Governance, Risk and Best Value Committee

10.00am, Tuesday 3 November 2020

Annual Assurance Schedule – Resources Directorate

Executive/routine	Executive
Wards	
Council Commitments	

1. Recommendations

1.1 To note the Resources Directorate annual assurance schedule for 2019-20, submitted for scrutiny.

1.2 To note that the Resources Directorate annual assurance schedule 2020-21 would be submitted for scrutiny in 12 months' time.

Dr Stephen S. Moir

Executive Director of Resources

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Annual Assurance Schedule – Resources Directorate

2. Background

2.1 Each year the City of Edinburgh Council requires that Executive Directors complete Certificates of Assurance that represent their view of the effectiveness and appropriateness of controls in their areas of responsibility. These Certificates support the Annual Governance Statement which is a component part of the authority's Statement of Accounts.

2.2 An Assurance Schedule, to help prompt Executive Directors and relevant Heads of Service to consider various aspects of their control environment, is circulated in advance of Certificates. The schedule will help highlight any areas of concern.

2.3 A review of the process was initiated in response to feedback received in relation to last year's exercise resulting in the implementation of a 'comply or explain' model. The format and design of documentation was also updated to reduce manual administration and implement auto-population of improvement actions.

2.4 Improvement actions from the assurance exercise are used to inform the related Corporate Governance Framework Self-assessment exercise. Together both exercises combine to provide a holistic look across the Council's control framework, incorporating both design and application. Both processes will continue to be reviewed in line with feedback.

3. Main report

3.1 The Resources Directorate schedule (appendix 1) was completed and returned to the Democracy, Governance and Resilience team within the Chief Executive's Service, after which a Certificate of Assurance was issued. This informed the drafting of the Annual Governance Statement, submitted to Council as part of the Unaudited Annual Accounts on 30 June 2020.

3.2 The Certificates of Assurance requires Heads of Service and Executive Directors to confirm that:

3.2.1 They have considered the effectiveness of controls in their service area/directorate, including controls in place to mitigate major risks to their service area/directorate's objectives.

> 3.2.2   To the best of their knowledge, appropriate controls are in operation upon which they can place reasonable assurance and that there are no significant matters arising that should be raised specifically in the Annual Governance Statement (or otherwise); and,
>
> 3.2.3   They have identified actions that will be taken to continue improvement.

3.3   The schedule is completed by the Executive Director concerned.

3.4   Before signing their Certificate of Assurance, the Executive Director should ensure that the schedule has been completed accurately. In the case of the Resources Directorate, this has been confirmed by the Executive Director of Resources.

4.   Next Steps

4.1   An improvement plan for the Resources Directorate is attached at appendix two. This includes actions in relation to identified internal control weaknesses. In each instance a responsible officer and a deadline for completion is included. It should be noted that this process was completed prior to the full impact of the Covid-19 pandemic had arisen and it is therefore likely that elements of the improvement plan will need to be reassessed and deadlines for delivery reviewed.

4.2   The process will continue to be reviewed in line with feedback to ensure that effective assurance is provided.

4.3   Relevant improvement actions will be included in the Corporate Governance Framework Self-Assessment exercise for 2020-21 where there is an impact on the design of the Council's corporate control framework.

4.4   The 2020-21 Annual Assurance Schedule will be presented to Governance, Risk and Best Value Committee in 12 months for scrutiny.

5.   Financial impact

5.1   The annual assurance process and production of the annual governance statement is contained within relevant service area budgets.

5.2   An effective control framework is key in ensuring that the Council is able to achieve Best Value (Economy, Efficiency and Effectiveness) in the stewardship of its resources and delivery of intended outcomes.

6.   Stakeholder/Community Impact

6.1   The assurance schedule exercise acts as a prompt for service areas to think about good governance and the internal control environment. Action plans support improvements in areas where weaknesses have been identified.

6.2 Completed schedules are reviewed by the Democracy, Governance and Resilience Senior Manager and are provided to the Chief Internal Auditor for comment.

6.3 The Annual Assurance Schedule template was drafted using input from the Council's subject matter experts, including our line 2 and line 3 . This included contributions from Resilience, Internal Audit, Health and Safety, Governance, Legal Services, Financial Services and Human Resources.

6.4 Outcomes and areas of significant control weakness identified in the Corporate Governance Framework Self-assessment Exercise are used to inform the structure and content of assurance schedules through a process of continuous review.

7. Background reading/external references

7.1 City of Edinburgh Council – 30 June 2020– Unaudited Annual Accounts

8. Appendices

Appendix 1 – Resources Directorate Annual Assurance Schedule

Appendix 2 – Resources Directorate Improvement Plan

Appendix 3 – Resources Directorate overview and delivery update

Assurance Statement

Ref	Statement	Response				
1	**Internal Control Environment**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
1.1	I have internal controls and procedures in place throughout my directorate that are proportionate, robust, monitored and operate effectively.	Compliant	No	Annual Internal Audit Plan (based on most significant risks to the Council) CLT Change Board – programme/project management framework Council Companies/ALEOs – Governance Hub, Observers, annual reporting to Executive Committee and GRBV Community planning – Edinburgh Partnership, Community Plan 2018-28 Contingency planning and business continuity arrangements EIJB – scrutiny and accountability arrangements agreed through scheme Enterprise Risk Management Policy and Risk Management Procedure External validation/review eg. external audit, independent assurance providers GRBV quarterly scrutiny of top risks GRBV scrutiny of CLT risk register, delivery of Internal Audit Plan and of all Internal Audit reports	Range of internal controls via: 1:1s with Heads of Service, Resources Management Team monthly reviews of budget, procurement, workforce, digital, internal audit other control issues. Additional controls via the Quarterly Risk and Assurance Group and Health & Safety Group meetings and the Directorate Joint Consultative Committee with the trade unions.	
1.2	I have controls and procedures in place to manage the risks in delivering services through council companies, partners and third parties.	Compliant	No	Health and safety audits Informal and formal reviews eg. internal audit, quality assurance audits Overdue audit recommendations report monthly to CLT and quarterly to GRBV Policies that mitigate risks eg. Anti-bribery, Fraud Prevention, Whistleblowing Quarterly corporate risks scrutinised at CLT Quarterly Risk and Assurance Committees Regular 121 meetings between the Council's Chief Executive and the Chief Executives of key ALEOs Report template and guidance – section on risks	A range of controls are in place, including professional oversight and input from Council Observers at a senior level, a dedidated team within Finance that supports ALEOs and Group Accounts work, etc. Strong governance arrangements also exist with key partners such as CGI, Construction Partners for the Capital Programme and a range of third party suppliers and partners.	
1.3	My internal controls and procedures and their effectiveness are regularly reviewed and the last review did not identify any weaknesses that could have an impact on the Annual Accounts.	Compliant	No	Reporting/review/monitoring at all levels – committee, CLT, SMTs, service level Risk Appetite Statement Risk Management Groups Risk management policies and strategies (eg procurement, standing orders, project management, health and safety, information governance) Risk Management Procedure Risk management tools Schools assurance programme Shareholder or service level agreements Team Central – monitoring implementation of audit recommendations Training, eLearning and workshops for staff and members Wide ranging internal and external counter fraud activity	Internal controls within Resources are kept under regular review and assurance testing is undertaken during various points in the year via Quarterly Divisional Performance and Assurance meetings.	
1.4	The monitoring process applied to funding/operating agreements has not identified any problems that could have an impact on Annual or Group Accounts.	Compliant	No			
2	**Risk and Resilience**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
2.1	I have risk management arrangements in place to identify the key risks to my directorate (and the Council).	Compliant	No	Budget Planning CLT Change Board – programme/project management framework CLT scrutiny Contingency planning and business continuity arrangements Council Business Plan Enterprise Risk Management Policy GRBV quarterly scrutiny of top risks Health and safety audits Internal and external audits	Divisional Risk Registers and the Directorate Risk Register are kept under regular review and programme specific risks and issues are also managed via programme boards and the Change Board.	The opportunity to review and align the Directorate Risk Register with the specific risk registers which exist for Brexit, Cyber and Information Security and Change Programmes is being considered during the next financial year.
2.2	I have effective controls and procedures in place to record and manage the risks identified above to a tolerable level or actions are put in place to mitigate and manage the risk.	Compliant	No	Internal Audit Plan development considers top risks Leader's induction includes Risk Management Quarterly corporate risks scrutinised at CLT Quarterly Risk and Assurance Committees Report template and guidance – section on risks Reporting/review/monitoring at all levels – committee, CLT, SMTs, service level Risk Appetite Statement Risk Management Groups Risk management policies and strategies (eg procurement, standing orders, project management, health and safety, information governance) Risk Management Procedure Risk management tools	Range of internal controls enable risk management via: 1:1s with Heads of Service, Resources Management Team monthly reviews of budget, procurement, workforce, digital, internal audit other control issues. Additional controls via the Quarterly Risk and Assurance Group and Health & Safety Group meetings, programme boards, the Change Board and other governance and assurance processes operated within the Directorate.	

