

---

**Report to: Scrutiny Committee**

---

**Date of Meeting: 20 December 2016**

---

**Subject: Resources & Governance Finance & Performance Q2 from 1 July 2016 – 30 September 2016**

---

**Report by: Head of Resources & Governance**

---

## **1.0 Purpose**

- 1.1. This paper reports to Committee Resources & Governance performance for the 2nd quarter of 2016 /17.
- 1.2. The report highlights service activity, achievements and performance between 1 July 2016 and 30 September 2016. It also identifies future challenges, opportunities and risks.

## **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 vision is to ensure that financial and human resources, IT systems and governance processes are aligned to the strategic aims of the organisation to facilitate the delivery of the Council's corporate priorities in a legally compliant, cost effective and efficient way.
- 3.1.2 The Resources and Governance mission as set out in the service business plan is "to provide high quality, professional, value added 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 human, technological or financial.

### **3.2 Service Activity**

#### **3.2.1 Cross-Service**

Tech One developments

All Council services with the exception of Catering and Social Services are now processing purchase orders in One Council. This provides services with more accurate information on the committed spend to date.

253 staff from all Services, including schools, attended end user training sessions, enabling them to effectively use Procure to Pay

The Tech One team have completed the training on reporting functions and are currently in training 2 days per week to complete the configuration of the budget packs. This is expected to be complete by Christmas. Accountancy will be involved with the testing of the budgeting process.

Work is also ongoing to streamline the transfer the data between back office systems and Tech One. Significant improvements have been made in Adult Care where the automation of invoicing between Finch and Tech One has removed the requirement for manual data entry. This has realised a productivity saving of 9 days per month. The project team are currently working with other Service Areas to maximise system functionality and realise benefits.

#### HSCI

The service continues to be involved in activities related to HSCi. There is an expectation that each partner provides support from its existing resource however, this may become problematic as there becomes greater expectations by the partnership on delivery of key priorities.

For example, recent meetings include monthly HR Workforce Groups and the Quarterly Joint Staff Forum, ICT Management participates in the Data Sharing Partnership board and the Senior Governance Officer represents the Council on the Integrated Joint Board's Governance Workstream Group.

### 3.2.2 Human Resources

Organisational Development functions have successfully integrated into HR Services and work is ongoing with regards to changes to the corporate PRD process, L&D policy, workforce planning, updating and rebranding of Clacks Academy (OLLE), toolbox talks, development of the performance management module of iTrent,

VS and VR applications continue to be progressed. 57 TVR and 72 VS applications have been approved for discussion with members of staff and this has resulted in 37 acceptances (24 TVR and 13 VS) and 54 refusals (24 TVR and 30 VS).

The iTrent team continues to develop and deliver improved processes including continued work with TECH1 regarding the new payroll costing structure. Data load templates have been built for claims relating to OT/Additional Hours which, when fully tested and signed off, will free up significant capacity within the payroll team as this will remove requirement for manual entry. User focus groups have been established and the first group meeting was held in July.

The HR Business Partners provide advice and guidance to all service areas as well as undertaking the full generalist remit. Current formal cases are as outlined below.

Service	Absence Management	Capability	Disciplinary	Grievance	Other
D&E	1	5	8	1	0
Education	12	7	5	0	8
HCS	3	4	1	1	0
R&G	3	4	2	0	1
Social Services	11	4	1	1	1
SCS	6	2	0	0	3
Total	36	26	17	3	13

### 3.2.3 Legal Services

The addition of an experienced qualified lawyer has helped reduce the backlog of work in regard to council house sales and general conveyancing and contract work.

### 3.2.4 Information Technology

The Records Management Plan has now been submitted to the Keeper as part of the requirement for the council to comply with the Public Records Scotland (Act).

The migration to a new updated Citrix environment was completed to provide a modern, supported desktop environment for all users. Email has also undergone a major upgrade as part of this process providing additional functionality such as Instant Messaging to all users.

Work has been done to simplify and modernise back office infrastructure. Additional storage has been procured and installed and has had a positive impact on system performance and availability with fewer interruptions to availability due to system failures. Much effort has been devoted to dealing with ongoing issues associated with defects in the power and cooling in the Kilncraigs server room.

Connection to the national E-building standards website has gone live. Customers have successfully submitted applications for an e-Building standard through the portal. The project was delivered on time and under budget.

As part of our annual summer refresh work in schools, new laptop computers were installed in 4 primary schools, new servers were installed in 7 primary schools and a large number of new computers were configured and installed across the three secondary schools. This work is on top of routine annual maintenance of equipment.

