
Report to Resources & Audit Committee

Date of Meeting: 24 September 2015

**Subject: Resources and Governance Finance and Performance report
1.04.15 - 30.06.15**

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 first quarter of 2015/16.
- 1.2. The report highlights service activity, achievements and performance between April and June 2015. 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 three months of 2015/16 and a projection of expected out-turn to 31 March 2016.

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.

3.2 Service Activity - Cross Service Activities

- 3.2.1 The major cross service work has been the creation of business cases and scopes for the Making Clackmannanshire Better programme. All services have been involved in reviewing their own service structures and current work loads as well as supporting other services in the Council. The Accountancy Team for example is providing support to Services during the budget process,

with the compilation of business cases and the identification of resulting savings, budget challenge sessions and also the development of spend to save initiatives.

3.3 Service Activity - HR & Payroll system (iTrent).

3.3.1 The HR team continues to actively support corporate changes taking place as a result of internal and external demands on the Council.

3.3.2 Internal changes include implementation of revised recruitment protocols, working with trade unions regarding budget savings which impact on staff, implementing shared parental leave policy and managing Voluntary Severance.

3.3.3 External factors included Shared Services and Health and Social Care Integration which continue to feature heavily on the HR agenda. The Clackmannanshire/Stirling and NHS partnership now has in place its Chief Officer and recruitment has taken place for the Chief Finance Officer.

3.3.4 The HR team work closely with Trade Union colleagues liaising on Employee Relations issue, TU/Management Meetings, Working Together agenda and policy development. In partnership with our Union colleagues Dignity at Work and the Council's LGPS Discretionary Policy were agreed. Work still continues on updating the following policies: Disciplinary, Grievance, Capability, Recruitment, Maternity/Paternity/Adoption/Shared Parental Leave, Alcohol and Drugs, Casual Workers, Flexible retirement, PVG and VS (Phase 6).

3.3.5 The iTrent system has been updated to take account of the new LGPS2015 and SPPA2015 Schemes. A successful pilot of e-payslips will be rolled out Council Wide and developments for the current financial year include automation of travel, expenses and overtime claims and development of the H&S and O/D functionality.

3.3.6 A range of additional MI reports have been developed and continue to be refined to ensure meaningful and accurate information is available to services. Briefing sessions were delivered by the HR team in relation to Maximising Attendance with similar sessions to be developed from Dignity at Work.

3.3.7 14 new employee relations cases were raised which require the support of HR comprising grievances (2), Dignity at Work (1) , capability (3), absence management (3) and other cases (5).

3.3.8 A number of posts (existing and new) have been evaluated through the job evaluation system during the previous financial year. The Scottish Councils' JE Scheme has been updated to a 3rd edition that complies with legislative changes to ensure that it remains 'fit for purpose'. As a consequence local application of the Scheme is to be reviewed to ensure compliance.

3.4 Service Activity - Accountancy Team

3.4.1 The draft financial statements for the Council, the Valuation Joint Board and the Sundry Trust Funds were completed and submitted for audit by the 30th

June deadline. The external audit process is underway and is progressing well. This will be concluded in September with the final financial statements for the Council and the Sundry Trust Funds being submitted to Resources and Audit Committee and the Valuation Joint Board in September.

- 3.4.2 The team have been involved in the procurement of the new financial system, attending demonstrations and developing the specification and requirements. This work will intensify with several staff members being seconded to the project team on a part time basis during the implementation phase commencing 1st September 2015.
- 3.4.3 The Service is actively supporting the formation of the Social Health Care Integration's Strategic Plan for the Council's partnership with Stirling and Forth Valley NHS. The Service are also participating in the partnerships Finance and Governance workstreams and carrying out due diligence surrounding the calculation of the budget transfer.
- 3.4.4 The Council's Insurance and Claims Handling was concluded in May 2015 with the new contract commencing from 1st June 2016. The Council's previous insurers, RMP, were successful and significant savings across the contract term have been achieved.
- 3.4.5 The contract for the Council's banking services is due to expire on 31st March 2016. The tender process for a new contract is underway with the award to be made in November to allow sufficient time for the integration of a potential new supplier if required.

3.5 **Service Activity - Democracy Team**

- 3.5.1 The UK election was successfully delivered and all post election work, bar the accounts, is now complete. Work has started on the accounts, which require to be submitted to the Scotland Office by 9 November.
- 3.5.2 Planning has already started for the Scottish Parliamentary Elections in 2016 as has a review of the postal vote service. The aims of the review are to make improvements on the process and to reduce the burden on council resources.
- 3.5.3 The Senior Governance Officer is assisting the Head of R&G with the implementation of the Records Management Plan in line with the Public Records (Scotland) Act.
- 3.5.4 The team provide advice and support to services in responding to FOIs, carry out reviews of FOIs, when requested, and respond to appeals made to the Scottish Information Commissioner.

Table 1 : FOI Received in Q1

Service	FOIs/EIRs received	Reviews	Appeals to Scottish Information Commissioner
Development & Environment	58	0	0
Education	22	0	0
Housing & Community	45	0	0
Resources & Governance	51	0	0
Social Services	39	0	0
Strategy & Customer Services	9	0	0
Totals	224	0	0

3.6 **Service Activity - Internal Audit & Fraud Team**

3.6.1 Work is progressing well on reviews from the 2015/16 plan, with seven draft reports being issued and a further four reviews currently in progress. Approaching the end of the second quarter 58% of the annual plan is either completed or at an advanced stage. Further progress has been made on implementing and addressing recommendations from previous reports.

3.6.2 Progress on completion of the Assurance element of the Annual Plan 2015/16, is summarised in the table below.

Table 2 : Audit Plan Status

Status of Audits		%
To be Commenced	8	42%
Onsite/On going	4	21%
Draft Report Issued	7	37%
Final Report Issued	0	0%
Total	19	100%

3.6.3 The Internal Audit and Fraud Team have undertaken a number of short term projects using the contingency budget in the plan. Investigators have conducted and reported on other investigations on behalf of senior management into matters ranging from suspected serious health and safety breaches to allegations of misappropriation of council goods and equipment.

3.6.4 Investigators have also started to concentrate on non benefit related external fraud. For example over £25,000 in false Council Tax Reduction Scheme claims and single adult discount awards have been identified. Work is ongoing to prevent and detect false claims with an emphasis on income maximisation.

3.7 **Service Activity - Health and Safety**

3.7.1 The Employee Counselling Service (ECS) went into administration on 16 May so a re-tender is currently underway. A list of nationally available help lines has been drafted in the interim and passed to HR and Harassment Advisers.

3.7.2 The Construction Design & Management Regulations changed as of 6 April 2015. Training was arranged late 2014 to ensure staff are aware of the

changes. A working group was set up to consult on policy being compiled by SR and to trial the new templates.

Table 3 : H&S Summary Statistics

	Apr-15	May-15	Jun-15
Total number of accidents	89	202	382
Number of accidents for staff only	13	23	41
Number of accidents for non-staff	76	179	341
Number of RIDDOR reports for staff	1	0	0
Number of RIDDOR reports for non-staff	0	2	0
Total number of RIDDOR reports	1	2	0

3.7.3 An industrial accident within the Roads and Transportation Service has led to an investigation by the Health and Safety Executive (HSE). The HSE investigation is currently ongoing and the Service is working with the H&S Team and the HSE to move the matter forward.

3.7.4 A line managers H & S handbook, new hazard matrix and risk assessment tool have been compiled and are available on Connect.

3.7.5 A H & S Annual Report has been completed and will be submitted to the October R&A Committee. The Corporate H&S Policy has been reviewed. It will be available on CONNECT once authorised for implementation.

3.8 **Service Activity - ICT**

3.8.1 In schools, the latest version of Microsoft Office 2013 was installed for all staff and pupils and approximately 200 new iPads were configured and deployed for use in the 3 Academies.

3.8.2 A significant number of sites had their network links upgraded to improve the bandwidth available. This increased capacity utilising a new low cost technology which provides increased performance at a significantly reduced cost. Sites include all Sauchie Sites (CAP, Class Cuisine, Marchside Court), Deerpark PS, Craigbank PS, Fishcross PS as well as the Bowmar Centre. Enhancements were also made to our WiFi system to allow a more flexible open network to be deployed to Council supplied devices.

3.8.3 A new backup system was installed as part of the ICT Capital programme, improving the Council's Business Continuity capabilities and improving availability of systems.

3.8.4 A major upgrade of the storage environment was carried out, increasing the amount of storage by 20 Terrabytes

3.8.5 PSN Compliance was achieved. This is a major piece of work which involves assuring a satisfactory standard of security across the Council's ICT systems for access to the Public Services Network.

3.8.6 The implementation of the SWIFT Social Care system progressed, specifically the configuration of the new system and the migration of data from the existing Clackmannanshire system

3.9 **Service Activity - Legal Services**

3.9.1 The Team provided clerking services to Council Committees, Sub-committees and the Licensing Board, and provided legal input into the consideration of various licensing applications and the Regulatory Committee (19 meetings during this period.) Additionally Legal support was provided to several meetings of the Education Appeals Committee and in connection with a Planning Appeal to the Local Review Body.

3.9.2 A section 75 Agreement was concluded to facilitate the issue of Planning Permission for a significant private residential development at The Shore Alloa. Although the Right to Buy is coming to an end the Council are continuing to receive applications to purchase and during Q1, 8 offers were issued, 5 sets of missives were concluded, and 3 sales were completed at a total sale price of £125,100.

3.10 **Service Activity - Procurement**

3.10.1 The mandatory procurement reporting was completed of the FY 2014-15 accounts payable data to support the centrally funded annual spend analysis which is published onto the Scottish Procurement Information Hub (Spikes Cavell).

Table 4 : Key Trade Creditor Statistics 2015-15

	Financial year 14 - 15	Financial Year 13 - 14
Number of Suppliers - Trade Creditors	2,512	2,736
Total Value of Procurement Spend	£58,773,883.58	£65,203,206
Number of Invoices	40,122	49,825
% Spend with SMEs	69.1%	63.65%
% Spend Locally	17.13%	22.05%

3.10.2 The statistical annual return for contracts awarded in 2013 and 2014 was completed. The purpose is to gather statistical information from Scottish contracting authorities on procurement contracts awarded. This is a legal requirement to submit this information to Scottish Ministers.

