



Service Plan 2007/08 (Stage 1 Template)

Service Plan for: Audit and Risk Management

Directorate: Resources

Service Plan Holder: Liz Ackroyd

Workplans: Audit & Fraud
Risk & Insurance
Procurement

Director: Simon Wiles

EMAP : Corporate Services

1. Service description & objectives

The Division is responsible for a number of key compliance functions in support of the Council's overall corporate governance and management assurance arrangements. The AD (ARM) is designated as the Chief Internal Auditor as set out in Article 13 of the Constitution. Further to this designation the post-holder supports the work of the Audit & Governance Committee as well as acting as a member of Quality Control Group, Officer Governance Group, Corporate Operations Group and various of the corporate projects groups such as FMS replacement. In addition the AD (ARM) is responsible for leading on CPA (Use of Resources Block) for the Directorate, managing the Training Programmes for professional finance staff & Resources Directorate staff and for considering requests for waivers from financial regulations.

Audit & Fraud

The Internal Audit Service provides control and corporate governance assurance to Members, Managers and the Director of Resources. The Fraud Team investigates all suspected cases of fraud and corruption impacting on the Council, including internal fraud committed by employees and Members and external fraud committed by members of the public.

Risk Management & Insurance

The Risk and Insurance section provides a comprehensive risk and insurance service to protect the Authority's assets and mitigate losses resulting from hazards and claims against the Council

Procurement

The Corporate Procurement Team provides a corporate lead and focus to the strategic development of procurement at the Council. The team's remit includes procurement strategy and policy, advice and guidance to major project work and strategic procurement initiatives.

Information Management.

Information Management promotes records management as one of CYC's underlying professional disciplines. Good records management promotes operational efficiency in any service but it also enables the specific legal obligations of the Data Protection Act and the Freedom of Information Act (and other information access legislation) to be fulfilled.

Service Objectives

- To provide a positive and measurable contribution to improving the Council's CPA score.
- To achieve all the Division's annual income and savings targets for the next three years
- To actively support and deliver the development of effective and robust corporate governance arrangements across the organisation
- To achieve a sharper focus around our training and development programmes, assessing skills gaps and tailoring a professional development plan for each employee
- To support, measure and monitor effective, efficient and legally compliant procurement practices and procedures across the organisation
- To deliver a relevant, robust and expanding audit programme aligning it with the Council's key risks
- To develop and embed effective risk management across the Council
- To Develop and embed information and records management as basic elements of business infrastructure
- Support and encourage other services in their development of governance and business infrastructure [e.g. health & safety, reporting standards, archives]

2. Significant drivers for change and improvement

Driver	Affect on service delivery
Officer Governance Group work programme	Coordinate development work and implementation across the organisation further to detailed D&I plan managed by OGG on behalf of organisation
Responding to RMT action plan following the staff survey in relation to training and development	Need to develop a comprehensive Directorate training programme
CPA 2006/07 (Refresh) 2007/08 (Full inspection)	Coordinate the use of Resources action plan for the Directorate and implement key developments in appropriate divisional service areas
Client for the Audit Commission	To ensure proper management, coordination and liaison on behalf of the organisation within current resources and ensure the satisfactory delivery of the annual audit plan
Delivery of Officer Governance Group Improvement programme	Addressing known Corporate Governance & Compliance issues across the organisation on behalf of CMT
Corporate Efficiency Initiatives (OEP & DIP's)	Key links to VFM, Strategic Procurement Programme, Annual Efficiency Programme and Competition Agenda
Requirement to undertake more proactive counter fraud work and for greater joint working with government and other external agencies to combat fraud	Fraud team is required to undertake greater proactive counter fraud work, including data matching. Closer working arrangements, including information sharing protocols. Possibility of prosecuting non LA benefit offences.
Requirement to implement new or changed legislation, including the Proceeds of Crime Act and Money Laundering Regulations, and changes in social security legislation (including Housing and Incapacity benefits)	Develop the capacity to recover the proceeds of crime. Need to put in place Money Laundering reporting arrangements and identify related training / awareness arrangements for staff. Changes in the way benefit fraud is investigated
Review of the new Constitution (and Financial Regulations)	Support and advice as required in the application of the new Constitution
Supporting Corporate Priorities 11,12 and 13	Targeted counter fraud work and improved requirement for crime related data. Support to departments including advice in respect of risk identification, controls and procurement processes.
Capacity Limitations	Inability to provide adequate audit coverage and fully investigate all reported fraud. Also inability to undertake proactive fraud work/VFM