A new managed wifi solution has been installed in each of the three secondary schools over the summer break. This will provide faster wifi access and better support the increasing numbers of laptops, tablets and personal devices used in schools. This is the first phase of a capital project to provide an enhanced wifi solution to all council buildings. 250 High speed wireless access points have been configured and installed over the summer holiday period.

All backbone inter building network links connecting schools to the corporate centre and onwards to the internet have been upgraded offering increased bandwidth into schools.

Major repairs were carried out to ICT equipment in ABC Nursery and Secondary School Support Unit after lightning strikes on the buildings.

Significant effort has gone into supporting moves of staff, including the move of members into Kilncraigs and moves associated with the ending of Shared Services. 280 new terminals and 200 screens have been replaced and upgraded in Kilncraigs building as part of the rolling desktop replacement programme.

Staff have been proactively reducing costs associated with mobile telephony. Monthly costs have seen a reduction of 11%

### 3.2.5 Accountancy

The team have been involved in supporting the Council's budget strategy; assisting services in the identification of savings and assessing the financial viability of proposed business cases for 2017/18 and monitoring the progress of in year 2016/17 agreed savings.

Work is also ongoing supporting Social Services in the development and implementation of their financial recovery plan.

### 3.2.6 Internal Audit

Work is complete on reviews from the 2015/16 plan, with final reports being issued for all reviews. Work on the 2016/17 plan is underway with 3 final reports issued, 4 draft reports prepared and 4 reviews in progress. The 2016/17 National Fraud Initiative exercise has been completed.

### 3.2.7 Democracy

The Democracy Team advise and support all services with Freedom of Information and Environmental Information Requests. The table below shows the numbers received, including any requests for review or appeals to the Scottish Information Commissioner.

#### Quarter 2 Statistics

Service	FOIs/EIRs received	Reviews	Appeals to Scottish Information Commissioner
Development & Environment	72		
Education	21		
Housing & Community	48		
Resources & Governance	60	1	
Social Services	25	1	
Strategy & Customer Services	15	1	
<b>Totals</b>	<b>241</b>	<b>3</b>	<b>0</b>

The Council had one enquiry/complaint from the Information Commissioner alleging that we had breached the data protection act in our Revenues

Service. The Information Commissioner agreed that we had acted in accordance with the act.

Final agreement for adjustments to the Local Government Ward Boundaries was released and the necessary steps have been planned to ensure they are in place for next years Local Government Election.

Preparations for the delivery of the 2017 Local Government Election have already begun, mostly in the area of the count which is done electronically. This included awareness training for key staff in September and initial work on agreeing the contract for the third party supplier in conjunction with the Scottish Government.

### **3.2.8 Assets**

#### **Property Maintenance**

Following concerns in Edinburgh about the structural integrity of walls 100% of all school properties were checked for urgent and non urgent building works. 70% of repairs were identified as minor and were completed by the start of the new school term. The remaining 30% are programmed for completion in line with the capital works programme through to 18/19. No structural work was required in any of the Academies.

Leisure facilities including pavilions are now being surveyed 80% of the surveys are complete Repairs will be programmed on completion of all surveys. Urgent repairs are acted upon immediately.

Safety works to Paton's Tower following structural inspection are ongoing.

#### **PPP – Schools Contract**

Work is continuing with the Contractor relating to contract interpretations, with a view to documenting all agreements before January 2017.

The Deduction values to be applied by the Contractor from the Unitary Charge, relating to service failures, have been agreed for the first three months of financial year 2016-17, disputed amounts for July August, September and October are being withheld. .

Historic issues relating to Utilities Reconciliation reporting have been reviewed and agreed and payment of all historic financial balances have now been made

The Contract Insurances Cost Sharing Mechanism Report has been received and agreed and payment of the Council's share of the cost saving has been received.

#### **Catering**

The overall uptake in the primary schools has been consistent since April 2016. There is a 60% overall meal uptake with an uptake of 72% for Primary 1-3 Free Meals Initiative. Trials for a limited number of Nursery meals are ongoing.

After lengthy consultation a new menu structure has been designed which will give the children a much more varied choice.

Meals on Wheels are now supplied by Apetito. This new venture has been successful with very positive feedback from the clients and social services. All labour savings have been met with the introduction of this service.

More schools are now contacting the Catering Service to work alongside them on a number of activities. Extremely positive reviews have been received commenting on the successful partnership working and enhancement to curricular activities. This model for Better Eating Better Learning is receiving positive inspection comments.

