

Best Value Review June 2015

Code & Title	How the Council Needs to Improve	Accounts Commission Findings	Latest Note	Management Response
BV – A Finance	<ul style="list-style-type: none"> Ensure that its financial position does not deteriorate by focusing on key savings projects and ensuring these do not continue to face significant delays. Ensure that financial reconciliations are completed throughout the year. Review its revenue budgets, to ensure that they reflect changing demands for services and council priorities and provide meaningful targets for managers to work towards. 	<p>Sound management of resources is a key characteristic of a best value council.</p> <p>However the Council is not doing this in a number of respects. The Council is not doing this in a number of respects.</p> <p>It needs to: ensure regular timely financial reconciliations – a fundamental aspect of financial controls; improve planning and the delivery of its capital programme, ensure that its workforce strategy has clear targets and timescales; and make better progress with job evaluation.</p>	<p><i>25th June 2015</i></p> <p>Transformational Programme Report CST060/15/AD to Council.</p>	<p>The Council will continue to focus on key savings and its programme of transformational activities with this commitment being reflected in the recently refreshed programme; this seeks to add further emphasis through prioritisation and benefits realisation with subsequent reports in this area charting progress made to date.</p> <p>In order to develop a baseline from which further developments can be evidenced the Transformational Programme Report CST060/15/AD to Council on the 25 June sets out key considerations, prioritisations and areas for development to be taken forward, along with associated timescales for improvement to demonstrate how the Council will deliver on its ambitions and the programmes through which this will be achieved.</p> <p>The Council is proactively addressing current and ongoing financial challenges, represented by the need to deliver efficiencies and associated savings, through its Transformational Programme of activities. Such work is supported by the Council's Programme Management Office and overseen by internal management control and elected Member scrutiny arrangements.</p> <p>Ann Davie Director of Customer Services & Transformation</p> <p>For 2015/16 in year reconciliations will be in place by the end of July 2015. For 2014/15 the year-end processes and routines supporting the development of the draft financial statements were effective and completed on time. Streamlining of transactional arrangements and dedicated resources are in place which will ensure significant improvement in 2015/16.</p> <p>In further support of these reconciliations and to further mitigate those risks identified the Council has agreed to implement the Business Case relating to the direct interface between Income Management and General Ledger systems. Amongst other goals this projects seeks to improve reconciliation processes with this being a more direct feed.</p>

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				<p>The AIM Project and back-fill is now fully resourced, activity has commenced and non-core transactional activity has been reduced e.g. EDLCT, Municipal Bank, Kiosk admin etc. to allow the project to progress along anticipated timescales.</p> <p>With respect to revenue budgeting the Council seeks to respond quickly to assess the impact of any ongoing changes and revisions to financial plans, either at a local or national level. In the 2015/16 revenue budget the Council allocated additional funding of £5.7m in respect of adult social care, representing the Council's commitment to services in such areas and in response to changing demographics and level of assessed need. Such changes represent good financial and project management with the Council being proactive in assessing, for example the impact of the Chancellor's Emergency Budget in July and its impacts on general revenue grant from the Scottish Government.</p> <p>Ian Black Director of Finance & Shared Services</p>
<p>BV – B Transformation</p>	<ul style="list-style-type: none"> Build on the recent momentum in progressing its transformation programme, prioritising the various projects and focusing on those with the potential to make the greatest impact. 	<p>The Council urgently needs to have clearer priorities in its transformation programme, in order to ensure that critical projects are delivered and the anticipated savings and benefits are realised.</p> <p>Sound management of resources is a key characteristic of a best value council. However the Council is not doing this in a number of respects. The Council is not doing this in a number of respects.</p> <p>It needs to: ensure regular timely financial reconciliations – a fundamental aspect of financial controls; improve planning and the delivery of its capital programme, ensure that its workforce strategy has clear targets and timescales;</p>	<p><i>25th June 2015</i></p> <p>Transformational Programme Report CST060/15/AD to Council.</p>	<p>As noted previously the Council will continue to focus on key savings and its programme of transformational activities with this commitment being reflected in the recently refreshed programme; this seeks to add further emphasis through prioritisation and benefits realisation. The report to Council on the 25th June (CST/060/15/AD) sets out the process through which it will strengthen its Programme Management Office function and deliver ongoing improvements in project governance and benefits realisation across its Transformation Programme. This report continues to build on the momentum supplementing his with additional focus through prioritisation.</p> <p>The updated Transformation Programme report details the key priorities, associated efficiencies and revised timescales for delivery. This aligns to the need to continue to deliver momentum of the transformation programme with this report prioritising transformational projects with additional profile being given those with the potential to make the greatest impact.</p> <p>The ongoing reporting of Transformational projects will support scrutiny with the detail being remitted to the Audit & Risk Management Sub-Committee with specific areas being passed to Scrutiny Panels for further consideration. There is a well-established cycle of activities in this area with such activities being reflected in Covalent throughout the Course of the Year.</p> <p>Ann Davie Director of Customer Services & Transformation</p>

and make better progress with job evaluation.

