
Report to Resources & Audit Committee

Date of Meeting: 26 February 2015

**Subject: Resources and Governance Finance and Performance report
1.10.14 - 31.12.14**

Report by: Head of Resources and Governance

1.0 Purpose

- 1.1. This paper is a report to the Committee on the Resources and Governance Service performance for the third quarter of 2014/15.
- 1.2. The report highlights service activity, achievements and performance between October and December 2014. It also identifies future challenges, opportunities and risks.
- 1.3. The report includes financial performance with the aim of providing an overview of performance against budget for the first nine months of 2014/15 and a projection of expected out-turn to 31.3.15.

2.0 Recommendations

- 2.1. The Committee is asked to note the report, comment on and challenge performance as appropriate.

3.0 Service Activity - key issues

3.1 Introduction

- 3.1.1 The Resources and Governance Service's mission as set out in the service business plan is "to provide high quality, professional, value adding proactive advice and support to enable senior officers, managers, elected members and staff in the delivery of their strategic and operational objectives" This includes advice and support to manage resources whether they are physical assets, human, technological or financial.
- 3.1.2 During Q3 Revenues transferred to the Housing Service and most of the functions of Asset Management with the exception of Leisure Services was transferred to Resources and Governance.
- 3.1.3 The changes referred to in 3.1.2 above are reflected in **Appendix A**, with KPIs for the Revenues Service omitted. KPIs for Internal Audit and Payroll are reported as those services now form part of the Governance Service.

Corporate performance in debt collection, Council Tax collection and payment to suppliers will continue to be reported through the Resources and Governance Service performance report.

- 3.1.4 Until budgets are re-aligned and confirmed, the financial reports at **Appendix B** and section 5 of this report show the financial performance of Resources and Governance services including Revenues but without Asset Management.

Cross Service Activities

- 3.1.5 All Service Managers have been involved in meetings with Ernst Young in regard to the shared service business case. The Head of R&G is a member of the project board. Substantial work has been undertaken to provide data to the EY consultants
- 3.1.6 The Accountancy, Legal and HR teams are actively supporting the changes taking place in relation to the integration of Health and Social Care. Regular fortnightly meetings are taking place between the partners involved with representation from the above services. In particular, HR have been leading on the recruitment of the new Chief Officer Post and the Governance Manager has been leading on the development of the joint integration scheme.

3.2 Human Resources Team

Holiday Pay

HR have been analysing developing case law and advice from COSLA in regard to holiday pay. In the UK the Working Time Directive means that organisations are obliged to pay a minimum of 5.6 weeks holiday pay per year. This includes a 4 week minimum entitlement under EU law and a further 8 days for UK bank holidays. A recent Employment Tribunal ruling held that all hours relating to the job should be recognised in holiday pay which includes contractual overtime although no ruling has yet been made in regard to voluntary overtime. Both the Employment Tribunal Ruling and statutory changes to legislation made by the UK Government have limited claims.

Bearing in mind the advice received a proposal has been made to CMT to pay holiday pay for 2014/15 and in future years. Provision might also be made for previous years as the Council have received two claims for back pay involving 37 staff. The total cost for 2014-15 is estimated at £42k and will be included as part of the Budget paper considerations for Council.

HR & Payroll system (iTrent).

- 3.2.1 The system's "self-service" functionality that allows managers and employees access to approve or update holidays, sick leave and personal details is becoming embedded across the Council and further modules in regard to learning and development and Health and Safety reporting have been procured and await further roll out.
- 3.2.2 However the system has still not delivered the reporting functionality and seamless interface with the finance system that the project envisaged. Significant manual intervention is still required to reconcile payroll and a manual process was required for the 2013/14 LGPS return which was submitted late. A contingency for a manual return is being developed for the return for 2014-15. Meetings have taken place with various representatives

from Midland HR the system developers to identify and resolve the key issues in the implementation of the project, A meeting was held in January 2015 between the Head of Resources and Governance, senior HR management and Midland HR's senior managers including their operational Director for the North and a recovery plan will be put in place. The current revenue overspend is forecast as £98k which was previously reported in Q2. Capital is forecast to overspend by £25K due to system development and consultancy costs.

Voluntary Severance

The HR Team have managed the process of phase 5 of the voluntary severance scheme which had a closing date of 30th November. Over 100 applications have been received. The Executive Team with Heads of Service are reviewing all applications in order to optimise the opportunity to release staff

The table below sets out the ongoing caseload of the HR team

Count of Lead Adviser/ Asst Adviser		Priority				
Service	ER Issue	closed	High	Low	Medium	Grand Total
Education	Absence/Absence Management	3	2		1	6
	Capability	3	3		1	8
	Disciplinary	1	1			2
	Grievance		2			2
Education Total		7	8		2	18
F&C	Absence/Absence Management	3	2	1	1	7
	Capability	1	1		1	3
	Contract Change Consultation	4				4
	Dignity at Work	1				1
	Disciplinary	2				2
	Grievance	1				1
F&C Total		12	3	1	3	19
S2C	Absence/Absence Management	5	1			6
	Capability	5	10		3	18
	Disciplinary	13	6			19
	Redundancy		1			1
S2C Total		24	19		3	46
Social Work	Absence/Absence Management	4	3			7
	Capability	5	2			7
	Dignity at Work	1			1	2
	Disciplinary	3	2			5
	ET				1	1
	Grievance		1			1
	Other				1	1
	Redeployment	1				1
Social Work Total		14	10		4	29
Grand Total		57	40	3	12	112

3.3 Accountancy Team

3.3.1 The Accountancy Team has been focussed on budget preparation and working with Ernst and Young on the businesses case for Shared Services with Stirling. They have also supported the Zero Based Budgeting exercise being taken forward by Social Work.

