

1. EXECUTIVE SUMMARY

- 1.1 The Council's Planning and Improvement Framework sets out the process for presentation of the council's quarterly performance reports. This paper presents the Policy and Resources Committee with the Customer Services Departmental performance report with the scorecards for Customer Services and Strategic Finance for FQ3 2018-19 (October - December) & FQ4 2018-19 (January – March)
- 1.2 It is recommended that the Policy and Resources Committee reviews the scorecards as presented.

PERFORMANCE REPORT – FQ3 & FQ4

2. INTRODUCTION

- 2.1 The Planning and Improvement Framework sets out the process for presentation of the council's quarterly performance reports. This paper presents the Departmental performance reports with associated scorecards for performance in FQ3 2018-19 (October - December) & FQ4 2018-19 (January – March).

3. RECOMMENDATIONS

- 3.1 It is recommended that the Policy and Resources Committee reviews the scorecards as presented.

4. DETAIL

- 4.1 The performance scorecard for the Customer Services Department was extracted from the Council's Pyramid performance management system and is comprised of key performance indicators incorporating the four services that make up Customer Services. Likewise the scorecard for Strategic Finance comprises the key performance indicators for this service.

5. IMPLICATIONS

- | | | |
|-----|---------------------------|--|
| 5.1 | Policy | None |
| 5.2 | Financial | None |
| 5.3 | Legal | The Council has a duty to deliver best value under the Local Government Scotland Act 2003. |
| 5.4 | HR | None |
| 5.5 | Socio Economic/Equalities | None |
| 5.6 | Risk | Ensuring performance is effectively scrutinised by members reduces reputational risk to the Council. |
| 5.7 | Customer Services | None |

Douglas Hendry, Executive Director – Customer Services

For further information contact:

Jane Fowler, Head of Improvement and HR
Kirsty Flanagan, Head of Strategic Finance

Key Successes**Business Outcome BO05 Information and support are available for everyone**

1. Won Gold Excellence award for our Passport Interview Service in the category of Achieving Better Outcomes in Partnership
2. New Instagram site ABplace2bwed to promote weddings in our area launched.
3. Continued to develop corporate social media sites as a way in which to make information available and engage with people: follower numbers continue to increase across Facebook, Twitter, LinkedIn and Instagram; we increased by 50% the number of enquiries about becoming a foster carer.

Business Outcome BO09 Our assets are safe, efficient and fit for purpose

1. The transport team and Hermitage Academy worked to minimise disruption caused by ScotRail train cancellations/delays to ensure pupils were able to attend school.

Business Outcome BO18 Improved lifestyle choices are enabled

1. Annual audit of the Catering and Quality Management System was carried out over two days in October and the surveillance audit was positive, endorsing our system at the recognised standard and ISO9001 was approved.

Business Outcome BO27 Infrastructure and assets are fit for purpose

1. Time to fix IT faults for quarter is 2.6 hours well below target of 5.0 hours, application downtime for quarter is at very low level of 0.03%, and unscheduled infrastructure downtime for the quarter was even lower at 0.01%, both well below targets.
2. Tender awarded for Kilmory data centre refresh within budget and implementation commenced
3. Bespoke interface developed with Health and Social Care Partnership to enable them to connect with council systems in a lower cost way

Business Outcome BO23 Economic growth is supported

1. Year to date we have paid 97.35% of invoices within 30 days – above target of 95.0%. 90.6% of contracts for quarter were won by SMEs (above target of 75%)
2. NDR relief has continued to climb – now at £14.77m above target of £12m

Business Outcome BO28 Our processes and business procedures are efficient cost effective and complaint

1. Successful completion of 3rd round of community council by elections.
2. Two gold excellence awards and both of the Provosts special awards won by Governance and Law teams.
3. Workforce planning meetings have taken place with all managers and the plans are now inputting to the development of an action plan which will see growing our own opportunities created that directly link to needs and opportunities highlighted in our workforce plans

Key Challenges and Actions Completed In Previous Quarter

Business Outcome BO18 Improved lifestyle choices are enabled

1. The school meal autumn winter menu has been implemented and the three week menu has been introduced and is proving successful.

Business Outcome BO09 Our assets are safe, efficient and fit for purpose

1. Legionella Management - Create and implement a structured Council wide training programme for key staff. Simplicity of task now accepted. Confirmation of those to be trained in other Services taking longer than anticipated.

Business Outcome BO28 Our processes are efficient, cost effective and compliant

1. The new council tax portal now has online forms for single person discount and changes of address which integrate directly to the back office systems
2. Performance on issuing contracts within 5 days dipped this quarter. This was due in large part to unexpected down time associated with IT upgrades and patches. Changes implemented in the service redesign mean this leaner team are less well equipped to catch up on significant processing time lost to unplanned downtime. This coupled with a continued higher than target sickness absence figure meant that payroll processing was prioritised and resource was diverted from issuing contracts to support the catch up of payroll processing within the very tight remaining window for processing and ensure the vast majority of employees were paid on time. Additional short term resource has been allocated to the pensions and payroll team. The contract module on talent link has now been implemented and reduces the time taken to generate a contract considerably. Major incident review taking place with IT to identify lessons learned from recent unplanned down time events

Short-term Operational Challenges

1. Benefit changes in circumstances YTD have taken an average of 9.80 days above target of 9.0 days. Now expected to be back on target by end of next quarter.
2. Full launch of new council tax and benefits portal to be completed at end of January (portal already live) in advance of annual bills being issued in early March.