		Assessment of Compliance	Did your directorate have any issues in this area during the reporting period?		Relevant service area controls	
2.3	The robustness and effectiveness of my risk management arrangements is regularly reviewed and the last review did not identify any weaknesses that could have an impact on the Annual Accounts.	Compliant	No	Schools assurance programme Service Planning Training, eLearning and workshops for staff and members	Divisional Risk Registers and the Directorate Risk Register are kept under regular review and programme specific risks and issues are also managed via programme boards and the Change Board.	
2.4	There is appropriate escalation/communication to the directorate Risk Committee and CLT Risk Committee (as appropriate) of significant issues, risks and weaknesses in risk management.	Compliant	No		Divisional Risk Registers and the Directorate Risk Register are kept under regular review and programme specific risks and issues are also managed via programme boards and the Change Board and appropriate escalaction to the CLT Risk Committee and reporting to GRBV.	
2.5	I have arrangements in place to promote and support the Council's policies and procedures for staff to raise awareness of risk concerns, Council wrongdoing and officer's misconduct.	Compliant	No		Corporate internal communications and information cascades through the Orb, Managers' News and direct updates to the Wider Leadeship Team and through Divisions are used to remind colleagues about policies and procedures specifically.	Opportunities to review and strengthen internal communications within the Directorate to promote and encourage greater policy ownership are being considered during the next financial year.
2.6	My directorate has appropriate resilience arrangements in place and my directorate's business continuity plans and arrangements mitigate the business continuity risks facing our essential activities.	Compliant	No		The Directorate has well tested business continuity arrangements, incident management teams and specialists that support Corporate/Council Business Continuity and Resilience arragements. This includes specific Digital Services exercises.	Following the departure of the Deputy Directorate Resilience Coordinator, we are reviewing the appointment of another senior manager to this role to support resilience arrangements.
3	**Workforce Control**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
3.1	I have arrangements in place to ensure compliance with payroll policies, overtime controls, absence management and performance e.g. home/remote working.	Compliant	No	360 reviews Annual Internal Audit Plan (based on most significant risks to the Council) Employee Assistance Programme Employee Engagement External validation/review eg. external audit, independent assurance providers Financial benefits (credit union, season ticket loans, car benefit scheme, pension schemes) Funding scheme for professional qualifications HR Policies (Absence Management, Stress Management, Avoidance of Bullying and Harassment, Equal Treatment)	Internal controls within Resources are kept under regular review and assurance testing is undertaken during various points in the year via Quarterly Divisional Performance and Assurance meetings. Monthly key performance indicators on payroll accuracy are reported to the Directorate Management Team, along with monthly reports on overtime use and our Workforce Dashboard covering absence, overtime, agency worker use, etc.	
3.2	I have robust controls in place to ensure that statutory workforce requirements are met, including the management of off-payroll workers/contractors (including agency workers and consultants), ensuring approved framework contracts have been used and that those engaged are wholly compliant with the provisions of IR35 Council guidance and procedures.	Compliant	No	Informal and formal reviews eg. internal audit, quality assurance audits Inspiring Talent Programme Internal and External training opportunities Leader Induction and Essential Learning Leadership Development Programme– Future, Engage, Deliver Managing Attendance Training for managers Occupational Health service Onboarding, induction essential learning and CPD for officers Open framework agreement for Learning and Development People Strategy	Internal controls within Resources are kept under regular review and assurance testing is undertaken during various points in the year via Quarterly Divisional Performance and Assurance meetings.	
3.3	I ensure compliance with the Council's HR policies and procedures across all of my service areas, eg. that recruitment and selection is only undertaken by appropriately trained individuals and is fully compliant with vacancy approvals and controls.	Compliant	No	Performance Management Framework (Performance Conversations) Policies that mitigate risks eg. Anti-bribery, Fraud Prevention, Whistleblowing Regular reporting including Health & Safety Performance, absence levels Staff benefits (enhanced entitlements leave entitlement, flexible working options, childcare vouchers, ride to work scheme, premium benefits scheme) Wide ranging internal and external counter fraud activity Wider Leadership Team (incl. Learning Sets) Wider Leadership Team programme		
3.4	I have robust controls in place to manage new starts, movers and leavers, including induction and mandatory training, IT systems security (access and removal) and access to buildings and service users' homes.	Compliant	No			
3.5	I have arrangements in place to manage staff health and wellbeing; ensuring that sickness absence, referral to occupational health and stress risk assessments is managed in compliance with the Council's HR policies.	Compliant	No			
3.6	I ensure compliance with essential training requirements and support learning and development appropriately, including professional CPD requirements.	Compliant	No			

		Assessment of Compliance	Did your directorate have any issues in this area during the reporting period?	Extract of Evidence from the Council's Corporate Governance Framework (for information only)	Relevant service area controls	Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)
3.7	I have arrangements in place to support and manage staff performance e.g. regular 1:1/supervision meetings, performance/spotlight conversations.	Compliant	No			
4	**Council Companies**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
4.1	I have arrangements in place for the oversight and monitoring of the Council companies I am responsible for, that give me adequate assurance over their operation and delivery for the Council.	Compliant	No	Annual Assurance Process (Directorates) Council Companies/ALEOs – Governance Hub, Observers, annual reporting to Executive Committee and GRBV Regular 121 meetings between the Council's Chief Executive and the Chief Executives of key ALEOs Service Level Agreement Register	Oversight of the relevant Council companies is maintained by the Council Observers, via the Governance Hub meetings, SLA compliance, etc.	
4.2	I have an appropriate Service Level Agreement, or other appropriate legal agreement, in place for each Arm's Length External Organisation that I am responsible for.	Compliant	No	Shareholder or service level agreements	Service Level Agreements are in operation for ALEOs, such as Lothian Pension Fund, Lothian Valuation Joint Board and also for the Edinburgh Intregration Joint Board.	
5	**Engagement and Consultation**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
5.1	My directorate engages effectively with institutional stakeholders, service users and individual citizens, applying the council's consultation and engagement standards with evidence that the insights gathered are used to shape my directorates activities.	Compliant	No	Budget consultation Business sector forums Community engagement activity Community engagement strategy/policy Complaints Improvement Plan Consultation framework Consultation Hub Council Change Strategy: Planning for Change and Delivering Services 2019-2023		
5.2	I have arrangements in place throughout my directorate to ensure that there are effective communication methods that encourage, collect and evaluate views and experiences (while ensuring inclusivity e.g. customer surveys, consultation procedures, social media presence, etc.) and that these insights are used to inform the work of the directorate.	Compliant	No	Committee Papers Online Current partnerships eg. Poverty Commission, Tourism Strategy, EIJB, City Deal Edinburgh Partnership (LCCPs, Neighbourhood Networks) Edinburgh People Survey Government partnership working Have Your Say webpage Multi-agency partnerships Multi-channel methodology eg. social media platform development Networks/user groups – eg. Edinburgh Tenants' Federation Partnership agreements eg. Police Scotland		
5.3	I have appropriate arrangements in place throughout my directorate for recording, monitoring and managing customer service complaints and customer satisfaction.	Compliant	No	Partnership governance arrangements Partnership governance documentation Partnership plans eg. Edinburgh Children's Partnership Petitions and Deputations Policies and procedures (consultation framework) Poverty Commission Public participation – deputations and petitions Public sector partnerships Publication of Council diary		
5.4	I regularly consult and engage with recognised trade unions.	Compliant	No	Report template – section on consultation Stakeholder group meetings Strategic documentation eg. vision statements, aims, etc. Strategic plans and agreements Strategy and Performance Hub Surveys eg. Edinburgh People Survey, Annual Tenant Survey Third sector partnership working eg. EVOC Webcasting of Council and major committees, including subtitles	I am the Lead Officer for the Joint Consultative Group with the Trade Unions, engage fully through the CLT Partnership at Work Forum and hold regular Directorate Joint Consultative Group meetings and chair the Directorate Joint Consultative Committee on a quarterly basis. I also meet on a monthly basis informally with the Staff Side Secretary.	
6.1	**Policy**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
6.1	I have arrangements in place to ensure all directorate staff are made aware of and fully understand the implications of all relevant existing and new council policies and procedures.	Compliant	No	Annual Assurance Exercise Annual Policy Assurance Statements Corporate Policy Framework and Toolkit, including consultation and engagement strategies Council Papers Online Employee policy refresher arrangements, process workshops and communications		

