



Comhairle nan Eilean Siar

Management Plan by Department

Period: 14/15 - 18/19

FINANCE AND CORPORATE RESOURCES DEPARTMENT



FINANCE AND CORPORATE RESOURCES DEPARTMENT

The Finance and Corporate Resources Department is responsible for:

- the effective management of the Comhairle's financial resources;
- the collection of local taxes and other income;
- Strategic Procurement and the central Procurement function;
- the delivery of Customer Services in Stornoway, Tarbert, Balivanich and Castlebay;
- the Faire Community Alarm Service;
- the management of the Comhairle's corporate IT services;
- the delivery of benefits, including the Scottish Welfare Fund;
- Council Officers and the Stornoway Town Hall; and
- the provision of financial services to the Comhairle, including Accountancy, Payroll, Internal Audit and Creditor payments.

Finance and Corporate Resources is organised into four service areas:

Accountancy
Customer Services and Information Technology (IT)
Exchequer Services
Internal Audit

FINANCE AND CORPORATE RESOURCES DEPARTMENT - Accountancy

OUR MISSION

The Accountancy Service aims to ensure the effective management of the Comhairle's financial resources, through:

- the production of the Annual Accounts
- the production and monitoring of revenue and capital budgets
- management of the Financial Management System (FMS)
- Treasury Management
- Insurance Service
- the provision of financial advice and support to service departments and Members, including VAT

The service also ensures completion of financial and statistical returns to Government bodies, the Chartered Institute of Public Finance and Accountancy, HM Treasury, etc., and submits claims to regulatory bodies on behalf of Comhairle departments involved in externally funded projects/programmes.

OUR VALUES

Acting with honesty and integrity to ensure that duties are carried out in line with our professional obligations.
Working together with colleagues and partners to ensure best use of resources.
We take pride in delivering quality and value for money and look constantly for improvement and efficiency.

RECENT ACHIEVEMENTS

Annual Accounts completed on time with no Audit qualifications
Renewal of contracts for Banking, Insurance and Insurance Broking
Continued development of FMS e.g. Budget modelling, Asset Accounting
Successful Authority Financial upgrades
Exam success for those sitting CIPFA and AAT exams
Supporting Community Groups meeting cash flow requirements
Improved performance in respect of reconciliations

PLANNING CONTEXT

Statutory Regulations
External Audit plans
Central & Local Government constraints
Treasury Management Strategy
The Comhairle's Corporate Strategy 2012-2017
Single Outcome Agreement (SOA) 2013-23

STAKEHOLDERS

Internal
- other Comhairle departments
- the Comhairle (members and employees)

External
- Scottish Government
- Government agencies
- Community Planning Partners
- EU
- Unions
- Funding bodies (e.g. lottery)
- General public
- Tax Payers
- Customers

Service Profiles

- **Accountancy**

Business Unit SWOT

Accountancy

	STRENGTHS	WEAKNESSES
INTERNAL	<ul style="list-style-type: none"> • Seek to provide good customer service • Professional training (CIPFA and AAT) • Staff commitment and enthusiasm • Experienced and qualified staff • Good contacts with other Departments • Approachability of senior managers • Good working relationships within Accountancy 	<ul style="list-style-type: none"> • Lack of opportunities and time for CPD • Lack of opportunities for career progression within department
	OPPORTUNITIES	THREATS
EXTERNAL	<ul style="list-style-type: none"> • Continued development of Authority Financials - improved processes • Working with Partner Organisations • Personal development opportunities 	<ul style="list-style-type: none"> • Budget Cuts - savings/efficiencies impact on staff numbers and conditions of service • Long term sickness/extended absence • Breaching the threshold for VAT partial exemption. <ul style="list-style-type: none"> ~ Continue to monitor position on a regular basis and seek independent review by Comhairle's VAT advisor. • Loss of cash resources. <ul style="list-style-type: none"> ~ Reduce the risk by investing only with the government (DMADF) resulting in loss of interest. Reduce risk by increasing staff resources dedicated to TM. • Capital Programme and Project overspends not monitored adequately <ul style="list-style-type: none"> ~ Reduce the risk by reviewing the cost of the projects regularly and increase resources to financially monitor projects on a live basis. • Inadequate insurance cover for all risks. <ul style="list-style-type: none"> ~ Reduce risk by increasing staff resource dedicated to insurance. • No cash in the bank. <ul style="list-style-type: none"> ~ Reduce risk by investing additional resources in CFF and increase overdraft limit. • No positions for newly qualified staff • Unexpected rise long term interest rates. <ul style="list-style-type: none"> ~ Cannot reduce risk further because rate rise is unexpected and cannot be anticipated e.g. rate increase announced at CSR never done before. • Absence of staff in specialist areas. <ul style="list-style-type: none"> ~ Reduce the risk by increasing staff resources trained to carry out work. • Loss of experienced, long-serving staff throughout council leaves gaps at an operational level • Premium or excess increases. <ul style="list-style-type: none"> ~ Reduce the risk by providing training in areas where claims are highest.