3. Develop & implement plans to meet savings target for 2019-20 and beyond in line with Council's budget process – to produce improved council tax collection income and reduce cost of benefits processing; improved procurement savings through contract and demand management; re-organised service desk and print room operation; review fees and remuneration to create more demand for weddings
4. CONTEST strategy update
5. Members uptake of Personal Development Plans remains low
6. Judicial Review on planning decision for a single dwelling in Lorn
7. The resignation of two Property Officers along with one Property Officer on long term absence (recuperation following surgery) has resulted in the maintenance team being significantly under-resourced. A recruitment process to address this was not totally successful. Short-term use of agency staff to be implemented in FQ4.
8. Difficulties recruiting an Early Years Catering Co-ordinator is resulting in additional workload for the catering and cleaning officer who has been continuing to work on implementing the phased roll out of early years meals while delivering her own role.
9. BREXIT – uncertainty of the potential impact from the withdrawal of the UK from the EU e.g. procurement and commissioning of goods and services. Working Group has been established.

Key Challenges and Actions to address the Challenges

Business Outcome BO09 Our assets are safe, efficient and fit for purpose

1. **Challenge:** Legionella Management Training - the detail of how temperatures are recorded and how infrequently used outlets are flushed has been agreed with Client Departments and staff will be trained once those undertaking the roles have been identified.
Action: Heads of Services, as Facility Responsible Persons, have been asked to identify those undertaking the roles.

Carried Forward From Previous Quarter – Yes, in part

Completion Due Date: Ongoing

Responsible Person: Malcolm MacFadyen/Craig Houston

2. **Challenge:** Provision of Maintenance Term Contractor for Tiree and Coll.

Action: In conjunction with colleagues from Procurement and Commissioning, alternative contractors are being researched and if we are able to identify a single interested contractor that meets our requirements for this contract we will be able to proceed to a direct award.

Carried Forward From Previous Quarter – No	Completion Due Date: End of FQ4	Responsible Person: James Hamilton
Business Outcome BO28 Our processes are efficient cost effective and compliant.		
Key Challenges and Actions to address the Challenges		
1. Challenge: Complete preparations for go live of remaining new online facilities for new council tax and benefits system by end of FQ3 2018. Action: Prepare launch materials and publicise generally to all new users		
Carried Forward From Previous Quarter – Yes	Completion Due Date: 31 January 2019	Responsible Person: Fergus Walker
Key Challenges and Actions to address the Challenges		
2. Challenge: Budget Reconstruction Process – develop plans to meet savings target for 2019-20 and beyond Action: Continue to consult with staff and unions and develop detailed plans and implement.		
Carried Forward From Previous Quarter – Yes	Completion Due Date: 30 June 2019	Responsible Person: Heads of Service
Key Challenges and Actions to address the Challenges		
Business Outcome BO18 Improve lifestyle choices are enabled		
1. Challenge: Early Years meals phasing and implementation – continues to cause operational issues as there is demand centrally to plan, co-ordinate, monitor and ensure statutory compliance with the various guidance. Action: The recent formation of a Working Group and the appointment of an Early Years Co-ordinator should alleviate the issues and allow the required resources for successful implementation.		
Carried Forward From Previous Quarter – Yes	Completion Due Date: Ongoing	Responsible Person: Jayne Jones

Key Challenges and Actions to address the Challenges		
<p>2. Challenge: Food for Life inspection identified a number of issues in terms of incorrect purchasing of items in schools Action: Review of management information from suppliers and follow-up from management team over the coming months.</p>		
Carried Forward From Previous Quarter – No	Completion Due Date: On-going	Responsible Person: Christine Boyle
Key Challenges and Actions to address the Challenges		
Business Outcome BO28 Our processes are efficient, cost effective and compliant		
<p>1. Challenge: Address performance data for benefits new claims Action: Maintain improvement in processing of new claims to bring that PI back on target.</p>		
Carried Forward From Previous Quarter – Y	Completion Due Date: 31 March 2019	Responsible Person: Fergus Walker



Customer Services Scorecard
2017-20 FQ3 18/19
 Scorecard owned by: **Douglas Hendry**

[Click here for Full Scorecard](#)

Management Information

RESOURCES

<i>People</i>	<i>Benchmark</i>	<i>Target</i>	<i>Actual</i>	<i>Status</i>	<i>Trend</i>
Sickness Absence CU		1.88 <small>Days</small>	3.45 <small>Days</small>	R	↑
CU % of PRDs completed		90 %	91 %	G	↑

<i>Financial</i>	<i>Budget</i>	<i>Forecast</i>	<i>Status</i>	<i>Trend</i>
Finance Revenue totals CU	£K 44,084	£K 43,880	A	↓
Capital forecasts - current year CU				
Capital forecasts - total project CU				

Asset management red risks	4	On track	3	G	→
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IMPROVEMENT *Status*

Improvement Plan Outcomes CU	Total No	Off track	On track	Complete	<i>Status</i>	<i>Trend</i>
Actions	25	0	11	14	A	→