Table 5 : Q1 Tender Activity

Tender Notices Published	14
Tender Award Notices published	29

3.10.3 Savings achieved over the lifetime of contracts awarded through procurement activity in this period are £795,569.86

This figure is based on the agreed budget at the start of the process against the final contracted award figure.

Significant Highlights are:

- £232,451.64 Replacement Finance System - 9 year contract
- £554,768.22 Insurance & Claims Handling Services - 5 Year Contract

3.10.4 Following a review of purchase card activity and meetings with some services 36 cardholders have been removed leaving 43 cardholders. Reviews will continue with the remaining services to rationalise further where possible.

3.11 **Service Activity Assets**

3.11.1 Mail services made a saving of £15,000 in postage costs last year due to the business mail advance system promoting clean mail. This year the Council has moved to Mail Mark and it is anticipated the savings will be higher. Templates have now been produced for all envelope addressing. The Freepost service is being rationalised and centralised into the mail room with potential initial additional saving of £2,000.

3.11.2 Increased pro-active monitoring of the PPP and other contracts has led to improved performance delivery from the services contractors. Work has been ongoing with School's management teams to ensure a shared understanding of the relevant contract deliverables .

3.11.3 Following the successful completion and occupation of Redwell PS, the statutory indicator relating to property condition has risen from 92.8% in 2013-14 to 97.7%,. This follows the closure of Claremont PS, St. Johns PS , rationalisation and improvements to the Office Estate, and the completion of the Speirs Centre project.

3.11.4 A Post Occupancy review was completed for Redwell and further reviews are planned for the Speirs centre and hand-over reviews for Hallpark are also complete. Other post occupancy reviews are being prepared and will be made available through the MCB elected members forum.

3.11.5 The Sauchie Main Street Improvements project is nearing completion and initial work on Tron Court is programmed to start shortly. The contract to start work at .Fairfield was signed in July. Following the Council decision in June the services of an external Quantity Surveyor and Engineer have been procured to progress the demolition of the Alva pool.

3.11.6 Primary school meal uptake rose by 2 % last year and this equates to an increase of 600 meals per month. Secondary Schools continue to show improved uptake albeit there is a considerable variation with a current average uptake of 62.5%. Class Cuisine was audited by the British Standards Institute as in June this year as part of the BSI's biennial inspection.. All procedures and processes were checked and excellent reports were recorded by the auditor.

3.11.7 The Property Maintenance Service undertook the addition of the Cleaning and Janitorial Service as well as the operation and management of Fir Park and Gartmorn Dam this year with a realignment of duties and associated roles. A new Cleaning Supervisor was appointed as the first part of the service delivery changes.

3.11.8 There are 30 live projects across 3 education programmes. The key projects are noted below.

- the alteration to nursery facilities to accommodate 600hrs provision.
- fire risk assessment works and the physical alteration to doors, windows and electrics and are due to be complete by March 2016.
- the schools development programme involving 21 projects across the schools estate. 17 were complete over the summer period

4.0 Performance

4.1 The KPIs reported are those agreed for the Resources and Governance business plan for 2015/16. 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 Under spends in Accountancy, IT and Governance are due to vacancies from employees leaving, VS, staff reducing hours and maternity leave. Staff in HR and Payroll continue on temporary acting up or temporary contracts for implementation of new iTrent system which are currently scheduled to end soon. The costs of the Occupational Health contract, CBT, Physiotherapy and Disclosures (migrating staff to new scheme) require to be normalised involving either the cutting of the services where possible or identifying appropriate budget. Central IT continues to be monitored to reduce the overspend from 14/15. Support Services outturn projecting a total underspend of c£223k.

5.2 Assets outturn is currently projecting an underspend of c£187k. The main contributors to this being payroll savings through vacant posts and overtime reductions and saving in Gas, Electricity & Water costs.

Table 6 : Q1 Budget and Outturn Forecast

	Budget 15-16 £'000	Outturn 15-16 £'000	Variance 15-16 £'000
RESOURCE & GOVERNANCE	23,731	23,321	(410)
Depute Chief Exec	119	120	0
Head of Support Services	93	92	(1)
IT	2,282	2,252	(31)
Governance	1,740	1,620	(120)
Property Costs:	5,884	5,778	(106)
Schools PPP:	7,726	7,726	0
Asset Management:	57	155	98
Property Maintenance Management:	365	401	36
Management Unit:	366	365	(1)
Catering Contract:	1,289	1,169	(120)
Janitors:	400	385	(15)
Cleaning Contracts & Public Conveniences	1,102	1,073	(29)
Leisure Services:	749	711	(38)
Pavilions:	28	20	(8)
Security/Mail Room/Chauffeur:	133	129	(4)

6.0 Progress in Delivering Planned Budget Savings in 2015/16

6.1 The schedule of R&G's savings progress is detailed at Appendix C. Currently, of the £498,500 identified, £250k has been delivered, £57.5k is at risk of not being delivered or not being delivered fully and a further £20k will definitely not be delivered in 2015-16 because of timing issues in relation to exiting properties. The remaining £171k is on track for delivery

7.0 Achievements

7.1 Iain Burns the Internal Audit and Fraud Team Leader has been appointed as Chair of the Scottish Regional Committee of the Chartered Institute of Internal Auditors.

7.2 Karen Kirkwood was seconded as the Regional Resilience Coordinator (Forth Valley), East of Scotland Resilience Partnership in June.

7.3 Strong progress has been made with "Better Eating Better Learning" with staff from Class Cuisine providing curricular support in many schools, attendance at parent's evenings and in class. The support has been welcomed.

8.0 Opportunities, Challenges and Risk

8.1 The policy of "wind and water tight" property maintenance is producing operational risks in some buildings.

- 8.2 Work on MCB projects and financial modelling will highlight areas of improved efficiency although challenging decisions will need to be made about the nature and scale of R&G's services.
- 8.3 Staff turnover in key posts, particularly in Accountancy, is proving challenging for managers to provide consistent services.
- 8.4 Corporate integration programmes including HSCI and shared services are creating uncertainties both in regard to the resources required for implementation and the longer term role of support services.
- 8.5 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

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
 Appendix C - Savings Template

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
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Stephen Coulter	Head of Resources & Governance	
Nikki Bridle	Depute Chief Executive	

Quarter 1 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
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.	

1 HIGH LEVEL SUMMARY

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

PIs				
Actions				

Resources and Governance Performance Indicators 2015-2016

Code	Description	2013/14	2014/15	2015/16	Q1 2015/16		Latest Note	Lead
		Value	Value	Target	Value	Short Trend		
RAG RAG 005	Percentage of Resources and Governance projects at Green				97.40%		77 projects ongoing with 75 at green	Stephen Coulter; John Munro
ACC B01 RAG	Performance against phased budgeted spend - Resources and Governance	98.3%		100%	98.3%		Projections for the 2015/16 outturn suggest a performance of 98.3% of budget expenditure as at 30.6.15	Stephen Coulter
GOV HAS RAG	Proportion of Resources & Governance Health and Safety Risk Assessments reviewed and up to date			100.0%	70.0%		H&S team are currently working with Service Areas to review all Risk Assessments	Stephen Coulter; Sarah Robertson
ITS CUS 001	Percentage of customers satisfied with ICT services	98.2%	94.8%	98.0%	97.1%		Q1 performance maintained at high level. Customer feedback being monitored proactively and issues being followed up individually	John Munro
ITS ITS 002	Percentage of available hours lost on ICT systems due to unplanned incidents	0.035%	0.060%	0.050%	0.048%		Few stops in period, system availability stable	John Munro
RAG CUS 001	Percentage of customers very or fairly satisfied with the overall service they received	64.00%	76.00%	80.00%	Not measured for Quarters		A survey was in the field for two weeks leading up to 22nd May 2015 to produce the value for 2014/15.	Stephen Coulter
RAG PPL 003	Number of Resources and Governance staff recorded as having completed a PRD	88.4%	80.0%	95.0%	7.0%		The target date for recording PRD's of all eligible employees on iTrent is 30/9/15. Although only 7% of PRD's are recorded within iTrent the number of PRD's completed is much higher based on 1 2 1 discussions with managers. This is the first year of collating data via iTrent and the overall score will dip because of previous managerial practices where many front line services staff were not receiving PRDs. Reviews of how services are delivered and managerial spans of control are now underway	Stephen Coulter
RAG RAG 001	Proportion of R&G formal correspondence and enquiries			100.00%	76.92%		This is the first quarter where the PI has been collated in this way and highlights a lack of	Stephen Coulter; Andy Hunter

Code	Description	2013/14	2014/15	2015/16	Q1 2015/16		Latest Note	Lead
		Value	Value	Target	Value	Short Trend		
	responded to within timescale						compliance in some services with FOI timescales. The reasons for this will be investigated and an action plan put in place to improve performance	
RAP AUD 001	Percentage of Internal Audit plan completed	100%	100%	100%	26%	↓	5 reports from the 15/16 plan are being presented to R&A Committee. All Quarter 1 work from the plan has now been completed.	Iain Burns

