

EAST RENFREWSHIRE COUNCIL

CABINET

21 August 2014

Report by Chief Executive

CHIEF EXECUTIVE'S OFFICE END YEAR PERFORMANCE REPORT 2013/14

PURPOSE OF REPORT

1. The purpose of this report is to present a summary of performance of the Chief Executive's Office for 2013/14 based on performance indicators and activities in the Outcome Delivery Plan (2013-2016) and Single Outcome Agreement (2013-14). Detailed performance results are attached in Annex 1.

RECOMMENDATIONS

2. It is recommended that Cabinet approves this report as a summary of the Chief Executive's Office's end year performance for 2013/14 (Annex 1).

BACKGROUND

3. Following the retirement of the Director of Finance in April 2014, the services of the Finance department were transferred to either the new Corporate and Community Services department or the Chief Executive's Office. The Corporate and Community Services department joins the services formerly under Chief Executive's department with Revenue Services and ICT. Meanwhile Accountancy Services, led by Margaret McCrossan (Head of Accountancy and Chief Financial Officer), now reports directly to the Chief Executive as part of a newly established Chief Executive's Office alongside Gerry Mahon, chief officer of legal and procurement and Michelle Blair, chief auditor.

REPORT

4. The Chief Executive's Office performed extremely well at end year having exceeded or met target on 80% of the 2013/14 targets.

Main highlights include:

- Strong financial position which was verified by External Audit (Audit Scotland).
- High performing internal audit service which External Audit (Audit Scotland) placed reliance upon.
- Well respected legal service which provides high quality and pro-active litigation support and training.
- Improved status for the corporate procurement service in the national Procurement Capability Assessment achieving the joint 7th best council score in Scotland.

CUSTOMER

5. A recent elected members' survey indicated positive results, with no dissatisfaction with any feature of the accountancy service. The annual accountancy survey of internal customers showed 88% satisfaction with revenue accountancy services.

6. There was 100% satisfaction with the procurement team amongst internal customers of their service on their performance on tendering, quick quote and general procurement knowledge. Satisfaction with procurement amongst super users (departmental representatives) is high at 95%.

7. The annual legal services survey of internal customers showed 89% satisfaction rating with the level of service provided with 96% of respondents agreeing that legal staff understand the issues that they face.

8. The internal audit service carried out an annual survey to find out views amongst senior management of their service. There was 100% satisfaction with their service.

9. The number of complaints received about the services from the Chief Executive's Office was very low with an overall total of seven complaints in 2013/14. These complaints related to the creditors section and were mostly due to one incident where there was a delay in processing council tax refunds. We continue to review all complaints against existing business practices to enable continuous improvement. A review of the creditors section is currently underway with the feasibility of invoice scanning being evaluated.

EFFICIENCIES

10. This year, we continued to develop a more robust financial monitoring process including new financial reports and probable outturn updates. Audit Scotland's Assurance and Improvement Plan Update 2014/2016 concluded that "The majority of the total general fund balance (£13.5 million) is not ear marked (£8.5 million representing 4 per cent of net relevant expenditure, which is in line with the council's agreed policy). The council has a relatively high level of usable reserves and low levels of external borrowing which suggests a relatively good financial position to cushion against unexpected future funding shortfalls. "

11. The annual accounts are still subject to an external audit but at year end (2013/14) there was an overall surplus of £1.435m. With the exception of CHCP, every general fund departments' outturn spend was within budget. The non earmarked general fund reserve balance was £8.558m as at 31 March 2014 which complied with the Council's policy of maintaining reserve levels at 4% of the annual budgeted net revenue expenditure. Therefore the Council continues to demonstrate its track record of strong financial management by maintaining its sound financial position. This will assist in taking forward necessary one-off transformation investment designed to generate ongoing revenue financial savings. As a result of the economic climate and the lack of capital receipts, it is difficult to maintain capital investment. The level of capital reserve held however will assist in maintaining the capital plan.