Customer Services Audit Recommendations	R	Overdue	Due in future	Future - off target		
	1	↓	6	→	0	→

Customer Service CU	Customer satisfaction	95 %	G	↓
Customer Charter	Stage 1 Complaints	81 %	G	↓
Number of consultations	3 Stage 2 Complaints	100 %	G	→



Customer Services Scorecard 2017-20

Scorecard owned by: Douglas Hendry

FQ3 18/19

[Click here for Council Scorecard](#)

Customer & Support Services

Facility Services

Governance & Law

Improvement & HR

Priorities for 2015-17: Customer Services

[Click here for Management Information](#)

'Making Argyll and Bute a place people choose to live, learn, work and do business'

Making A&B a place people choose to live

ABOIP Outcome No.5 - People live active, healthier and independent lives [Related Business Outcomes](#)

ABOIP Outcome No.6 - People live in safer and stronger communities [Related Business Outcomes](#)

ABOIP Outcome No.4 - Children and young people have the best possible start [Related Business Outcomes](#)

Making A&B a place people choose to learn

ABOIP Outcome No.3 - Education, skills and training maximises opportunities for all [Related Business Outcomes](#)

Making A&B a place people choose to work

ABOIP Outcome No.1 - The economy is diverse and thriving [Related Business Outcomes](#)

ABOIP Outcome No.2 - We have infrastructure that supports sustainable growth [Related Business Outcomes](#)

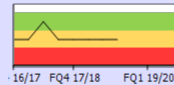
Making it happen

Supporting Outcome - Service Delivery Enablers [Related Business Outcomes](#)

BO04 Benefits are paid promptly and accurately [CU Dept]

Aligns to ABOIP Outcome No. 5

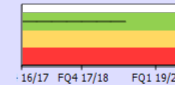
Success Measure **A** ⇨



BO17 The support needs of children and their families are met [CU Dept]

Aligns to ABOIP Outcome No. 4

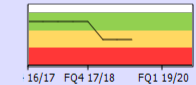
Success Measure **C** ⇨



BO29 Health and safety is managed effectively [CU Dept]

Aligns to Council Outcome MIH

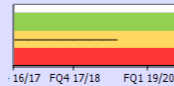
Success Measure **A** ⇨



BO05 Information and support are available for everyone [CU Dept]

Aligns to ABOIP Outcome No. 5

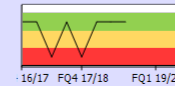
Success Measure **A** ⇨



BO18 Improved lifestyle choices are enabled [CU Dept]

Aligns to ABOIP Outcome No. 4

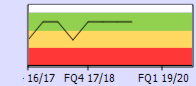
Success Measure **C** ⇨



BO30 We engage with our customers, staff and partners [CU Dept]

Aligns to Council Outcome MIH

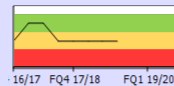
Success Measure **C** ⇨



BO09 Our assets are safe, efficient and fit for purpose [CU Dept]

Aligns to ABOIP Outcome No. 6

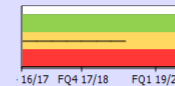
Success Measure **A** ⇨



BO23 Economic growth is supported [CU Dept]

Aligns to ABOIP Outcome No. 1

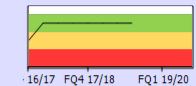
Success Measure **A** ⇨



BO31 We have a culture of continuous improvement [CU Dept]

Aligns to Council Outcome MIH

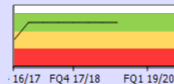
Success Measure **C** ⇨



BO10 Quality of life is improved by managing risk [CU Dept]

Aligns to ABOIP Outcome No. 6

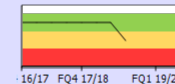
Success Measure **C** ⇨



BO27 Infrastructure and assets are fit for purpose [CU Dept]

Aligns to Council Outcome MIH

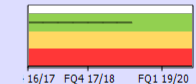
Success Measure **A** ↓



BO32 Our workforce is supported to realise its potential [CU Dept]

Aligns to Council Outcome MIH

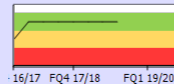
Success Measure **C** ⇨



BO11 There is no place for discrimination and inequality [CU Dept]

Aligns to ABOIP Outcome No. 6

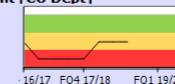
Success Measure **C** ⇨



BO28 Our processes and business procedures are efficient, cost effective and compliant [CU Dept]

Aligns to Council Outcome MIH

Success Measure **A** ⇨



Key Successes

Business Outcome BO04 Benefits are paid promptly and accurately

1. Accuracy year to date is 96.8% better than target of 95%. 100% of community care grants processed within 15 days for year; 100% of crisis grants processed within 1 day and community care grants within 15 days. 98.7% of Scottish Welfare Fund spent at end of year, above target of 97.5%. New housing benefit claims processed in 18.72 days average for year to date, well below target of 21 days. Benefit change in circs processed in 7.05 days for the year well below target of 9 days.

Business Outcome BO05 Information and support are available for everyone

1. Continued to increase followers on Facebook, Twitter, LinkedIn and Instagram.
2. Communications Team gained the Communications Management Standard, awarded by the PRCA (Public Relations and Communications Association) as the “mark of communications professionalism worldwide”.