Annex 5

<p>Budget savings</p> <p>® Corporate Procurement Savings</p> <p>Procurement Strategy / Competition Strategy</p> <p>® Failure to monitor and promote compliance with procurement regulations and EU directives</p> <p>Implementation of new systems and/or new methods of service delivery (including easy@york, the accommodation review and replacement FMS project</p> <p>Reduce % of staff days lost to sickness absence</p> <p>Directorate training and development programme</p> <p>Improvements in quality and professionalism</p> <p>New operating procedures and capabilities arising from the implementation of new software systems (Galileo / Magique / Incase / IDEA</p> <p>Audit and Governance Committee Management</p> <p>® Delivery of the Audit Plan</p> <p>® Ensure all significant control weaknesses are identified and monitored as part of the audit process</p>	<p>etc and support other corporate initiatives including business continuity and the implementation of the Civil Contingencies Act, Audit Client Role, Officer Governance Group management, and COG Role.</p> <p>Need to identify potential divisional savings as a contribution to departmental targets</p> <p>06/07 budget target of £217K</p> <p>Need to establish a robust framework within the Council for making strategic procurement decisions, including option appraisal for services subject to possible externalisation</p> <p>The Council may be exposed to expensive and time consuming legal challenge which can be expensive and time consuming if it does not ensure compliance with both Financial and EU regulations</p> <p>Ongoing support and advice in respect of risk identification, controls and procurement processes</p> <p>All necessary actions to be implemented to ensure sickness levels are below the directorate target</p> <p>Lead and develop a workable cross directorate training programme for Resources</p> <p>Improved customer satisfaction through ongoing service development</p> <p>Improved efficiency and output. Closer working arrangements between risk management and internal audit. Improved management information and capability</p> <p>Additional responsibility to be delivered within current resource</p> <p>The audit team need to ensure that at least 90% of the Audit Plan is completed</p> <p>It is important that action is taken to address weaknesses through the systematic follow up of all agreed audit recommendations</p>
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Annex 5

<p>® Compliance with DWP standards</p> <p>® Establish Corporate Contracts Management Portfolio</p>	<p>Failure to achieve the standards for counter fraud activities may result in the CPA score being reduced.</p> <p>The Procurement Team needs to establish management of all relevant corporate contacts over the next twelve months to ensure it can provide a more strategic way forward for the Council to procure goods and services and ensure compliance with Gershon efficiencies</p>
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3. Priority improvement for 2007/08 & beyond

Performance improvement	Reason why improvement is required
Risk Management Training programme and embedding of risk management	The CPA Score for Risk Management need to be increased by the time of the next full inspection early in 2008 and embedding risk is critical to achieving this
Supporting Financial Regulations, compliance and Training	The organisation needs to comply with the new Financial Regulation and hence reduce the number of breaches.
Management of Corporate Contracts portfolio	The Council needs to ensure that saving on corporate contracts are maximised and that corporate contracts are identified and properly managed through the Corporate Procurement Team.
Improved fraud prevention and detection	This will help protect the Council's limited financial assets.
® Implementation of 2006 CPA Action Plan	It is critical that this is rolled out to ensure an improved CPA score at next inspection
Implementation & Monitoring of SIC Plan	This will help ensure compliance and improvement in relation to areas of weaknesses across the Council identified in the Annual SIC statement
Increase turnover with YPO	The increased take up of the use of YPO should ensure a better dividend for the Council as a Member of the organisation