Resources and Governance Corporate Performance Indicators 2015-2016

Code	Description	2013/14	2014/15	2015/16	Q1 2015/16		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	6.59%	8.20%	7.90%	Not measured for Quarters		Value to follow once outturn is confirmed.	
ACC ACC 010	Ratio of capital financing costs to the net revenue stream for Housing Revenue Account	8.00%	16.80%	18.50%	Not measured for Quarters		Value to follow once outturn is confirmed.	
ACC FNR COU	Target level of uncommitted financial reserves is achieved. (£3.6m)	£6,174k	£6,105k	£4,000k	Not measured for Quarters		Value to follow once outturn is confirmed.	
GOV AB1 ED1	Average FTE Days Sickness Absence (Teachers)	5.7 days	10.1 days	8.0 days	2.1 days	↑	For the first quarter of 2015/2016 average FTE absences for Teaching has reduced from 3.4 Days in Quarter 4 of 2014/2015 to 2.1 Days. There would be an anticipated fall in the average number of days at this point as absences for the previous period covered the January/February/March period where minor illness such as cold/flu are traditionally higher.	Chris Alliston; David Leng
GOV AB1 OTR	Average FTE Days Sickness Absence (Other Local Government)	7.9 days	12.8 days	10.0 days	3.2 days	↑	For the first quarter of 2015/2016 average FTE absences for other Council staff has reduced from 3.7 Days in Quarter 4 of 2014/2015 to 3.2 Days. There would be an anticipated fall in the average number of days at this point as absences for the previous period covered the January/February/March period where minor illness such as cold/flu are traditionally higher.	Chris Alliston
GOV FOI COU	Percentage of Council Freedom of Information requests dealt with within timescale	96.0%	92.9%	100.0%	91.1%	↑	The number of enquiries responded to within timescale has reduced, however we are continuing to work with services to promote the importance of responding on time.	Stephen Coulter; Andy Hunter
GOV HAS 003	Percentage of Resources & Governance Managers who have reviewed their Health and Safety Risk Assessment in	N/A	75.0%	100.0%	Not measured for Quarters		Governance, IT and Assets are complete. Due to changes to the Accountancy Managerial structure there has been some	Stephen Coulter


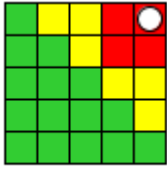
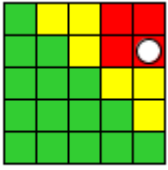

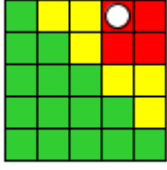
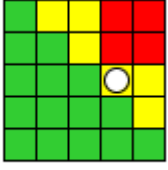
Code	Description	2013/14	2014/15	2015/16	Q1 2015/16		Latest Note	Lead
		Value	Value	Target	Value	Short Trend		
	the last 12 months						slippage here, however advice has been provided and this will be completed in the coming weeks	

Resources and Governance Actions 2015-16

Covalent Code	ACTION	By When	Lead	Progress Bar	Expected Outcome	Latest Note
RAG 15 001	Develop a clear workforce strategy and revise supporting employment policies as appropriate.	31-Mar-2016	Stephen Coulter	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 50%	✓	Workforce plan is being developed as one of the MCB Tranche 1 Business Cases. The OD Adviser has already undertaken some initial proof of concept work with the Assets Team and produced a wider people strategy draft.
RAG 15 002	Review of options of PPP financing model and options for maximising use of current annual investment of £7.7m	30-Sep-2015	Stephen Coulter; Eileen Turnbull	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 50%		Ongoing. DCEX has commissioned SOLACE to review alternative Financial Models for PPP. S&CS are looking at utilisation of the Community spaces and Assets currently waiting the Strategy for Education for school spaces
RAG 15 003	Options appraisal to review telephony and mobile devices with a view to increased cost efficiency.	31-Oct-2015	Stephen Coulter; John Munro	<div style="width: 10%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 10%	✓	A number of options for savings have been identified. A draft MCB Change Proposal has been prepared outlining details.
RAG 15 004	Undertake full options appraisal of Resources and Governance service delivery models and structure.	31-Jan-2016	Stephen Coulter	<div style="width: 33%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 33%	✓	Business Case is being prepared for MCB Tranche 1 submission by 31st August. Service Managers and Team leaders have been tasked as PRD objectives to consider their service structures and customer value propositions within the context of the council's financial structures and identify opportunities for innovation as well as redefining service specifications
RAG 15 005	Review options for increasing digital transactions.	31-Mar-2016	Stephen Coulter; John Munro	<div style="width: 10%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 10%		Draft MCB Change proposal has been prepared. Work underway reviewing existing contracts and identifying opportunities for generating efficiencies.
RAG 15 006	Prepare surplus asset statement and recommendations for disposal as appropriate	31-Jul-2015	Stephen Coulter; Eileen Turnbull	<div style="width: 100%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 100%		Is complete and Council accepted the paper in May 2015.
RAG 15 007	Options to be developed through consultation with Trade Unions to review and redefine the working week.	31-Dec-2015	Stephen Coulter	<div style="width: 33%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 33%	✓	Business case for working week review in particular the redefining of unsocial hours is being prepared as a MCB tranche 1 business case for submission by 31st August. Progress will depend on support from other Services in analysing the impact on different staff groups
RAG 15 008	Develop a records management plan and implement a records management policy.	31-Mar-2016	Stephen Coulter	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 50%	✓	A Records Management Working Group has been set up and has committed to producing a statutorily compliant RMP for presentation to December R&A. Work to implement the plan in particular the dependencies of the Council's iDocs system and storage review will be developed. The project is subject to a MCB tranche 1 business case which will be completed by 31st August.
RAG 15 009	Identify and procure a new finance system and re-engineer finance business processes to support its introduction in 2016-17.	31-Mar-2016	Stephen Coulter	<div style="width: 33%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 33%		Technology One has been appointed as the supplier and will begin working with the council in September. Work has been ongoing to ensure the release of key staff in ICT and Finance to support the project and ensure its success. The project has major significance throughout the council and will lead to better financial reporting, budgetary analysis and

Covalent Code	ACTION	By When	Lead	Progress Bar	Expected Outcome	Latest Note
						the reduction of a vast range of manually intensive paper based processes.
RAG 15 010	Development of business cases in respect of community meal service and additional meal income.	30-Sep-2015	Stephen Coulter; Eileen Turnbull	10%		At an initial scoping stage as a Tranche 1 MCB business case.
RAG 15 011	Improve procurement practice by identifying further development for Procurement Matters Group particularly the identification and delivery of savings and increasing use of framework agreements.	31-Dec-2015	Derek Barr; Stephen Coulter	0%		<p>Tender activity in this period</p> <p>Tender Notices Published 14</p> <p>Tender Award Notices published 29</p> <p>Savings achieved over the lifetime of contracts awarded through procurement activity in this period are £795,569.86 This figure is based on the agreed budget at the start of the process against the final contracted award figure. Significant Highlights are: £232,451.64 Replacement Finance System - 9 year contract £554,768.22 Insurance & Claims Handling Services - 5 Year Contract</p>
RAG 15 012	Re-institute a project management structure for the delivery of iTrent to exploit opportunities for automation of HR processes.	31-Oct-2015	Chris Alliston; Stephen Coulter	0%		Review of resources ongoing

Resources & Governance Risk Register 2015-16

ID & Title	RAG CRR 008 Insufficient Financial Resilience	Approach	Treat	Status		Managed By	Stephen Coulter	Current Rating	25	Target Rating	20
Description	The Council does not have sufficient funds to meet its liabilities and cannot meet essential service demands or customer expectations, or respond to external agendas.										
Potential Effect	Reputational damage, legal implications and severe and extended loss of service provision. Possibility of Alliance partners also being affected contributes to the potential impact, given the interdependencies.										
Related Actions	COU EXA 001	Making Clackmannanshire Better – detailed benefits realisation planning		Internal Controls	Budget Challenge & Financial Monitoring		Likelihood	Impact			
	CRR RAG 005	Review of Financial Regulations & Contract Standing Orders			Invest to Save Principles & Processes						
	CRR RAG 006	Ongoing work between Accountancy team and all services to identify savings proposals			Making Clackmannanshire Better Programme						
	RAG 15 006	Prepare surplus asset statement and recommendations for disposal as appropriate									
	RAG 15 009	Identify and procure a new finance system and re-engineer finance business processes to support its introduction in 2016-17.									
Latest Note	As reported to Council on 24-Feb-15, the funding gap for the period to 2018/19 is forecast as £23.4m (£11.6m in 2016/17). Budget Strategy, Budget Challenge process and MCB programme have been refocused and redesigned. Financial Regulations, Contract Standing Orders and savings proposals continue to be revised and developed.										
ID & Title	RAG CRR 009 Poor Information & Knowledge Management	Approach	Treat	Status		Managed By	Stephen Coulter	Current Rating	20	Target Rating	12
Description	Organisational information and knowledge are not effectively managed due to poor information sharing, records and absence management and succession planning, increased dependence on IT systems and unrecorded knowledge held by staff members.										
Potential Effect	Increased difficulty and time to access information and loss of tacit information and knowledge when staff leave or are absent, resulting in duplication or non-completion of (possibly statutory) duties. Loss of productivity when systems do not operate effectively, causing frustration and impact on staff morale.										
Related Actions	RAG 15 008	Develop a records management plan and implement a records management policy.		Internal Controls	People Strategy		Likelihood	Impact			
	RAG 15 009	Identify and procure a new finance system and re-engineer finance business processes to support its introduction in 2016-17.			Information & Communication Technology Strategy						
	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.			Information Management Strategy						

Latest Note	Work ongoing in the areas of Freedom of Information and Data Protection, including targeted follow-up on internal audit of Information Governance, and Business Continuity Plans being revised in light of move to Kilncraigs. Likelihood of risk occurring has increased due to the contraction of the workforce and the associated loss of, sometimes extensive, service and organisational knowledge.										
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ID & Title	RAG CRR 012 Health & Safety Non-compliance	Approach	Treat	Status		Managed By	Stephen Coulter; Sarah Robertson	Current Rating	12	Target Rating	8
Description	A Health & Safety incident results in the injury to or death of a staff member or customer due to lack of awareness of or non-compliance with policies and procedures. Such incidents may also arise from the actions of third parties, whose activities may be outwith the direct control of the Council.										
Potential Effect	The effects on individuals and their families, financial penalties (including HSE intervention fees), criminal proceedings, adverse publicity, increased insurance or damage to Council assets.										
Related Actions	CRR RAG 004 Health & Safety Internal Audit Action Plan			Internal Controls	Health & Safety Management System						
					Maximising Attendance & Employee Wellbeing Policy						
					Potentially Violent Persons Register						
Latest Note	This risk had previously been removed from the corporate log but some areas for improvement have been identified through an Internal Audit, conducted in advance of launching a new Health & Safety Management System. Actions have been identified in response to the audit findings, many of which relate to services not adhering to corporate H&S policies and procedures. These actions will be progressed and the Management System re-launched.										