Business Outcome BO09 Our assets are safe, efficient and fit for purpose

1. The Aqualibrium Heat from Sewage Project met the Scottish Government Low Carbon Infrastructure Transition Programme (LCITP) funding requirement on 20 March 2019 when 1kWh of heat was generated. The main outstanding items are electrical connection and some internal heating modifications with formal project completion expected during April/May 2019.

Business Outcome BO23 Economic growth is supported

1. For the full year we have paid 97.312% of invoices within 30 days – above target of 95.0%. 84% of contracts for quarter were won by SMEs (above target of 75%).
2. NDR relief has continued to climb – now at £15.74m for the full year above target of £12m.

Business Outcome BO28 Our processes and business procedures are efficient, cost effective and compliant

1. Over 4,700 people have signed up for eBilling following promotion of the council tax prize draw.
2. Governance and Law have been shortlisted for a SOLAR (Society of Local Authority Lawyers & Administrators in Scotland) award for Argyll and Bute Remembers.

Business Outcome BO29 Health and safety is managed effectively

1. The Health and Safety Team have worked in partnership with the Health and Safety Executive to help them to promote their Awareness of Health Risks in Construction programme in Lochgilphead. This work helps to consolidate good relations with the regulator which reduces the possibility of poor understanding and low levels of confidence, increasing the level of scrutiny by the regulator.
2. The Health and Safety Team have increased the level of competence available for fire risk assessment, with one of the Health and Safety Officers successfully completing a course of study in fire risk assessment.

Business Outcome BO32 Our workforce is supported to realise its potential

1. The Council's apprentice scheme has been shortlisted for a Learning and Performance Institute award.

Key Challenges and Actions Completed In Previous Quarter

1. The Early Years Co-ordinator post has now been successfully filled.
2. Benefit changes in circumstances year to date were taking an average of 9.80 days above target of 9.0 days. Now back on target.
3. Full launch of new council tax and benefits portal achieved in advance of annual bills being issued in early March.

Short-term Operational Challenges

1. Delivery of Early Years capital programme – additional trainee architectural technician appointed to assist with the delivery.
2. Short timescales for elements of the budget savings being implemented has put pressure on the IHR team.
3. Work for Audit Scotland's inspection of Equalities and Performance as part of the Best Value 3 Audit which is taking place in April/May which is much earlier than originally planned.
4. Ensuring that the backdated pay award is processed in March.
5. Casebook Audit Action Report follow up with Development and Infrastructure.
6. Complete restructurings to meet savings target for 2019/20.
7. Vacancies/sickness absence and leave across Customer Services has risen – recruitment taking place to fill vacant posts/workplans being revised and staff are being redirected to priority areas. Managers continue to carryout Council procedures for managing attendance.
8. BREXIT – uncertainty of the potential impact from the withdrawal of the UK from the EU e.g. procurement and commissioning of goods and services. Working Group has been established.

Key Challenges and Actions to address the Challenges

Business Outcome BO04 Benefits are paid promptly and accurately

1. **Challenge:** Improve child poverty outcomes by automatically awarding entitlement to free school meals (without stigma) and school clothing grants. Improve update of Best Start Grants by ensuring these offered when registering births.

Action: Seek approval for this automation and the resultant financial impacts of greater numbers and values of awards of school clothing grants (50% funded by Council) and for expansion of online school payments to remove stigma from free school meals (fully funded) in support of Local Child Poverty Action Plan. Registrars to be trained in new processes to provide assistance for applying for the Best Start Grants at time of birth registrations.

Carried Forward From Previous Quarter – No

Completion Due Date: 30 June 2019

Responsible Person: Anne Paterson/Judy Orr

Key Challenges and Actions to address the Challenges

Business Outcome BO09 Our assets are safe, efficient and fit for purpose

1. **Challenge:** Legionella Management Training - the detail of how temperatures are recorded and how infrequently used outlets are flushed has been agreed with Client Departments and those undertaking the roles are to be trained.

Action: Flushing and temperature recording to be trialed in offices where Planning and Regulatory Services are the Facility Responsible Person and rolled out throughout the Council.

Carried Forward From Previous Quarter – Yes

Completion Due Date: On-going

Responsible Person: Malcolm MacFadyen/Craig Houston

Key Challenges and Actions to address the Challenges

2. **Challenge:** Provision of maintenance term contractor of Tiree and Coll

Action: Following a failed procurement, alternative contractors were researched but proved unsuccessful. Discussions have taken place with the local contractor that previously provided the service and a negotiated agreement has been reached. The Justification for Non-Competitive Action (JNCA) should be finalised early in FQ1 2019/20.