3.3.2 A project manager was recruited on a fixed term contract to run the project to scope and implement a new finance system. A Project Board has been established with the Head of Resources and Governance as Senior Responsible Owner. The project plan and project initiation documentation are being finalised. During this early scoping phase potential suppliers including

the incumbent have been invited to demonstrate the potential of their solutions for the Council to key staff which has been received enthusiastically. A capital budget of £500k has been allocated to the project.

3.4 Democracy Team

3.4.1 The Democracy team is currently preparing for the UK elections on May 7th. Initial planning work is well underway.

3.5 Internal Audit & Fraud Team

3.5.1 Work on the 2014/15 Internal Audit and Fraud Plan is progressing well. Six Reports are being presented to the February Resources and Audit Committee and the team is on track to deliver the plan in line with timetable. The Internal Audit and Fraud Team continues to investigate benefit fraud having received 118 referrals since 1st April 2014 with over 86 investigations commenced up to the end of December. In that time investigations have identified over £113k of over payments with 19 sanctions issued. The National Fraud Initiative (NFI) data matches were issued by Audit Scotland at the end of January 2015. A plan covering the investigation of data matches has been issued to all relevant officers and progress will be reported to future meetings of this Committee.

3.5.2 Responsibility for investigating Housing Benefit fraud will transfer via the Single Fraud Investigation Service (SFIS) project to the DWP Fraud and Error Service (FES) in November 2015. Benefits investigation staff are in scope for transfer, which means that one member of the Internal Audit and Fraud team may be subject to transfer. Contractual terms and conditions will transfer with staff and will be protected. A dedicated DWP HR team will liaise with the Council HR team to support any transfer going forward. The Internal Audit and Fraud Team will further develop and strengthen corporate counter-fraud and error detection activity. The changing context in which local government services are delivered is happening against a backdrop of depressed economic activity in which the fraud risk tends to increase.

3.6 Health and Safety

3.6.1 A Fatality in Menstrie House was investigated by H & S. A resident suffered a bleed on the brain following a fall and did not recover consciousness. Police and the HSE were also involved. Significant issues were highlighted regarding delayed response to the bed sensor alarm and the entire sensor alarm system. The issues are being addressed.

3.6.2 A small number of Health & Safety incidents were investigated. None of the incidents resulted in intervention fines or punitive actions.

3.7 ICT

3.7.1 Redwell Primary school fit out and go live was completed as was a refresh of ICT equipment in St Mungo's Primary school. Speirs Centre also went live including the installation and configuration of a range of ICT equipment including Wifi and Public Access computers. This involved a number of moves

as the existing Library and Registrars services were relocated into the new building.

- 3.7.2 A major security project was completed successfully moving the Council from the GSX network to the Government's new PSN network with no downtime for users. In addition systems and processes were updated to comply with the change from the Government Protective Marking Scheme to the Security Classification Scheme.
- 3.7.3 A number of mobile applications were developed to allow information sharing and signposting for customers as part of a Code For Europe Open Data project with Nesta and European partner cities. These are now being rolled out to services as part of the MCB Target Operating Models.
- 3.7.4 A Data Sharing agreement with NHS was finalised which will allow data to be shared across the shared service and will support Health and Social care Integration.
- 3.7.5 Upgraded broadband links to sites in Tullibody and Menstrie were completed.

3.8 Assets

- 3.8.1 Assets have been pursuing a number of capital improvement projects as well as discharging their core day to day business function including monitoring the schools' PPP contract, cleaning, catering and maintenance. The catering team successfully introduced free school meals for all P1-P3 pupils in line with Scottish Government policy during quarter 3. Arrangements to transfer functions that were formerly part of this team, including leisure to S&CS and sports co-ordinators to Education have also been taken forward.

4.0 Performance

- 4.1 The majority of support services work supports the corporate priority of ensuring the Council is effective, efficient and recognised for excellence. However, legal services also support the corporate priority of ensuring vulnerable people are supported.
- 4.2 The KPIs reported are those agreed for the Support Services business plan for 2014/15. A number of the performance indicators relate to corporate performance and some will only be reported on an annual basis. Comments are made within the Covalent report (**Appendix A**)

5.0 Financial Performance

- 5.1 The undernoted table outlines the financial position as at the **31 October 2014**, comparing the projected expenditure for this period with the profiled forecast outturn. An analysis of variances in respect of each service area to date is attached in **Appendix B** to this report.
- 5.2 The figures reported reflect adjustments made to service budgets to take into account changes in structure and teams within Resources and Governance which took place in Q2 and were detailed in the Q2 performance report.

Projected outturn is based on forecast expenditure against this revised budget.