6.2	I have arrangements in place for the annual review of policies owned by my directorate, via the relevant executive committee, to ensure these comply with the Council's policy framework.	Compliant	No	Information Governance framework Policy Register Report template and guidance (incorporating adherence to commitments and policy implications)	Robust approach to Annual Assurance Reports from Divisions to relevant committees to ensure policies are reviewed annually or sooner as appropriate.	
7	**Governance and Compliance**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
7.1	I ensure directorate staff are aware of their responsibilities in relation to the Council's governance framework and that the authority, responsibility and accountability levels within my directorate are clearly defined, with proper officer designation delegated, recorded, monitored, revoked and reviewed regularly to ensure ongoing compliance with the Scheme of Delegation.	Compliant	No	Codes of Conduct Committee Terms of Reference and Delegated Functions Council's Procedural Standing Orders Councillors' Code of Conduct Disclosure and PVG checks Employee Induction Employee Performance Framework Leadership Programme Legal Services provision of advice Member/Officer Protocol Policies and procedures Regulatory body reporting eg. SSSC, GTCS Scheme of Delegation to Officers Statutory officer appointments and responsibilities	Clear levels of delegated authority are in place, including individual letters of delegation to Heads of Service and Service Managers. Financial delegation limits and financial approvals were reviewed within the Directorate during the last 12 months, as were authority to apply disciplinary sanctions delegation authority letters. This work within Resources has led to improvements between the Governance Team and HR in this regard for the whole Council.	
7.2	I ensure my directorate's activities are fully compliant with relevant Scottish, UK and EU legislation and regulations.	Compliant	No	Statutory/lead officers' independent reports to committee eg. Monitoring Officer, Chief Social Work Officer, Chief Internal Auditor Whistleblowing Policy		
8	**Responsibility and Accountability**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
8.1	My directorate ensures our officers are clear on their roles and responsibilities in terms of relationships and decision making.	Compliant	No	Annual Assurance Process (Council Companies and Joint Boards) Annual Assurance Process (Directorates) Codes of Conduct Commercial and Procurement Strategy Committee Terms of Reference and Delegated Functions		
8.2	I ensure that the Council's ethical standards are understood and embedded across my directorate and are upheld by external providers of services.	Compliant	No	Complaints Improvement Plan Consultation and engagement Contract Standing Orders Council Change Strategy: Planning for Change and Delivering Services 2019-2023 Council company monitoring including Governance Hub, Council Observers on Boards, committee reporting		
8.3	My directorate ensures that decisions are made on the basis of objective information, the consideration of best value, risk, stakeholder views, rigorous analysis, and consideration of future impacts. This is formalised through appropriate structures. (i.e SMT reporting)	Compliant	No	Edinburgh People Survey Employee Code of Conduct Grant Standing Orders Member/Officer Protocol Monitoring/reporting on delivery of 52 coalition commitments Onboarding and induction for officers Performance Framework Policies and procedures	The majority of the controls applied corporately are developed and implemented by Resources and are rigorously applied within the Directorate itself.	
8.4	I consult with elected members as appropriate and as required under the Scheme of Delegation.	Compliant	No	Procurement framework Procurement Handbook Public participation – deputations and petitions Report template and guidance Scheme of Delegation to Officers Service Level Agreement template Standard Condition of Grant	Regular Monthly Meetings with the Convenor and Vice Convenor of Finance and Resources, te Convenor of GRBV and ensure fully that the Scheme of Delegation is applied fully and correctly. This includes the appropriate exercise of delegated authority, consulting on material or politically sensitive matters and ensuring that urgency powers are only exercises in consultation with the Convenor and Vice Convenor of Finance and Resources. Formal records of delegated decisions are maintained for audit purposes.	
9	**Information Governance**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**

9.1	I ensure directorate staff are made aware of their responsibilities in relation to the proper management of Council information, including the need to adhere to relevant legislation, Council policies, procedures and guidance around: information governance; records management; data quality; data breaches and privacy impact assessments; information rights; information compliance; information security; and ICT acceptable use.	Compliant	Reported instances of data breaches which are duly invesitgated and followed up.	Annual communications plan, awareness raising initiatives and training events Centralised Information governance unit Council wide Record of Processing Data quality reviews and audits form part of statutory returns Established framework of management information and reporting to support operational decision making and trend analysis Information Board Information governance policies, framework, guidance, procedures and toolkit Information sharing agreements and data protection impact assessments Locking Client's Record Guidance Mandatory training for all employees Staff responsibilities outlined in relevant policies - Employee Code of Conduct, ICT Acceptable Use Policy, Policy on Fraud Prevention Standard data related terms and conditions in all new Council contracts	I personally chair the Council's Cybersecurity and Information Steering Group and am the Council's nominated Executive lead for Cybersecurity. The Directorate develops, manages and implements the relevant policies, procedures and guidance to protect and secure data and works in close partnership with the Information Governance Unit to enable an effective approach to information management. The Directorate led upon the review of the Council's ICT Acceptable Use Policy during the last 12 months.	
9.2	I ensure data sharing arrangements with third parties are recorded, followed and regularly reviewed throughout all service areas in my directorate.	Compliant	No			
10	**Health and Safety**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
10.1	Directorate staff are made aware of their responsibilities under relevant Health & Safety policies and procedures and I have appropriate arrangements in place for the identification and provision of Health & Safety training necessary for all job roles, including induction training.	Compliant		Contingency planning and business continuity arrangements Corporate Health and Safety Strategy and Plan Council Health and Safety Group Employee Code of Conduct Enterprise Risk Management Policy Enterprise Risk Management Policy and Risk Management Procedure External validation/review eg. external audit, independent assurance providers Health and safety audits Health & Safety policies and procedures Institution of Occupational Safety and Health training Mandatory Health & Safety training for staff Reporting/review/monitoring at all levels – committee, CLT, SMTs, service level Risk Management Groups	Effective quarterly Health and Safety Group meetings are held which I personally chair. These include all Divisions, H&S professionals and Trade Union Safety reprsentatives. This includes the regular reporting of recorded incidents and trends, H&S Training compliance and the H&S Audit Programme and associated findings. H&S is also a weekly standing item on the agenda for the Resources Management Team and the Corporate Leadership Team, the content of these updates is produced by my teams.	
10.2	I have the necessary arrangements in place to establish, implement and maintain procedures for ongoing hazard identification, risk assessment and the determination of necessary controls to ensure all Health & Safety risks are adequately controlled.	Compliant	No	Risk management policies and strategies (eg procurement, standing orders, project management, health and safety, information governance) Risk Management Procedure Risk management tools Scheme of Delegation Schools assurance programme Training, eLearning and workshops for staff and members	The Directorate has led upon these arrangements for the Council, including leading the procurement and implementation of the Council's Health and Safety reporting system (SHE) during the last 12 months.	
10.3	I have competencies, processes and controls in place to ensure that all service areas in my directorate, and other areas of responsibility, operate in compliance with all applicable Health & Safety laws and regulations.	Compliant	No		The Directorate provides specialist health and safety advice to the authority as a whole. This is enabled by a small team of professional health and safety advisers. Due to staff turnover in this area during the last 12 months, the team currently remains understaffed and whilst this does not compromise the level of quality of advice, it can impact upon additional areas such as the timeliness of the delivery of the health & safety audit programme.	To ensure that the Health & Safety Team Professional Advisor roles are recruited toa sufficient level, with posts filled by individuals with appropriate competency and qualification levels during the course of the next financial year.
10.4	I have a robust governance and reporting structure for Health and Safety in my directorate.	Compliant	No		Effective quarterly Health and Safety Group meetings are held which I personally chair. These include all Divisions, H&S professionals and Trade Union Safety reprsentatives. This includes the regualr reporting of recorded incidents and trends, H&S Training compliance and the H&S Audit Programme and associated findings. H&S is also a weekly standing item on the agenda for the Resources Management Team and the Corporate Leadership Team, the content of these updates is produced by my teams.	
11	**Performance**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**