Carried Forward From Previous Quarter – Yes	Completion Due Date: 30 April 2019	Responsible Person: James Hamilton
Key Challenges and Actions to address the Challenges		
<p>2. Challenge: Police Scotland have advised that they will be issuing a tender for their cleaning and janitorial contract. This could lead to loss of income for the Council.</p> <p>Action: The 13 affected Local Authorities are considering whether a consortium bid can be submitted to try to retain this business.</p>		
Carried Forward From Previous Quarter – No	Completion Due Date: 31 August 2019	Responsible Person: Jayne Jones
Key Challenges and Actions to address the Challenges		
Business Outcome BO18 Improved lifestyle choices are enabled		
<p>1. Challenge: Early Years meals phasing and implementation is creating pressure on the central team as they plan, co-ordinate, monitor and ensure compliance with the various statutory guidance.</p> <p>Action: A working group has been established and a co-ordinator has recently been appointed, to ensure that changes to the phasing and roll out is discussed within group.</p>		
Carried Forward From Previous Quarter – Y	Completion Due Date: On-going	Responsible Person: Jayne Jones
Key Challenges and Actions to address the Challenges		
Business Outcome BO28 Our processes are efficient, cost effective and compliant		
<p>1. Challenge: Finalise putting staff into new structures, recruiting to unfilled posts, plan and complete handovers to ensure smooth transition from 1 July 2019.</p> <p>Action: Continue to consult with staff and unions and develop detailed plans and implement.</p>		
Carried Forward From Previous Quarter – No	Completion Due Date: 30 June 2019	Responsible Person: Customer Services Heads of Service and relevant Third Tier Managers

Key Challenges and Actions to address the Challenges

Business Outcome BO29 Health and safety is managed effectively

1. **Challenge:** A number of targets within the Health and Safety Plan have not been completed due to the long term absence of the Corporate Health and Safety Manager and other staff sickness absence during the year.

Action: These actions will be picked up and reviewed now that the Corporate Health and Safety Manager has returned to work

Carried Forward From Previous Quarter – No

Completion Due Date: On-going

Responsible Person: Andrew MacKrell



Customer Services Scorecard
2017-20 FQ4 18/19
 Scorecard owned by: **Douglas Hendry**

[Click here for Full Scorecard](#)

Management Information

RESOURCES

<i>People</i>		<i>Benchmark</i>	<i>Target</i>	<i>Actual</i>	<i>Status</i>	<i>Trend</i>
Sickness Absence CU			1.88 <small>None</small>	3.78 <small>None</small>	R	↓
CU % of PRDs completed			90 %	97 %	G	↑

<i>Financial</i>		<i>Budget</i>	<i>Forecast</i>	<i>Status</i>	<i>Trend</i>
Finance Revenue totals CU		£K 44,181	£K 43,894	R	↓
Capital forecasts - current year CU					
Capital forecasts - total project CU					
Asset management red risks	4	On track	3	G	⇒

IMPROVEMENT

		<i>Total No</i>	<i>Off track</i>	<i>On track</i>	<i>Complete</i>	<i>Status</i>	
Improvement Plan Outcomes CU	Actions	25	0	5	20	A	⇒
Customer Services Audit Recommendations		Overdue	Due in future	Future - off target			
		0 ↑	2 ↓	1 ↓			
Customer Service CU		Customer satisfaction		91 %			↓
Customer Charter		Stage 1 Complaints		95 %	G		↑
Number of consultations	1	Stage 2 Complaints		100 %	G		⇒



Customer Services Scorecard 2017-20

Scorecard owned by: Douglas Hendry

FQ4 18/19

'Making Argyll and Bute a place people choose to live, learn, work and do business'

[Click here for Council Scorecard](#)

Customer & Support Services

Facility Services

Governance & Law

Improvement & HR

Priorities for 2015-17: Customer Services

[Click here for Management Information](#)

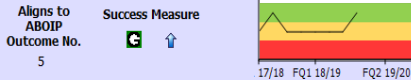
Making A&B a place people choose to live

ABOIP Outcome No.5 - People live active, healthier and independent lives [Related Business Outcomes](#)

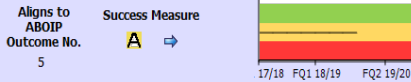
ABOIP Outcome No.6 - People live in safer and stronger communities [Related Business Outcomes](#)

ABOIP Outcome No.4 - Children and young people have the best possible start [Related Business Outcomes](#)

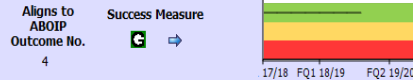
BO04 Benefits are paid promptly and accurately [CU Dept]



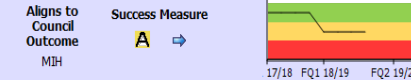
BO05 Information and support are available for everyone [CU Dept]



BO17 The support needs of children and their families are met [CU Dept]



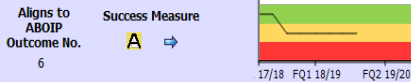
BO29 Health and safety is managed effectively [CU Dept]



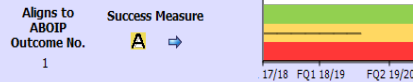
Making A&B a place people choose to learn

ABOIP Outcome No.3 - Education, skills and training maximises opportunities for all [Related Business Outcomes](#)

BO09 Our assets are safe, efficient and fit for purpose [CU Dept]



BO23 Economic growth is supported [CU Dept]



BO30 We engage with our customers, staff and partners [CU Dept]

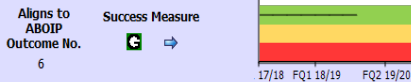


Making A&B a place people choose to work

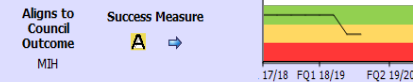
ABOIP Outcome No.1 - The economy is diverse and thriving [Related Business Outcomes](#)

ABOIP Outcome No.2 - We have infrastructure that supports sustainable growth [Related Business Outcomes](#)