	Annual Budget	Projected Outturn to 31.3.15	Variance
	£000	£000	£000
Director	118	118	(1)*
Accountancy	1,375	1352	(10)
Revenues & Payments	1,348	1444	96
Head of Support Services	92	73	(19)
Governance	1,884	1,919	(35)
IT	1,686	1626	(60)
Centralised IT	617	617	0
Total	7,121	7,148	(27)

* Due to rounding

- 5.3 Forecast outturn is for a **£27k** or **0.004%** of an overspend which is £104k deterioration from the £77k underspend position reported in Q2. The key areas of overspend in Revenue and Governance relate to staff costs generated by the iTrent project not delivering the payroll module on time (£98k) and referrals for physiotherapy running ahead of budget (£25k). The effectiveness of physiotherapy referrals as a tool in reducing absence is being investigated. Revenues and payments overspend relates to the under-recovery of court fees (£60k) and higher than expected reductions in DWP administration funding which was reduced by 25% rather than the budgeted 10% (£52K). The ongoing process of vacancy management and scrutiny of revenue spend is offsetting the overspends.

6.0 Progress in Delivering Planned Budget Savings in 2014/15

- 6.1 Resources and Governance Services will be delivering savings of £12k during the 2014/15 budget year as well as taking the lead on implementing, monitoring and reporting on corporate savings or additional income amounting to £1,748k.

7.0 Achievements

Set out below are the achievements reported by all support services for the period July 2014 to September 2014.

- 7.1 Customer Service Excellence assessors evaluated Support Services and commented favourably on the services offered. CSE will be formally re-awarded during Q4 with a number of new areas of "compliance plus" expected to be noted
- 7.2 The Procurement Capability Assessment was undertaken and an improvement of 8% points on 2013/14 was achieved with an overall score of 45%. A update report on the key issues and statistics relating to procurement has also been prepared for the Committee.

8.0 Opportunities, Challenges and Risk

- 8.1 It is likely that the development and validation of Business Cases to implement a Lead Authority model for the shared services will generate significant opportunities to consider the future shape of support services
- 8.2 PSN - Despite achieving compliance the ongoing demands of the Cabinet Office's PSN compliance regime will continue to introduce cost, increased resource requirements and will constrain our ability to deliver mobile and flexible working. To mitigate this we continue to engage with colleagues at a national level to seek to influence the approved architectural designs. Preparations are underway for next year's compliance programme.
- 8.3 Work is underway to align Corporate Procurement procedures and processes to the external procurement influences taking place over the next year including:
- The forthcoming procurement reform bill
 - Change to the EU procurement legislation
 - Proposed changes to construction procurement
- Papers and reports will be produced for the relevant Committee or full Council recommending changes to existing policy or procedures to ensure compliance.
- 8.4 Work continues with the Council's recognised Trade Union representatives to consider future changes that might be implemented to assist the development of the Council's future service delivery model.
- 8.5 The future impact of Pensions Reform is being documented and the financial impact and risk analysed. An implementation plan and communication plan will be produced for consideration later in the year.
- 8.6 The transfer in of Asset management presents opportunities to develop new working relationships and knowledge transfer between the various teams. The Business Planning for 2015/16 will provide an opportunity to develop a new vision for the service.
- 8.7 Voluntary severance and resignations of key staff may produce a service gap as realigned workloads and recruitment of new staff take place. Longer term these developments will provide opportunities for R&G to re-evaluate its service offering and the skills required for the future.
- 9.0 Sustainability Implications**
- 9.1 None
- 10.0 Resource Implications**
- 10.1 *Financial Details*
- 10.2 The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. N/A
- 10.3 Finance have been consulted and have agreed the financial implications as set out in the report. N/A

10.4 *Staffing*

10.5 There are no staffing implications associated with this report

11.0 Exempt Reports

11.1 Is this report exempt? Yes (please detail the reasons for exemption below) No

12.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

- The area has a positive image and attracts people and businesses
- Our communities are more cohesive and inclusive
- People are better skilled, trained and ready for learning and employment
- Our communities are safer
- Vulnerable people and families are supported
- Substance misuse and its effects are reduced
- Health is improving and health inequalities are reducing
- The environment is protected and enhanced for all
- The Council is effective, efficient and recognised for excellence

(2) **Council Policies**

None

13.0 Equalities Impact

13.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No N/A

14.0 Legality

14.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes N/A

15.0 Appendices

15.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix A -Covalent performance report
Appendix B - Financial performance to 30.9.14

16.0 Background Papers

16.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Stephen Coulter	Head of Resources & Governance	2022

Approved by

NAME	DESIGNATION	SIGNATURE
Stephen Coulter	Head of Resources & Governance	Signed: Stephen Coulter
Nikki Bridle	Depute Chief Executive	Signed: Nikki Bridle

Quarter 3 Progress Report









KEY TO SYMBOLS

PIs					
Status		Short Term Trends		Long Term Trends	
Compares actual performance with target		Compares actual performance with most recent previous		Compares actual performance with previous over the longer term	
	Alert		Performance has improved		Performance has improved
	Warning		Performance has remained the same		Performance has remained the same
	OK (performance is within tolerance limits for the target)		Performance has declined		Performance has declined
	Unknown		No comparison available - May be new indicator or data not yet available		No comparison available

ACTIONS	
Expected Outcome	
	Exceed target
	Meet target/complete within target dates
	Will complete, but outwith target
	Fail to complete or cancelled
	Unknown – see Management Comments

RISKS	
Current Rating = Likelihood x Impact (1 - 5)	Status
	Rating 16 and above
	Rating 10 to 15
	Rating 9 and below
<p>The likelihood of a risk occurring, and the impact if it does occur are each scored on a scale of 1 to 5, with 1 being the least likely or the least significant impact. Detailed guidance on scoring is provided in the Risk Management Policy and guidance.</p>	