### Capital projects

There were 32 live projects with total project value of £19,661,000 entering the Q2 reporting period, projects were at various stages of delivery as detailed below:

- 2 Projects in the Feasibility stage (£1.55m)
- 3 Projects in the Design Development stage, (£307k)
- 11 Projects are on site (£3.2m)
- 12 projects are in the Make Good Defects and Final Account stage (£14.4m)
- 4 Projects were closed in the period. (£204k)

### 3.2.9 Health & Safety

An external review of the H&S management system was also set up and co-ordinated throughout September with a report due by Christmas.

The winter flu vaccination programme was set up and co-ordinated by the H&S team in October. In total 706 vaccinations were requested.

A noise measurement project has also commenced within the Roads department, including the compilation of exposure risk assessments. This will generate a significant saving for the Roads department, avoiding the requirement to hire consultants to complete this work.

The annual H&S report will be available for the Committee during Q4.

### 3.2.10 Procurement

Contract Awards financial year to date

	<b>April 16 – Nov 16</b>
Low Value Awards - Below OJEU	<b>16</b>
Value £	<b>£4,314,966</b>
OJEU Awards	<b>0</b>
Value £	<b>£0</b>

Due to the significant changes in procurement legislation work continues to redesign the procurement documentation in line with case law and Scottish Government Policy notes. The statutory development of a procurement strategy has been drafted and the statutory requirement to produce an annual report is currently being drafted. All of these must be approved and published on our website before 31<sup>st</sup> December 2016

#### **4.0 Performance**

4.1 These are reported in Appendix A

#### **5.0 Governance Improvement Action Plan - Update**

5.1 Work is progressing on revising the Council's local code of governance. R&G supported S&CS in the delivery of the Best Value Audit self assessment.

#### **6.0 Progress in Delivering Planned Budget Savings in 2015/16**

6.1 Discussed in Audit and Finance Committee

#### **7.0 Achievements**

##### **7.1 Information Technology**

The annual PSN compliance programme was completed successfully. PSN is an external audit of ICT security which is a prerequisite for being allowed to connect to other Government networks and is required to allow us to access systems such as Inland Revenue, DWP etc. PSN compliance demands very strict security controls including an independent security audit. The Council is now compliant for a further year.

##### **7.2 Accountancy**

The 2015/16 Annual Accounts were given a clean audit by the Council's external Auditors, Deloitte at the Council's Audit and Finance Committee on 15<sup>th</sup> September 2016. This was Deloitte's last year of their five year appointment with new Auditors – Audit Scotland taking on the appointment for the next 5 years.

##### **7.3 Democracy**

Community Council election in Muckhart was managed successfully giving Modern Apprentices an opportunity to take part as enumerators. The presence of the Provost at the count was greatly appreciated.

##### **7.4 Procurement**

Procurement was nominated as a finalist in the Procurement Team of the year category in the Government Opportunities (GO) Excellence in Public Procurement Awards Scotland 2016/17. At the ceremony on Wednesday 9 November 2016, members of R and G together with the Council Leader were

in attendance. The GO Awards Scotland is the benchmark by which progress in this £11 billion plus sector in Scotland is measured.

## 8.0 Opportunities, Challenges and Risks

8.1 Pleased see risk register at Appendix A

## 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. Yes

10.3 Finance have been consulted and have agreed the financial implications as set out in the report. Yes

### 10.4 Staffing

## 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** (Please detail)



### 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

### 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

### 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

### 16.0 Background Papers


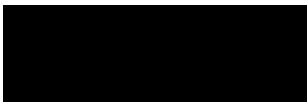
16.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes  (please list the documents below) No

#### Author(s)



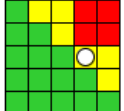










NAME	DESIGNATION	TEL NO / EXTENSION
Stephen Coulter	Head of Resources & Governance	01259 452022

#### Approved by

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



Key to symbols used in this report

PIs		ACTIONS		RISKS	
Short Trend Compares this quarter's performance with last quarter		Expected Outcome		Current Rating Likelihood x Impact (1 - 5)	Status
	Performance has improved		Already complete		 Rating 16 and above
	Performance has remained the same		Meet target/complete within target dates		 Rating 10 to 15
	Performance has declined		Will complete, but outwith target		 Rating 9 and below
	No comparison available - May be new indicator or data not yet available		Overdue	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.	
			Cancelled		