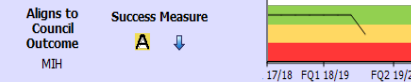
BO10 Quality of life is improved by managing risk [CU Dept]



BO27 Infrastructure and assets are fit for purpose [CU Dept]



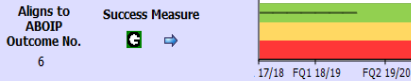
BO31 We have a culture of continuous improvement [CU Dept]



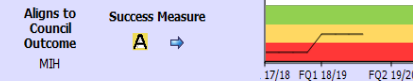
Making it happen

Supporting Outcome - Service Delivery Enablers [Related Business Outcomes](#)

BO11 There is no place for discrimination and inequality [CU Dept]



BO28 Our processes and business procedures are efficient, cost effective and compliant [CU Dept]



Key Successes

Business Outcome BO28 – Our processes and business procedures are efficient, cost effective and compliant.

1. Investment returns continue to exceed the benchmark rate of return – the rate of return for the third Quarter was 0.925% which compares favourably with the target of 7 day LIBID (London Interbank Bid Rate – the rate which banks are willing to borrow from other banks) which was 0.582% for the period.
2. Seven audits were completed in quarter 3 in addition to good progress being made on the two scrutiny reviews contained in the 2018/19 Annual Scrutiny Plan and additional work being performed on key system interfaces and logical access to assess the Council’s vulnerability to the weaknesses that led to a high profile fraud at another Scottish local authority . In addition the Chief Internal Auditor assisted Roads & Amenity Services with an examination of the financial position of a third sector partner involved in the delivery of waste collection / recycling services.
3. As part of the work of the Transformation Board, further management/operational savings were identified for 2019-20 and new policy options and reported to Policy and Resources Committee in December. The options exceed the estimated budget gap which put us in a good position in terms of achieving a balanced budget in February.
4. The forecast significantly reduced between September and December. September outturn was an overspend of £3.053m and December was an overspend of £2.041m. The most significant change was identification of and underspend within fleet in respect of the retained budget that is used to purchase vehicles. This has not only helped to reduce the outturn position but this budget can be used to fund future years prudential borrowing to replace ageing fleet and also provide some one-off savings as part of the 2019-20 budget.
5. Completed and submitted the statutory Local Finance Return by the required deadline.
6. Despite the vacancies and sickness absence within the service, the service worked together as a team to deliver on the key deadlines within the budget preparation process.
7. The finance team provided a significant level of support an analysis in respect of the ASN overspend and this information helped to reduce the overspend during the period.

Business Outcome BO05 – Information and support are available for everyone

8. The Money Skills Argyll KPI targets and unit costs were renegotiated with the Big Lottery Fund and the Scottish Government as part of a review of the wider program of which Money Skills Argyll is a part. The new arrangement is now in place and this will enable the Council and our delivery partners to continue the project on a sure financial footing with realistic targets for client engagement and outcomes. We also paid out circa £150k to the project partners for re-priced work on the new model.

Key Challenges and Actions Completed In Previous Quarter		
Business Outcome BO28 – Our processes and business procedures are efficient, cost effective and compliant.		
<ul style="list-style-type: none"> 1. Challenge: Completion of Local Finance Return. 1. Action: Secondment of staff member into post where there is a long term absence and part of their immediate duty will be to focus on statutory return. 1. Completion Due Date: Statutory Return due end of October. 		
Short-term Operational Challenges		
<ul style="list-style-type: none"> 1. Staff absence and vacancies will continue to have an impact on the service. A new structure for the service has been agreed and recruitment to the new structure has commenced. 2. Recruit a new contract manager to the money Skills Argyll Project and leverage the redesigned financial framework to increase the number of clients supported by the project partners. 3. The revenue forecast outturn position as at the end of December was a forecast overspend of £2.041m of which £2.998m relates to Social Work Services within the Health and Social Care Partnership. 4. The Head of Strategic Finance took on the additional responsibility of the Section 95 Officer for the IJB at the start of December. This will create challenges in terms of time available to work on both Council and IJB budget preparation. 		
Key Challenges and Actions to address the Challenges		
Business Outcome BO28 – Our processes and business procedures are efficient, cost effective and compliant.		
<ul style="list-style-type: none"> 1. Challenge: Progress with restructuring proposals for Strategic Finance to ensure we have a service that is fit for purpose to support the organisation, whilst at the same time providing business as usual service. 1. Action: Implementation of new structure and liaison with Trade Unions. 		
Carried Forward From Previous Quarter – Y/N Yes	Completion Due Date: Implementation commenced, Finance Manager commenced post in August, Principal Accountants were matched into posts October and Senior Accountants were interviewed and appointed in December. Moving onto other qualified staff in the new year. Restructure will be complete by end of March.	Responsible Person Kirsty Flanagan, Head of Strategic Finance