Annex 5

4. New or changed actions for 2007/08 and beyond				
Action	Service plan outcome	New? / Change?	Links to note	Comments
Corporate Records Management procedures	Development of corporate procedures to ensure consistency across the organisation	New Deadline April 2009		Streamlining of records in preparation for move to new Office Accom
Review of management around FOI enquiries	Better control of Corporate FOI enquiries	New Deadline March 2008		Ensure better compliance across the organisation
Introduction of comprehensive ARM customer Satisfaction surveys	To ensure the services provided are valued, effective, efficient and what our customers want	New Deadline		
Implementation of rigorous divisional performance management routines	To ensure better control and understanding of the divisions performance and addressing any identified areas of weakness	New Deadline: March 2008		This is geared to improving performance of the division aligning performance with objectives and contribution to Corporate Priorities
Implementation of Year 1 divisional business plan including training plan and communication strategy	This will provide the division with a three year plan to move from where we are to where we want to be it will develop our core value and ethos as well as developing more robust training and succession planning	New Deadline: rollout to March 2008		This is geared to improving performance of the division aligning performance with objectives and contribution to Corporate Priorities
Monitoring of financial regulations	It is necessary to ensure that all Directorates are complying with the new financial regulations introduced during 2006	New Deadline: Rollout to March 2008		
Development & Implementation of Directorate training programme	This is in response to the RMT action plan following the staff survey	New Deadline: Rollout to March 2008		
Prepare for Corporate and Use of Resources full CPA inspection	Need to deliver the action plan in relation to CPA plus support COG's roll as project board	New Deadline: Jan 2008		

Annex 5

Management of Corporate Contracts Portfolio	This is a step change to how the CPT deliver there service and should provide better strategic direction and control	New Deadline: Rollout to March 2008		
Managing the corporate strategic procurement programme	To ensure a more strategic approach to procurement of projects and programmes I.E Office Accom , Highways PFI	New Deadline: Rollout to March 2008		
Delivery of VFM Programme	To provide a corporate service to ensure that all Council Services are provide in an efficient and economic way	New Deadline: Rollout to March 2008		
Provide a new financial investigations service	To ensure the Council minimises the cost of fraud and in as many cases as possible looks to recover its financial loss	New Deadline: Rollout to March 2008		

5. Key Balanced Scorecard Measures 2007/08 to 2009/10

Customer Measures					
Measure		Current 06/07	Targets		
			07/08	08/09	09/10
C1	Customer Satisfaction with ARM	New)	91%	93%	95%
C2	% of Audit Plan completed	90%	91%	92%	93%
C3	Audit 'High' priority recommendations agreed	80%	81%	82%	83%
C4	% of Ins claims acknowledged within agreed timescales (Woolf)	95%	100%	100%	100%
C5	Annual inspection audit plan delivered on time and in budget	Yes	Yes	Yes	Yes
C6	% of letter responded to in 10 days	100%	100%	100%	100%
C7	Number of Visitors seen within 10 Min's	100%	100%	100%	100%
C8	% of complaints responded to within 10 days	100%	100%	100%	100%
C9	% of calls answered within 20 Sec's	95%	95%	96%	98%

Annex 5 Process Measures					
Measure		Current 06/07	Targets		
			07/08	08/09	09/10
P1	Repudiation rate - Employers Liability by policy year	80%	81%	82%	83%
P2	Repudiation rate - Public Liability by policy year	90%	90%	90%	90%
P3	End of field work to draft report	New	30	20	15
P4	Increased turnover with YPO	7%	8%	9%	10%
P5	No of fraud Investigators (per 1000 HB claims)	0.51	0.51	0.51	.0.51
P6	No of fraud Investigations (per 1000 HB claims)	44	45	46	46
P7	No of fraud prosecutions sanctions (per 1000 HB Clm)	4.9	5.0	5.1	5.1
P8	No of FOI requests answered within 20 working days	New			
P9	No of subject access enquiries answered within 40 days	New			

Finance Measures					
Measure		Current 06/07	Targets		
			07/08	08/09	09/10
F1	Insurance External Income target	£12k	£15k	£17k	£20k
F2	Delivery of procurement budget savings target	£217K	TBA	TBA	TBA
F3	Audit income target	£15K	£16K	£17K	£18K
F4	Value of fraudulent overpayment identified	£140K	£150K	£160K	£170K
F5	VFMt Savings Target	£4K	£4K	£4K	£4K

Staffing Measures					
Measure		Current 06/07	Targets		
			07/08	08/09	09/10
S1	How satisfied are staff with their job	60%	63%	66%	70%
S2	Minimum number of training and development days per staff member	2.3	3	3	3
S3	% of staff who have received an appraisal	86%	90%	92.5%	95%
S6	Maintain % of staff turnover (+/- 2%)	10%	10%	10%	10%
S7	Number of staff motivated to do their job well	89%	91%	93%	95%
S8	Number of days lost through sickness per FTE (Short Term)	8 (Projected)	6	5	4

Annex 5