ID & Title	RAG CRR 033 Major Governance Failure	Approach	Treat	Status		Managed By	Stephen Coulter	Current Rating	12	Target Rating	8
Description	A significant failure of compliance with statutory duties due to a lack of awareness or understanding of corporate policies or codes of conduct, or through non-adherence, including through management or elected member override of controls of procedures.										
Potential Effect	Significant reputational damage, injury or loss of life, legal action, financial loss or disruption to service delivery.										
Related Actions				Internal Controls	Scheme of Delegation						
					Resources & Audit Committee						
					Governance & Audit Processes						
Latest Note											

ID & Title	RAG RAG 001 R&G has weak impact on Corporate Governance	Approach	Treat	Status		Managed By	Stephen Coulter; John Munro	Current Rating	12	Target Rating	4
Description	Lack of corporate compliance with policies, procedures and processes designed by R&G specialists which enable efficient business processes and good governance										

Potential Effect	Council suffers reputational or financial loss and/or is unable to maximise best value or realise project benefits. Service has to change approach or objective to ensure corporate or legislative compliance. Dissatisfied customer.					
Related Actions	RAG 15 004	Undertake full options appraisal of Resources and Governance service delivery models and structure.	Internal Controls	Governance Panel		
				Governance Improvement Plans		
				Governance & Audit Processes		
Latest Note						

ID & Title	RAG RAG 008	Insufficient resources to support business plan and Council Projects	Approach	Treat	Status		Managed By	Stephen Coulter	Current Rating	12	Target Rating	4
Description	Internal R&G and other Corporate projects and activities requiring input from one or more R&G teams											
Potential Effect	Resource is diverted to projects resulting in fall in quality or delays in "business as usual" Projects fail											
Related Actions	RAG 15 004	Undertake full options appraisal of Resources and Governance service delivery models and structure.	Internal Controls	Business Planning Process								
Latest Note												

Likelihood

Impact

Likelihood

Impact

ID & Title	RAG RAG 009	R&G Service Reviews	Approach	Treat	Status		Managed By	Stephen Coulter	Current Rating	12	Target Rating	2
Description	R&G service reviews don't deliver savings or improved quality of service											
Potential Effect	R&G does not adapt to budget pressures Opportunities to capitalise on new technology are lost Job roles remain administrative/support rather than strategic and consultative											
Related Actions	RAG 15 004	Undertake full options appraisal of Resources and Governance service delivery models and structure.	Internal Controls									
	RAG 15 005	Review options for increasing digital transactions.										
	RAG 15 009	Identify and procure a new finance system and re-engineer finance business processes to support its introduction in 2016-17.										
Latest Note												

Likelihood

Impact

Likelihood

Impact

ID & Title	RAG RAG 006	Staff resilience	Approach		Status		Managed By	Chris Alliston; Stephen Coulter; John Munro; Eileen Turnbull	Current Rating	12	Target Rating	3
Description	Changing job roles and uncertainty of Council's long term direction creates anxiety in staff											

Likelihood

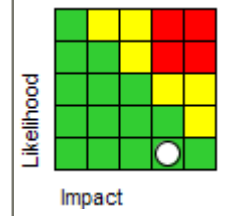
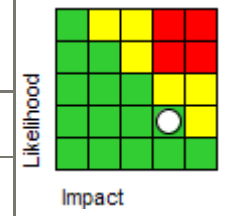
Impact

Likelihood

Impact



Potential Effect	Stress on staff members leading to absenteeism Loss of engagement of team members and reduced effort Poor quality outcomes for the Council because of weaker central support services				
Related Actions	RAG 15 001	Develop a clear workforce strategy and revise supporting employment policies as appropriate.	Internal Controls	Staff Survey	
	RAG 15 007	Options to be developed through consultation with Trade Unions to review and redefine the working week.		Leadership Development Programme	
				Budget Strategy	
				Health & Safety Management System	
				Maximising Attendance & Employee Wellbeing Policy	
			Making Clackmannanshire Better Programme		
Latest Note					

ID & Title	RAG RAG 005 Failure of IT systems	Approach		Status		Managed By	Stephen Coulter; John Munro	Current Rating	8	Target Rating	4
Description	A significant failure of secure ICT systems that has a major detrimental impact on council operations										
Potential Effect	Council cannot transact vital business. Financial transactions disrupted leading to a loss of council revenue or financial hardship to individuals Loss of confidence in the council Destruction of knowledge assets or costs to recover										
Related Actions	RAG 15 005	Review options for increasing digital transactions.	Internal Controls	Information & Communication Technology Strategy							
	RAG 15 009	Identify and procure a new finance system and re-engineer finance business processes to support its introduction in 2016-17.		Business Continuity Plans							
	RAG ITS 15 007	Business Continuity		Operational Business Plan							
Latest Note	Capital Investment in 2015/16 supporting a number of projects which reduce the likelihood and Impact of a significant failure of systems, notably major upgrade of backup systems, virtualisation of infrastructure and development of updated BC Plans for ICT.										








Internal Audit & Fraud Actions: Resources & Governance




Absence Management Audit

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF AMA 001	<p>Audit Finding: Maximising Attendance and Wellbeing Policy has not been reviewed since being issued.</p> <p>Action: HR are in the process of reviewing all their existing policies and a review of this policy will be undertaken.</p>	31-Dec-2015	<div style="width: 80%;"><div style="width: 80%;"></div></div> 80%		Maximising Attendance has been redrafted, is out for comment and review within HR with wider consultation with unions to take place thereafter.	Chris Alliston
IAF AMA 006	<p>Audit Finding: There is no single corporate system for recording flexi time.</p> <p>Action: HR are currently reviewing the flexi policy with the unions as part of ongoing policy development. An option to use the Housing system as a Corporate system.</p>	31-Mar-2015	<div style="width: 80%;"><div style="width: 80%;"></div></div> 80%		CMT have put flexible working policy on hold at present. From CMT minute "Group agreed this policy will be deferred pending outcomes of MCB and budget are known"	Stephen Coulter


Budget Management & Monitoring


Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF BMM 001	<p>Audit Finding: There are no operational procedures and set standards defining the role and requirements of the Budget Holder and the Service Accountants in relation to budget management and monitoring.</p> <p>Action: Procedures will be documented for budget holders and will be followed up with training as required. This will be carried</p>	31-Mar-2015	<div style="width: 50%;"><div style="width: 50%;"></div></div> 50%		This will be completed as part of the financial regulations review. With the procurement of a new financial system, finance regulations re-drafting will be taken forward as part of that project so that the opportunities for new ways of working presented by the system are reflected in the Finance Regs. The action will be completed by 31st-Mar-2016 .	Ashley MacGregor

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
	forward as part of updating of financial regulations.					
IAF BMM 004a	<p><u>Audit Finding:</u> Payroll costs have not been regularly processed through the financial ledger since April 2013. This has resulted in inaccurate employee budgets that are not being actively monitored.</p> <p><u>Action:</u> Payroll costs account for a significant proportion of Council budgets so this non managing of employee costs could represent a significant financial risk to the Council. IT supplier is working on fix to i-Trent that will automatically upload payroll files to ledger.</p>	31-Mar-2015	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px; width: 50%;"></div></div> 50%		Costings are more timeously been put into the finance system however reconciliation work is ongoing regarding financial year 2014/2015. Monthly reconciliations for payroll information are taking place going forward. Work is ongoing with IT regarding the costing process to streamline and ensure a more efficient and effective process. In addition work undertaken by software provider has reduced the number of entries being made against a system default code. Reconciliation work is ensuring issues are identified and resolved and work going forward will ensure a greater degree accuracy of costings. Action is expected to be complete by 31st- Dec-2015	Chris Alliston
IAF BMM 005	<p><u>Audit Finding:</u> Budget Holders requirements in relation to the frequency and detail of budget information are not always being met.</p> <p><u>Action:</u> Accountancy will approach services individually to ascertain information requirements and to consider what can be done to provide these.</p>	31-Mar-2015	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px; width: 50%;"></div></div> 50%		Accountancy are working with the services to ensure all deadlines are identified and a workplan will be agreed detailing service requirements. Turnover in Accountancy staff has pushed back the timescale. The new Finance System will change manager's access to budget information in any case so agreed protocols under this action will be an interim measure. Action will due to complete by 30-Sep-2015	Ashley MacGregor
IAF BMM 006	<p><u>Audit Finding:</u> There is no formal work plan of agreed actions as a result of the budget monitoring meetings.</p> <p><u>Action:</u> Rolling action logs will be set up and used at monthly meetings.</p>	31-Mar-2015	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px; width: 50%;"></div></div> 50%		Action log to be agreed, and implemented across all services. . Turnover in Accountancy staff has pushed back the timescale Action to be complete by 30-Sep-2015	Ashley MacGregor
IAF BMM 007	<p><u>Audit Finding:</u> Training Needs Assessments of Budget Holders have not been carried out and Budget Holders have not received budget management and monitoring training specific to their role. A number of budget holders were unclear / unaware of the process for budget virements as included in the Financial Regulations.</p> <p><u>Action:</u> Training programme to be developed</p>	31-Mar-2015	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px; width: 50%;"></div></div> 50%		This will be covered as part of the Financial regulations requirements. Currently Accountants will provide information to managers are requested or through monitoring meeting. The action will be completed by 31st-Mar-2016 .	Ashley MacGregor