## Corporate Performance Indicators 2016-17

Code	KPI	2013/14	2014/15	2015/16	2016/17	Q2 2016/17		Q2 2016/17	Lead
		Value	Value	Value	Target	Value	Short Trend		
COU AB1 GOV	Average FTE days lost through sickness absence per employee (Teachers plus all other local government employees)	7.4	12.12	11.83	11.33	2.86	↑	.	Chris Alliston
COU FOI GOV	Percentage of Council Freedom of Information requests dealt with within timescale			91.1%	600.0%	92.5%	↓	The number of requests that have been responded to on time have dropped very slightly, we continue to work with services on the importance of responding on time.	Andy Hunter

## Service Performance Indicators 2016-17

Code	KPI	2013/14	2014/15	2015/16	2016/17	Q2 2016/17		Q2 2016/17	Lead
		Value	Value	Value	Target	Value	Short Trend		
ACC B01 RAG	Performance against phased budgeted spend - Resources and Governance	98.3%	100.0%	94.3%	95.0%	96.8%	↓	Currently a £0.729m underspend. Position reported at A&F Committee in November.	Stephen Coulter
GOV AUD 001	Percentage of Internal Audit plan completed	100%	100%	100%	100%	66%	↑	A&F committee updated on staffing situation in November. Substantial elements of plan will be completed.	Stephen Coulter
ITS CUS 001	Percentage of customers satisfied with ICT services	98.2%	94.8%	96.6%	96.0%	95.9%	↑	Performance has improved over the period as issues are resolved within the new Citrix environment. Resource continues to be diverted to address staffing moves and addressing new issues created by the IT Server Room.	John Munro
ITS ITS 002	Percentage of available hours lost on ICT systems due to unplanned incidents	0.035%	0.060%	0.035%	0.035%	0.002%	↓	13 server incidents during the quarter due to thermal control issues within the IT Server Room causing system damage.	John Munro


Code	KPI	2013/14	2014/15	2015/16	2016/17	Q2 2016/17		Q2 2016/17	Lead
		Value	Value	Value	Target	Value	Short Trend		
RAG HS3 GOV	Proportion of Resources & Governance Health and Safety Risk Assessments reviewed and up to date	N/A	75.0%	95.0%	95.0%	70.3%		One R&G Team Leader confirmed they are currently in the process of reviewing the large number of H&S risk assessments within their service area.	Stephen Coulter
RAG PPL 003	Percentage of Resources and Governance staff recorded as having completed a PRD	88.4%	80.0%	40.5%	85.0%			Data currently being validated.	Stephen Coulter

## ACTIONS






### 1 Clear Policy Priorities

Code	ACTION	By When	Progress	Expected Outcome	Latest Note	Lead
MCB RAG 035	Workforce Planning (Corporate)	31-Mar-2020			The Councils OD Adviser is compiling the overall Council Workforce Strategy based on submissions received from Services. It is now likely that the full report will be submitted for Council consideration in January	Chris Alliston
RAG 16 001	Review and revise Governance Strategy and key Governance documents	31-Mar-2017			Progress on Scheme of Delegation, Finance Regs and CSOs and Local Code of Governance. Intention to bring the revised suite to Council in Q4 following discussion with Administration and CMT. Documents on track for completion as per original timescales.	Stephen Coulter
RAG 16 002	Undertake an options appraisal of services provided to the VJB with the aim of establishing the full costs of service provision and introducing greater formality in the services provided	31-Dec-2016			R&G senior management have provided update on services provided. Other Council's SLAs have been reviewed and proposal to be drafted for agreement with Assessor.	Stephen Coulter

## 2 Increasing Income & Savings

Code	ACTION	By When	Progress	Expected Outcome	Latest Note	Lead
RAG 167 111	Income and charging increase (corporate)	31-Mar-2017	<div style="width: 12%;"><div style="width: 12%;"></div></div> 12%			Lindsay Sim