Service Profile: Accountancy

Description:

The service is led by the Chief Accountant and is currently organised around two operational areas covering corporate and revenue activities, as follows:

Corporate (8 staff)

Monitoring of the expenditure on the Capital Programme for accounting purposes; monitoring of capital budgets; completion of capital and treasury elements of Annual Accounts; ensuring adequate insurance cover for the Comhairle's properties and employees and managing claims process; management of Treasury function which includes banking, cash flows, money market transactions and the portfolio of long term debt. Co-ordination role with regards to the production of the Annual Accounts and the budget setting and monitoring processes; management and administration of the Financial Management System; and VAT accounting advice.

Revenue (8 staff)

Provision of service accountancy to departments and Members including provision of advice and support on a day to day basis, budget preparation and monitoring and year end processes leading up to the Annual Accounts. This team also provides support to specific project teams and working groups as required by services and also provides support to Trading Operations.

Outputs:

Annual Accounts produced and unqualified audit certificate obtained
 Budget agreed and Council Tax set in line with timetable
 Accurate and up-to-date financial information available (via FMS)
 4 year Capital Programme
 Quarterly revenue and capital budget monitoring reports to Committee
 Monthly revenue budget monitoring reports to departments
 Financial and statistical returns to government and other external agencies
 Grant claims to agencies in respect of externally funded projects/programmes

Primary Strategic Priority:

7.1 Services: The Comhairle will provide good quality and efficient services to meet the needs of the community.

Actions:

Action	Resp. Officer	Start Date	Comp Date	Budget Type
Strategic Objective: 7.1.1 Deliver Best Value services to meet the needs of the community.				
Produce Annual Accounts by the statutory deadline with no qualifications	Chief Accountant	01/04/2014	30/09/2014	Operating
Co-ordinate the production of the Comhairle's budget in line with the timetable	Chief Accountant	01/09/2014	28/02/2015	Operating
Fully implement the Asset Accounting and Budgeting modules of Authority Financials	Chief Accountant	01/04/2013	31/03/2015	Operating
Continue to provide service accountancy, advice and support	Chief Accountant	01/04/2014	31/03/2015	Operating
Carry out market testing for Treasury Management Consultancy to ascertain whether to invite tenders or extend current contract, in line with renewal option	Chief Accountant	01/01/2015	30/06/2015	Operating
Complete tendering exercise for the Asset Valuation Service	Chief Accountant	01/01/2015	31/03/2015	Operating
Complete contract review and renewal for Financial Management System	Chief Accountant	01/04/2014	31/07/2014	Operating

Service Profile KPIs:

KPI	Units	14/15	15/16	16/17	17/18	18/19
(LO7) SPI3: CORP1 - Support services as a percentage of total gross expenditure	%	0	0	0	0	N/A
(LO7) Annual accounts completed on time and number of qualifications zero	%	100	100	N/A	N/A	N/A

FINANCE AND CORPORATE RESOURCES DEPARTMENT - Customer Services and Information Technology (IT)

OUR MISSION

The Information Technology Unit develops, implements and maintains Information Technology related strategies and policies and manages the technical infrastructure over which the Comhairle transacts its business.

Customer Services aim to provide a consistent, corporate approach to customer service delivery that is implemented throughout the Comhairle.

OUR VALUES

Our customers are at the heart of all we do.

We promote a positive and professional image of our islands.

We take pride in delivering quality and value for money and look constantly for improvement and efficiency.

RECENT ACHIEVEMENTS

Server Virtualisation Project completed on time and on budget and predicted savings being generated
 Chamber Audio/Visual Project completed to very tight timescales, on time and below budget
 PSN compliance achieved within target date
 Fibre link between Comhairle HQ and NHS offices installed and tested
 Overnight backups now running directly to disk at backup site, over new fibre link, and core elements of Disaster Recovery now in place
 FOI Ticket System implemented for FOI Officer
 Chip 'n Pin Easy Mobile deployed along with accompanying service improvements, efficiencies and savings
 Conversion of Mail Tracker to SQL/Web
 Stratus Connect deployment now complete
 Electronic staff noticeboard installed
 Tarbert office now open and Customer Services operational in new office
 Further improvement in Customer Satisfaction Survey results

PLANNING CONTEXT

The Comhairle's Corporate Strategy 2012-2017
 Single Outcome Agreement (SOA) 2013-23
 Future Central Government / Local funding restraints
 Technology developments
 Human Resources and Budget Strategy
 Asset Management Planning
 Target Operating Model
 Assumption of Corporate buy-in to significant change programme
 Fully resourced and funded initiative

STAKEHOLDERS

Internal

- other Comhairle departments
- the Comhairle (Members and employees)

External

- Scottish Government
- Government agencies, Audit
- Community Planning Partners
- EU
- Unions
- Funding bodies (e.g. lottery)
- General public
- Tax Payers
- Customers

Service Profiles

- Customer Services
- IT Business Support
- IT Technical Support
- Strategy

Business Unit SWOT

Customer Services and Information Technology (IT)