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
	and rolled out to budget holders. This will be carried forward as part of updating of financial regulations.					
IAF BMM 008b	<p><u>Audit Finding:</u> Social Services and Housing service budgets do not align with current service structures resulting in difficulty in delegating budget management responsibility and monitoring specific service provision within budgets.</p> <p><u>Action:</u> Once council structure is finalised then other services will be aligned as appropriate.</p>	31-Mar-2015	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 50%		Services are now being reported in the revised structure. Work to complete the restructure in the financial ledger system is due to be completed in the next few weeks. Action to be complete by 30-Sep-2015	Ashley MacGregor
IAF BMM 008c	<p><u>Audit Finding:</u> Social Services and Housing service budgets do not align with current service structures resulting in difficulty in delegating budget management responsibility and monitoring specific service provision within budgets.</p> <p><u>Action:</u> Information can be provided at cost centre level currently.</p>	31-Mar-2015	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 50%		Services are now being reported in the revised structure. Work to complete the restructure in the financial ledger system is due to be completed in the next few weeks. Action to be complete by 30-Sep-2015	Ashley MacGregor
IAF BMM 009	<p><u>Audit Finding:</u> Budget holders consulted could not reconcile central support charges with level of service being provided and were unclear how the central support recharge is calculated.</p> <p><u>Action:</u> Charge basis are currently under review. Awareness sessions will be run to explain process.</p>	31-Mar-2015	<div style="width: 50%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 50%		Model has been revised. Training for managers to be completed. Action to be complete by 30-Nov-2015	Ashley MacGregor

Funding Applications inc. European Funds

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF FAE 001	<u>Audit Finding:</u> Finance have canvassed services to identify where grant funding is	31-Mar-2015	<div style="width: 80%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 80%		This has been included as an MCB proposal and a Business Case is currently being drafted detailing the proposals to take	Lindsay Sim


Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
	being received. <u>Action:</u> To continue to collate and to use information to assist in review of arrangements.				this forward. Depending on the outcome of the business case it is expected that the action to be complete by 31-Mar-2016	
IAF FAE 002	<u>Audit Finding:</u> No forum or network that allows staff from across the Council who manage external funding to liaise on best practice, discuss funding opportunities and identify potential risks. <u>Action:</u> The corporate Accountancy Team leader will lead a review of the current arrangements within the council to identify individual (s) who will take responsibility for identifying and coordinating funding opportunities across all services.	31-Mar-2015	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #4F81BD; color: white; display: flex; align-items: center; justify-content: center;">80%</div>		This will form part of the Business Case referred to in above in 5.1. Depending on the outcome of the business case it is expected that the action to be complete by 31-Mar-2016	Lindsay Sim

General Ledger Audit



Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF GLA 001	<u>Audit Finding:</u> Manual journal forms are completed by an officer and then approved by a line manager prior to processing. The value of the approval prior to processing of the manual journal should be considered given that the line manager is also responsible for monitoring the relevant accounts. <u>Action:</u> This will be addressed through requirements of new financial system with agreement from internal and external audit.	31-Dec-2016	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #ccc; display: flex; align-items: center; justify-content: center;">0%</div>		In progress: the new system allows for electronic completion and approval of journals and virements.	Lindsay Sim
IAF GLA 002a	<u>Audit Finding:</u> Weaknesses were identified in relation to user access controls and audit logs: • Leavers are not being routinely deactivated,	31-Dec-2016	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #ccc; display: flex; align-items: center; justify-content: center;">0%</div>		In progress: security features were included in the requirements of the new system and will be fully explored through implementation and set up.	Lindsay Sim

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
	<ul style="list-style-type: none"> No regular review of system users to ensure that access permissions are appropriate and leavers have been deactivated, No time limit set on user inactivity prior to deactivation (51% of users have not logged on since May 2014), No password rules set up on the system, Audit logs are not being used to monitor system usage. <p><u>Action:</u> These are issues that will be taken into consideration when procuring and configuring new financial system.</p>					
IAF GLA 002b	<p><u>Audit Finding:</u> Weaknesses were identified in relation to user access controls and audit logs:</p> <ul style="list-style-type: none"> Leavers are not being routinely deactivated, No regular review of system users to ensure that access permissions are appropriate and leavers have been deactivated, No time limit set on user inactivity prior to deactivation (51% of users have not logged on since May 2014), No password rules set up on the system, Audit logs are not being used to monitor system usage. <p><u>Action:</u> In relation to existing ledger systems a review will be undertaken on user access controls to strengthen arrangements</p>	30-Sep-2015	0%		A review of users that have been inactive for a significant length of time has been carried out and these users access has been deactivated.	Lindsay Sim
IAF GLA 003	<p><u>Audit Finding:</u> Contract monitoring arrangements of the current financial system are not being appropriately evidenced.</p> <p><u>Action:</u> More formalised contract monitoring arrangements will be put in place for the remainder of the contract period.</p>	30-Sep-2015	0%		Performance in terms of response time to queries is being monitored along with any charges received.	Lindsay Sim

Health and Safety

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF HSA 009	<p><u>Audit Finding:</u> A small but significant number of questionnaires were not returned or did not have full information included.</p> <p><u>Action:</u> H&S team will undertake visits in these areas over the coming year to ensure that arrangements meet expected standards.</p>	30-Sep-2015	<div style="width: 90%;"><div style="width: 90%;"></div></div> 90%		Follow up visits have been arranged and will be carried out in coming months. Visits have now been carried out at ABC Nursery on 19 February 2015 and Deerpark Primary School on 24 February 2015.	Sarah Robertson

Income Collection and Cash Receipting

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF ICC 002	<p><u>Audit Finding:</u> Responsibility for co-ordinating service reviews of income will be incorporated into the Accounting Team role of overseeing corporate funding.</p> <p><u>Action:</u> This responsibility should be formally documented to provide clarity around roles and responsibilities.</p>	31-May-2015	<div style="width: 70%;"><div style="width: 70%;"></div></div> 70%		The Charges Register has been updated for 2014/15 as part of the budget process. The Management and Corporate Team Leaders will discuss how to take this forward as part of the review of corporate funding and are looking to have an indicative plan in place for 30 April 2015. This has been included as an MCB proposal and a Business Case is currently being drafted detailing the proposals to take this forward. Depending on the outcome of the business case it is expected that the action to be complete by 31-Mar-2016	Ashley MacGregor
IAF ICC 007	<p><u>Audit Finding:</u> The following procedural Guidance to be reviewed and updated to ensure that it adequately reflects current roles and responsibilities and is aligned to relevant Corporate Policies: - Section 11, of the Council's 2008 Financial Regulations; - Rent arrears procedures; - Former tenant rent arrears procedures; - Recovery of Housing Benefit overpayments; - Rental Income procedural guidance.</p> <p><u>Action:</u></p>	31-May-2015	<div style="width: 80%;"><div style="width: 80%;"></div></div> 80%		This is being addressed currently as part of the review of Financial Regulations with procedures to be produced. The procedural guidance has been reviewed by the Revenues and Payment Manager and Chief Accountant and issued to the Director of Finance to approve along with the new Financial Regulations. The acting Chief Accountant is now reviewing this action. action to be complete by 31-Oct-2015	Lindsay Sim


Information Governance

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF IGA 001	<p><u>Audit Finding:</u> Clacks Council does not meet the requirements of the Public Records (Scotland) Act 2011.</p> <p><u>Action:</u> An updated Records Management Project specification to develop appropriate actions to address required issues to enable compliance will be prepared. Project management resources will be identified and arrangements will be put in place to progress initiative.</p>	30-Sep-2015	50%		A working group has been established led by Head of R&G. Project is on tract to submit a Records management Plan to R&A in December. Action to be complete by 31st-Dec-2015	Stephen Coulter
IAF IGA 002	<p><u>Audit Finding:</u> Not all Council Services have designated officers with responsibility for : - Data Protection, - FOI, - Records Management, - Document Retention.</p> <p><u>Action:</u> These roles within Council Services will be reviewed with appropriate action taken to address gaps where identified. Resources within services will be evaluated as part of the project scope detailed in 6.1 above to progress the work required and to identify where designated posts could be created.</p>	31-Dec-2015	0%		A working group has been established led by Head of R&G. Project is on tract to submit a Records management Plan to R&A in December. Action to be complete by 31st-Dec-2015 . A MCB tranche 1 business case has been prepared to address the longer term issues of implementation that will arise from the completed RMP.	Stephen Coulter
IAF IGA 003	<p><u>Audit Finding:</u> There are still a significant number of physical files being stored in various Council buildings including Lime Tree House and Alloa Town Hall.</p> <p><u>Action:</u> Services will be reminded that the official record should now be held on electronic medium. Consideration is being given to identifying an appropriate archive store.</p>	30-Sep-2015	0%		A working group has been established led by Head of R&G. Project is on tract to submit a Records management Plan. A MCB tranche 1 business case has been prepared to address the longer term issues of implementation that will arise from the completed RMP.	Stephen Coulter
IAF IGA 004	<p><u>Audit Finding:</u> No log or register is maintained of documents / files that are deposited or</p>	31-Dec-2015	0%		A working group has been established led by Head of R&G. Project is on tract to submit a Records management Plan. A	Stephen Coulter

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
	removed from storage areas. <u>Action:</u> Logging and access arrangements will be considered as part of the Records Management Project.				MCB tranche 1 business case has been prepared to address the longer term issues of implementation that will arise from the completed RMP.	
IAF IGA 005	<u>Audit Finding:</u> Some Services have developed their own processes and guidance for the management of documents and records within their own service. <u>Action:</u> Locally developed processes and practices will be reviewed as part of the Records Management Project, to assess where they could be developed and shared across the Council.	31-Dec-2015	0%		A working group has been established led by Head of R&G. Project is on tract to submit a Records management Plan. A MCB tranche 1 business case has been prepared to address the longer term issues of implementation that will arise from the completed RMP.	Stephen Coulter
IAF IGA 007	<u>Audit Finding:</u> Only a small number of Council Services have data sharing protocols with 3rd party (non-public sector) partnership organisations. <u>Action:</u> The Policy Development Phase of the Records Management Project will include a review of data sharing arrangements and requirements.	31-Mar-2016	0%		A working group has been established led by Head of R&G. Project is on tract to submit a Records management Plan. A MCB tranche 1 business case has been prepared to address the longer term issues of implementation that will arise from the completed RMP.	Stephen Coulter
IAF IGA 008	<u>Audit Finding:</u> Where the Council has external data sharing protocols in place, these are not subject to periodic review. <u>Action:</u> The Policy Development Phase of the Records Management Project will include a review of data sharing arrangements and requirements. Council Management Team (CMT) to be responsible for compliance.	31-Mar-2016	0%		A working group has been established led by Head of R&G. Project is on tract to submit a Records management Plan. A MCB tranche 1 business case has been prepared to address the longer term issues of implementation that will arise from the completed RMP.	Stephen Coulter
IAF IGA 009	<u>Audit Finding:</u> Few Council Services maintain registers of the physical files they hold. <u>Action:</u> Locally developed processes and practices will be reviewed as part of the Records Management Project, to assess	31-Mar-2016	0%		A working group has been established led by Head of R&G. Project is on tract to submit a Records management Plan. A MCB tranche 1 business case has been prepared to address the longer term issues of implementation that will arise from the completed RMP.	Stephen Coulter

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
	where they could be developed and shared across the Council. Council Management Team (CMT) to be responsible for compliance.					