## 3 Making Efficiencies


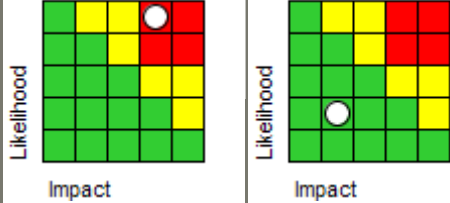



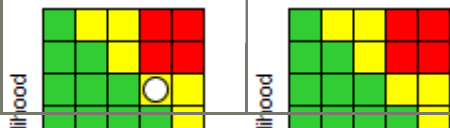
Code	ACTION	By When	Progress	Expected Outcome	Latest Note	Lead
MCB RAG 018	Resources and Governance Delivery Model	31-Mar-2018	<div style="width: 84%;"><div style="width: 84%;"></div></div> 84%		Work ongoing – savings are expected to be delivered.	Stephen Coulter
MCB RAG 037	Review Telephone Provision and Digital Transactions	31-Mar-2017	<div style="width: 85%;"><div style="width: 85%;"></div></div> 85%		Blackberry Server now terminated. Anticipated cost of 5K avoided by migrating users across to iPhone where required. Telephone support contract reviewed. £3K saving. Revised Tariff for our fixed line telephone calls reducing calls to mobiles from 6p to 4p per minute. Identified potential of extending IP technology investment which could reduce monthly telephone charges from £4.5K to zero, leaving only a connection charge circ £1K per month.	John Munro
MCB RAG 039	Review of working week, role flexibility and other terms and conditions	31-Mar-2017	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%		Following meeting of 10/11 Council agreed not to progress. Whilst consultation and briefing and preparation of business cases has concluded and marked as complete the overarching action can now not be completed.	Chris Alliston
MCB RAG 054	Reduce energy costs and raise awareness of energy usage	31-Mar-2019	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%		A competition in primary schools reported on 14th June a reduction in CO2 of 250 tonnes and a financial saving of £4300. This saving needs to be considered as part of the reduction in energy budgets which has seen a £271k reduction this year.	Eileen Turnbull
MCB RAG 055	Review of Printing	31-Mar-2018	<div style="width: 65%;"><div style="width: 65%;"></div></div> 65%		Following the approval by CMT on 29th June, we have met with the supplier to advise we will be reducing our fleet of printing devices and obtained updated prices for further roll out of staff ID card scanning equipment. We have been given approval for the reduction within the CAPs by the Customer Services Manager and have met with the Communications Team about the promotion of appropriate printing. Network configuration changes are being progressed to enable the reduction of devices with little business impact.	John Munro

Code	ACTION	By When	Progress	Expected Outcome	Latest Note	Lead
MCB RAG 18a	Restructure of Resources and Governance Service	31-Mar-2017	<div style="width: 69%;"><div style="width: 69%;"></div></div> 69%		Assets to transfer. Other services underway. HR Phase 2 complete.	Stephen Coulter
MCB RAG 18b	Review of Equipment and Information Management	31-Mar-2017	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%		Key action was presentation of Records Management Plan to Keeper in line with PR(S)A. This was completed in November. A working group for records management has been established and other aspects for the plan are being implemented. Actions under this project will be absorbed as Business As Usual within the service.	Stephen Coulter
RAG 16 003	Implementation of Tech One and the realisation of benefits	31-Mar-2018	<div style="width: 85%;"><div style="width: 85%;"></div></div> 85%		Key modules in place. Roll out of training on budgeting and P2P ongoing	Lindsay Sim
RAG 167 048	Renegotiate GIS provision and use of Open Source technologies to bring some functionality in-house.	31-Mar-2017	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%		Contract completed for GIS. New contract cost £50K per annum from 1/7/16	John Munro
RAG 167 062	Relocate Centrespace to other Council building to remove property costs	31-Mar-2017	<div style="width: 35%;"><div style="width: 35%;"></div></div> 35%		Liaison has taken place with SW. A series of events based on freeing up space in Menstrie House to free up space in Ludgate House to allow the relocation to take place has to happen. This relies on beds being vacated	Stephen Coulter
RAG 167 066	Reduce or remove unnecessary building lease costs for Ward Street	31-Mar-2017	<div style="width: 33%;"><div style="width: 33%;"></div></div> 33%		Carsebridge is now vacated (partial savings this year). Unit 5 Bruce Street now vacated.	Eileen Turnbull
RAG 167 095	PPP service reduction	31-Mar-2017	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%		Savings from the PPP contract due to insurance rebate have been made. Ongoing negotiation with contractor about clawback are nearing completion.	Eileen Turnbull

#### 4 Transforming Services


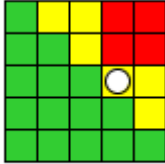
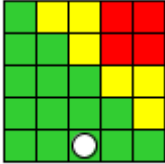
Code	ACTION	By When	Progress	Expected Outcome	Latest Note	Lead
MCB RAG 067	Assets Review: Cleaning Service	31-Mar-2019	<div style="width: 60%;"><div style="width: 60%;"></div></div> 60%		Completely dependent on HR terms and conditions (unsocial hours) negotiations with Unions. Four months into the year so this will not be achieved fully.	Eileen Turnbull
MCB RAG 099	Reduce Cleaning Service by 25%	31-Mar-2017	<div style="width: 36%;"><div style="width: 36%;"></div></div> 36%		Cleaning service model is under discussion with staff and TUs. Staff savings for 16/17 look possible but more analysis in regard to VS/VR needed.	Eileen Turnbull