		STRENGTHS	WEAKNESSES
INTERNAL		<ul style="list-style-type: none"> • Dedicated and well trained staff • Experienced teams • Commitment to continuous improvement • Cross training to allow support across a wide variety of areas 	<ul style="list-style-type: none"> • Challenged by increasing work pressures • Work pressures hamper research and development • Too many fixed term contracts • Front office exposure to back office process/policy changes • Hurried deployment as a response to continuing demand • Lack of resilience in key areas
		OPPORTUNITIES	THREATS
EXTERNAL		<ul style="list-style-type: none"> • Lead for Customer Service – One Public Authority • Target Operating Model • HR and Budget Strategy • Increasing demand for service • IT seen as a tool to deliver efficiencies and improvements • Technology developments 	<ul style="list-style-type: none"> • HR and Budget Strategy • Loss of Data <ul style="list-style-type: none"> ~ Solution: Install software measures to improve security, implementation of good guidance on how data should be stored, Corporate Data Security Policy. ~ Solution: Raise staff awareness to enhance value of controls. • Fixed term contracts • Resistance to Change • Loss of access to all systems. <ul style="list-style-type: none"> ~ Solution: Reduce risk by implementing local plan with NHS Western Isles • Violence towards staff. <ul style="list-style-type: none"> ~ Solution: Training in how to deal with aggressive behaviour. • Customer Services/Library Services Integration proposal <ul style="list-style-type: none"> ~ Adhere to timetable outlined at HR Sub-Committee on 5 September 2013 • Relentless demand for service • Loss of PSN compliance <ul style="list-style-type: none"> ~ Enhanced software solutions and updated operating procedures. • Possible budget cuts and reduced staff numbers • Increasing demand for services.



Service Profile: Customer Services

Description:

The team comprise of staff from the Faire Service, the Comhairle Reception, Switchboard and Customer Service team located within Stornoway Town Hall. They are complemented by the customer facing staff in the Balivanich, Castlebay and Tarbert area offices.

To provide a consistent, corporate approach to customer service delivery that is implemented throughout the Comhairle.

Includes:

- Switchboard
- Corporate Reception
- Faire Community Alarm Service
- Harris, Uist & Barra Area Offices
- Town Hall Customer Service Team

Outputs:

Satisfied customers
 Consistent and informed services to customers
 Expanding range of services through customer services model

Primary Strategic Priority:

7.1 Services: The Comhairle will provide good quality and efficient services to meet the needs of the community.

Actions:

Action	Resp. Officer	Start Date	Comp Date	Budget Type
Strategic Objective: 7.1.1 Deliver Best Value services to meet the needs of the community.				
Manage internal SLAs in line with target operating model	Customer Services Manager	01/04/2014	31/03/2015	Operating
Support Channel Shift and promotion of self service	Customer Services Manager	01/04/2014	31/03/2015	Operating
Strategic Objective: 7.1.3 Have in place a programme of continuous improvement.				
Implement the Customer Relationship Management (CRM) Action Plan determining what services are to be delivered through Customer Services	Customer Services Manager	01/04/2014	31/03/2015	Operating
Develop a Contact Strategy channeling customer contact across the customer services locations	Customer Services Manager	01/04/2014	31/03/2015	Operating
CIP: Implement the Comhairle's Customer Service Strategy 2012-2016 to ensure that service provision is designed and delivered to meet local needs and that service improvements are customer-led and outcome focused.	Director of Finance and Corporate Resources	01/04/2012	31/03/2017	Operating
Strategic Objective: 7.1.5 Work with partners to provide shared and integrated services.				
CS: Promote and develop shared service opportunities with Partners (external SLAs).	Customer Services Manager	01/04/2013	31/03/2017	Operating

Service Profile KPIs:

KPI	Units	14/15	15/16	16/17	17/18	18/19
(LO7) Percentage of customers satisfied with quality of Customer Services	%	75	75	N/A	N/A	N/A
FCR: Increase on current number of online payments	%	80	N/A	N/A	N/A	N/A

Service Profile: IT Business Support

Description:

Development, maintenance and support of corporate applications.

Outputs:

Adequate software applications that support the business processes of the Comhairle.

Primary Strategic Priority:

7.1 Services: The Comhairle will provide good quality and efficient services to meet the needs of the community.

Actions:

Action	Resp. Officer	Start Date	Comp Date	Budget Type
Strategic Objective: 7.1.1 Deliver Best Value services to meet the needs of the community.				
Ongoing support and maintenance of corporate applications	Senior Analyst (Business Support)	01/04/2014	31/03/2015	Operating
Manage the continued development of the Comhairle website especially the transfer to a fully functional CMS	Senior Analyst (Business Support)	01/04/2014	31/10/2015	Operating
Manage the rollout of electronic forms on the website to assist with channel shift	Senior Analyst (Business Support)	01/04/2014	31/03/2015	Operating
Advise the local DSP (Data Sharing Partnership) on a potential solution for Child Protection Messaging	Senior Analyst (Business Support)	01/04/2014	31/03/2015	Capital

Service Profile: IT Technical Support

Description:

Selection, installation, maintenance and upgrade of all IT infrastructure.

Management of Comhairle's Voice and Data Network.