Payroll and HR

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF PHR 003	<p><u>Audit Finding:</u> Controls in place to ensure that authorised additions, amendments and changes to the establishment are not reflected in published guidance.</p> <p><u>Action:</u> Financial Regulations to be updated and presented to Resources and Audit Committee by the end of this year.</p>	31-May-2015	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #4f81bd; color: white; text-align: center; padding: 2px;">80%</div>		This is being addressed currently as part of the review of Financial Regulations with procedures to be produced. The acting Chief Accountant is now reviewing this action. The action will be completed by 31st-Mar-2016 .	Lindsay Sim

Procurement - Purchase Cards



Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF PPC 001	<p><u>Audit Finding:</u> Financial Regulations and the Purchase Card Policy and Procedures Guide contain contradictory guidance and may not fit with corporate objectives relating to their use.</p> <p><u>Action:</u> Policy and Procedures guide will be reviewed using examples identified during audit and will be circulated around card users.</p>	31-Dec-2015	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #ccc; color: black; text-align: center; padding: 2px;">0%</div>		This will be addressed as part of the review of Financial Regulations with procedures. The action will be completed by 31st-Mar-2016 .	Derek Barr
IAF PPC 002a	<p><u>Audit Finding:</u> Testing identified a number of non-conformances with Regulations and Procedures.</p>	31-Dec-2015	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #ccc; color: black; text-align: center; padding: 2px;">0%</div>		This has been undertaken and we are awaiting return of signed or emailed acknowledgment	Derek Barr






Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
	<u>Action:</u> Policy and Procedures guide will be circulated around card users. Users will be required to sign acknowledgement of updated guidelines. Awareness sessions on the new policies may be provided if demand is there.					
IAF PPC 002b	<u>Audit Finding:</u> Testing identified a number of non-conformances with Regulations and Procedures. <u>Action:</u> Services need to take responsibility for ensuring that policy and procedures are being consistently and properly applied.	31-Dec-2015	<input type="text" value="0%"/>		This has been undertaken and we are awaiting return of signed or emailed acknowledgment	Derek Barr
IAF PPC 003a	<u>Audit Finding:</u> Authorised signatory levels are not always in line with card limits, e.g card limits can be higher than approved signatory limits. <u>Action:</u> A review of authorised signatories has already been planned and this will include comparing to any relevant card limits.	31-Dec-2015	<input type="text" value="0%"/>		This is complete. no cardholders have levels above their authorised signatory level	Derek Barr
IAF PPC 003b	<u>Audit Finding:</u> Authorised signatory levels are not always in line with card limits, e.g card limits can be higher than approved signatory limits. <u>Action:</u> Specific instances identified during audit will be sent a new authorised signatory application in the first instance.	31-Aug-2015	<input type="text" value="0%"/>		This is complete. no cardholders have levels above their authorised signatory level	Derek Barr
IAF PPC 004a	<u>Audit Finding:</u> Purchase cards are being used to buy supermarket gift cards, which is in effect a cash withdrawal. <u>Action:</u> Specific instances identified will be drawn to relevant cardholders attention. Awareness sessions mentioned above will also highlight that cards should not be used in this manner.	31-Oct-2015	<input type="text" value="0%"/>		Policy and Procedures guide has been circulated around card users. Users are required to sign acknowledgement of updated guidelines. Merchant categories will be enforced and we are awaiting submissions from all card holders to identify what Merchant categories are required for their function and location. High School Home economic departments will be using class cuisine to purchase their requirements directly	Derek Barr

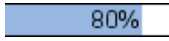

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF PPC 004b	<p><u>Audit Finding:</u> Purchase cards are being used to buy supermarket gift cards, which is in effect a cash withdrawal.</p> <p><u>Action:</u> Services need to take responsibility for ensuring that policy and procedures are being properly applied.</p>	31-Oct-2015	0%		<p>Policy and Procedures guide has been circulated around card users. Users are required to sign acknowledgement of updated guidelines.</p> <p>Merchant categories will be enforced and we are awaiting submissions from all card holders to identify what Merchant categories are required for their function and location.</p> <p>High School Home economic departments will be using class cuisine to purchase their requirements directly</p>	Derek Barr
IAF PPC 005	<p><u>Audit Finding:</u> Both Property Contracts and Catering are procuring stock from suppliers where there is no contract in place.</p> <p><u>Action:</u> Services will undertake procurement exercises to put contracts in place. Where possible use of pre existing national contracts will be used.</p>	31-Oct-2015	0%		<p>Head of R&G to follow up with relevant service managers to ensure action is on track</p>	Diane MacKenzie; Jeanette Pearcy
IAF PPC 006a	<p><u>Audit Finding:</u> Supermarket purchases are not being market tested.</p> <p><u>Action:</u> Specific instances identified will be drawn to relevant cardholders attention. Awareness sessions mentioned above will also highlight that cards should not be used in this manner.</p>	31-Oct-2015	0%		<p>Merchant categories will be enforced and we are awaiting submissions from all card holders to identify what Merchant categories are required for their function and location.</p> <p>High School Home economic departments will be using class cuisine to purchase their requirements directly</p>	Derek Barr
IAF PPC 006b	<p><u>Audit Finding:</u> Supermarket purchases are not being market tested.</p> <p><u>Action:</u> Services need to take responsibility for ensuring that policy and procedures are being properly applied.</p>	31-Oct-2015	0%		<p>Policy and Procedures guide has been circulated around card users. Users are required to sign acknowledgement of updated guidelines.</p> <p>Merchant categories will be enforced and we are awaiting submissions from all card holders to identify what Merchant categories are required for their function and location.</p> <p>High School Home economic departments will be using class cuisine to purchase their requirements directly</p>	Derek Barr

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF PPC 007	<p><u>Audit Finding:</u> Purchases are being made through PayPal. The Scottish Government do not allow purchase cards to be used in connection with transactions made through Intermediary payment agencies such as PayPal.</p> <p><u>Action:</u> This will be considered in review of Policy and Procedures.</p>	31-Dec-2015	0%		This will be considered in review of Policy and Procedures.	Derek Barr
IAF PPC 008	<p><u>Audit Finding:</u> Purchase card documentation was not all properly scanned in to IDOX. Services do not scan in the purchase card documents creating pressures within the Income Team. Catering, Cleaning and Property Contracts do not comply with corporate requirements in relation to storing documents.</p> <p><u>Action:</u> Services need to take responsibility for ensuring that policy and procedures are being properly applied.</p>	31-Dec-2015	0%		Head of R&G to follow up with relevant service managers to ensure action is on track	Diane MacKenzie; Jeanette Pearcy



Savings & Efficiencies - Overtime

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF SEO 003	<p><u>Audit Finding:</u> Overtime is being miscoded to the financial ledgers.</p> <p><u>Action:</u> Overtime will be properly defined and this and procedures for correctly coding overtime will be included in documented procedures.</p>	30-Jun-2014	80%		Overtime protocol has been agreed by CMT and to be circulated to the SMF and Trade Unions. Head if R&G has reviewed draft and re-circulated to CMT and TUs for comment and agreement Action to be completed by 30-Sep-2015	Stephen Coulter
IAF SEO 004a	<p><u>Audit Finding:</u> Not all documentation used to record and approve overtime has appropriate</p>	30-Jun-2014	80%		Overtime protocol has been agreed by CMT and to be circulated to the SMF and Trade Unions. Head if R&G has reviewed draft	Stephen Coulter

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
	evidence of authorisation. <u>Action:</u> Guidance will highlight need to ensure appropriate authorisation is in place.				and re-circulated to CMT and TUs for comment and agreement Action to be completed by 30-Sep-2015	
IAF SEO 004b	<u>Audit Finding:</u> Not all documentation used to record and approve overtime has appropriate evidence of authorisation. <u>Action:</u> iTrent is being developed so that authorisation will become an electronic process so that authorisation will be built into the process and be fully auditable.	31-Jul-2015	<div style="width: 80%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 80%		The iTrent team will begin to focus on this area of the system. Work has been taken up of late with LGPS and SPPA returns together with implementing the new CARE Schemes for both LGPS and SPPA. This has resulted in the programmed worked being delayed.. In the interim Heads of Service will be reminded of requirement to ensure overtime is recorded on appropriate documentation. Actions to be completed by 31-Oct-2015	Chris Alliston
IAF SEO 005b	<u>Audit Finding:</u> Approvers are not always authorised signatories. <u>Action:</u> Once authorisation is carried out through iTrent, approvers can be cross checked to authorised signatory database on a regular basis to ensure ongoing compliance.	31-Jul-2015	<div style="width: 80%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 80%		The iTrent team will begin to focus on this area of the system. Work has been taken up of late with LGPS and SPPA returns together with implementing the new CARE Schemes for both LGPS and SPPA. In the interim Heads of Service will be reminded of requirement to ensure overtime is authorised by the relevant signatories. Actions to be completed by 31-Oct-2015	Chris Alliston
IAF SEO 006a	<u>Audit Finding:</u> There is limited evidence that reasons for use of overtime have been challenged at a corporate level. <u>Action:</u> Overtime detail will be included in existing iTrent reports provided to CMT. Detail will then be subject to review and challenge at CMT meetings to ensure that principles are being adhered to and applied.	30-Jun-2014	<div style="width: 80%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 80%		New overtime protocols have been considered by CMT. These overtime protocols have also been considered by TUs. This will ensure that challenge is built into the process and requirement for approval of overtime prior to it being actioned. CMT are routinely reviewing overtime and scrutinising the reasons for it. Action to be completed by 30-Sep-2015	Stephen Coulter
IAF SEO 006b	<u>Audit Finding:</u> There is limited evidence that reasons for use of overtime have been challenged at a corporate level. <u>Action:</u> All staff will be made aware that monitoring is taking place and that they may be subject to challenge.	30-Jun-2014	<div style="width: 80%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 80%		New overtime protocols have been considered by CMT. These overtime protocols have also been considered by TUs. This will ensure that challenge is built into the process and requirement for approval of overtime prior to it being actioned. CMT are routinely reviewing overtime and scrutinising the reasons for it. Action to be completed by 30-Sep-2015	Stephen Coulter
IAF SEO 007a	<u>Audit Finding:</u> There are no documented corporate overtime procedures in place.	30-Jun-2014	<div style="width: 80%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 80%		New overtime protocols have been considered by CMT. These overtime protocols have also been considered by TUs. This will ensure that challenge is built into the process and requirement	Stephen Coulter