12. There is evidence in the efficiency statement to be presented to Cabinet on 21 August 2014 that through reviewing opportunities for applying efficiency savings over the whole range of its services and the Public Service Excellence (PSE) programme, the Council made cash-releasing savings of £5.712m in 2013/14. Since the PSE programme was launched in 2009, the Council has delivered total recurring financial savings of at least £4.103m and contributed to a workforce reduction of at least 231 FTE.

13. As part of the Public Procurement Reform Programme the Scottish Government introduced a capability assessment tool, the Procurement Capability Assessment, which every Scottish public sector organisation is required to undertake annually and this is carried out by Scotland Excel. The corporate procurement service maintained their improved status in the 2013/14 assessment increasing their score from 58% in 2012/13 to 62% in 2013/14.

14. The percentage of creditor invoices paid within 30 days is still an area for improvement. In 2013, Internal Audit discovered an error in the way in which the date received was recorded. This led to a reduction in the overall performance indicator. The performance indicator is now based upon the date that the supplier provides on the invoice with 2 days added on for postage. A review of the way in which invoices are dealt with across the council is currently underway. A benchmarking survey was sent out to every Scottish local authority with an excellent response rate of 91% (29 councils). The results of this survey allowed us to pinpoint areas of best practice and 5 visits (Scottish Enterprise, Glasgow and North Lanarkshire, Dumfries and Galloway, Renfrewshire) have already taken place to find out how other invoice scanning systems work.

15. During 2013/14, 97% of Freedom of Information requests received by the Chief Executive's Office were responded to within the target time of 20 working days. There was a total of 83 FOI requests for the Chief Executive's Office Legal (55), Accountancy (6), Procurement (10) and General (12).

16. Internal audit activity during the year was undertaken in accordance with the annual internal audit plan. The results of internal audit's progress against the annual plan has been reported to Audit and Scrutiny Committee quarterly. The 2013/14 plan was substantially completed with 95% of planned outputs delivered.

17. During 2013/14, legal services participated in benchmarking (where we compared favourably) with comparative Councils in terms of staffing complement as against external legal spend. Further corporate savings were achieved by providing extensive legal training in house for non legal staff in areas such as data protection, children's hearing and self-directed support legislation.

18. There were 758 taxi licenses and 474 liquor licenses processed during 2013/14 and 100% of all licenses were processed within statutory timescales.

PEOPLE

19. In 2013/14, 8 days per employee were lost through absence in the Chief Executive's Office which is below the council target.

20. The results of the corporate staff survey which was held early 2014 have just been disseminated and an action plan will be implemented shortly.

21. Since the "make us more efficient" staff ideas group was created early 2013/14, there have been 23 ideas, of which 13 ideas have been taken forward and are in most cases, have been fully completed- all of these ideas are in accountancy. Several of the ideas led to savings in staff time e.g. accessing bank statement online instead of having to travel to Eastwood to access hard copies.

22. The number of Chief Executive's Office staff accessing information digitally has increased with more staff able to access reference documents and libraries online (legal, accountancy and internal audit). This has enabled staff to become more agile improving efficiency and productivity. The numbers of staff accessing e-learning has increased. A seminar on how to improve use of excel was successfully delivered and has resulted in further "peer" sessions to cross share skills across accountancy.

23. The accountancy service was successful in gaining a finalist position (1 of only 3 organisations) in the Scottish Public Sector Accountancy Team of the Year. Nominations for both COSLA and Local Government Chronicle awards for accountancy were also submitted under the category of "securing a workforce for the future". Meanwhile, the Finance Business Team progressed to the final for their approach to risk management in the Local Government Chronicle awards under the corporate governance category. These are UK wide awards which generated a high volume of entries and East Renfrewshire was the only Scottish finalist.

24. Legal services staff provided training and support to non legal staff on the Children's Hearing Scotland Act (2011) with 28 attendees in June 2013. Seventy staff from across the council attended the SDS Act- Social Care (self-directed support) (Scotland) Act 2013 training which was held on different dates in March, April and May 2014.