Outputs:

A reliable Voice and Data Network and an infrastructure that performs its intended function within a secure environment.

Primary Strategic Priority:

7.1 Services: The Comhairle will provide good quality and efficient services to meet the needs of the community.

Actions:

Action	Resp. Officer	Start Date	Comp Date	Budget Type
Strategic Objective: 7.1.1 Deliver Best Value services to meet the needs of the community.				
Ongoing support, maintenance and development of all IT infrastructure and networks	Senior Analyst (Technical Support)	01/04/2014	31/03/2015	Capital
Apply automatic encryption to email attachments	Senior Analyst (Technical Support)	01/04/2014	31/03/2015	Operating
Upgrade corporate Windows servers to 2008	Senior Analyst (Technical Support)	01/04/2014	31/03/2015	Operating
Desktop Virtualisation	Senior Analyst (Technical Support)	01/04/2014	31/10/2015	Capital
Implement Email Archiving	Senior Analyst (Technical Support)	01/04/2014	31/03/2015	Capital
Implement GPMS (Government Protective Marking Scheme) for all documents	Senior Analyst (Technical Support)	01/04/2014	31/12/2015	Operating
Replace central firewalls	Senior Analyst (Technical Support)	12/12/2013	25/06/2014	Capital
Evaluate and implement Open Office where appropriate	Senior Analyst (Technical Support)	01/04/2013	31/10/2015	Capital
Implement appropriate licensing regime to meet PSN compliance and to comply with Microsoft licensing requirements.	Senior Analyst (Technical Support)	16/12/2013	30/06/2014	Capital

Service Profile KPIs:

KPI	Units	14/15	15/16	16/17	17/18	18/19
(L07) Customer satisfaction with IT services	%	75	75	N/A	N/A	N/A
(L07) Percentage of system availability Mon-Fri 8am - 6pm	%	95	95	N/A	N/A	N/A
(L07) Percentage of Helpdesk calls responded to within agreed time	%	95	95	N/A	N/A	N/A

Service Profile: Strategy

Description:

Development and maintenance of IT Strategy and supporting policies.

Outputs:

Committee approved strategy and policy.

Primary Strategic Priority:

7.1 Services: The Comhairle will provide good quality and efficient services to meet the needs of the community.

Secondary Strategic Priority:

2.1 Economy: The Comhairle will strive to create a thriving economy with support for key sectors, greater local independence and autonomy, working with the support of Scottish Government, UK Government and the European Union.

Actions:

Action	Resp. Officer	Start Date	Comp Date	Budget Type
Strategic Objective: 2.1.2 Improve broadband connectivity for domestic and commercial use.				
Agree extension to Connected Communities contract with HIE	Head of Customer Services and Information Technology	01/04/2014	31/03/2015	Operating
Co-ordinate the Comhairle's participation in the Scottish Wide Area Network (SWAN) procurement.	Head of Customer Services and Information Technology	01/04/2014	31/10/2015	Capital
Strategic Objective: 7.1.1 Deliver Best Value services to meet the needs of the community.				
Manage implementation of the IT Strategy	Head of Customer Services and Information Technology	01/04/2014	31/03/2015	Capital
Information Security Action Plan	Head of Customer Services and Information Technology	01/04/2014	31/03/2015	Operating

FINANCE AND CORPORATE RESOURCES DEPARTMENT - Exchequer Services**OUR MISSION**

Exchequer Services support, buy, pay and collect focusing on the needs of all our customers.

OUR VALUES

Customer Culture
Teamwork
Innovation
Operational Excellence

RECENT ACHIEVEMENTS

Successful implementation of:
 Scottish Welfare Fund
 Auto-enrolment
 Council Tax Reduction Scheme
 Realtime
 Spare Room Subsidy
 60% of Performance Indicators improved in 2012/13 compared to 2011/12, 88% improved ranking in Scotland
 Third highest annual increase in Procurement Capability Assessment score in Scotland

PLANNING CONTEXT

The Comhairle's Corporate Strategy 2012-2017
 Changes to the benefits system by Welfare Reform
 Effects of the recession on collection rates and claimant numbers
 Impact of self service and electronic document management on business processes
 Requirement for improved efficiency and reduced costs
 Requirement for more efficient and effective procurement processes
 Continued development of collaborative procurement at national and local level
 Reduction in use of paper and postage
 Requirement for improved efficiency and reduced costs

STAKEHOLDERS

Scottish Government and Government agencies
 Community Planning Partners
 Unions
 General public
 Tax Payers
 Customers
 Benefit Claimants
 Debtors and Creditors
 Landlords
 Department for Work and Pensions (DWP)
 HM Revenues and Customs (HMRC)
 Scotland Excel
 Scottish Procurement
 Macmillan Cancer Support
 Suppliers

Service Profiles

- **Business Management**
- **Procurement and Creditors**
- **Revenues and Benefits**