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
	<u>Action</u> : Procedures and principles will be documented and made available to all staff.				for approval of overtime prior to it being actioned. CMT are routinely reviewing overtime and scrutinising the reasons for it. Action to be completed by 30-Sep-2015	
IAF SEO 007b	<u>Audit Finding</u> : There are no documented corporate overtime procedures in place. <u>Action</u> : CMT will endorse and monitor adherence to procedures.	30-Jun-2014	 80%		New overtime protocols have been considered by CMT. These overtime protocols have also been considered by TUs. This will ensure that challenge is built into the process and requirement for approval of overtime prior to it being actioned. CMT are routinely reviewing overtime and scrutinising the reasons for it. Action to be completed by 30-Sep-2015	Stephen Coulter

Treasury Management

Covalent Ref.	Action	By When	Progress	Expected Outcome	Latest Note	Lead
IAF TMA 001	<u>Audit Finding</u> : Current Treasury policies and procedures are not consolidated into a Treasury Management Manual. <u>Action</u> : Electronic Manual to be created and documents pulled together in one place.	31-Mar-2015	 90%		Creation of the Electronic Manual is in progress. Action to be completed by 31-Mar-2016	Lindsay Sim

Resource & Governance Services Budget v Outturn

APPENDIX B

Underspends in Accountancy, IT and Governance due to vacancies from employees leaving, VS, staff reducing hours and maternity leave. Staff in HR and Payroll continue on temp acting up or temp contracts for implementation of new Itrent system which are expected to end on 30th Sept. Continued costs of Occupational Health contract, CBT, Physio following Maximising Attendance at Work policy, and Disclosures (migrating staff to new scheme). Central IT continues to be monitored to reduce the overspend from 14/15, looking for savings particularly on telephones and mobiles. Support Services outturn projecting a total underspend of c£223k.

Assets outturn currently projecting an underspend of c£187k. The main contributors to this being payroll savings through vacant posts and overtime reductions and saving in Gas, Electricity & Water costs.

	Budget 15-16 £'000	Outturn 15-16 £'000	Variance 15-16 £'000
RESOURCE & GOVERNANCE	23,731	23,321	(410)
Depute Chief Exec			
Depute Chief Exec	119	120	0
Accountancy			
Audit fee assumed the same amount as 14/15 - underspend on budget			(16)
Staffing underspends due to OLP income for 5 months, Chief Accountant post vacant for 3 months, Accountancy Assistant left mid July and vacant until Sept, other vacancies covered by agency staff			(50)
Underspends in supplies and services			(5)
Staffing underspends due to staff changes, Chief Accountant post vacant for 3 months, Accountancy Assistant post vacant for 6 weeks, Accountant left through VS, some vacancies covered by agency staff. Audit fee assumed at same cost as 14/15	1,398	1,327	(71)
Head of Support Services			
Head of Support Services	93	92	(1)
IT			
Staffing underspends due to staffing with full time budgets only working part time, long term sick leave, vacant trainee post and employee left through VS			(53)
Holiday buy back 2 employees			(2)
Underspend on GIS contract. Agreed contract included reduced costs each year of the contract. Due to end this year, looking at other way of providing the service.			(18)
Other Income: Costs incurred through the moves to Kilncraigs. Year end income accrual for Scott Sheridan £64.7k (prepayment), debtor invoice not raised until 2015-16 but advised payment unlikely to be received, pursuing of debtor will continue but it is unlikely to recover this cost (ceased trading).			65
Spend for Briskona project was incurred 13/14 and funding was due to offset this income. The income was never received and never expected after this time so the cost was offset with underspends in 13/14. However, Briskona now realised they had the funds remaining to fund this project and therefore sent funding to us this year.			(23)
Central IT is projected on budget. Last year was overspend, but with a full list of transactions and work being carried out to reduce telephone and mobile costs, it is assumed this will be on budget, if not less than budget.			0
Staffing underspends due to part time staff with full time budgets, long term sick leave and a vacant trainee post. GIS contract further reduced for 15/16 as per agreed contract, looking at different ways of providing this service as contract comes to an end. Creditor being pursued for charges relating to Kilncraigs move equipment. Central IT projected on budget, budget was overspent in 14/15, but work being carried out to reduce telephone and mobile costs which will reduce the spend.	2,282	2,252	(31)

Governance

Governance Manager post vacant			(51)
Solicitor vacancies x 2 filled part year			(37)
HR staff on reduced hours, seconded to Corp Parenting and Itrent Project team, mat leave cover and VS			(82)
Vacancy management in Health & Safety team when employee left			(5)
Job evaluation - temp staff due to finish at end of Sept			(30)
Democracy team pension underspend			(4)
Audit & Fraud staff on reduced hours			(7)
Payroll and Itrent overspend due to additional staff to integrate new system			66
Holiday Buy Back Scheme (4 employees)			(2)
Overspend on payments to contractors due to contract with Working on Wellbeing (SERCO). New agreement from 1st April 2013 with increased costs for occupational health. Employee physiotherapy referrals increases cost but better service which has resulted in employees returning to work quicker. Costs for CBT (cognitive behavioural therapy) are as required. Demand for this is high and costs are higher than expected, but this is assisting the Maximising Attendance & Employee Wellbeing Policy. Also overspend on Disclosure costs, due to migration of all staff to the new PVG scheme.			40
Procurement Barclaycard Rebate			(2)
Audit & Fraud income for Admin Penalties			(7)
Supplies and Services			1

Staffing vacancies throughout Governance, including Governance Manager, 2 vacant solicitor posts being filled mid way through the year, staff in HR on reduced hours and maternity leave, 1 employee seconded to Corporate Parenting. Overspends in Payroll and Itrent Project Team due to temp contracts/temp acting up which are due to end 30th Sept. Continued overspends in Occupational Health contact, CBT, Physio following the maximising attendande at work policy. Discloures (migration of staff to new scheme).	1,740	1,620	(120)
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Property Costs:

Gas - Projections prepared in conjunction with Energy Officer & reflect anticipated full year cost.			(81)
Electricity - Projections prepared in conjunction with Energy Officer & reflect anticipated full year cost.			(110)
Water - Projections prepared in conjunction with Energy Officer & reflect anticipated full year cost.			(5)
			26
Rates- 2015-16 Budget insufficient to cover costs with additional costs being incurred for previously occupied areas at Kilncraigs.			
Insurance - current year premiums will be less than budget, projection based on prior year cost but anticipate actual being lower.			(19)
Equipment - underspend anticipated in FM Education with spend of £3k against budget of £16k, reflects prior years out-turns.			(13)
Professional Fees / Payments to contractors in FM Education - spend on Feasibility Studies. Main study being Tullibody Strategic Review being carried out by Hub East Central Scotland. Historically insufficient budget to cover costs incurred.			62
Miscellaneous, £4k projection reflects prior year costs, no budget.			4
FM Social Policy - £50k budget savings target arising from the exits from Central Store and Carsebridge. Advised won't exit Store until 2015-16 with only part year saving achievable at Carsebridge where notice to end rent has been given.			35
Other Income surplus of £5k relates to unbudgeted Bio Mass boiler income at Redwell Primary.			(5)
Underspend arising from projected savings in Gas, Electricity and Water with further underspends in Insurance and Equipment Purchase. These underspends are reduced by overspends in Professional Fees / Contractor costs incurred for ongoing strategic review	5,884	5,778	(106)

Schools PPP:

Currently projecting out-turn online with budget			0
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On line with budget	7,726	7,726	0
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Asset Management:

Salary savings arising from 4 vacant posts, two of which projected to be filled from Oct-15, two temporary staff currently in place projected to be continue for full year.			(19)
Staff Travel expenses underspend with projected cost in line with prior year.			(3)
Supplies & Services - overspends projected in Professional Fees (no budget) and Subscriptions with both projections in line with the prior year.			14
			106
Income - anticipated shortfall. £20k in rents receiveable, arising from the loss of income from Forth Valley Partnership at Kilncraigs re CCTV. Other Council accounts includes a budget of £28k which was removed in 2014-15 but incorrectly reinstated in 2015-16, this relates to staff cost recharges previously charged to HRA. Design Fee income shortfall currently projected at £57k, income shows year on year growth to £300k but insufficient to achieve budget.			
Underspend in payroll costs arising from staff vacancies being offset by projected shortfall in Rent and Design Fee income.	57	155	98

Property Maintenance Management:

Payroll overspend projected, with £11k being overtime costs at Kelliebank Support.			15
Staff Travelling Expenses, budget insufficient to cover expected costs.			2
Supplies & Services includes budget saving target of £18k re DE082. This appears to have been double counted with DE089 and will not be achieved.			19
£35k overspend arising from overspends in Overtime costs, staff travel and supplies and services.	365	401	36