PUBLICATION OF END YEAR PERFORMANCE INFORMATION

25. A version of this report will be posted on the Council's website.

FINANCE & EFFICIENCY

26. There are no specific financial implications arising from this report. The Annual Efficiency Statement which is due to be published in August 2014 will provide more detail on achievements.

CONSULTATION

27. There have been various consultations in the past year both internally and externally, including Community Engagement review, PSE projects and staff consultation.

PARTNERSHIP WORKING

28. This report highlights the Chief Executive's Office's contribution to the delivery of the Partnership SOA. Whilst it focuses on the Office's contribution, many of the results could not have been achieved without excellent partnership working.

IMPLICATIONS OF REPORT

29. As this report is primarily a progress and performance update, there are no particular implications in terms of staffing, property, legal, IT, equalities or sustainability. Each of these issues has been mainstreamed throughout the departmental reports and specific equality impact assessments have been carried out on the Outcome Delivery Plan and the Single Outcome Agreement.

CONCLUSION

30. This report provides an overview of the Chief Executive's Office's performance at year end 2013/14. The Council continues to demonstrate its track record of strong corporate governance and financial management by maintaining its sound financial position. This creates a sustainable environment to allow council services to drive transformation and modernisation. We continue to ensure that systems and processes are in place which operate in an efficient and effective manner and that they ensure the integrity of transactions for the benefit of local residents and internal customers.

RECOMMENDATIONS

31. It is recommended that the Cabinet approves this report as a summary of the Chief Executive's Office's end-year performance for 2013/14 (Annex 1).

REPORT AUTHOR

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25 July 2014
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KEY WORDS

This report sets out the performance at end year 2013/14 for the Chief Executive's Office. The keywords are: "Performance management, end year performance, outcomes"

Service Plan- Chief Executive's Office

Lorraine McMillan



1.1 Brief outcome-focused summary of the service

To provide an efficient and effective Chief Executive's Office for East Renfrewshire Council.





1.2 Service profile

Staffing 75 FTE **Budgeted net expenditure (Revenue 13/14)** £3,654,750



1.3 Summary of Services provided by Chief Executive's Office

- promote and facilitate good practice, co-ordinate joint activities between departments and monitor and report on these achievements to a range of stakeholders including the Council, the public and to various statutory bodies.
- ensuring the Council's policies are implemented efficiently and effectively and that they give best value to the council taxpayer.
- with the support of the accountancy team , manage and control the council's £213.74 million of expenditure.
- provision of a full range of legal services to Council and departments, including contracts, conveyancing, litigation and employment law.
- delivering procurement services across the Council, and for the improvement and modernisation of the Council's procurement activities.
- give assurance through the work of the internal audit team to management and elected members that systems and processes in place operate in an efficient and effective manner and that they ensure the integrity of transactions.
- ensuring effective and efficient risk management is in place which aids decision making and drives innovation.


Key

PI Status of last available data:	
	Off target
	Target still to be achieved
	On Target
	For information only (no target set)

Complaints	2013/14	Target	Status	Notes and benchmark
Chief Executive's Office Service Plan - strategic level - Customers - Chief Executive Office's complaints justified by the Scottish Public Services Ombudsman	0%	0%		There were no complaints about services provided by the Chief Executive's Office sent to the Scottish Public Services Ombudsman.
Number complaints received CEO	7	0		7 complaints relate to creditors and errors or delays in receiving payments especially council tax refunds. A creditors review is underway to improve invoice processing.