Business Unit SWOT

Exchequer Services

		STRENGTHS	WEAKNESSES
INTERNAL		<ul style="list-style-type: none"> • Ability to meet deadlines • Ability to manage change • Fit for purpose IT systems • Experienced dedicated staff 	<ul style="list-style-type: none"> • Limited time to plan and manage change • Smaller teams/management has impacted on ability to cover • Pace of change means weaker resilience
		<th>OPPORTUNITIES</th> <th>THREATS</th>	OPPORTUNITIES
EXTERNAL		<ul style="list-style-type: none"> • Savings through better procurement • Purchase to Pay Improvements • Using IT to full potential • Process improvements • Working with partners to meet customers needs 	<ul style="list-style-type: none"> • Backlogs/reduced quality assurance <ul style="list-style-type: none"> ~ Process improvements, use of IT to reduce the risk of error, eliminate work which is no longer required • Successful challenge under EU procurement rules <ul style="list-style-type: none"> ~ Training for Level 2 officers, Level 3/4 training programme (includes works) • No longer required to deliver a Housing Benefit Service <ul style="list-style-type: none"> ~ Ensure staff have skills to enable redeployment or expand the services provided by the Revenues and Benefits team • Recession increasing workload and reducing collection rates • Severe reduction in number of staff to provide the service <ul style="list-style-type: none"> ~ Procedure notes to enable cover by other FCR colleagues on basic functions, BCP assessment of critical activities • HMRC Assessment identifies significant issues with current processes <ul style="list-style-type: none"> ~ Action Plan arising from HMRC letter • Service standard not producing outcomes required by the Comhairle <ul style="list-style-type: none"> ~ Training and support to implement contract management framework for Care and Children's Services • Loss of external client income • Deliberate or mistaken non adherence to Comhairle contract regulations <ul style="list-style-type: none"> ~ Complete Level 1/2 training • Tender prices exceed budget • Contract Management not being carried out <ul style="list-style-type: none"> ~ Implement programme for contract management plans • Incorrect/inadequate salary or expenses payments invoices/bills/recovery action <ul style="list-style-type: none"> ~ Training and briefing sessions, process improvement workshops, QA and SLAs • No IT systems <ul style="list-style-type: none"> ~ Test Business Continuity Plan arrangement for



	<p>Payroll systems failure with IT</p> <ul style="list-style-type: none">~ Test paper based processing systems for instances where the system is unavailable~ Test Business Continuity Plan arrangement for Revenues & Benefits systems failure with IT• Payment made in error - creditors bank details, overpayment of hours/OT, use of procurement card~ Internal Audit regular review of compliance
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Service Profile: Business Management

Description:

Providing a comprehensive and efficient business and resource management service to the Finance and Corporate Resources Department.

Providing a range of services, including Payroll, Systems Administration, Council Officer Services and the Stornoway Town Hall.

Outputs:

Departmental Business Plan
 Budgets and budget monitoring
 Monitoring performance reports
 Departmental wide administrative systems
 FCR staff and Health and Safety committees
 Exchequer Services systems administration
 Project management
 Payment of staff and submission of statutory returns
 System Administration reconciliations
 Bookable venue (Town Hall)

Primary Strategic Priority:

7.1 Services: The Comhairle will provide good quality and efficient services to meet the needs of the community.

Actions:

Action	Resp. Officer	Start Date	Comp Date	Budget Type
Strategic Objective: 7.1.1 Deliver Best Value services to meet the needs of the community.				
Ensure resilience, cover arrangements and a knowledge base is in place for Exchequer Services (Business Management)	Business Manager	01/04/2014	31/03/2015	Operating
Strategic Objective: 7.1.3 Have in place a programme of continuous improvement.				
CIP: Develop an effective Change Management Plan to ensure successful implementation of organisational changes and provide support to Services by achieving sustained improvement in Asset Management, Risk Management and Procurement.	Director of Finance and Corporate Resources	01/04/2012	31/03/2017	Operating

Service Profile KPIs:

KPI	Units	14/15	15/16	16/17	17/18	18/19
FCR007: (L07) Reduction in the number of overpayments required due to payroll error	%	25	20	N/A	N/A	N/A
FCR: (L07) Percentage of Pay Advice provided as Paper Payslip	%	60	55	N/A	N/A	N/A
FCR008: (L07) Percentage of financial transactions paid on time to employees and members	%	100	100	N/A	N/A	N/A
FCR009: (L07) Percentage of compliance with recovery and billing timetable	%	100	100	N/A	N/A	N/A
FCR010: (L07) Reduction in the number of payroll advances required due to payroll error	%	25	20	N/A	N/A	N/A
FCR012: (L07) Amount of income generated from external lets of the Town Hall	£	6,000	6,000	N/A	N/A	N/A

Service Profile: Procurement and Creditors

Description:

Providing procurement advice and support to departments.
 Providing Strategic Procurement advice and support to the Comhairle.
 Paying invoices and creditors.