1 HIGH LEVEL SUMMARY

The council is effective, efficient and recognised for excellence				
Vulnerable people and families are supported				
PIs				
Actions				

2 DETAILED REPORT

CORPORATE PRIORITY OUTCOMES	The Council is effective, efficient and recognised for excellence
	Vulnerable people and families are supported

Resources and Governance Performance Indicators Q3 2014-2015



Code	Description	2012/13	2013/14	2014/15	Q3 2014/15		Latest Note	Lead
		Value	Value	Target	Value	Short Trend		
ACC ACC 011	Percentage of service financial reports produced to monthly deadlines	N/A	100%	100%	100%	▬	All financial reports produced to Service Committees produced to deadlines	Liz Shaw
ACC B01 RAG	Performance against phased budgeted spend - Resources and Governance	92.8%	98.3%	100.0%	100%	↑	Projections for the 2014/2015 outturn suggest a performance of marginally over of budget expenditure as at 31.10.14	Stephen Coulter
GOV CNQ RAG	Percentage of Resources and Governance Councillor Enquiries dealt with within timescale	89.5%	87.7%	100.0%	83.4%	▬	Five of the six enquiries received were responded to within the specified timescales	Stephen Coulter
GOV FOI RAG	% FOI enquiries responded to within timescale: Resources & Governance	98.10%	97.20%	100.00%	94.81%	↑	There has been an increase in the number of enquiries received from Qtr 2. Performance has also improved and is now above the Council average. A small number of enquiries (4) were overdue of which 3 were only overdue by 1 day	Stephen Coulter
GOV HAS 003	Percentage of managers who have reviewed their Health and Safety Risk Assessment in the last 12 months	75.0%	N/A	100.0%	Not measured for Quarters			Stephen Coulter
GOV SAB RAG	Resources and Governance sickness absence levels	6.61%	4.67%	3.25%	6.28%	↓	Levels of absence within Resources and Governance have increased, as a result of several long term absences and also due to Asset Management joining the Service.	Stephen Coulter
ITS CUS 001	Percentage of customers satisfied with ICT services	97.0%	98.2%	98.0%	95.7%	↑	Performance increase over Q2 as system performance improved and call resolution time reduced.	John Munro
ITS ITS 001	Percentage of users who can access the Council network remotely	20.0%	20.3%	40.0%	21%	↑	Very small increase on last period. No outstanding requests for remote access.	John Munro
ITS ITS 002	Percentage of available hours lost on ICT systems due to unplanned incidents	0.050%	0.035%	0.050%	0.010%	↑	Performance has been improving over Q3	John Munro
RAG CUS 001	Percentage of customers very or fairly satisfied with the overall service they	86.60%	64.00%	90.00%	Not measured for Quarters			Stephen Coulter

Code	Description	2012/13	2013/14	2014/15	Q3 2014/15		Latest Note	Lead
		Value	Value	Target	Value	Short Trend		
	received							
RAG CUS 002	Percentage of customers very or fairly satisfied with the way the service handled any problems	84.50%	70.00%	90.00%	Not measured for Quarters			Stephen Coulter
RAG CUS 003	Percentage of customers very or fairly satisfied with the quality of information they received	86.00%	62.00%	90.00%	Not measured for Quarters			Stephen Coulter
RAG CUS 004	Number of formal complaints received for Resources and Governance	3	0	4	0	▬	There have been no formal complaints for Resources and Governance during Q3.	Stephen Coulter
RAG PPL 003	Number of Resources and Governance staff recorded as having completed a PRD	67.0%	88.4%	100.0%	80%	↑	As 30.01.15, Approx 80 % of Resources and Governance staff have completed their PRD. Some have been delayed due to absence, others re-scheduled. The numbers reported relate to those staff who are due a PRD with new employees being discounted from the KPI reporting	Stephen Coulter
RAG RAG 002	Percentage of Resources and Governance projects completed on time	82%	89%	95%	84%	↓	There have been some delays due to competing priorities and issues with suppliers.	Stephen Coulter
RAG RAG 003	Percentage of Resources and Governance projects proceeding within agreed timescales	92.00%	82.00%	90.00%	85 %	↑	Projects are actively monitored and managed and where delays are encountered tasks are realigned and reprioritised to minimise impact on service delivery. Prioritisation of projects keeps the focus on those that are key to the delivery of savings and initiatives which will result in more efficient ways of working and contribute to the delivery of workstreams within Making Clackmannanshire Better..	Stephen Coulter
RAG RAG 013	Percentage of statutory returns submitted within deadlines (RTI, HMRC, NDR, CTR, DHP, VAT, LFR, Pobe, Capital Returns)	N/A	95%	100%	90%	▬	Eight of the financial statutory returns have been completed within the deadlines. An issue with the iTrent System delayed the submission of the LGP return, this has now been submitted.	Stephen Coulter