11.1	I have arrangements in place for reporting to CLT, Committee and/or Council and, where performance monitoring identifies inadequate service delivery or poor value for money, ensure that improvement measures to address these issues are implemented and monitored.	Compliant	No	Annual external reporting eg. Local Government Benchmarking Framework, Scottish Public Services Ombudsman, Scottish Government, etc Annual performance report to Council B agenda protocol Best Value reporting CLT Quarterly performance meeting Committee Terms of Reference and Delegated Functions Local Government Benchmarking Framework Monitoring/reporting on delivery of 52 coalition commitments Performance Framework Strategy and Performance Hub	Regular reporting and oversight arrangements are in place for all services/functions within Resources, including via Policy & Sustainabiliyt, Finance and Resources and the Governance, Risk and Best Value Committee. The Directorate also reports to the Elected Members Digitial Advisory Board and provides ongoing member briefing sessions in a focussed manner.	
11.2	My directorate regularly works with relevant teams in Strategy and Communications to review and improve effectiveness by performance monitoring, benchmarking and other methods to achieve defined outcomes.	Compliant	No		Resources works closely with Strategy and Communications on a range of performance management	
12	**Commercial and Contract Management**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
12.1	I ensure all goods, services and works are procured and managed in compliance with the Contract Standing Orders.	Compliant	No	Annual Assurance Process (Directorates) Codes of Conduct Commercial and Procurement Strategy Committee Terms of Reference and Delegated Functions Contract and Grants Management team Contract Standing Orders Council company monitoring including Governance Hub, Council Observers on Boards, committee reporting Grant Standing Orders Legal Services provision of advice Policies and procedures Procurement Handbook Scheme of Delegation to Officers Service Level Agreement Register	The Resources Directorate leads on the development, implementation and managemetn of the Contract and Grant Standing Orders for the Council. Professional procurement advisers are allocated to work alongside all service areas.	
13	**Change and Project Management**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
13.1	All projects and programmes have a clear business justification, as a minimum this should articulate outcomes and benefits; have appropriate governance in place to support delivery; effective controls in place to track delivery progress and to take corrective action if required; have a robust benefits management framework in place; and ensure that a formal closure process is undertaken.	Compliant	No	2050 City Vision Budget Planning Capital Budget Strategy City Plan CLT Change Board Committee Terms of Reference and Delegated Functions Contract Standing Orders Council Business Plan Council Change Strategy: Planning for Change and Delivering Services 2019-2023 Council's Risk Appetite Statement Enterprise Risk Management Policy External audits, reviews and validation Finance Rules Financial Regulations Procurement framework Report template and guidance Revenue Budget Framework Risk Registers Scheme of Delegation to Officers Service Planning Sustainability Strategy process Treasury Management Strategy	Business cases are scrutinised via the Resources Management Team, the Assest Management Board, the CLT Change Board or an Executive Committee as appropriate. During the course of the year, benefits are clearly tracked and reported on in a number of areas and programme benefits realisation and closure reports are received by the CLT Change Board and the Digital Services Governance arrangements, for example.	
14.1	**Financial Control**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
14.1	The operation of financial controls in my directorate is effective in ensuring the valid authorisation of financial transactions and maintenance of accurate accounting records.	Compliant	No	Budget Framework Comprehensive system of revenue and capital monitoring, with SMT and CLT oversight Contract Standing Orders Corporate Debt Policy Council Business Plan		
14.2	I am confident that the arrangements in place to monitor expenditure/budget variances would identify control problems or variances that could have an effect on the Annual Accounts.	Compliant	No	Council Change Strategy: Planning for Change and Delivering Services 2019-2023 Elected Member training on financial statements, financial planning and treasury management Employee Training Finance & Resources Committee and Governance, Risk & Best Value Committee	Monthy finance and procurement reporting to my Management Team as well as Monthly 1:1s with the aligned Principal Accountant for Resources enable strong oversight and control.	

14.3	I have arrangements in place to ensure all material commitments and contingent liabilities (i.e. undertakings, past transactions or events resulting in future financial liabilities) are notified to the Chief Financial Officer.	Compliant	No	oversight/scrutiny Finance Rules Financial Regulations Internal control framework Medium-term Financial Strategy Professional officer representation/support/advice on major project boards, project assurance reviews, SMTs Tiered framework of financial planning and control Treasury Management Strategy		
14.4	I have arrangements in place to review and protect assets against theft, loss and unauthorised use; identify any significant losses; and, ensure the adequacy of insurance provision in covering the risk of loss across my directorate.	Compliant	No			
14.5	I have arrangements in place for identifying any weaknesses in my directorate's compliance with Council financial policies or statutory/regulatory requirements.	Compliant	No			
14.6	I have arrangements in place for identifying any internal control, risk management or asset valuation problems within my directorate's service areas that could affect the Annual Accounts.	Compliant	No			
15	**Group Accounts (Resources only)**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
15.1	I have arrangements in place for identifying and reviewing any developments during the year that should lead to additions, deletions or amendments to the companies included in the Group Accounts.	Compliant	No	Annual assurance exercise (internal audit input and oversight) Annual Corporate Governance Framework self-assessment (internal audit input) Annual Governance Statement – informed by the work of IA Annual Internal Audit Plan (based on most significant risks to the Council) Audit Charter Chief Internal Auditor's direct reporting line to GRBV Committee Terms of Reference and Delegated Functions - GRBV Comprehensive system of revenue and capital monitoring, with SMT and CLT oversight Council Companies/ALEOs – Governance Hub, Observers, annual reporting to Executive Committee and GRBV External validation/review eg. external audit, independent assurance providers Executive Committee and Governance, Risk & Best Value Committee oversight/scrutiny Regular 121 meetings between the Council's Chief Executive and the Chief Executives of key ALEOs Shareholder or service level agreements		
15.2	I have arrangements in place to identify and review any internal control, risk management or asset valuation problems with Council companies that could affect the Group Accounts.	Compliant	No			
16	**National Agency Inspection Reports**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
16.1	I have arrangements in place to identify any reports relating to my directorate and can confirm that there were no inspection reports that could impact on the signing of the Annual Governance Statement.	Compliant	No.	Committee Terms of Reference and Delegated Functions Governance, Risk and Best Value Committee – chaired by an opposition councillor and excluding executive committee conveners from its membership, with power to act on its own accord Executive Committee and GRBV oversight of external audit and inspection activity Scrutiny of directorate annual assurance schedules		
16.2	I have arrangements in place that adequately monitor and report on the implementation of recommendations.	Compliant	No.			
17	**Internal Audit, External Audit and Review Reports**	**Assessment of Compliance**	**Did your directorate have any issues in this area during the reporting period?**	**Extract of Evidence from the Council's Corporate Governance Framework (for information only)**	**Relevant service area controls**	**Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)**
17.1	I have arrangements in place to ensure that all recommendations from any internal audit, external audit or review report published during the year, that have highlighted high, medium or significant control deficiencies, have been (or are being) implemented and that this is monitored effectively.	Compliant	No.	A validation audit is included in the annual Internal Audit Plan Agreed management actions arising from internal audits are recorded and monitored through Team Central Integral part of Annual Assurance Schedule Overdue management actions are reported monthly to CLT and quarterly to GRBV	Monthly reporting from Internal Audit to my management team. Regular meetings with External Audit, with the Chief Executive, to ensure issues are addressed fully. Direct reporting on audit matters of high risk to relevant executive committees. Annual Goverance Statement presentation to GRBV, etc.	

18	Progress	Assessment of Compliance	Did your directorate have any issues in this area during the reporting period?	Extract of Evidence from the Council's Corporate Governance Framework (for information only)	Relevant service area contols	Improvement Actions (will auto-populate improvement plan tab where you should add action owner and deadline)
18.1	All outstanding issues or recommendations arising from this exercise, commissioned reviews, committee reports and other initiatives in previous years have been addressed satisfactorily.	Compliant	No.	Agreed management actions arising from internal audits are recorded and monitored through Team Central Overdue management actions are reported monthly to CLT and quarterly to GRBV A validation audit is included in the annual Internal Audit Plan Integral part of Annual Assurance Schedule External Audit Report is scrutinised by GRBV and an improvement plan developed Council participates in LAN (council scrutiny bodies) whose activity is based on shared risk assessment		

Executive Director of Resources – Annual Assurance Statement 2019-20

Improvement Plan actions and progress updates

Assurance Statement Criteria	Improvement Action	Action Owner	Planned Completion Date (pre-Covid-19)	Status Update
I have risk management arrangements in place to identify the key risks to my directorate (and the Council).	The opportunity to review and align the Directorate Risk Register with the specific risk registers which exist for Brexit, Cyber and Information Security and Change Programmes is being considered during the next financial year.	Executive Director of Resources / Resources Operations Manager	30 September 2020	Work to review the Directorate Risk Register has been progressing, however following recent changes to the Council's Enterprise Risk Management Policy and Risk Appetite Statement, along with proposed changes to the Council's Operational Risk Management Framework, this work will be continuing with a revised completion date of 31 March 2021.
I have arrangements in place to promote and support the Council's policies and procedures for staff to raise awareness of risk concerns, Council wrongdoing and officer's misconduct.	Opportunities to review and strengthen internal communications within the Directorate to promote and encourage greater policy ownership are being considered during the next financial year.	Executive Director of Resources / Resources Operations Manager	31 March 2021	Progress has been made with the strengthening of Directorate internal communications, building upon the successful Directorate Town Hall events held in 2019-20. This has included a range of messages, briefings and other information being cascaded by the Executive Director personally, further complemented by the recent introduction of the Executive Director's Vlog. Examples of policies promoted to staff have been the Whistleblowing Policy, the Diversity and Inclusion Strategy, etc.