People	2013/14		Status	Notes and benchmark
	Value	Target		
Absence Chief Executive's Office- days lost per employee	8	8.5		
Overall % of Chief Executive's Office staff who agreed or strongly agreed in corporate survey "I am clear what is expected of me at work"	93%	90%		93% agree, 5% neither one nor the other and 2% disagree (43 respondents)

Financial Performance

Activity	Progress Bar	Due Date	Latest Note
An overview of revenue and capital expenditure, reporting by exception on any budgetary or project over or underspends. In addition there should be a brief statement on the overall budgetary position for the department.		31-Mar-2014	<p>The annual accounts are still subject to External Audit but at year end (2013/14) there was an overall surplus of £1.435m. With the exception of CHCP, every general fund departments' outturn spend was within budget.</p> <p>After transfers to the earmarked reserves, £39,000 was added to the non-earmarked general fund reserve.</p> <p>This resulted in a non earmarked general fund reserve balance of £8.558m as at 31 March 2014 which complied with the Council's policy of maintaining reserve levels at 4% of the annual budgeted net revenue expenditure.</p> <p>Therefore the Council continues to demonstrate its track record of strong financial management by maintaining its sound financial position. This will assist in taking forward necessary one-off transformation investment designed to generate ongoing revenue financial savings. As a result of the economic climate and the lack of capital receipts, it is difficult to maintain capital investment. The level of capital reserve held however will assist in maintaining the capital plan.</p>

Accountancy Services 2013/14

Margaret McCrossan, Head of Accountancy (Chief Financial Officer)

1.1 Brief outcome-focused summary of the service








To provide an efficient and effective accountancy service for East Renfrewshire Council.

1.2 Strategic focus for 2013/14



- Continue to develop the finance business partner approach across departments.
- Maximise effective use of financial resources across the Council.
- To provide an efficient and effective creditor payments service .

1.3 Service profile



Staffing 42.9 FTE **Budget (Revenue)** £2,165,100

1.4 CUSTOMERS						
Description	2012/13		2013/14		Traffic Light Icon	Note
	Value	Target	Value	Target		
% of customers satisfied with capital accountancy services	83%	80%	100%	80%		There were 4 relevant respondents to the survey (17% response rate) and there was no dissatisfaction with capital monitoring.
% of customers satisfied with revenue accountancy service	95%	95%	88%	80%		Out of 25 relevant replies, 88% were either highly satisfied (60%) or satisfied (28%), 2 people stated neither one nor the other and 1 person was dissatisfied. There was a 30% response rate to the survey. (results June 2014)
% of elected members satisfied with accountancy services	80%	75%	100%	85%		There were 6 responses (30% response rate) with no dissatisfaction with any of the criteria. (results June 2014)
% of customers satisfied with VAT accountancy support advice	100%	100%	100%	80%		Only 5 of the overall respondents had any dealings with VAT but all 5 were satisfied with the service provided.
% of customers satisfied with PFI/PPP support/advice	100%	75%	100%	80%		There were only 2 relevant respondents who replied to this question but both of them were satisfied with the service.(17% response rate)
% of complaints received that were justified (accountancy)	0%	0%	100%	0%		We received 7 complaints about creditor delays (council tax refunds) in 2013-14 and unfortunately they were all upheld. However as a result, responsibility for the processing of the refunds was transferred to the debtors team. This improved timescales for issuing refunds.
% of Freedom of Information requests (FOI's) responded to within target (accountancy)	100%	100%	100%	100%		Target met