Code	Description	2012/13	2013/14	2014/15	Q3 2014/15		Latest Note	Lead
		Value	Value	Target	Value	Short Trend		
RAP AUD 001	Percentage of Internal Audit plan completed	100%	100%	100%	76%	↑	Target is for completion by April 2015. Progress to completion of plan is on track. 6 reports being presented to February Committee with a further 4 drafts issued to management. Final 4 reviews are currently ongoing with none to be commenced.	Iain Burns
RAP CRD 001	Payment of suppliers within agreed timescales (30 days)	82.9%	84.1%	92.0%	87%		Remains constant but will be reviewed to improve supplier payment days	Liz Shaw
RAP PAY 001	Accuracy of payroll information	99.60%	99.88%	99.90%	99.75%	↓	On review of payroll queries these have reduced with the introduction of the iTrent system although it is recognised that significant levels of checking of data is still currently required.	Lisa Simpson
RAP PAY 002	Percentage of payroll queries resolved within 2 days	N/A	98.0%	98.0%	100%	↑	With the reduction of queries being received there is scope to address any issues received in a more timely manner. With further improvements to the the iTrent system it is hoped this value will increase.	Lisa Simpson

Housing and Community Safety - Revenues Performance Indicators Q3 2014-2015 (Formerly R&G)


Code	Description	2012/13	2013/14	2014/15	Q3 2014/15		Latest Note	Lead
		Value	Value	Target	Value	Short Trend		
RAP CTA 011	Sundry debt in year collection	83.62%	73.15%	90.00%	75.84%	↓	Significant improvement in collection due to large debtor outstanding since April now settled.	Elizabeth Hutcheon
RAP CTA 007	NDR in year collection rate	98.00%	97.66%	98.00%	83.42%	↑	Significant progress continues in the collection of NDR and is in line with previous years	Elizabeth Hutcheon
RAP CTA 014	Current rent as % of net debt	5.45%	6.58%	6.00%	7.21%	↓	This has stabilised between quarter 2 and 3 and with an additional resource in quarter 4 we would hope to make maintain this. Targeted contact continues to be made with tenants although there will be an impact as staff have to deal with more council tax recovery.	Elizabeth Hutcheon
RAP CTA 019	Debt collection rates > 90 days	39.30%	37.01%	35.00%	55.62%	↑	There has been a drop in collection due to the value of invoices raised relating to the previous quarter. This is a continuing issue with the Services raising invoices late. Meetings are being set up with services to address this.	Elizabeth Hutcheon
RAP CTA 01a	Council tax collected within year (excluding reliefs & rebates)	95.32%	94.73%		79.02%	↑	Collection levels were in line with previous year until Dec when there was a large increase of 10%. This can only be attributed to more vigorous recovery action being taken. This will be monitored	Elizabeth Hutcheon
RAP CTA 020	Number days taken on average to process new benefits claims	32	47	23	25	↓	The team have continued to maintain processing days at a very busy time , however I would expect this to increase in quarter 4 due to the high demand placed on the team taking calls for recovery of council tax.	Elizabeth Hutcheon
RAP CTA 021	Number of days taken on average to process changes to benefits claims	9	15	8	10	↑	The team continue to make significant progress in the reduction of processing days	Elizabeth Hutcheon

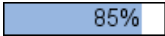
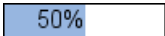
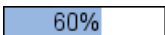
Code	Description	2012/13	2013/14	2014/15	Q3 2014/15		Latest Note	Lead
		Value	Value	Target	Value	Short Trend		
							but this will be affected as above.	
RAP CTA 022	Percentage of applications to Local Social Fund processed within 2 days (Crisis grants)	N/A	100.00%	100.00%	100%		Applications are being processed within the stated time. Number of applications continues to be less than anticipated.	Elizabeth Hutcheon
RAP CTA 023	Percentage of applications to Local Social Fund processed within 28 days (Community Care grants)	N/A	100.00%	100.00%	100%		Performance remains consistent, with all applications being processed within the prescribed timescales.	Elizabeth Hutcheon

Resources and Governance Corporate Performance Indicators Q3 2014-2015


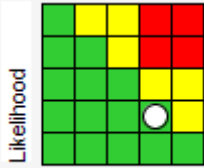
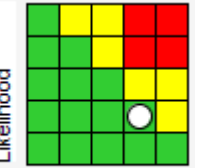

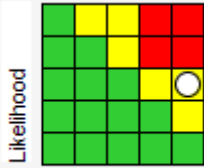
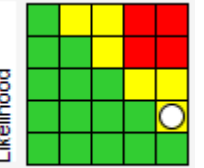
Code	Description	2012/13	2013/14	2014/15	Q3 2014/15		Latest Note	Lead
		Value	Value	Target	Value	Short Trend		
ACC ACC 009	Ratio of capital financing costs to the net revenue stream for General Fund	7.75%		7.90%	Not measured for Quarters			Liz Shaw
ACC ACC 010	Ratio of capital financing costs to the net revenue stream for Housing Revenue Account	18.50%	18.50%	18.50%	Not measured for Quarters			Liz Shaw
ACC B01 COU	Performance against phased budgeted spend - Council	N/A		100%	99.9%	↓	Reduction in overspend previously reported.	Liz Shaw
ACC FNR COU	Target level of uncommitted financial reserves is achieved. (£3.6m)	£6,300k		£3,500k	Not measured for Quarters			Liz Shaw
GOV AB1 OTR	Average Days Sickness Absence (Other Local Government)	21.1 days	7.9 days	7.0 days	4.9 days	↓	There appears to be a small increase in the number of average days lost from 4.3 to 4.9	Lisa Simpson
GOV FOI COU	Percentage of Council Freedom of Information requests dealt with within timescale	98.3%	96.0%	100%	92.7%	↓	Performance in line with Council average in Qtr 2	Lisa Simpson
GOV HAS 003	Percentage of managers who have reviewed their Health and Safety Risk Assessment in the last 12 months	75.0%	N/A	100%	Not measured for Quarters			Stephen Coulter
GOV PRC 001	Percentage score in procurement capability assessment	31.0%	37.0%	40%	Not measured for Quarters		PCA undertaken in q3. Performance score was assessed at 45%	Stephen Coulter
GOV AB1 ED1	Average Days Sickness Absence (Teachers)	15.7 days	5.7 days	8.0 days	3.2 days	↓		David Leng