My directorate has appropriate resilience arrangements in place and my directorate's business continuity plans and arrangements mitigate the business continuity risks facing our essential activities.	Following the departure of the Deputy Directorate Resilience Coordinator, we are reviewing the appointment of another senior manager to this role to support resilience arrangements.	Executive Director of Resources / Resources Operations Manager	31 March 2021	The Directorate has operated very successfully throughout the Covid-19 period, with well organised and well run Directorate Incident Management Teams, complemented by relevant Divisional Incident Management Teams. Feedback from the second line Resilience Team has indicated that business continuity planning and resilience arrangements have been robust. Nominated deputies were in place for all Heads of Service and the Directorate's Resilience Coordinator was equally supported by other identified and experienced officers as necessary.
I have competencies, processes and controls in place to ensure that all service areas in my directorate, and other areas of responsibility, operate in compliance with all applicable Health & Safety laws and regulations.	To ensure that the Health and Safety Team Professional Advisor roles are recruited to a sufficient level, with posts filled by individuals with appropriate competency and qualification levels during the course of the next financial year.	Head of Legal and Risk / Senior Health and Safety Manager	31 March 2021	The interim Senior Health and Safety (H&S) Manager and his team have been working exceptionally hard throughout the period of Covid-19, supporting and advising all Directorates and Divisions as well as covering a 24/7 health and safety reporting hotline with Environmental Health colleagues. Recruitment was therefore delayed slightly. However, in recent months progress has been made with an Assistant H&S Adviser has been promoted to full Adviser and recruitment to a vacant Senior H&S Adviser and H&S Adviser posts has been progressed with a significantly improved level of applications from qualified and credible candidates compared to similar exercises in recent years.

Annual Assurance Statement – Executive Director of Resources

Overview and Delivery Update 2019/20

Executive Director of Resources

Dr Stephen S. Moir
BSc (Hons.), MSc, PhD, Chartered FCIPD, FCMI, FRSA

Corporate Leadership Team (CLT) member responsible for:

- Finance;
- Human Resources;
- Legal and Risk;
- Customer and Digital Services; and,
- Property and Facilities Management,

- Chairman of LPFE Ltd, part of the Lothian Pension Fund (LPF) Group.

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The Resources Directorate

We provide a range of **enabling customer and corporate services** which work **across the whole of the Council's operations**. The directorate frequently acts as **the first point of contact between the Council and citizens or service users** for a range of activities through the provision of online, telephony and face to face delivered contact and transactional services, including **welfare and benefits administration** on behalf of the Scottish and UK Governments. The directorate also has a key role to ensure the **collection and effective management of Council Tax and Non-Domestic rates across Edinburgh.**

The **corporate services provided** by the Resources directorate **ensure that the Council is well governed**, with appropriate and effective controls in operation which **enables value for money** and provides the necessary infrastructure the Council requires to deliver its operations. These functions include: **Finance, Procurement, Human Resources, Recruitment, Payroll, Digital Services, Business Support Services, Legal Services, Internal Audit, Risk Management, Health and Safety, Capital Programme Team, Strategic Asset Management and Facilities Management**. In addition to the more traditional corporate services, the directorate also provides direct front-line service through the delivery of school catering, security, cleaning and janitorial services across the City.

Lastly, Resources acts as **the host** for **many of the costs associated with the overall running of the Council**, including the **operational property estate** and **utility costs**, the estates **repair and maintenance programme** and the **IT strategic partnership contract**, covering both schools and core Council services.

Gross Revenue Budget 2019/20
£223.124 million

Net Revenue Budget 2019/20
£167.161 million
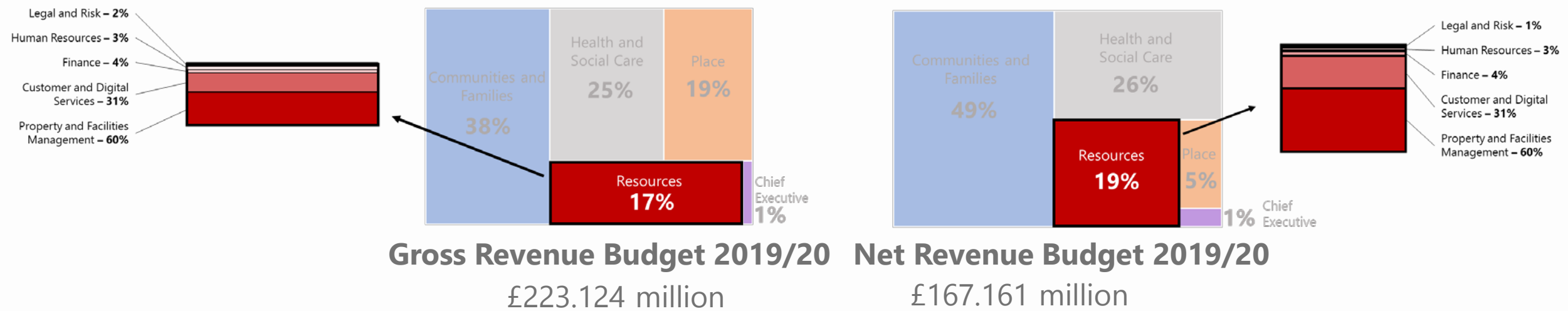
A sample of the awards, accreditation and recognition achieved by individuals and teams in Resources on behalf of the Council during 2019/20

Resources: Operational and Financial Performance 2019/20

Operational Performance 2019/20 – Section 1

Division	Measure	Frequency	Target /Aim	Value	RAG
Resources (All Divisions)	% of days lost to sickness absence	M	4.0%	5.62%	🟥
	Number Workforce FTE: overtime and supply/agency	M	Aim to decrease	891	🟦
Customer and Digital Services	Priority 1 applications % availability within target	M	100.0%	100.0%	🟩
	Number of IT Priority 1 reported incidents not resolved within target	M	1	0	🟩
Finance	Cost of collecting council tax	A	£9.93	£6.56 (2018/19)	🟩
Property and Facilities Management	Void rate on commercial property	M	4.0%	3.90%	🟩
	Proportion of operational buildings that are suitable for their current use (LGBF indicator)	A	Aim to increase	76.8% (2018/19)	🟩

RAG Key

Off target 🟥

Within improvement tolerance range 🟨

On target 🟩

Target or Baseline data to be finalised 🟦

Frequency Key

M – Monthly

Q – Quarterly

A – Annually

Operational Performance 2019/20 – Section 2

Division		RAG	Measure	Frequency	Target/Aim	Value	RAG
Customer and Digital Services			Calls answered within 60 seconds (contact centre)	M	60%	67.5%	🟩
			Customer satisfaction with contact centre	M	75%	N/A	🟦
			Days to process community care grants	M	15	14	🟩
			Days to process discretionary housing payment claims	M	15	8	🟩
			Days to process crisis grants	M	2	2	🟩
Finance			Procurement spend via small medium enterprises	A	50%	47% (Jul 19)	🟥
			Procurement spend in EH postcode	M	50%	43.4%	🟥
Human Resources			Satisfaction with all HR enquiries	M	80%	86%	🟩
Resources (All Divisions)			Volume and % of customer general enquiries that are resolved within 10 day service level agreement	M	Aim to increase	79%	🟩
			Volume and % of overall customer complaints resolved with 5 day (st1) and 20 day (st2) target	M	Aim to increase	94%	🟩
Property and Facilities Management			Collection Rate for Secured Debt over 3 months old	M	85%	97%	🟩
			Cases successfully closed without Enforcement action	M	70%	82%	🟩
			Value of Works Enabled through Missing Shares scheme	M	Target to be set	£1,987,158	🟦
			% Council share of Value of Works Enabled through Missing Shares scheme	M	10%	6.12%	🟩

Operational Performance 2019/20 – Section 3

Division	Measure	Frequency	Target/ Aim	Value	RAG
Customer and Digital Services	Proportion of council tax collected	M	97.05%	96.95%	🟧
	Proportion of non domestic rates (NDR) collected	M	97.00%	96.28%	🟧
	Days to process benefits new claims	M	28	16.69	🟩
	Days to process benefits change of circumstances	M	10	2.80	🟩
	Call abandonment in contact centre	Q	10%	7.4%	🟩
Finance	% of invoices paid within 30 days	M	95%	95.09%	🟩
	% of revenue spend placed with contracted suppliers	M	93%	94.1%	🟩
Human Resources	Accuracy of payroll payments to employees	M	99.5%	99.29%	🟥
Legal and Risk	Draft internal audit report issued for comments following audit	Q	100%	100%	🟩
	Final internal audit released for approval by Executive Director following Head of Service approval	Q	100%	100%	🟩
Resources (All Divisions)	FOI(S)A requests % answered within timescale	M	90%	89%	🟧
	Data Protection Access Requests % answered within timescale	M	90%	100%	🟩

Financial Performance 2019/20

**2019/20
Financial Year end commentary to Council:**

a number of savings across the Resources Directorate, most materially those in respect of additional advertising income and investment portfolio rationalisation within Property and Facilities Management were not achieved as anticipated. These shortfalls were, however, fully mitigated by alternative actions, such that a balanced overall outturn position was achieved.