1.5 EFFICIENCY						
Description	2011/12	2012/13	2013/14	Traffic Light Icon	Note	
	Value	Value	Value			
Delivery of financial cash saving efficiencies – total council figure (£)	£6,164,226	£7,900,273	£5,712,100		The level of efficiencies that the Council can make, although becoming more difficult year-on-year, will be ever more important as the financial climate gets tougher in the next few years. It is clear that the continued focus on making efficiencies, particularly through the PSE programme, has gone a significant way to protect funding for frontline services and prevent negative public impacts. However, in doing this, we are making significant changes to the way the Council does business. Further changes will be necessary in future years as we push forward with a fundamental programme of service redesign	
Description	2012/13		2013/14		Traffic Light Icon	Note
	Value	Target	Value	Target		
Level of general reserve as a % of annual budgeted net revenue expenditure	3.5%	4%	4%	4%		Target for 2013/14 achieved.
Nil qualifications on the accounts given by External Audit	Yes	Yes		Yes		The annual accounts for 2012/13 were audited with nil qualifications. The 2013/14 annual accounts have been submitted to External Audit and the outcome of the 2013/14 accounts will be available in September 2014.
Achieve an annual balanced Council budget.	Yes	Yes	Yes	Yes		Balanced budget for 2014/15 approved at Council on 13 February 2014.
Outturn net expenditure within 95% to 100% of approved Revenue Budget as revised by approved in-year budget adjustments(Council wide)	96.2%	97.5%	98.3%	95 to 100%		Target met.
Outturn net expenditure within 95% to 100% of approved Revenue Budget as revised by approved in-year budget adjustments(Finance)	95%	95%	96.5%	95 to 100%		Target met.
Excluding cash flow adjustments, outturn investment at service level on the General Fund Capital Programmes for 2013/14 to be within 90% and 105% of the approved programme, as revised by approved in-year adjustments.	99%	95%	95%	90-105%		Target met.
Excluding cash flow adjustments, outturn investment at service level on the Housing Capital Programmes for 2013/14 to be within 90% and 105% of the approved programme, as revised by approved in-year adjustments.	98%	95%	99%	90-105%		Target met.














Percentage of BACs payment remittance information provided electronically	87.75%	85%	92%	90%		Target exceeded
SCORP08: Percentage of invoices sampled that were paid within 30 days %	80.1%	86%	79.5%	83%		The performance indicator excludes housing benefit payments and school invoices. A review of creditors is underway and the introduction of invoice scanning and workflow will be investigated.

1.6 PEOPLE

Description	Date Range 1		Date Range 2		Traffic Light Icon	Note
	2012/13		2013/14			
	Value	Target	Value	Target		
Average number of working days per employee lost through sickness absence - Accountancy section.	7.92	9.8	9.16	8.5		There have been several long term absences over the year. As a small section, this affects the overall outturn position.
% of professional accountancy qualified staff who fulfilled their CPD and continued their accreditation.	100%	100%	100%	100%		Target met.

1.7 ACTIVITIES

Description	Due Date	Progress Bar	Latest Note
Produce the annual accounts in line with international financial reporting standards.	30-Sep-2013		Audit of annual accounts 2012/13 completed successfully in September 2013. The annual accounts 2013/14 were submitted to External Audit on time and the outcome will be reported in September 2014.
Put in place financial management arrangements to ensure that the Council effectively plans and manages to address future financial difficulties.	31-Mar-2014		Balanced budget for 2014/15 was approved by Council on 13 February 2014. Work on the 2015-2018 budgets is progressing.
Description	Due Date	Progress Bar	Latest Note
Compile detailed departmental Revenue Estimates in support of annual revenue budget setting exercise.	31-Mar-2014		Revised 2014/15 budget was set by Council on 13 February 2014.

Rigorous monitoring / analysis and regular reporting to departmental management teams and elected members of actual v revenue budget performance.	31-Mar-2014		Finance business partners provided regular information to departments and regular reports to the Cabinet and Budget Strategy Group throughout the year.
Support the Director of Finance in assessing Capital Programme proposals and resources.	31-Mar-2014		General and Housing Capital plans were approved by Council on the 13 February 2014.
Rigorous monitoring / analysis and regular reporting to departmental management teams and elected members of actual v capital programme budget performance.	31-Mar-2014		The Corporate and Technical Accounting Team provided regular management and Cabinet reports on the progress of the capital programme throughout the year.
Rigorous monitoring of treasury management performance and regular reporting to senior finance managers and elected members.	31-Mar-2014		The Corporate and Technical Accounting Team provided regular management and committee reports to the Audit and Scrutiny committee, Cabinet and to the full Council throughout the year.
Provision of high quality financial management information and advice to elected members and departments.	31-Mar-2014		Tailored reports and advice provided high quality financial management information as required. This was confirmed by elected members and departmental contacts in the annual satisfaction survey in June 2014.
Compile council wide annual efficiency statement.	30-Sep-2013		2012/13 Annual Efficiency Statement was approved by Cabinet in August 2013. The 2013/14 Annual Efficiency Statement will be reported to Cabinet on 21 August 2014.
Support and advise departments in evidencing efficiencies.	31-Mar-2014		Evidencing of all efficiencies is an ongoing process and is currently on track.
Monitoring PFI/PPP schemes.	31-Mar-2014		Regular monitoring meetings were attended throughout the year.
Support the Head of Revenues in the annual charging for services exercise.	31-Mar-2014		The charging for services exercise was reported to Cabinet and approved on 21 November 2013.
Set and monitor prudential indicators to ensure delivery of capital plan.	31-Mar-2014		The prudential indicators for 2014/15 were set by Council on 13 February 2014. Monitoring and reporting for the current year were as scheduled.
Design and delivery of financial training courses for staff and elected members as required.	31-Mar-2014		Scheduled or requested training delivered as required. Additional seminars were provided to staff on budget setting, welfare reform and advanced excel.
Description	Due Date	Progress Bar	Latest Note
Provision of VAT accounting and advice to all departments.	31-Mar-2014		VAT Accounting and advice proceeding as scheduled with all returns being made timeously.
Review and update financial regulations.	31-Mar-2014		The current Financial Regulations were approved by Council on 7 February 2013 and are currently under review.