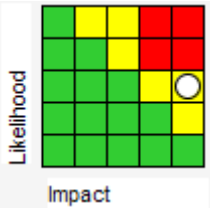
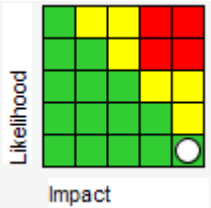

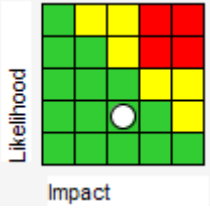
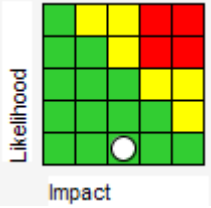



Resources and Governance Actions 2014-2015

Covalent Code	ACTION	By When	Lead	Progress Bar	Expected Outcome	Latest Note
ACC ACC 001	Complete review of financial regulations and make proposals for amendments and change	31-Mar-2015	Stephen Coulter; Liz Shaw	<div style="width: 40%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 40%		A first draft of the revised regulations has been produced but presentation of the regulations will be delayed until early in 2015 due to higher priority work taking precedence. Target date has been updated to reflect this.
GOV GOV 001	Implement relevant actions derived from revised People Strategy	31-Mar-2016	Stephen Coulter; Lisa Simpson	<div style="width: 65%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 65%		This includes the centralisation of recruitment ensuring a consistent approach; the reporting of a suite of Management Information reports; the review and updating of a number of Policies and the introduction of elements of self service for managers and employees. The progress score is set against those actions designated to HR or joint between HR and OD.
GOV GOV 002	Complete the job families project (single status) (Phase 1)	31-Dec-2014	Stephen Coulter; Lisa Simpson	<div style="width: 60%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 60%		The job families project has slipped into Q4. Options for taking the project forward within the MCB Workstream 5 are being explored with Head of R&G
GOV GOV 003	Deliver phase 2 of the HR / Payroll project. Identify opportunities for efficiencies and more effective working practices.	30-Jun-2014	Stephen Coulter; Lisa Simpson	<div style="width: 90%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 90%		Training and briefing sessions continue to be rolled out and Teaching Staff will be included in these sessions during Academic Session 2014/2015. The iTrent team will look at enhancements to MSS/ESS to include the ability to claim mileage and expenses, changes to posts including hours, salaries and grades to increase efficiencies through reduction/removal of Change Forms. Management Information reports continue to be improved and refined.
ITS ITS 001	Support the implementation of the SWIFT case management system for social services (childcare)(Phase 1)	31-Mar-2015	Derek Barr; Stephen Coulter; John Munro	<div style="width: 40%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 40%		Looking into assignation of contracts after service undertake a full business case. Implementation progress made with data matching and business process redesign. Officers now working on the complex data migration in preparation for the transfer to the SWIFT system.
RAG RAG 001	Support the changes to enable new ways of working	31-Mar-2015	Stephen Coulter; John Munro; Liz Shaw; Lisa Simpson	<div style="width: 60%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 60%		Modern ICT tools being deployed in line with ICT strategy. Lotus notes upgrade progressing well to deliver online meeting rooms and collaboration tools, increasing the use of ipad and iphone options for flexibility, delivery of IP telephone solution to all Council users.
RAG RAG 002	Investigate how communication processes could be improved across Resources and Governance teams and take action to make improvements	31-Mar-2015	Stephen Coulter	<div style="width: 75%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 75%		Each service operates regular service management team meetings plus operational team meetings. Information is shared through these formal meetings as well as emails relating to various projects being shared with R&G staff as well as