Outputs:

Procurement Strategy
 Purchase to Pay Strategy
 Payment of invoices
 Procurement and Sustainable Procurement Policies
 Implementation of Electronic Procurement Systems
 Procurement advice
 Negotiate contracts on Comhairle's behalf
 Access to National and Collaborative contracts

Primary Strategic Priority:

7.1 Services: The Comhairle will provide good quality and efficient services to meet the needs of the community.

Actions:

Action	Resp. Officer	Start Date	Comp Date	Budget Type
Strategic Objective: 7.1.3 Have in place a programme of continuous improvement.				
Deliver the Comhairle's Purchase to Pay (P2P) Strategy.	Procurement Manager	01/04/2013	31/03/2015	Operating

Service Profile KPIs:

KPI	Units	14/15	15/16	16/17	17/18	18/19
FCR: (L07) Procurement Capability Assessment score	%	70	75	N/A	N/A	N/A
FCR: (L07) BPI9(c) Percentage contracts through e-tendering (e.g. electronic tendering systems)	%	75	100	N/A	N/A	N/A
FCR: (L07) Percentage of staff undertaking procurement activity levels 1-4 assessed for skills competency levels	%	100	100	N/A	N/A	N/A
FCR: (L07) Percentage of invoices paid using intelligent scanning	%	50	75	N/A	N/A	N/A
FCR: (L07) SPI3: CORP8 - Percentage of invoices sampled that were paid within 30 days	%	95	97	0	N/A	N/A
FCR: (L07) Percentage of Council expenditure (non-staffing) through Authority Financials Purchasing and other electronic ordering systems	%	70	80	N/A	N/A	N/A
FCR: (L07) BPI7(a) Percentage of procurement officers who hold the professional procurement qualification, Member of Chartered Institute of Purchasing and Supply (MCIPS)	%	50	100	N/A	N/A	N/A
FCR: (L07) Percentage of annual spend with suppliers > £1,000 that is covered by a contract (as published on Public Contracts Scotland)	%	65	75	N/A	N/A	N/A
FCR: (L07) Savings achieved through collaborative procurement	£	50,000	60,000	N/A	N/A	N/A

Service Profile: Revenues and Benefits

Description:

Ensuring that local taxpayers are properly billed and that all debts are properly accounted for. Ensuring that all debts are pursued and recovered. Ensuring that customers are assisted courteously and efficiently, in paying their debts and in seeking advice on revenues matters.

Receiving, assessing and paying claims for Housing and Council Tax Benefit and the Welfare Fund. Providing advice on claiming Housing and Council Tax Benefit and also giving advice about claiming other related Welfare Benefits.

Outputs:

Council Tax income collected
National Debt Recovery (NDR) income collected
Sundry debt collected
Recovery of arrears
A range of payment methods

Right benefit at right time
Number of completed claim forms for welfare benefits
Completed subsidy claims and returns for the Department for Work and Pensions (DWP)
Supply the Department for Work and Pensions (DWP) with various statistics
National Fraud Initiative Data
Housing Benefit Matching Service
Information transparency and dissemination
MacMillan Benefits Advice Service

Primary Strategic Priority:

7.1 Services: The Comhairle will provide good quality and efficient services to meet the needs of the community.

Actions:

Action	Resp. Officer	Start Date	Comp Date	Budget Type
Strategic Objective: 7.1.1 Deliver Best Value services to meet the needs of the community.				
Implement Welfare Reform changes	Revenues and Benefits Manager	01/04/2013	31/10/2017	Operating
Ensure resillience, cover arrangements and a knowledge base is in place for Exchequer Services (Revenues and Benefits)	Revenues and Benefits Manager	01/04/2014	31/03/2015	Operating

Service Profile KPIs:

KPI	Units	14/15	15/16	16/17	17/18	18/19
(L07) Time taken to process a Crisis Grant	Days	2	2	N/A	N/A	N/A
(L07) Percentage of Non Domestic Rates collected in year	%	98	98	N/A	N/A	N/A
(L07) Housing Benefit overpayments: Debt recovered in year against debt created in year	%	70	70	N/A	N/A	N/A
(L07) Housing Benefit overpayments: debt recovered in year against debt at start of year plus in year debt creation	%	55	60	N/A	N/A	N/A
(L07) SPI3: CORP4 - The cost per dwelling of collecting Council Tax	£	22	22	0	0	N/A
(L07) The cost of collecting Non Domestic Rates per chargeable property	£	80	80	N/A	N/A	N/A
(L07) Sundry Debts: cost per invoice	£	15	15	N/A	N/A	N/A
(L07) Sundry Debts collected in year	%	86	87	N/A	N/A	N/A
(L07) Housing Benefit and Council Tax Reduction: YTD average number of days taken to process a change in circumstances	Days	10	10	N/A	N/A	N/A
(L07) Sundry Debt arrears collected in year	%	40	45	N/A	N/A	N/A
(L07) SPI3: CORP7 - Percentage of income due from Council Tax received by the end of the year	%	95	95	N/A	N/A	N/A
(L07) Time taken to process a Community Care Grant	Days	15	15	N/A	N/A	N/A
(L07) Response times to correspondence / contact / enquiries (days) - Revenue Collection	Days	10	10	N/A	N/A	N/A
(L07) Response times to correspondence / contact / enquiries (days) - Benefits uptake, claims processing and payment	Days	10	10	N/A	N/A	N/A

Service Profile KPIs:

KPI	Units	14/15	15/16	16/17	17/18	18/19
(LO7) Housing Benefit and Council Tax Reduction: number of days taken to process new applications	Days	28	28	N/A	N/A	N/A
(LO7) Housing Benefit and Council Tax Reduction accuracy checks (determinations)	%	100	100	N/A	N/A	N/A
(LO7) The gross administration cost per benefits case.	£	54	54	N/A	N/A	N/A

FINANCE AND CORPORATE RESOURCES DEPARTMENT - Internal Audit**OUR MISSION**

The Service's mission is to provide assurance to those charged with corporate governance and promoting good governance within the Comhairle; and assessing whether internal controls are adequate and operating as expected by focusing our resources on a risk based approach, concentrating on high and medium/high functions/services.