New governance, reporting and scrutiny procedures have been implemented in 2014/15 with the report to Council on the 25th June providing an update position from which future developments can be assessed. During the course of the year and in reference to the enhanced in year arrangements these include:

- Corporate Asset Management Group (CAMG) established to oversee progress of the general fund capital programme;
- Introduction, and ongoing development and enhancement of a Project Management Office (PMO) including close working between teams to enhance methodologies for non-transformational capital projects.
- Introduction of 4 weekly project Highlight reports enable project tracking and early intervention
- New scrutiny panel for capital programme
- Updated Corporate Asset Management Plan and 10 year investment plan
- Introduction of Business Cases (Strategic, Outline and Detailed)

Thomas Glen
Director of Development & Regeneration

BV – C
Procurement

- Build on success in strengthening its approach to procurement and develop specific proposals on how this will deliver the anticipated savings.

The Accounts Commission have serious concerns about the pace of improvements. There is a gap between the Council's ambitions and the delivery on the ground of the strategies and programmes by which these are to be achieved.

If these gaps are not addressed, then this increases the risks to the long-term sustainability of the Council's Services.

25th June 2015

Procurement Strategy Update Report to Council 25th June 2015

The Procurement Strategy 2015–2018 as presented to Council on the 25th June refreshes the objectives and emphasising the Corporate responsibilities with respect to Procurement and the associated strategy.

The Procurement Savings Strategy within Transformation Programme applies best-practice learning to assess and secure value of savings; these are used as the basis for our assessments and relates specifically to how the Council will deliver on its anticipated procurement savings.

In order to further enhance this process the Council continues to receive support and challenge from Scotland Excel as well as through an established network of peer councils offering local reviews. During the course of the year reports will be provided to Council to demonstrate compliance in this area.

Ian Black
Director of Finance & Shared Services

BV – D
Workforce

- Maintain the recent improvement in the number of staff receiving an annual performance appraisal and ensure the results are used to help shape staff training and development programmes.

Sound management of resources is a key characteristic of a best value council. However the Council is not doing this in a number of respects. The Council is not doing this in a number of respects. It needs to: ensure regular timely financial

25th June 2015

Workforce Strategy Report CST/059/15/AD to Council

The Council's Workforce Strategy Report (CST/059/15/AD) sets out the Council's strategic intent, high level implementation plan and progress to date across 9 inter-related workstreams. This report is intended to bring clarity to the process and set an important benchmark from which future improvements can be assessed. These developments will be reported to Council on an ongoing basis.

In addition the Council has implemented a 'Resource & Skill Planning Toolkit', rolling this out across Directorate structures. The resulting outputs from this

- Complete the corporate job evaluation programme.
- Continue to reduce sickness absence levels.

reconciliations – a fundamental aspect of financial controls; improve planning and the delivery of its capital programme, **ensure that its workforce strategy has clear targets and timescales; and make better progress with job evaluation.**

exercise will support workforce planning, succession planning and personal skill development and performance. Ongoing improvements in this area will continue to be tracked with update reports being prepared and presented to Council throughout the year.

The Council commitment to personal development through its PDR scheme remains resolute and continued improvements within PDR Framework continue through benchmarking, ongoing review of the reporting process as well as further clarification and simplification of the PDR framework and its implementation. This process is subject to internal CMT review with improvement actions being undertaken to ensure that compliance is maintained and improved throughout the Council.

The Council will continue to expedite the job evaluation programme with the ongoing commitment of resources to ensure that the process is robust and compliant. Progress will continue to be monitored and reported to ensure ongoing oversight and understanding of our current position. The indicative date for completion of the current Job Evaluation process is January 2016.

Focus on the reduction of sickness absence remains a key priority across the Council with on-going review of the Wellbeing at Work policy, as well as review of Occupation Health and wider support to the Council including revision of the Employee Relations & Wellbeing service delivery model. This remains a key indicator for the Council with ongoing reporting, statistical analysis and support/ challenge for teams through our business support function.

Ann Davie
Director of Customer Services & Transformation

BV – E
Governance and Scrutiny

- Write committee reports papers in plain English and avoid unnecessary detail, to make them more clearly understood.

New scrutiny arrangements are in place, but these are ineffective. Elected members in both administration and opposition need to be able to fulfil their responsibility to challenge and scrutinise performance as well as rigorously appraise options for service improvements. Elected members need to specify the information they require and hold officer to account. Officer in turn need to ensure that reports are accessible, understandable and jargon-free.

4th June 2015

The Council has engaged with the Improvement Service with a view to developing practices in this area.

The Council has engaged with, and will continue to utilise, the Improvement Service with a view to developing practices in this area. This work will support the Council and its officers to provide both reasonable levels of detail and sufficient information with the aim of enhancing and further enabling scrutiny. Further updates on this progress will be provided to Council during the course of the year with enhancements being reflected in the quality of our reports during 2015/15.

Gerry Cornes
Chief Executive