Legal Services 2013/14

Gerry Mahon, Chief Officer-Legal and Procurement

1.1 Brief outcome-focused summary of the service

Legal Services provides a full range of legal services to client departments, ranging from traditional conveyancing to specialised litigation. As well as reactive work, the service also provides training to other departments in all legal aspects of their functions and is proactive in ensuring that client services are kept informed of legal developments which impact upon their duties.

1.2 Strategic focus for 2013/14






To provide effective and efficient legal advice and representation to the Council with particular reference to the 5 capabilities.



1.3 Service profile







Staffing 13.8 FTE

Budget (Revenue) £ 603,350





1.4 CUSTOMERS	
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Description	2012/13		2013/14		Traffic Light Icon	Note
	Value	Target	Value	Target		
Customer satisfaction: percentage who are satisfied or very satisfied with level of services provided by legal services.			89%	85%		Drawn from results of client dept surveys July 2013. Survey currently reissued and results awaited.
Customer satisfaction: percentage who are satisfied or very satisfied that legal services understand the issues they face as client services.			96%	85%		
% of Freedom of Information requests (FOI's) responded to within target (legal)			96%	100%		This figure is based upon calendar years and represents the 2013 figure.
Percentage of freedom of information requests responded to within the 20 day timescale (all council)	90%	100%	89%	100%		The volume of information requests increased from the previous year. Staff have been reminded of the importance of responding to requests timeously.
Volume of information requests under the Freedom of Information (Scotland) Act 2002 and the Environmental Information Regulations (Scotland) 2004. (Total all council)	802	N/A	923	N/A		



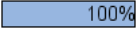
Description	2012/13		2013/14		Traffic Light Icon	Note
	Value	Target	Value	Target		
Number of successful appeals (against Council) to the Scottish Information Commissioner about information requests			0	0		There were 2 appeals in 2013/4- both appeals were rejected and the Scottish Information Commissioner upheld the Council's decisions.
The total number of complaints received about legal services performance			0	0		

1.5 EFFICIENCY						
Description	2013/14		Traffic Light Icon	Note		
	Value	Target				
% of civic government licenses processed within statutory timescales.	100%	100%				
% of liquor licenses processed within statutory timescales.	100%	100%		474 liquor licenses issued		
% of taxi licenses processed within statutory timescales.	100%	100%		758 taxi licenses processed in total (new and renewal)		
Average time taken to process new taxi license (working days)	25 days	25 days				
Average time taken to process renewal taxi license (working days)	25 days	25 days				
Average annual expenditure on externally sourced legal work to support all council departments (based on past 4 years) .	£96,923			During 2013/14, legal services participated in benchmarking (where we compared favourably) with comparative Councils in terms of staffing complement as against external legal spend. Further corporate savings were achieved by providing extensive legal training in house for non legal staff in areas such as data protection, children's hearing and self-directed support legislation.		