Divisional Analysis	Full Year Budget	Outturn Budget Position	Variance to Budget Positive = ( ) Negative =123	Notes on variances
	£'000	£'000	£'000	
Customer/Digital Services	54,535	54,760	225	• DWP grant funding reduction £0.352m; • Upfront payments saving £0.240m; • Corporate Appointees £0.060m; • Employee cost savings (£0.303m); • Ear-Marked Balance (£0.124m).
Finance	6,807	6,572	(235)	• Employee turnover savings (£0.235m).
Human Resources	5,130	4,962	(168)	• Employee savings (£0.168m).
Legal and Risk	1,308	1,724	416	• Legal Services recharges £0.240m; • Monitoring Officer costs £0.164m; • Internal Audit Plan Co-source £0.146m; • Legal Services System costs £0.072m. • Employee savings (£0.207m).
Property and Facilities Management	98,658	98,593	(65)	***Pressures*** • Asset Management Strategy savings £0.942m; • Service Design savings £0.159m; • 1.55% Efficiency saving £0.770m; • Advertising Income £0.400m. ***Savings*** • NDR appeals (£1.760m); • Energy cost savings (£0.205m); • Shared Repairs savings (£0.154m); • Discretionary Expenditure and other (£0.217m).
Directorate Budgets	722	522	(200)	• Impact of enhanced recruitment controls
Total	**167,160**	**167,132**	**(28)**	

Resources Directorate Management Team

Stephen Moir

Nicola Harvey

Peter Watton

Nick Smith

Katy Miller

Hugh Dunn

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Resources Leadership Team
Structure as at October 2020

Executive Director of Resources
Dr Stephen Moir

Head of Finance (Statutory Chief Financial Officer)
Hugh Dunn

Head of Human Resources (HR)
Katy Miller

Head of Customer and Digital Services
Nicola Harvey

Head of Property and Facilities Management
Peter Watton

Head of Legal and Risk (Monitoring Officer)
Nick Smith

Chief Executive Officer Lothian Pension Fund
Doug Heron

Corporate Finance Senior Manager
Alison Henry

Finance Business Partnering Senior Manager
John Connarty

Chief Procurement Officer
Iain Strachan

HR Lead Consultant (Consultancy, Case, Learning & Development & Relationship Management)
Margaret-Ann Love

HR Lead Consultant (Strategy)
Steven Wright

HR Lead Consultant (Operational Excellence)
Janice Novak

HR Lead Consultant (Employee Life Cycle)
Grant Craig

HR Lead Consultant (Strategy)
Martin Young

Chief Digital Officer
Heather Robb

Customer Services Senior Manager
Neil Jamieson

Business Support Senior Manager
John Arthur

Strategic Asset Management Senior Manager
Lindsay Glasgow

Capital Programme Team Senior Manager
Patrick Brown

Investments Senior Manager
Graeme McGartland

Facilities Management Senior Manager
Mark Stenhouse

Edinburgh Shared Repairs Senior Manager
Jackie Timmins

Legal Services Senior Manager
Kevin McKee

Senior Audit and Risk Manager (Chief Internal Auditor)
Lesley Newdall

Council Health and Safety Manager
Robert Allan

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Head of Finance
Hugh Dunn

(Statutory Section 95 Officer/ Chief Financial Officer)

- **Corporate Finance:**
  (Treasury Management, Insurance, Financial Systems, Major Projects Finance, Capital Finance)

- **Finance Business Partnering**
  (Professional Accountancy Support for Resources, Place, Communities and Families and the Edinburgh Integration Joint Board and relevant Arm's Length Bodies such as the Lothian Valuation Board)

- **Commercial and Procurement Services:**
  (Commercial Partners, Commercial Operations, Grants and Contract Management Team)

- **Lothian Pension Fund (ALEO)**

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Finance

Resources Directorate

£6.807m *(net budget)*

£167.161m *(net budget)*

We are responsible for working with Councillors an the Corporate Leadership Team to set the **financial strategy and financial management** arrangements within the Council **and its partner bodie**s and has a lead role in promoting and **delivering value for money and efficiency in service provision**, in line with legislation and best practice. The Division also includes key corporate finance functions, such as **Treasury Management and Insurance**.

The **Commercial and Procurement Services team supports** all parts of **the Council to buy** the **goods, services and works** needed to deliver our priorities in an efficient, effective and legally-compliant manner. The team also ensures a strong focus on contract management as well as the delivery of broader community benefits along with **embedding the Council's approaches to Fair Trade, Fair Work, Modern Slavery and the Construction Charter** across our supply chain.

142 Staff (137 FTE)

£7.3m

External Audit Fee, Explanation

600k

Excel Scotland Membership, Explanation

£300k

What We Spend

£8.3 million

Funding and Income

£1.5million

Shared Insurance, money re-charged to Scottish Borders

£200k

Services provided to Council Companies

£1.3 m

£300m savings made since 2012

2012

2019

This shows the comparative size of the 2012 revenue budget and the 2019 revenue budget

The Council's Accounts received an **Unqualified Opinion**, from our **independent external auditor** judges our financial statements to be fairly represented and compliant, **every year since 1997/98 and we have achieved balanced financial outturn for each of the last 12 years.**
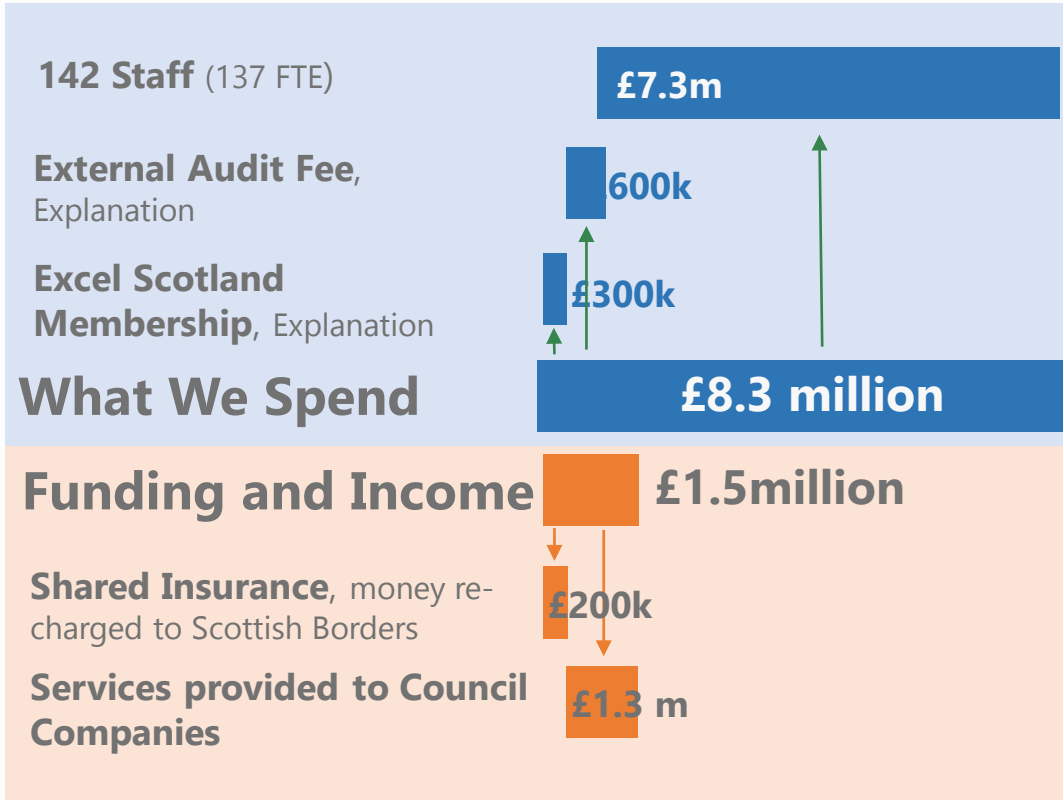
CIPFA Benchmarking undertaken in 2018 showed the Accountancy function to have **a staffing complement nearly 40% lower** than its peer group average.

6.3FTE per £100m gross revenue turnover

3.9FTE

Edinburgh

Peer

14
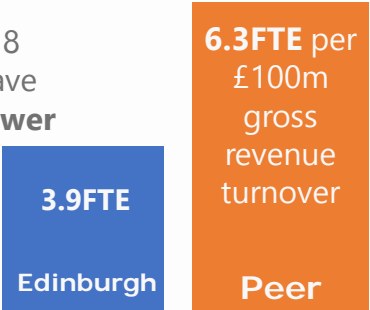
Head of Customer and Digital Services
Nicola Harvey

- **Customer Contact and Transactions:**
  (Contact Centre, Customer Hub, Locality Front Office Support, Council Tax Collection, Non-Domestic Rates Collection, Counter Fraud, Welfare Reform and Benefits Administration, Web Transactions, @Edinhelp).