Management Unit:

No significant variances to budget. Small saving projected in Head of Service - Computer Consumables, no spend in the previous 2 years.			(1)
On line with budget, small underspend arising in Computer Consumable costs.	366	365	(1)

Catering Contract:

Vacancy Savings due to efficiencies (including £7k overtime)			(35)
Underspend in Purchase of Equipment, projected spend in line with prior year.			(11)
Anticipated underspend on purchase of disposable containers.			(3)
Vend Fresh vending contract not renewed, no cost projected (no cost in prior year).			(6)
Anticipated savings in cost of food purchases through price negotiation and flexibility to take advantage of market offers.			(50)
Previously budgeted saving in Meals on Wheels for change of weekend service not achieved. Had previously been raised as a budget pressure.			24
Subscriptions projected at £3.4k in line with prior year, insufficient budget			2
Payments to Contractors projected at £5k, budget only £0.5k. Costs incurred for Loomis cash uplift/delivery service for Secondary schools and Pest Controil costs at CPU.			5
Projected shortfall in income mainly from School Meals. This will continue to be reviewed to establish the effect of price increases on meal volumes.			7
P1-P3 Free Meals Projected underspend. This will continue to be reviewed with meal volumes analysed.			(53)
Payroll underspends from staff efficiencies which additional underspends in Equipment, disposables, vending, food purchase and the cost of P1-3 fee meal provision. These are reduced by overspends in subscriptions, payments to contractors and school meals income.	1,289	1,169	(120)

Janitors:

At present an overall underspend of £31k projected in payroll costs.			
- Vacancies and relief costs			(19)
- Overtime savings			(24)

- Absence cover costs relating to long term sickness (will continue to review on monthly basis)			13
Planned purchase of Equipment, no budget (partly offset by saving in corresponding line in Property Costs).			18
Letting scheme income projected surplus over budget.			(3)
Projection broadly in line with budget with savings in staffing costs and income surplus being offset by planned equipment purchase.	400	385	(15)
Cleaning Contracts & Public Conveniences			
Cleaning staff payroll savings due to vacancies/ efficiencies, new structure being prepared with intention to implement Nov/Dec-15.			
Currently projecting c£17k payroll saving.			(17)
Public Conveniences payroll underspend due to efficiencies and overtime reduction.			(7)
A number of expenditure savings including Staff Travel £2k, Equipment maintenance £4k and Misc Expenditure of £4k increase projected underspend.			(10)
Income shortfall projected relating to Dollar Public Toilets £1.1k, Citizens Advice Bureau £0.6k, Alloa Fire Station £1.9k			4
Projected underspend relates to staffing efficiencies in both Cleaning and Public Conveniences with a number of further small savings anticipated in staff travel, equipment maintenance and misc expenditure. Underspends are reduced by some shortfalls in Other Income.	1,102	1,073	(29)
Leisure Services:			
Currently projecting £16k overspend at Firpark Ski Centre, more work required to be done to finalise split with Sports Development (Educ).			16
Gartmorn underspend due to closure			(43)
Projected underspend in Christmas Lights			(3)
Projected underspend in Activities & Events - delivery now passed to Alloa Town Hall BID			(8)
Total Leisure Services	749	711	(38)
Pavillions:			
Projected underpend in staffing			(3)
Projected underpend in overtime			(3)
Income surplus			(1)
Small underspend projected relating to saving in staffing costs and income surplus.	28	20	(8)
Security/Mail Room/Chauffeur:			
Overspend in staffing (relief staff)			3
Budget saving target of £8k in Mailroom/Chauffeur.			8
Income surplus due to secondment to Scottish Police.			(15)
Income surplus from Seconded post offsetting budget saving target shortfall.	133	129	(4)
RESOURCE & GOVERNANCE SERVICES TOTAL	23,731	23,321	(410)

MCB	Progress	Reference	Type of Saving Policy / Efficiency	Cost Centre	Description of Saving	Key Milestones /Commentary	Year 1 2015-16 £	Year 2 2016-17 £	Year 3 2017-18 £	Year 4 2018-19 £	Year 5 2019-20	Total Saving	Chief Officer Responsible	Budget Holder/ Operational Lead Officer	Projected Savings 2015-16	Plan to Achieve Savings (update monthly)
	Colour coded Red/Green/Amber	Set by Finance	E	To be entered	Description of saving to be detailed	Key dates for actions to achieve savings							Head of Service	Budget Holder etc		
3-BUAR	Green	RG004-PB1		Primary School FM 591010** 2240	Energy Efficiency	Plan of action for schools will be developed with Education and wider energy efficiency programme with Comms Team.	36,000					36,000	Stephen Coulter	Eileen Turnbull	36,000	Target for June to ensure all equipment is switched off for the Summer. Launch of an awareness campaign across all public buildings to be launched in August. Training for janitors and cleaners to ensure they can support staff who use each building. Raised
3-BUAR	Green	RG011-PB1			Insurance Fund Saving		250,000					250,000			250,000	Delivered. Currently being reallocated to services throughout the Council
4-MOS	Green	RG017-PB1			Stop Paper Transactions	Based on previous calculations cost was circa £7000 a year, given P60 do still require to be provided in paperformat and that there may be an element of the workforce that require paper format as they have no access then £5000 is a reasonable saving. Pilot project for online payslip continues and survey has gone out to staff involved for feedback. Work is ongoing to scope this as part of the wider digital stratgy. The stopping of paper transactions is one of the low hanging fruit. The risk with this saving is that a system needs to be developed to capture the savings, especially where they sit in different budgets. Finance project will contribute to this as well.	5,000	5,000	5,000	5,000	5,000	25,000			5,000	Moving from paper to electronic payslips (with P60 still issued in paper format). Pilot project currently in place with a survey issued for staff involved for feedback. Work is ongoing on wider digital strategy, new finance system will contribute to thi
4-MOS	Green	RG018-PB1			Reconfigure Payroll Service in line with new system	Business Analysts are undertaking review of payroll processes so we should be able to attach a cost to current process if we can quantify time and look at how we can streamline and what savings are achieved.		35,000				35,000				
4-MOS	Green	RG020-PB1			Review of Structure IT (R&G)	A number of savings proposals were put forward from R&G teams assuming a de minimis position in regard to the service that could be offered. With the exception of Accountancy these savings are taken into year 2. Administration has asked for a more systematic review of support services through 15-16 to ensure the model fits the business need and is affordable. A new finance system and further refinements to Trent will streamline administrative processes freeing up staff time and wider policy decisions needs to be considered in regard to soft FM including service standards and hours of attendance. In 15-16 it will be possible to release some staff via VS to reduce overall staff costs. A review of procurement in particular the impact on value for money achieved through its activities will be taken forward as a matter of urgency		97,000				97,000				
3-BUAR	Amber	DE081	E	43014301 9445	Building Cleaning. Increase charges to external organisations, as charge does not reflect cost to deliver		1,500					1,500	Stephen Coulter	Eileen Turnbull		Limited opportunity to receive full savings. Requires an uplift of charges to other organisations.
4-MOS	Amber	DE082	P	40034050 5920	Janitors increasing service functions delivered by service. Review model of delivery to include cleaning, supervision of cleaners and handyperson duties.		18,000					18,000	Stephen Coulter	Eileen Turnbull		Review of contracts to be undertaken at the same time. Saving is a reduction in call out charges linked to maintenance budget. These savings are likely to have been double counted.
2-ISS	Green	DE083	E	44024403 5920	School Catering (Central Production Unit). Efficiency of current practice		20,000					20,000	Stephen Coulter	Eileen Turnbull	20,000	Good progress so far and likely to achieve full year saving.
	Amber	DE084		10141491 5920	Mailroom and Drivers. Review current practice		8,000					8,000	Stephen Coulter	Eileen Turnbull		Limited success in implementation full saving unlikely to be achieved in 15-16
3-BUAR	Green	DE089		59404060 5920	Wind & Water tight repairs only. Revenue budgets only spent of statutory and wind and water tight repairs for the next 2 years		100,000	100,000				200,000	Stephen Coulter	Eileen Turnbull	100,000	Good progress so far in the first two months and on target for the saving. This two year saving cannot be sustained without compromising the condition of the buildings long term.
2-ISS	Green	DE092	P		Building Cleaning. Review operating model from morning to evening clean only and looking at productivity of service in each location							-				The operational delivery is currently under review, the appointment of an area cleaning supervisor will enable the review of anti-social hours. Productivity levels will then be further assessed.
3-BUAR	Green	DE094		59404060 2310	The Council current spends around £300,00 in payment to external organisations to lease their property. The council would aim to exit from these leases over the next few years to achieve revenue efficiencies		10,000	30,000				40,000	Stephen Coulter	Eileen Turnbull	10,000	There is a programme to review all externally leased buildings used for operational purposes. Currently reviewing Carsbridge move from October this year.
3-BUAR	Amber	SS015		59303902 £40k 59303503 £10k	Criminal Justice Workshop, Equipment Store, Carsebridge House, Mill St, Millar Court		50,000					50,000	Stephen Coulter	Eileen Turnbull	15,000	£10k target Ward Street - won't exit Ward street until April-16, therefore saving will not be achieved in 2015-16. £40k target Carsebridge. Notice to exit served for end Oct-15. Will start to realise savings from that point, est
		Total Policy Savings										-				
		Total Efficiency Savings										-				

MCB	Progress	Reference	Type of Saving Policy / Efficiency	Cost Centre	Description of Saving	Key Milestones /Commentary	Year 1 2015-16 £	Year 2 2016-17 £	Year 3 2017-18 £	Year 4 2018-19 £	Year 5 2019-20	Total Saving	Chief Officer Responsible	Budget Holder/ Operational Lead Officer	Projected Savings 2015-16	Plan to Achieve Savings (update monthly)
		Total					498,500	267,000	5,000	5,000	5,000	780,500			436,000	