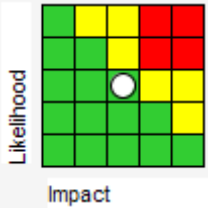
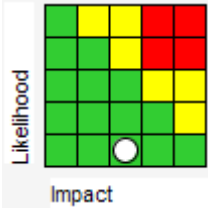
Covalent Code	ACTION	By When	Lead	Progress Bar	Expected Outcome	Latest Note
						customers. The effectiveness of improvements will be reviewed as part of the preparations for CSE and as part of the business plan review. Locating all teams in Kilncraigs assists with improving communication.
RAG RAG 003	Consider every opportunity to manage the contraction of numbers of employees through the provision of advice and support to other services. Ensure the same principles are applied to Resources and Governance opportunities - consider service redesign and different delivery methods.	31-Mar-2015	Chris Alliston; Stephen Coulter			All recruitment requests are currently channelled through CMT or DG where they might be challenged. No recruitment (of non statutory posts) takes place without Chief Officer approval. Within R&G, any vacancy that occurs is considered against service delivery requirements, alternative ways of working and future business needs. A number of posts have been filled on a temporary basis and the period between leavers and new starts is tending to be longer than in the past, leading to cash savings for the short term. Several Voluntary Severance requests have been progressed with work either reallocated or a different way of working introduced. A new OD Manager has been appointed in StCS and a new programme design is now required for Work Stream 5
RAG RAG 004	Develop existing team Leaders and Service managers to realise their potential to lead teams through the challenges facing the Council in the next four years. Each service to develop a succession plan and put in place a development plan that will support it. Build capacity of existing teams and individuals through identifying gaps in knowledge and skills and identifying appropriate training or learning required.	31-Oct-2014	Stephen Coulter; John Munro; Liz Shaw; Lisa Simpson			Both Service Managers and Team Leaders are attending Leadership Development courses that cover required skills for the delivery of their roles. For some the training is a refresher of existing skills, for others new to post the training provides the opportunity to develop those skills. Once PRDS are complete, Learning and Development requirements for each service will be confirmed. Bids will be submitted for identified training to meet these needs. Succession plans and the supporting development plan will follow on from the completed PRD process.
RAG RAG 005	Deliver actions and projects required to support the outcomes of the Making Clackmannanshire Better Programme. Particular focus on Workstream 5, making the Organisation Stronger.	31-Mar-2015	Stephen Coulter; John Munro; Liz Shaw; Lisa Simpson			The HR team in particular are working closely with the Learning and Development team to carry out work that will deliver Workstream 5 objectives. This includes work to further develop the revised induction training plan for new starters. The Chief Accountant and IT Manager are working with the Head of Strategy and Customer Service to determine how Service managers can contribute to the introduction of changes to how services are delivered.


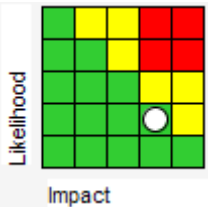
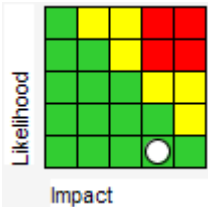
Support Services Risk Register


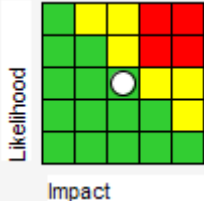
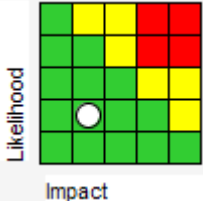
RISK	RAG RAG 001	Lack of corporate compliance with processes for legal, financial, technological and HR input into significant projects.	Status		Current Rating	8	Target Rating	8	
Managed By	Julie Burnett; Stephen Coulter; John Munro; Liz Shaw; Lisa Simpson								
Potential Effect	Council suffers reputational or financial loss and/or is unable to maximise best value as project outcome. Service has to change approach or objective to ensure corporate or legislative compliance. Dissatisfied customer.								
Related Actions					Internal Controls		Governance Panel		
							Governance Improvement Plans		
							Governance & Audit Processes		
Latest Note	Risk has reached its target rating. However, it will remain on the service Risk Register for monitoring purposes. No change as at 30.6.14								
RISK	RAG RAG 002	Services not aware of or not applying appropriate Council governance framework and strategy in practice.	Status		Current Rating	15	Target Rating	10	
Managed By	John Munro; Liz Shaw; Lisa Simpson								
Potential Effect	Council suffers reputational or financial loss and/or is unable to maximise best value.								
Related Actions					Internal Controls		Governance Panel		
							Governance Improvement Plans		
							Governance & Audit Processes		
Latest Note	January 2013 - likelihood reduced to 3 on review as improvements have been made in engaging with service management teams and through the introduction of the Governance panel. No further reduction in rating recommended as at 31.3.14.								

No change as at 30.6.14									
RISK	RAG RAG 003	Support service professional and technical guidance and advice is not followed.	Status		Current Rating	15	Target Rating	5	
Managed By	Julie Burnett; Stephen Coulter								
Potential Effect	Risk to council and corporate management team of increased financial commitment, poor practice and reputational damage. Negative publicity or potential to overspend. Reactive actions required to fix problems - resource is diverted from planned work.								
Related Actions					Internal Controls				
Latest Note	No change to rating as at 31.3.14 as a result of review of 2013/14 and knowledge of instances where advice was not sought in a timely manner. No change as at 30.6.14, risk will be reviewed in September 2014								
RISK	RAG RAG 004	No single information point that provides a complete view of corporate projects and corporate asset management plans. Require complete understanding of Business Transformation Process that will provide future direction for Council	Status		Current Rating	6	Target Rating	3	
Managed By	Julie Burnett; Stephen Coulter								
Potential Effect	Unable to provide effective and relevant advice when required. Unable to shape support services to ensure effective and efficient use of resources to support achievement of vision.								
Related Actions					Internal Controls		Making Clackmannanshire Better Programme		
Latest Note	The <i>Making Clackmannanshire Better</i> Programme (MCB) has assisted with the identification and rationalisation of projects across the Council by compiling a full list of corporate and service projects that will support the Council's transformation programme. These are being collated and prioritised to ensure they support delivery of the required changes in the future. Rating reduced to 2 after review in February 2014. Additional work commenced with the Senior Managers Forum that should result in this risk meeting its target rating by September 2014. Review will take place at this time.								
RISK	RAG RAG 005	Failure or unavailability of secure ICT systems.	Status		Current Rating	6	Target Rating	3	
Managed By	John Munro								

Potential Effect	Impact on other services / remainder of Council / public			
Related Actions			Internal Controls	Information & Communication Technology Strategy
				Business Continuity Plans
Latest Note	The moves associated with Kilncraigs have been completed and remedial works completed. Migration of secure systems to new PSN compliant gcsx system has been completed successfully. Risk level is consequently reduced. One final piece of major work to migrate the Council the new Scottish Wide Area Network is scheduled hence the risk score remaining above the target.			