Key Challenges and Actions to address the Challenges		
Business Outcome BO05 – Information and support are available for everyone		
<p>2. Challenge: Significantly increase the number of people being supported by the Money Skills Argyll Project now that the financial structure of the project has been redesigned to meet the costs of service delivery.</p> <p>2. Action: Recruit a new contract manager to increase capacity within the team to support partners, publicize the service and increase service activity.</p>		
Carried Forward From Previous Quarter – Y/N No	Completion Due Date: New contract manager in place by 30 June 2019.	Responsible Person David Forshaw, Principal Accountant
Key Challenges and Actions to address the Challenges		
Business Outcome BO05 – Information and support are available for everyone		
<p>3. Challenge: Close monitoring of the forecast outturn position to bring the forecast overspend position within budget or as close to within budget as is possible.</p> <p>3. Action: Council Services actively pursuing options to reduce any forecast overspend. Liaison with the Chief Financial Officer of the IJB on the recovery plan and provide support and assistance to reduce the forecast overspend position. Also will discuss the accounting treatment for Social Work overspend with External Audit as part of the audit process.</p>		
Carried Forward From Previous Quarter – Y/N No	Completion Due Date: Ongoing throughout the year.	Responsible Person Kirsty Flanagan, Head of Strategic Finance
Key Challenges and Actions to address the Challenges		
Business Outcome BO05 – Information and support are available for everyone		
<p>4. Challenge: Establish enhanced reporting and control arrangements for the Health and Social Care Partnership to reduce their overspend and work towards a balanced budget for 2019-20.</p> <p>4. Action: Gain understanding about the outturn position and take a key role in identifying savings options to balance the budget for 2019-20.</p>		
Carried Forward From Previous Quarter – Y/N No	Completion Due Date: 31 March 2019	Responsible Person Kirsty Flanagan, Head of Strategic Finance

Strategic Finance Scorecard 2017-20

Scorecard owned by: **Kirsty Flanagan** FQ3 18/19

[Click here for Full Outcomes](#)

[Corporate Support Team Scorecard](#)

[Departmental Support Team Scorecard](#)

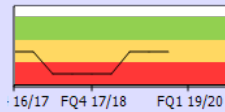
[Internal Audit Team Scorecard](#)

[Click here for Council Scorecard](#)

BO05 Information and support are available for everyone [SF]

Aligns to ABOIP Outcome No.
5

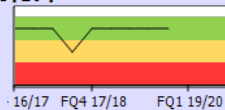
Success Measure
A →



BO28 Our processes and business procedures are efficient, cost effective and compliant [SF]

Aligns to Council Outcome MIH

Success Measure
G →



Management Information

RESOURCES

People	Benchmark	Target	Actual	Status	Trend
Sickness absence SF		1.5 Days	3.6 Days	R	↓
PRDs SF		90 %	95 %	G	→
Financial	Budget	Forecast			
Finance Revenue totals SF	£K 1,653	£K 1,653		G	→
Capital forecasts - current year SF					
Capital forecasts - total project SF					

IMPROVEMENT

	Total No	Off track	On track	Complete	Status
SF Service Improvements 2017-20	5	5			
Strategic Finance Audit Recommendations	R	Overdue	Due in future	Future - off target	
	1	↓	5	↑	0
Health & Safety	Overdue	Rescheduled	Actions in Plan	Complete	
Service H&S Plan Actions					
H&S Investigation Actions					
Customer Service SF	Customer satisfaction				
Customer Charter	Stage 2 Complaints	100 %			G →
Number of consultations	Stage 2 Complaints	100 %			G →

Key Successes

Business Outcome BO28 – Our processes and business procedures are efficient, cost effective and compliant.

9. The Council set a balanced budget at its meeting on 21 February 2019 – officers within Strategic Finance spend a significant amount of time supporting the Council during the budget process.
10. The IJB set a balanced budget at its meeting on 27 March 2019 – the Council’s Head of Strategic Finance has been covering the role of Chief Financial Officer of the IJB since 3 December 2018.
11. Preparations in place for the year-end, planning timetable reported to the Council’s Audit and Scrutiny Committee.
12. Investment returns continue to exceed the benchmark rate of return – the rate of return for the fourth Quarter was 0.888% which compares favourably with the target of 7 day LIBID (London Interbank Bid Rate – the rate which banks are willing to borrow from other banks) which was 0.570% for the period.
13. Four audits were completed and a further six were in progress by the end of quarter 4. In addition the 2019/20 audit plan was agreed by the Audit and Scrutiny Committee, a series of scrutiny panels were held and the Chief Internal Auditor made good progress preparing the Council’s Governance and Accountability BV3 submission. Internal Audit also carried out work to inform a response to a stage 2 complaint regarding a traffic regulation order.
14. Completed and submitted the statutory Projected Outturn Budget Estimate (POBE) return by the required deadline.
15. Two members of Strategic Finance staff completed their accountancy exams, with one being a prize winner in two categories.
16. Recruited to the remaining vacant qualified accountant posts during the period with new staff taking up post on 1 April 2019. Despite the restructure and the service being short of qualified staff, the service worked together as a team to deliver on the key deadlines within the budget preparation process.

Business Outcome BO05 – Information and support are available for everyone

17. The project has continued to deliver services to the public during the quarter. Access to support has been enhanced through an agreement with Allenergy for them to expand the range of services they provide through them commencing work on Digital Inclusion in addition to the Fuel Poverty work they were undertaking previously.

Key Challenges and Actions Completed In Previous Quarter

Business Outcome BO28 – Our processes and business procedures are efficient, cost effective and compliant.

2. Challenge Progress with restructuring proposals for Strategic Finance to ensure we have a service that is fit for purpose to support the organisation, whilst at the same time providing business as usual service.
 1. Action: Implementation of new structure and liaison with Trade Unions.
 2. Completion Due Date: Restructure complete by end of March.