- **Citywide Business Support:**
  (Executive and administrative support for Council Teams, Print, Design, Mail and Courier Services)

- **Digital Services in partnership with CGI UK Ltd:**
  (Digital Strategy, Cybersecurity, Digital Change Programmes, Service Support, Commercial and Contract Management)

- **Continuous Improvement Teams:**
  (Lean Process Review and Intelligent Automation Teams)

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Customer and Digital Services

£54.535m (net budget)

£167.161m (net budget)

We provide the **first point of contact** for many citizens and services users **with the Council** by phone, face to face or online. **Customer Contact and Transactional Services** undertake a range of processing, contact, **benefit, welfare and payment/collection activities** such as service income, **Council Tax and business rates**. These services also include fraud prevention; parking, planning and housing administration; banking and payment services, debt recovery and social care support.

Business Support works alongside all our front line teams, providing essential administrative services, including support for statutory meetings, we also provide the Council's print, design and mail/courier services. Digital Services delivers our ICT arrangements for both Council services and Schools, focusing on **designing our services around the needs of people.**

The **Customer Team process** collection and payment of both **Council Tax and NDR** – These account for **65% of our overall Revenue Budget**

Council Tax and Non-Domestic Rates	Scottish Government Grant

1,135 Staff (1,033 FTE)

ICT, Contract payments and support

Third Party Payments Administration and Payments made

Print and Mail, Council wide **£900k**

£8m

£27.4m

£30.4m

What We Spend   **£68.4 million**

Funding and Income   **£21 million**

Re-charging for Customer Contact Services, Council wide   **£1.6 m**

Funds for Payments, Benefits and Grants, Grant funding for payments   **£8 m**

Re-charging for Tax Collection and ICT Contracts, Grant funding for payments   **£9 m**

Between October 2018 and April 2019, **we received 84,000 contacts from citizens**. **76,000** came through our **website** or email, **8,000** were over **the phone or face-to-face** and **3 people wrote us a letter**.

Processing Landlord Registrations was automated in May 2018. Since then, we have received **nearly 20,000 requests**. **Previously** it would have taken **10 minutes** to process **each form**. **It now takes less than 3 minutes.**

This **7 minute saving** multiplied out **across 20,000 transactions,** equates to **a saving of more than 2,300 hours**

10 Minutes

3 Minutes

Head of Human Resources (HR)
Katy Miller

- **HR Relationship Leads, Consultancy and Case Teams**

- **Learning and Organisational Development** (New Starter Welcome, Leadership Development, Performance Conversations, Professional and Statutory Training, CPD, Learning Experience Platform / Online Learning, Coaching and Mentoring)

- **HR Strategy**
  (HR Policy, Employee Relations, Reward and Remuneration Diversity and Inclusion, Wellbeing, Workforce Planning and Resourcing, HR analytics and Workforce Management Information)

- **Contract Management**
  (Occupational Health, Employee Assistance, Agency Workers, Salary Sacrifice Schemes)

- **Employee Life Cycle**
  (Recruitment, Contracts of Employment/Variations and changes, Payroll Administration, Employer Pension Administration)

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Human Resources

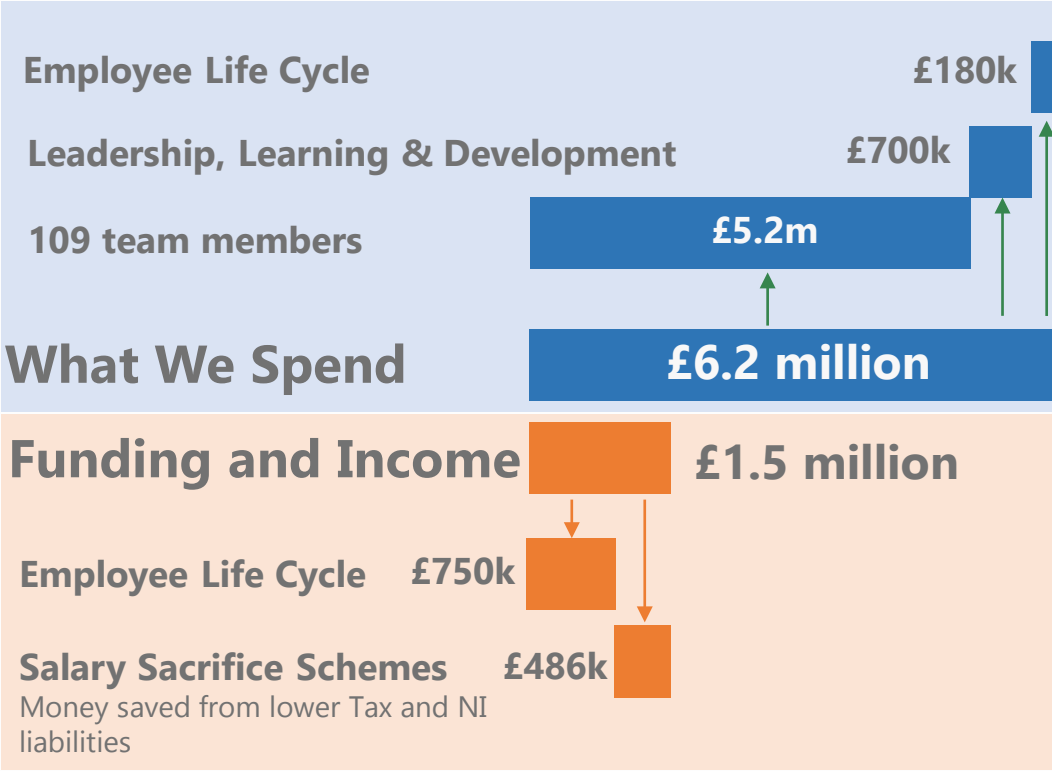**£5.130m**
(net budget)

£167.161m
(net budget)

The Council has more than **18,200 employees** across hundreds of different roles. The Human Resources (HR) Division **leads the development and delivery of the Council's People Strategy and associated workforce plans**, working alongside directorates and divisions. We manage the **relationship** between the Council and **our recognised trade unions**, including those representing teachers. We lead on the development and review of the **Council's HR policies** to ensure people are well supported in the workplace and are clear about their accountabilities. We provide a range of **learning and development opportunities**, including leadership development to equip our leaders and managers to get the best from the people they work with and create the right climate, culture and conditions for successful delivery of Council services.

HR manages important services to support the wellbeing of all our employees, including our **Occupational Health Service**, Employee Assistance (Counselling) and health surveillance arrangements for workers, as well as managing our **flexible workforce contract for agency workers**. We also have a range of important transactional services to support the whole employment life cycle, from hire to retire, including running **12 different payrolls each month**. We support the **advertising** and **recruitment** processes for **4,500 roles each year** and directly deliver new starter welcome events all year round.

Our staffing and Pay Structure

Grade 1

Grade 12
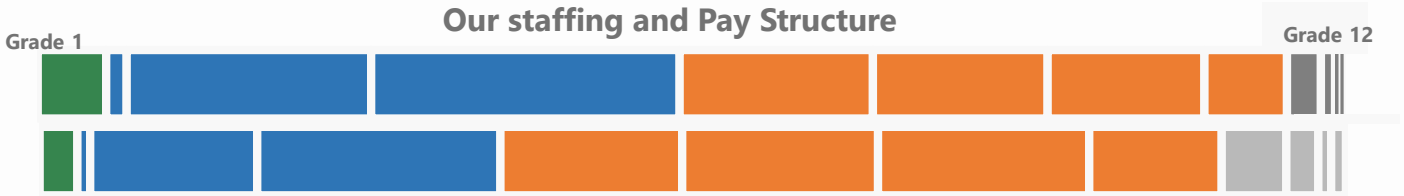
There are **12 grades in our main Local Government Employee (LGE) pay structure** which are broadly grouped into **Operational** (gr 1-4), **Operational/Managerial** (gr 5-8) and **Senior Management** (gr9-12). In the chart above **the top line** shows each grade's **proportion of the total workforce**, the **bottom line** shows each grade's **proportion of the total cost** of staffing

Employee Life Cycle   **£180k**

Leadership, Learning & Development   **£700k**

109 team members   **£5.2m**

What We Spend   **£6.2 million**

Funding and Income   **£1.5 million**

Employee Life Cycle   **£750k**

Salary Sacrifice Schemes   **£486k**
Money saved from lower Tax and NI liabilities

We **administer 950 transactions per working day** including staff travel claims, overtime adjustments and contractual changes. That adds up to **more than 250,000** transactions over 261 working days

