Inspectorate has a statutory responsibility to investigate complaints about registered services. Under the Care Inspectorate's complaints procedure, complainants do not have to pursue a complaint through the local service provider's own Complaints Procedure before lodging a complaint with the Care Inspectorate. However, the Care Inspectorate will encourage individuals, in the first instance, to pursue a complaint through the local service provider's complaints procedure wherever possible.

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<sup>9</sup> [The Mental Health \(Care and Treatment\) \(Scotland\) Act 2003](#)

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### **Statutory role of Healthcare Improvement Scotland**

The role and functions of Healthcare Improvement Scotland are set out in the Public Services Reform (Scotland) Act 2010 ("the PSR(S) Act"). It has a general duty of further improving the quality of healthcare and undertakes a range of functions as set out in the Act. Healthcare Improvement Scotland is also currently responsible for regulating independent hospitals, voluntary hospices, and private psychiatric hospitals.



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