Undertake value for money and 'added value' reviews of service functions within the Comhairle, promoting Best Value.

Undertake special investigations and reviews as requested by the Director of Finance and Corporate Resources and / or the Chief Executive.

OUR VALUES

Provision of a professional Internal Audit service which is compliant with the Public Sector Internal Audit Standards which came into force on 1 April 2013.

RECENT ACHIEVEMENTS

Completion of 100% of the approved Internal Audit Plan for 2012/13;

Our appointed External Auditors were able to place reliance on our work; and

A recent independent review of our service stated "overall we concluded that the Comhairle's Internal Audit Section is fully compliant with the Code's requirements and is a service which we can place reliance on."

PLANNING CONTEXT

As part of agreeing a three year Strategic Audit Plan covering 2013 – 2016 we met with all senior managers within the Comhairle to assess service provision, ranking risk based on a tried and tested method and allocating resources based on the level of risk profile. As part of our planning process we have aligned our audit response to these strategic goals set by the Comhairle in meeting the terms of the SOA. In addition, the new Public Sector Internal Audit Standards (PSIAS) which became effective from 1 April 2013.

STAKEHOLDERS

Audit and Scrutiny Committee and those charged with Governance roles
Senior Comhairle Management
Section 95 Officer
Residents of the Western Isles
External Audit

Service Profiles

- **Internal Audit**

Business Unit SWOT

Internal Audit

	STRENGTHS	WEAKNESSES
INTERNAL	<ul style="list-style-type: none"> • Galileo • Low cost service • Full establishment of staff • High morale • Positive feedback from Clients • Availability of a computer auditor • Positive feedback from External Audit • In top quartile in Scotland • Committed and Professional Staff • Receiving good support from Director of Finance and Corporate Resources 	<ul style="list-style-type: none"> • Contingency for investigations challenging • Small Team - high impact if absences occur • Manual File System • Inability to audit medium and low risk
	OPPORTUNITIES	THREATS
EXTERNAL	<ul style="list-style-type: none"> • Galileo to develop further • Good skills mix – bid for external jobs • New role and expectations of Audit • Employ a skillseeker • Internal Audit key part of Governance 	<ul style="list-style-type: none"> • Inability to access files <ul style="list-style-type: none"> ~ Manual procedures document. • De-skilling if training budgets are cut • Serious omission by an Auditor to 'reasonably' identify a material fraud/error which may have significant implications in terms of financial loss/reputational loss to the Comhairle. <ul style="list-style-type: none"> ~ File reviews and independent quality assurance reviews on a sample basis annually. • Increase in theft/fraud or irregularities • Auditors who are working outwith the office on their own may be more vulnerable to aggression and/or violence. <ul style="list-style-type: none"> ~ Staff to attend violence and aggression training and advised of the Comhairle's policy. • Outsourcing • Inability to support elected Members of the Comhairle who serve on the Audit and Scrutiny Committee in the effective discharge of their responsibilities. Could have significant Corporate Governance implications. <ul style="list-style-type: none"> ~ External Audit assessment of Internal Audit and Corporate Governance arrangements. • Inability of the Comhairle's appointed External Auditors to place reliance on the work of Internal Audit. This could result in significant additional charges being made for additional work provided by our appointed External Auditors. <ul style="list-style-type: none"> ~ Compliance with the Public Sector Internal Audit Standards (PSIAS). • Corporate Governance failure <ul style="list-style-type: none"> ~ Monthly and quarterly reports to Management and Audit and Scrutiny Committee with minimum staffing level of 3 within the Internal Audit section. • Failure of PCs and systems run on them. <ul style="list-style-type: none"> ~ Age and capacity of PCs. Annual budgetary provision and Manual procedures document.

	<ul style="list-style-type: none">• Loss of departments• De-skilled staff<ul style="list-style-type: none">~ Number of staff/Training budget and skills transfer process.• Serious conflict of interest by an Auditor.<ul style="list-style-type: none">~ Compliance with the Public Sector Internal Audit Standards (PSIAS).• Future of Local Government and funding
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Service Profile: Internal Audit

Description:

Systems Audit

Internal Audit's prime role is to offer advice and to provide assurance on the adequacy of the system of internal control operating throughout the Council. The principal mechanism by which this is achieved is by undertaking systems-based audits. The conduct of an audit using this methodology enables auditors to:

- Assess how internal controls are operating in a system, thereby forming a view on whether reliance can be placed upon the system.
- Provide management with assurances that systems are adequately meeting the purposes for which they were designed.
- Provide constructive and practical recommendations to strengthen systems and address identified risks.
- Use findings to feed into an overall opinion on the control framework of the Council, thereby helping to meet the demands of Corporate Governance.
- Furnish appropriate evidence for external audit and other review agencies.