1.6 PEOPLE

Description	2012/13		2013/14		Traffic Light Icon	Note
	Value	Target	Value	Target		
Average number of working days per employee lost through sickness absence – Legal section			10	8.5		There were only two long term absences over the year. However, as a small section, this affected the overall outturn position.
Cost of learning and development activity as a percentage of the legal unit pay-bill			3.3%			These costs include training, publications, subscriptions and attendance at conferences.
Professionally qualified legal employees (FTEs) as a percentage of total legal employees.			61%			
Ratio of legal staff to support staff (FTE) (legal section only)			5.5:1			2 dedicated support staff within legal services (Business support unit not included). Legal staff includes non-qualified trainees and Records Manager

1.7 ACTIVITIES

To provide training and support on the Children's Hearing Scotland Act (2011)		31-Mar-2014	Training courses on Children's Hearing Act provided to relevant council staff on 13 and 17 June 2013 with 28 attendees in total.
To provide training and support on the SDS Act — Social Care (Self-directed Support) (Scotland) Act 2013.		30-Sep-2014	Training on the SDS Act was provided to council staff on 18, 26 March 2014, 2 April 2014 and 21 May 2014 with 70 attendees in total.
To provide Data Protection training to Council officers including new Business Support teams across Council		31 March 2014	Training courses provided to relevant Council staff 20/6/14, 27/6/14, 21/8/14 and 28/8/14- Business Support 19/6/13, 15/1/14 – Adult protection and data protection 25/6/13, 12/3/14 – Data protection and information security

Corporate Procurement 2013/14

Gerry Mahon, Chief Officer-Legal and Procurement

1.1 Brief outcome-focused summary of the service

To provide an efficient and effective Procurement service for East Renfrewshire Council.

1.2 Strategic focus for 2013/14

Our Corporate Procurement Strategy for has identified two main themes:

- efficiency
- responsibility




The main focus is to continue with improvements to the procurement team and to drive efficiency and best practice.

1.3 Service profile




Staffing 9.8 (FTE)





Budget (Revenue) £447,500



1.4 CUSTOMER

Description	2012/13	2013/14	2013/14	Traffic Light Icon	Note
	Value	Value	Target		
% overall satisfaction with quality of procurement advice given to superusers	89%	95%			A questionnaire is issued at the end of the superuser training sessions for all attendees to complete. Results are based on the completed questionnaires.
% overall satisfaction with procurement amongst lead officers after tender exercise	97%	100%	90%		This percentage is based on 23 returns received throughout 2013-14.
% of complaints received for procurement that were justified	0%	0%	0%		There were no complaints received in 2013/14

1.5 EFFICIENCY

Description	2012/13	2013/14	2013/14	Traffic Light Icon	Note
	Value	Value	Target		
Percentage of procurement spend that is channelled through a collaborative contract with other publicly funded bodies	20.5%	28%			Increased from previous year.
Percentage of procurement spend with contracted suppliers	51.3%	71%			Total spend £21,804,189
Number of contracts notified by electronic contract notice	90	65			The introduction of the new Scottish Governments PCS Tender module now means that more time is required for the building of tenders online. Prior to the commence of any new procurement exercise a full contract strategy is required with market research being undertaken, both elements impact on the number of tenders the team are able to work on.

Description	2012/13	2013/14	2013/14	Traffic Light Icon	Note
	Value	Value	Target		
% payments through an approved order system adhering to Financial Regulation no 6 (inc dept breakdown) to highlight non-compliance	99.3%	99.3%	100%		Staff will be reminded at the next set of Super User meetings of the importance of raising a purchase order for goods, services and works which are not covered by an exemption.
% of payment transactions which were processed against CPOPS/EROS orders	75.4%	73.59%	70%		Target exceeded
Corporate Procurement Service to achieve improved status (over 50%) in PCA Assessment	58%	62%	54%		PCA conducted Nov 2013. Improved status retained with overall score increasing by 4%
Invoices processed without an order number.	0.7%	0.7%	0%		Staff will be reminded of the importance of ensuring that a valid purchase order number is obtained before orders are placed for goods, services and works as per the financial regulations.