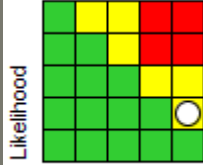
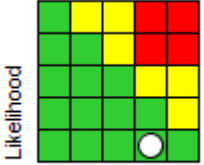

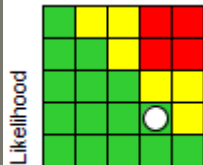
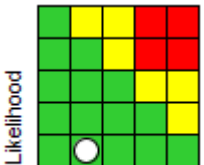
## RISK REGISTER

<b>ID &amp; Title</b>	RAG RAG 008	Insufficient resources to support business plan and Council Projects	<b>Approach</b>	Treat	<b>Status</b>		<b>Managed By</b>	Stephen Coulter	<b>Current Rating</b>	20	<b>Target Rating</b>	4
<b>Description</b>	Internal R&G and other Corporate projects and activities requiring input from one or more R&G teams											
<b>Potential Effect</b>	Resource is diverted to projects resulting in fall in quality or delays in "business as usual" Projects fail											
<b>Related Actions</b>					<b>Internal Controls</b>	Business Planning Process						
<b>Latest Note</b>	Resource constraints are being felt across R&G. Recruitment scrutiny, budget pressure, staff voluntary and peaks of workload are leading to under delivery or delivery outside timescales. Managerial work such as PRDs tends to be de-prioritised											
<b>ID &amp; Title</b>	RAG CRR 009	Poor Information & Knowledge Management	<b>Approach</b>	Treat	<b>Status</b>		<b>Managed By</b>	Stephen Coulter	<b>Current Rating</b>	16	<b>Target Rating</b>	12
<b>Description</b>	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.											
<b>Potential Effect</b>	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.											
<b>Related Actions</b>	MCB RAG 18b	Review of Equipment and Information Management					<b>Internal Controls</b>	People Strategy				
							Information & Communication Technology Strategy					
							Information Management Strategy					
<b>Latest Note</b>	Work is now progressing on information management and a new corporate file structure. Mandatory Training modules are aslo being put in place											
<b>ID &amp; Title</b>	RAG RAG 001	R&G has weak impact on Corporate Governance	<b>Approach</b>	Treat	<b>Status</b>		<b>Managed By</b>	Stephen Coulter; John Munro	<b>Current Rating</b>	12	<b>Target Rating</b>	4
<b>Description</b>	Lack of corporate compliance with policies, procedures and processes designed by R&G specialists which enable efficient business processes and good governance											
<b>Potential Effect</b>	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.											



<b>Related Actions</b>	MCB RAG 018	Resources and Governance Delivery Model	<b>Internal Controls</b>	Governance Panel		
	RAG 16 001	Review and revise Governance Strategy and key Governance documents		Governance Improvement Plans		
				Governance & Audit Processes		
<b>Latest Note</b>	Work on going to revise governance documents and introduce and embed new finance system and upgrade iTrent.					











<b>ID &amp; Title</b>	RAG RAG 006	Staff resilience	<b>Approach</b>	Treat	<b>Status</b>		<b>Managed By</b>	Chris Alliston; Stephen Coulter; John Munro; Lindsay Sim; Eileen Turnbull	<b>Current Rating</b>	12	<b>Target Rating</b>	3
<b>Description</b>	Changing job roles, redundancy and uncertainty of Council's long term direction creates anxiety in staff											
<b>Potential Effect</b>	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											
<b>Related Actions</b>	MCB RAG 018	Resources and Governance Delivery Model	<b>Internal Controls</b>	Leadership Development Programme	<b>Likelihood</b>		<b>Impact</b>	<b>Likelihood</b>		<b>Impact</b>		
	MCB RAG 035	Workforce Planning (Corporate)		Health & Safety Management System								
				Maximising Attendance & Employee Wellbeing Policy								
				Making Clackmannanshire Better Programme								
<b>Latest Note</b>	Staff remain in pockets under pressure due to increased workloads because of staff leaving or expectations of support required. However, staff are clearer about the need for change and the rapid increase driven by technology and voluntary exit											