Compliance Audit (Central Systems)

These audits are undertaken to provide a level of assurance that the main financial systems of the Council are operating effectively at establishment level. The audits involve the testing of the main systems in operation, including payroll, debtors and creditors in order to ensure the proper and accurate recording of transactions.

Contract Audit

Expenditure on both capital and revenue contracts forms a significant part of the Council's expenditure. Therefore it follows that it is necessary to maintain an adequate and effective internal audit of that expenditure. Contract audit within the Council is predominantly conducted using a systems-based approach although this is supplemented by a review of individual contracts or projects.

Computer Audit

The Council needs to have sound and robust computer systems to ensure that they produce timely and accurate information in a secure environment thus ensuring that information at a strategic, service and business unit level is available to support the management of the Council.

The CIPFA Computer Audit Guidelines define computer audit as follows:

"The application of auditing skills to the technological aspects of an authority's business processes. It embraces the independent reviewing and testing of the Council's practices and procedures relating to:

- The secure provision of business processing.
- The processes for developing and acquiring new systems and facilities.
- The economy, efficiency and effectiveness of the use and exploitation of IT facilities".

Computer audit within the Council is undertaken using a systems-based approach, undertaking work through our risk-based audit plan and regularly undertake work in the following areas:

- Strategic and organisational IT issues
- Pre and post implementation reviews
- Installation and access control reviews
- Security reviews
- Business continuity planning
- Software control reviews

Consultancy and Advice

Control Advice for system/procedural changes

In order to achieve this, Internal Audit needs to be advised at the earliest opportunity to assess the extent of their involvement, if any. This could involve the review of project documentation or the attendance at project meetings. However, Internal Audit should not become operationally involved in the system or project as to affect independence.

The document “Computer Audit Guidelines for Council Staff on Standard Controls for Existing and New Computer Systems” has been drafted in order to provide a simple guide on controls for Council staff who use existing computer systems or services or who are involved in the implementation of a new system, including small systems developed in Access or Excel. The Guidelines make reference to relevant Council policies/ guidance and detail the various types of controls and audit trails that should be built into all systems. Finally there is reference to back up and recovery requirements and Business Continuity Planning.

Audit Certificates

Where external funding has been provided to the Council it is often a requirement that Internal Audit check and certify the grant claims, returns or accounts. In order to be able to accommodate this work, Service Directors are asked to notify the Chief Internal Auditor at the earliest opportunity.

Fraud Investigation

Initial Notification

Financial Regulation 13 provides the following requirement with regard to the notification of suspected fraud or irregularity:

“Whenever any matter arises which involves, or is thought to involve, irregularities concerning finance, assets or property of the Council or any suspected irregularities in the exercise of the functions of the Council, the Head of Service concerned will immediately notify the Director of Finance & Corporate Resources. The Chief Internal Auditor will take such steps as are considered necessary to investigate any such matters”.

Outputs:

- Assess how internal controls are operating in a system, thereby forming a view on whether reliance can be placed upon the system.
- Provide management with assurances that systems are adequately meeting the purposes for which they were designed.
- Provide constructive and practical recommendations to strengthen systems and address identified risks
- Use findings to feed into an overall opinion on the control framework of the Comhairle, thereby helping to meet the demands of Corporate Governance.
- Furnish appropriate evidence for external audit and other review agencies.

Primary Strategic Priority:

7.1 Services: The Comhairle will provide good quality and efficient services to meet the needs of the community.

Actions:

Action	Resp. Officer	Start Date	Comp Date	Budget Type
Strategic Objective: 7.1.3 Have in place a programme of continuous improvement.				
Complete the approved Operational Audit Plan within the agreed timescales as approved by the Comhairle's Audit and Scrutiny Committee.	Chief Internal Auditor	01/04/2014	31/03/2015	Operating
Provide a fraud and irregularity investigation service which safeguards the public pound.	Chief Internal Auditor	01/04/2014	31/03/2015	Operating



Service Profile KPIs:

KPI	Units	14/15	15/16	16/17	17/18	18/19
(L07) Percentage of Service Audit Reports followed up by individual Services.	%	95	95	N/A	N/A	N/A
(L07) Percentage of audit recommendations accepted by management	%	90	90	90	N/A	N/A
(L07) Cost of Internal Audit per £1m of Net Expenditure	£	1,670	1,670	N/A	N/A	N/A
(L07) Cost of Internal Audit per day recharged to the user	£	300	300	N/A	N/A	N/A
(L07) Percentage of Internal Audit client satisfaction surveys that were positive	%	95	95	95	N/A	N/A
(L07) Percentage of Internal Audit reports issued to management within 14 days of completion of field work	%	80	80	N/A	N/A	N/A
(L07) Percentage of Audit Plan completed	%	80	80	N/A	N/A	N/A