RISK	RAG RAG 006	Rising stress levels across wider support services teams and other services	Status		Current Rating	9	Target Rating	3
Managed By	Julie Burnett; Stephen Coulter; John Munro; Liz Shaw; Lisa Simpson							
Potential Effect	Impact on teams, Managers and individuals is increased workloads leading to incidents of stress in some employees. Impact on service delivery - reduced level of service, increase in workload for remaining employees.							
Related Actions			Internal Controls	Health & Safety Management System				
				Maximising Attendance & Employee Wellbeing Policy				
Latest Note	Risk remains with rating unchanged as evidence suggests that the impact of on-going change will continue to result in stressful situations and associated reactions across the organisation. Methods of managing change as well as stress related absences are in place with objective and independent support available as required. Levels of absence due to stress being monitored with HR and H&S support for services and individuals affected. No change in rating as at 30.6.14.							

RISK	RAG RAG 007	Financial loss through system or process failure	Status		Current Rating	8	Target Rating	4
Managed By	Susan Mackay; Liz Shaw							
Potential Effect	Unable to mitigate the risk of unrecovered income (debt); expenditure controls are ineffective due to lack of time, resource, external factors or system failure							
Related Actions			Internal Controls	Financial Regulations				

								Governance & Audit Processes
Latest Note	<p>Introduced as a risk in January 2013 as part of review during business planning. Reviewed in January 2014 as part of business planning process. Rating unchanged in knowledge that the procurement of a new financial system will commence during 2014.</p> <p>Progress being made in the procurement of a new financial system. In the interim, current system upgraded to provide stability for short term. Debt recovery process reviewed on a regular basis. No change to rating as at 30.6.14.</p>							
RISK	RAG RAG 008	Number of Resources and Governance and Corporate projects requiring input from one or more Resources and Governance teams	Status		Current Rating	9	Target Rating	4
Managed By	Julie Burnett; Stephen Coulter					9		
Potential Effect	Resource is diverted to projects resulting in fall in quality or delays in "business as usual"							
Related Actions					Internal Controls	Business Planning Process		
Latest Note	<p>Relates to issues raised during business planning process. Projects are only initiated once resource has been identified and allocated.</p> <p>Improved project management protocols and service project register contribute to this risk rating being reduced to 9. Further review to take place in September when the impact of the reduction in hours will be taken into account. The introduction of the Capital Investment Group where all Capital projects are considered also contributes to the reduction of this risk.</p>							

Support Services Budget v Outturn
October Outturn

APPENDIX B
Variance 14-15
£'000

Support Services are starting work on the implementation of a new financial ledger system. The system is placed to be operational from 2015-16 but the initial scoping is underway. Support Services is also affected from the change in council structure work is ongoing to realign the service budget. Governance and Accountancy are also involved with the development of the Health and Social Care Integration scheme. All computer & phone related budgets have now been centralised and IT will be monitoring and reviewing requirements across the council to identify efficiencies and possible savings.

	Budget 14-15 £'000	Outturn 14-15 £'000	Variance 14-15 £'000
Support Services	<u>7,121</u>	<u>7,148</u>	<u>27</u>
Depute Chief Executive			
Depute Chief Executive	<u>118</u>	<u>118</u>	<u>(1)</u>
Accountancy			
Every 5 years the council must get an updated valuation of all properties. This will happen this year resulting in an overspend of £68k as this hasn't been budgeted for. The overspend is partially offset by vacancy management.	<u>1,375</u>	<u>1,352</u>	<u>(23)</u>
Revenues & Payments			
Overspend due to reduction in DWP funding, budgeted for a reduction of 10%, actual reduction 25% and Recovered Court Expenses under achieved due to re-tendered sheriff officer contract being less aggressive	<u>1,348</u>	<u>1,444</u>	<u>96</u>
Head of Support Services			
New Head of Service started in October, previous months underspend due to post holder working part time at a lower grade	<u>92</u>	<u>73</u>	<u>(19)</u>
IT			
Underspend due to staffing vacancies filled at lower grades, maternity leave and a vacancy which haven't been filled.	<u>1,686</u>	<u>1,626</u>	<u>(60)</u>
Centralised IT			
IT related budgets have been centralised. The Council overspend for IT last financial year was £124K, however we are assuming for 14/15 these costs will be brought down (from tighter control on purchases, looking at existing contracts etc) and spend will be on budget. Further work needs to be carried out to monitor the committed costs, while also looking at items for future savings by combining contracts and re-negotiations for Council wide contracts.	<u>617</u>	<u>617</u>	<u>0</u>
Governance			
Vacancies and timing of recruitment within Legal and Audit & Fraud is assisting the overspend within HR and Payroll which is caused due to the implementation the new HR/Payroll system which has been extended further. Overspends in Occupational Health and Physiotherpay are due to the uptake by staff following the maxamise attendance at work policy.	<u>1,884</u>	<u>1,919</u>	<u>35</u>
Support Services Total	<u>7,121</u>	<u>7,148</u>	<u>27</u>