<b>ID &amp; Title</b>	RAG RAG 005	Failure of IT systems	<b>Approach</b>	Treat	<b>Status</b>		<b>Managed By</b>	Stephen Coulter; John Munro	<b>Current Rating</b>	10	<b>Target Rating</b>	4
<b>Description</b>	A significant failure of secure ICT systems that has a major detrimental impact on council operations											
<b>Potential Effect</b>	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											
<b>Related Actions</b>					<b>Internal Controls</b>	Information & Communication Technology Strategy Business Continuity Plans Operational Business Plan						
<b>Latest Note</b>	Work ongoing on digital strategy and disaster recovery. Systems and infrastructure are being upgraded to improve the end user experience											
<b>ID &amp; Title</b>	RAG RAG 009	R&G Service Reviews	<b>Approach</b>	Treat	<b>Status</b>		<b>Managed By</b>	Stephen Coulter	<b>Current Rating</b>	8	<b>Target Rating</b>	2
<b>Description</b>	R&G service reviews don't deliver savings or improved quality of service											
<b>Potential Effect</b>	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											
<b>Related Actions</b>					<b>Internal Controls</b>	Workforce Planning Process Contract Standing Orders Council Standing Orders						
<b>Latest Note</b>	Service reviews are being undertaken as part of MCB and are already underway. Appointment to key posts and roll out of One Council will accelerate progress											



# Internal Audit & Fraud Progress Report: Resources & Governance

## Overview


AUDIT NAME	Finding Priority				Actions Status
	1	2	3	4	
Absence Management			1	1	
Budget Management & Monitoring			2		
		4	2		
Capital Project Management		2	1		
			1		
Cash Collection & Handling			6		
Compliance with IT Security Standards			3		
			1		
Consultancies and Agency Workers			1		
		3	1		
			1		
Delegated Financial Approval Authority		1			
Funding applications including European		1	1		
General Ledger		1		1	
		1	1		
ICT Asset Management Plan & Contract Management			1		
		6	2		
Income Collection & Cash Receipting			2		
Information Governance	1	3			
		4	1		
Insurance		2	2		
iTrent Project Implementation		1	2	1	
		1			
Mobile Phone Usage		1	1		
			3		
Payroll & HR			1		

AUDIT NAME	Finding Priority				Actions Status
	1	2	3	4	
PPC action plan			1		
		5	5		
		1			
Progress of new Finance System Project				1	
		1			
Savings and Efficiencies - Overtime		2	5		
			1		
Travel and Subsistence		1	2	1	
		1			
Treasury Management				1	


## Capital Project Management

AUDIT FINDING	IAF CPM 02	Corporate Project Management Principles and Procedures are not available. Adoption of existing specialised procedures would be advantageous. Procedures covering the Post Implementation Review Requirements should identify where and when it is appropriate to carry out PIRS and a deminimus value above which a PIR would potentially provide benefits. No corporate training provided on Capital Project Management.	Priority	2	Sign-off	No	
Agreed Action	Original Due Date	Due date	Status	Progress	Latest Note	Lead	
RAG CPM 02	Discussion will be undertaken at CMT to identify appropriate way forward.	30-Mar-2016	30-Mar-2016		<input type="text" value="50%"/>	This will be raised at the Capital Projects Group to identify a corporate approach. The group itself has clarified a number of governance issues.	Stephen Coulter
AUDIT FINDING	IAF CPM 03	Issues relating to unclear roles and responsibilities when one service undertakes project tasks on behalf of another. There is no agreement / client relationship contract in place between the Service, Project Manager and internal sections responsible for carrying out project work.	Priority	2	Sign-off	No	
Agreed Action	Original Due Date	Due date	Status	Progress	Latest Note	Lead	
RAG CPM 03	Issues relating to unclear roles and responsibilities when one service undertakes project tasks on behalf of another. There is no agreement / client relationship contract in place between the Service, Project Manager and internal sections responsible for carrying out project work. Discussion will be undertaken at CMT to identify appropriate way forward.	30-Mar-2016	30-Mar-2016		<input type="text" value="50%"/>	The transfer of capital project management responsibilities from R&G to H&CS is designed to clarify responsibilities. The lead will transfer to Head of H&CS.	Stephen Coulter




## Delegated Financial Approval Authority


AUDIT FINDING	IAF DFA 001	The Scheme of Delegation and Financial Regulations relating to approval authority for budget related transactions are out of date.	Priority	2	Sign-off	No	
Agreed Action		Original Due Date	Due date	Status	Progress	Latest Note	Lead
RAG DFA 001	Following the implementation of Tech one and the publication of the Scottish Government Procurement Regulations R&G will lead work to redevelop Finance Regs, CSOs and the Statement of Delegation . Work will commence in Q1 of 2016-17 with the aim to have drafts finalised by September 30th.	30-Sep-2016	30-Sep-2016		<div style="width: 75%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 75%	This is part of the R&G Business Plan. Key documents are being re-developed for presentation to Council in Q4 2016/17.	Stephen Coulter