Based upon the CIFPA Benchmarking club HR operations across the Council cost roughly **£326 per employee**. The **national average across other Local Authorities** is **£568**

£568

£326

18
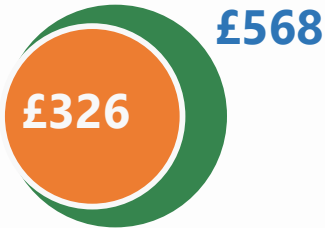
Head of Legal and Risk
Nick Smith

(Statutory Monitoring Officer)

- **Legal Services**
  (Commercial and Contract Law, Real Estate, Licensing, Criminal Justice Social Work, Child and Adult Protection, Litigation and Employment Law)

- **Audit and Risk**
  (Internal Audit and Risk Management Services, Chief Internal Auditor, PWC co-source delivery, working in collaboration with External Audit, Azets. Also provides Internal Audit services to the Edinburgh Integration Joint Board and the Lothian Pension Fund)

- **Corporate Health and Safety**

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Legal and Risk

Resources Directorate

£1.308m (net budget)

£167.161m (net budget)

We provide a wide range of specialist **Legal advice and guidance across both the Council and the EIJB** in areas such **as commercial, property and planning, licensing and employment law.**

We also manage the Council's obligations to ensure the **Health and Safety** of our staff, service users, visitors and our compliance with safety regulations and the law, working with the Trade Unions.

Our **Audit** and **Risk Management** team **ensures** that the Council balances the need for **effective internal control with risk safely and sustainably and that we meet our statutory obligations**.

Some functions we provide are charged to directorates on a 'pay as you go' basis, however, it is not always practical to re-charge all our work, so some funding comes directly to us from corporate finance budgets.

Funding Legal Services

Some money is spent on external legal services

External

Legal and Risk Funding

Some funding comes directly to Legal and Risk

The General Fund

Other Service Areas

Some Funding Comes from other Areas paying for Legal Services

Some income is raised from charging external partners

64 Staff (60 FTE)

Legal Practice: general legal costs and costs not covered by Services

External Legal Services,

£3.9m

£100k

£250k

What We Spend

£4.2 million

Funding and Income

£2.8 million

Recharging directorates, Charges for legal services

£2.4 m

Commercial Practice, Income from charging external customers

£400k

Our **Legal Services** won the **In-House Public Sector Legal Team of the Year** at the 2019 **Scottish Legal Awards**

Some specialist **legal advice needs to be sourced externally**. We spend approximately **£250,000 on external legal opinion** compared **to £3.9 million spent internally.**

External

Internal

20

Head of Property
and Facilities Management

Peter Watton

- **Strategic Asset Management**
  (Capital Planning, Service Design, Community Asset Transfer (CAT) Advisory Team, Estates Optimisation.)

- **Capital Programme Delivery and Design**
  (Capital Programme Management, Chief Architect and Design Team, Interior Design)

- **Investment Portfolio**

- **Facilities Management (FM)**
  (Locality FM Services, Repairs and Maintenance, Energy and Sustainability Management, Cleaning, Janitorial, Catering for both schools and corporate purposes, Physical Security.)

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THE CITY OF EDINBURGH COUNCIL
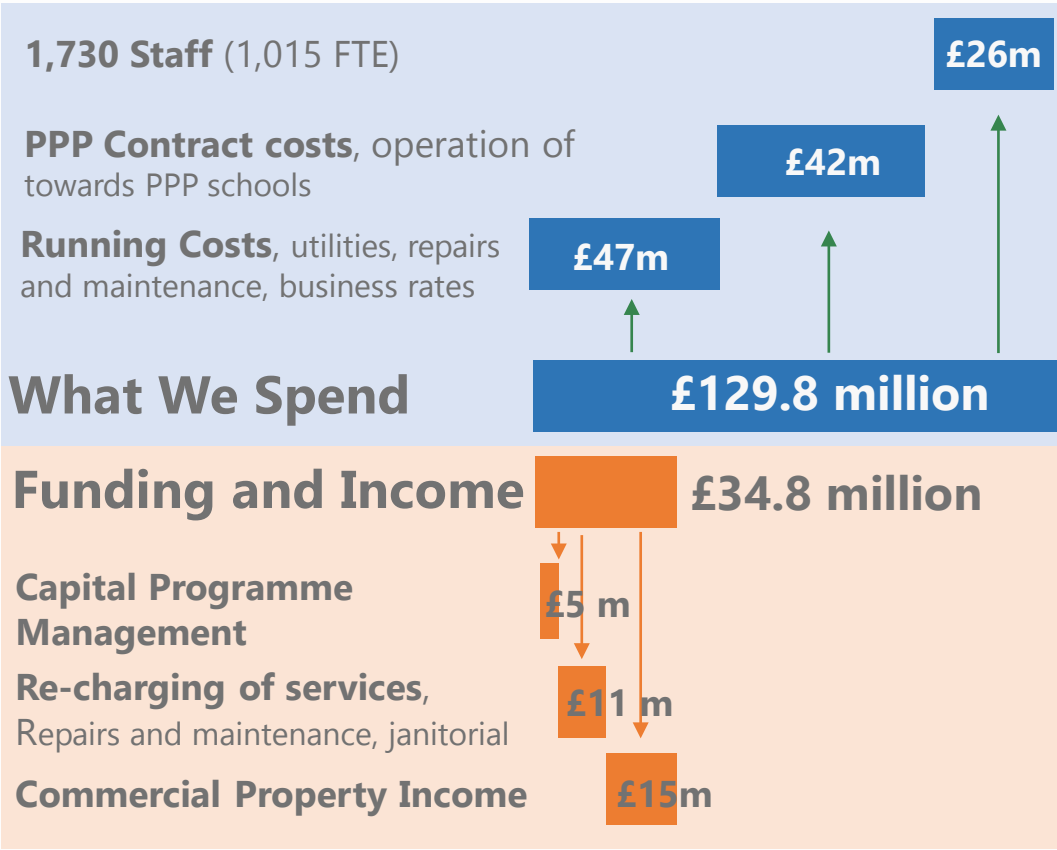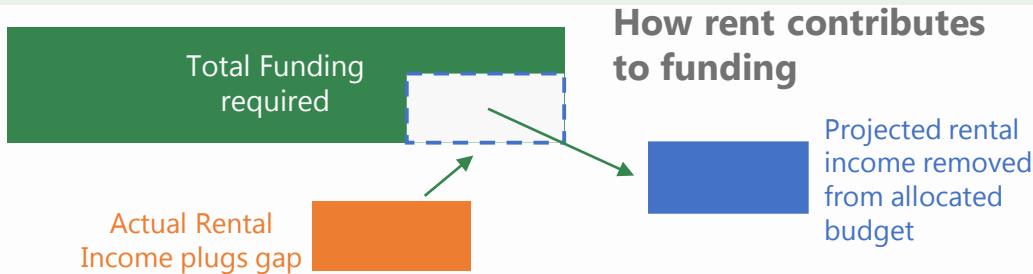
Property and Facilities Management

£98.658m (net budget)

£167.161m (net budget)

We are responsible for the strategic management of an estate of **1,735 buildings**. Roughly one third of these are "operational" buildings that we use to deliver services. Across the **585 operational buildings** around the city there are offices, community hubs, Social Work centres, yards, depots, The City Chambers an estate of **51 Nurseries and Early Years Centres, 127 Primary Schools and 25 High Schools,** as well as **13 Museums and Galleries**

We also manage a portfolio of **1,150 commercial property** which normally generates **£15 million in income each year.** This income is used to reduce the amount of revenue allocated to the service and is made back over the course of the year as rent comes in. This means we **start each year with a budget deficit**.

Our **Facilities Management** Teams ensure that we have physically **secure**, **clean** and **well maintained** assets and our **Catering** Teams produce **18,000 school meals daily**, as well as supporting corporate catering and events.

1,730 Staff (1,015 FTE)

PPP Contract costs, operation of towards PPP schools

Running Costs, utilities, repairs and maintenance, business rates

£26m

£42m

£47m

What We Spend

£129.8 million

Funding and Income

£34.8 million

Capital Programme Management

£5 m

Re-charging of services, Repairs and maintenance, janitorial

£11 m

Commercial Property Income

£15m

How rent contributes to funding

Total Funding required

Projected rental income removed from allocated budget

Actual Rental Income plugs gap

88.6% of the condition of our operational estate is now rated as satisfactory or higher, following year 2 of a 5 year programme investing £118M in our building maintenance regime, to create a safe, sustainable estate fit for the future.

Over its operational lifetime, **the revenue cost** of running a building is approximately **five times** the **capital cost** of construction.

If new buildings are being planned, consideration should be given to the revenue costs in future years.

Lifetime **Revenue** cost of running building

Capital cost of new building

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