1.6 PEOPLE					
Description	2012/13	2013/14	2013/14	Traffic Light Icon	Note
	Value	Value	Target		
Average number of working days per employee lost through sickness absence – Procurement section	1.86	4.98	8.5		With low staff absence, this section has exceeded the target.
Nos of staff completing e-learning in sustainable procurement		17			New e-learning module in sustainable procurement introduced for staff.

Internal Audit 2013/14

Michelle Blair, Chief Auditor

1.1 Brief outcome-focused summary of the service

To provide assurance through the work of the internal audit team to management and elected members that systems and processes in place operate in an efficient and effective manner and that they ensure the integrity of transactions. The Council's Financial Regulations require that an Annual Report containing an assurance statement and summarising Internal Audit's activities during the year is submitted to the Audit Committee.

1.2 Strategic focus for 2013/14


For 2013/14, External Audit places formal reliance on aspects of the work of internal audit in the following areas, to support their audit opinion on the financial statements:






Council Tax - Recovery and Enforcement, Housing - Rent Accounting, Ordering & Certification
Payroll , Trade Payables, Trade Receivables, Corporate Debt Recovery, Asset Management
Housing Benefits , Members' Expenses, Inventories., Statutory performance indicators
National Fraud Initiative , Budgetary Control.

In addition, Housing and Council Tax Benefit/Welfare Reform is classed as a key financial system but due to the high risk assessment of this system, it will have annual audit coverage.

1.3 Service profile

Staffing 5.7 FTE (1 vacant post) **Budget (Revenue)** £262,700

1.4 CUSTOMER					
Description	2012/13	2013/14	2013/14	Traffic Light Icon	Note
	Value	Value	Target		
Percentage of customer satisfaction with overall internal audit service	92%	100%	90%		

1.5 EFFICIENCY					
Description	2012/13	2013/14	2013/14	Traffic Light Icon	Note
	Value	Value	Target		
Actual direct Internal Audit days as a percentage of the total available days .	80%	81%	75%		
Percentage of audits as per the Internal Audit Annual Plan started within the programmed year.	95%	95%	90%		The target has been exceeded
The cost of audit per Emillion of net expenditure.	£1,159.05		N/A		This is a CIPFA Directors of Finance PI and the results will be available in November 2014.
Actual productive days achieved as % of productive days per the audit plan.	92%		N/A		This is a CIPFA Directors of Finance PI (no target set) and the results will be available in November 2014.
Percentage of planned contingency time used	100%	63%	<100%		Target is to use less than 100% of contingency budget

Description	2012/13	2013/14	2013/14	Traffic Light Icon	Note
	Value	Value	Target		
Cost of Internal Audit per productive day	£324.00	£335.00	N/A		
Actual direct audit days as % of planned direct audit days per plan.	93.47%	92%	100%		The planned audit days were previously calculated using a staffing complement of 5.7 (FTE). However one vacant post has not been filled throughout the course of 2013/14 and the target requires to be adjusted to reflect the fact that there was a vacant post all year in the section.
Number of requests for assistance/ queries raised by departments outwith planned audit work.	21	19	N/A		Data only- no target
Average time in weeks from start of fieldwork to issue of report	7.7 weeks	11.4 weeks	12 weeks		
Average time in working days to issue report.	8.6 days	7.4 days	10 days		
External audit review of the adequacy of internal audit	Yes	Yes	Yes		

1.6 PEOPLE

Description	2012/13	2013/14	2013/14	Traffic Light Icon	Note
	Value	Value	Target		
Average number of working days per employee lost through sickness absence – Internal audit section	1.18	0.2	8.5		Very low absence - exceeded target
% of established posts (FTE) at year end filled by staff with relevant professional qualification	78%	78%	45%		