## Funding applications including European


AUDIT FINDING	IAF FAE 02	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.	Priority	2	Sign-off	No	
Agreed Action		Original Due Date	Due date	Status	Progress	Latest Note	Lead
RAG FAE 02	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	31-Mar-2016		<div style="width: 80%;"><div style="background-color: #4f81bd; height: 10px; width: 100%;"></div></div> 80%	Depending on the outcome of the business case it is expected that the action to be complete by 31-Mar-2016	Lindsay Sim

## Information Governance

<b>AUDIT FINDING</b>	IAF IGA 03	There are still a significant number of physical files being stored in various Council buildings including Lime Tree House and Alloa Town Hall.	<b>Priority</b>	2	<b>Sign-off</b>	No	
<b>Agreed Action</b>		<b>Original Due Date</b>	<b>Due date</b>	<b>Status</b>	<b>Progress</b>	<b>Latest Note</b>	<b>Lead</b>
RAG IGA 03	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.	30-Sep-2015	31-Mar-2016		<div style="width: 80%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 80%	Documents have been removed from LTH prior to sale. RM working group is working through physical storage and is working with SW to clear out remaining records from Ward Street Store.	Stephen Coulter
<b>AUDIT FINDING</b>	IAF IGA 04	No log or register is maintained of documents / files that are deposited or removed from storage areas.	<b>Priority</b>	2	<b>Sign-off</b>	No	
<b>Agreed Action</b>		<b>Original Due Date</b>	<b>Due date</b>	<b>Status</b>	<b>Progress</b>	<b>Latest Note</b>	<b>Lead</b>
RAG IGA 04	Logging and access arrangements will be considered as part of the Records Management Project.	31-Dec-2015	31-Mar-2016		<div style="width: 95%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 95%	Logging and access arrangements are being actively considered as part of the Records Management Project.	Stephen Coulter
<b>AUDIT FINDING</b>	IAF IGA 08	Where the Council has external data sharing protocols in place, these are not subject to periodic review.	<b>Priority</b>	2	<b>Sign-off</b>	No	
<b>Agreed Action</b>		<b>Original Due Date</b>	<b>Due date</b>	<b>Status</b>	<b>Progress</b>	<b>Latest Note</b>	<b>Lead</b>
RAG IGA 08	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	31-Mar-2016		<div style="width: 95%;"><div style="background-color: #4f81bd; height: 10px;"></div></div> 95%	As part of a revised approach to statements of Assurance H of S will be asked to provide assurance that data sharing protocols are in place and reviewed in line with an identified schedule.	Stephen Coulter

<b>AUDIT FINDING</b>	IAF IGA 09	Few Council Services maintain registers of the physical files they hold.	<b>Priority</b>	2	<b>Sign-off</b>	No	
<b>Agreed Action</b>		<b>Original Due Date</b>	<b>Due date</b>	<b>Status</b>	<b>Progress</b>	<b>Latest Note</b>	<b>Lead</b>
RAG IGA 09	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. Council Management Team (CMT) to be responsible for compliance.	31-Mar-2016	31-Mar-2016		<div style="border: 1px solid black; width: 50px; height: 15px; background-color: #ADD8E6; display: flex; align-items: center; justify-content: center;">80%</div>	The RMP project through the network of service champions is ensuring that work will be done to eliminate paper records as far as is legislatively possible. Remaining paper documents will be catalogued by the service.	Stephen Coulter

### Travel and Subsistence

<b>AUDIT FINDING</b>	IAF TSA 01b	Limited guidance is available on the Intranet and on claim forms however stronger guidance in certain areas could require claimants to ensure that most efficient method of travel is utilised	<b>Priority</b>	2	<b>Sign-off</b>	No	
<b>Agreed Action</b>		<b>Original Due Date</b>	<b>Due date</b>	<b>Status</b>	<b>Progress</b>	<b>Latest Note</b>	<b>Lead</b>
RAG TSA 01b	Current guidance to be reviewed to ensure it covers areas a such as consideration of value for money	31-Oct-2015	31-Oct-2015		<div style="border: 1px solid black; width: 50px; height: 15px; background-color: #ADD8E6; display: flex; align-items: center; justify-content: center;">90%</div>	Lesley Deans Principal Transportation Planner has advised that revised Policy is till in draft and has still to be approved by SMT/CMT	Lesley Deans