Business Outcome BO05 – Information and support are available for everyone

- 3. Challenge: Establish enhanced reporting and control arrangements for the Health and Social Care Partnership to reduce their overspend and work towards a balanced budget for 2019-20.
- 2. Action: Gain understanding about the outturn position and take a key role in identifying savings options to balance the budget for 2019-20.
- 2. Completion Due Date: 31 March 2019

Short-term Operational Challenges

- 5. Recruit a new contract manager to the money Skills Argyll Project and leverage the redesigned financial framework to increase the number of clients supported by the project partners.
- 6. The revenue forecast outturn position as at the end of February was a forecast overspend of £1.667m (reduced from the December reported outturn). This is made up of an underspend on Council Services of £1.075m offset by an overspend of £2.742m on Social Work Services within the Health and Social Care Partnership.
- 7. Building Resilience – as part of the restructuring some staff will be undertaking new tasks, learning new areas of work and as well as making sure there is sufficient handover and procedures notes in place, it will be important that we ensure that we have enough resilience across the service in place to cover any future vacancies or periods of absence.
- 8. BV3 additional work – The two third tier managers within the service are both leading on a Best Value 3 theme and this will create additional workload during a busy year end time.

Key Challenges and Actions to address the Challenges**Key Challenges and Actions to address the Challenges****Business Outcome BO05 – Information and support are available for everyone**

- 3. Challenge: Significantly increase the number of people being supported by the Money Skills Argyll Project now that the financial structure of the project has been redesigned to meet the costs of service delivery.
- 1. Action: Recruit a new contract manager to increase capacity within the team to support partners, publicize the service and increase service activity.

Carried Forward From Previous Quarter –Y/N
Yes**Completion Due Date:**

New contract manager in place by 30 June 2019.

Responsible Person

David Forshaw, Principal Accountant

Key Challenges and Actions to address the Challenges		
Business Outcome BO28 – Our processes and business procedures are efficient, cost effective and compliant.		
2. Challenge: Close monitoring of the forecast outturn position to bring the forecast overspend position within budget or as close to within budget as is possible.		
2. Action: Council Services actively pursuing options to reduce any forecast overspend. Liaison with the Chief Financial Officer of the IJB on the recovery plan and provide support and assistance to reduce the forecast overspend position.		
Carried Forward From Previous Quarter – Y/N Yes	Completion Due Date: Ongoing throughout the year. Now into April and the year-end work has commenced to finalise the outturn position.	Responsible Person Kirsty Flanagan, Head of Strategic Finance
Key Challenges and Actions to address the Challenges		
Business Outcome BO28 – Our processes and business procedures are efficient, cost effective and compliant.		
3. Challenge: Building resilience within the service.		
3. Action: Programme of knowledge sharing and skills transfer ensuring appropriate procedure documents are in place to support service delivery.		
Carried Forward From Previous Quarter – Y/N No	Completion Due Date: 31 March 2020	Responsible Person Kirsty Flanagan, Head of Strategic Finance
Key Challenges and Actions to address the Challenges		
Business Outcome BO28 – Our processes and business procedures are efficient, cost effective and compliant.		
4. Challenge: Best Value 3 work		
4. Action: Ensure that staff are supported and are able to prioritise the work required on Best Value 3. Project team within Finance in place to support the financial management theme.		
Carried Forward From Previous Quarter – Y/N No	Completion Due Date: 30 September 2019	Responsible Person Laurence Slavin, Chief Internal Auditor Anne MacDougall, Finance Manager

Strategic Finance Scorecard 2017-20

Scorecard owned by: **Kirsty Flanagan**

FQ4 18/19

[Click here for Full Outcomes](#)

[Corporate Support Team Scorecard](#)

[Departmental Support Team Scorecard](#)

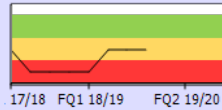
[Internal Audit Team Scorecard](#)

[Click here for Council Scorecard](#)

BO05 Information and support are available for everyone [SF]

Aligns to ABOIP Outcome No. 5

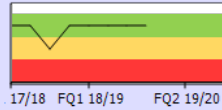
Success Measure **A** →



BO28 Our processes and business procedures are efficient, cost effective and compliant [SF]

Aligns to Council Outcome MIH

Success Measure **G** →



Management Information

RESOURCES

People	Benchmark	Target	Actual	Status	Trend
Sickness absence SF		1.5 Days	2.2 Days	R	↑
PRDs SF		90 %	97 %	G	↑
Financial	Budget	Forecast			
Finance Revenue totals SF	£K 1,654	£K 1,654		G	→
Capital forecasts - current year SF					
Capital forecasts - total project SF					

IMPROVEMENT

	Total No	Off track	On track	Complete	Status
SF Service Improvements 2017-20	5	5			
Strategic Finance Audit Recommendations	0	6	0	0	↑
Health & Safety	Overdue	Rescheduled	Actions in Plan	Complete	
Service H&S Plan Actions					
H&S Investigation Actions					
Customer Service SF	Customer satisfaction				
Customer Charter	Stage 2 Complaints	100 %			G →
Number of consultations	Stage 2 Complaints	100 %			G →