



**BEST VALUE - CONTINUOUS IMPROVEMENT ACTION PLAN**

Report by Chief Executive

**PURPOSE**

- 1.1 The purpose of the Report is to inform the Audit and Scrutiny Committee of the progress with the Continuous Improvement Action Plan and present the key findings for effective challenge and scrutiny.

**EXECUTIVE SUMMARY**

- 2.1 Mapping the performance of services in delivering improvement is essential as this provides the context required to effectively plan service change. A performance review of the Continuous Improvement Action Plan (CIAP) was undertaken to highlight the work outstanding and the action being taken by services. As requested by the Audit and Scrutiny Committee in September 2022, the key findings are summarised in the Report by department and service rather than the Local Government Benchmarking Framework themes as in previous reports.
- 2.2 The end-of-year 2023/24 performance review of the CIAP found that Seven of the 12 CIAP actions presented to the Audit and Scrutiny Committee in the mid-year performance review report are complete and five new actions added. The key improvement outcomes from two external audits, seven internal audit follow-up reviews and one self-assessment will be carried forward to the 2024/25 business plan for completion. These are represented as CIAP actions in Service Business Plans (SBPs) and are included in the departmental business plan progress reports made available to the public on the Comhairle's website quarterly.
- 2.3 A summary of the CIAP is in the Appendix to the Report with a link to the audit and self-assessment reports, where available, and the name of the officer responsible for taking each action forward to completion.
- 2.4 Elected Members have access to Interplan and can view the progress of SBPs and CIAP actions online throughout the year.

**RECOMMENDATIONS**

- 3.1 **It is recommended that the Comhairle:**
  - (a) **note the Continuous Improvement Action Plan performance review; and**
  - (b) **scrutinise the key findings summarised in the main body of the Report.**

Contact Officer: Fiona Knape, Team Leader, Organisational Development  
Appendix: Continuous Improvement Action Plan Summary  
Background Papers: Report to Audit and Scrutiny Committee on 8 February 2024

## IMPLICATIONS

4.1 The following implications are applicable in terms of the Report.

<b>Resource Implications</b>	<b>Implications/None</b>
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Financial

None

Legal

As per the Accounts Commission for Scotland's Publication of Information (Standards of Performance) Direction 2021 under section 1(1) (a) of the Local Government Act 1992, Councils have a statutory duty to ensure balance in reporting areas of improvement that have and have not been achieved. SPI 2 includes the requirement for the Comhairle to assess how it is performing against its duty of Best Value through self-assessments, service review activity, audit assessments (including those in the annual audit), assessments from other scrutiny and inspection bodies, and how it has responded to these assessments.

Staffing

None

Assets and Property

None

<b>Strategic Implications</b>	<b>Implications/None</b>
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Risk

None

Equalities

None

Corporate Strategy

The Report is aligned to Strategic Outcome 4.1.5 - Effective governance of the Comhairle is in place.

Environmental Impact

None

Consultation

None

## BACKGROUND

- 5.1 The Statutory Performance Information (SPI) [Direction](#) published on 21 December 2021 is given by the Accounts Commission for Scotland ("the Commission") and applies to reporting performance for the three years from 1 April 2022. The Direction introduced the Commission's [Strategy 2021-2026](#). The Commission holds councils and other local government bodies in Scotland to account and, through the Direction, sets out the performance information that they require councils to publish, and to ensure a balance in reporting areas of improvement that have and have not been achieved.
- 5.2 The Commission's Local Government in Scotland Overview 2023 [Report](#) (May'23) prepared by Audit Scotland, reported that *"service performance was beginning to stall before the pandemic as a result of long-term reductions in funding and wider pressures. The pandemic has affected performance across all service areas. Some services are showing signs of recovery, but there are also signs of growing backlogs, declining performance in some areas and services at capacity. The extent and impact of needs not being met is not clear"*.
- 5.3 The Commission highlighted in the Comhairle's Best Value Assurance [Report](#) (BVAR) that *"the Comhairle has implemented many successful initiatives but the overall pace of change has been slow. It needs to ensure that it has the leadership capacity to drive strategic and transformational change at the pace needed"*.

## CONTINUOUS IMPROVEMENT ACTION PLAN

- 6.1 At its meeting on 11 February 2015, the Comhairle agreed the proposals for the development of its Continuous Improvement Agenda to reflect best practice and audit requirements. To satisfy the requirements of the Commission's SPI Direction in the Achievement of Best Value, the Comhairle at its meeting on 14 December 2016 approved the Audit and Scrutiny Committee's recommendation to

include the outcomes of internal and external audits and inspections in the CIAP for effective challenge and scrutiny. The areas for future development and the priority recommendations identified from corporate self-assessments completed since March 2020 are also in the CIAP.

- 6.2 It is important to include all inspection and audit reports in the CIAP report to inform the Audit and Scrutiny Committee of reasons why services may not be able to take forward some of the recommendations. It is also important for services to challenge the completion dates set by auditors and agree realistic timelines for when the recommendations can be fulfilled, with consideration to current service requirements and resources available.
- 6.3 Services use the Comhairle's online performance management system Interplan to record and monitor SBP Actions, which are periodically evaluated and updated to ensure they are still fit for purpose. As guided by the Comhairle, the key improvement outcomes from external audits and internal audit follow-up reviews, and the areas for future development and the priority recommendations identified from corporate self-assessments completed since March 2020 have been input to Interplan and more will be added as they become known.
- 6.4 Elected Members have access to Interplan and can view the progress of SBP and CIAP actions online as required.

## **KEY FINDINGS**

- 7.1 The Comhairle experienced a criminal cyber incident on 7 November 2023 that impacted on services completing some of the CIAP actions within the recommended time period. The incident also affected the Comhairle's website, therefore, links to some of the audit and self-assessment reports are no longer available. A temporary website to allow the public to access important information was launched on 14 November 2023 and an Incident Management Team (IMT) was established on 20 November 2023 to lead on the response to this incident.
- 7.2 Seven of the 12 CIAP actions presented to Committee in the mid-year 2023/24 performance review report to the Audit and Scrutiny Committee on 8 February 2024 are complete. The five partly outstanding CIAP actions will be carried forward to the 2024/25 business plan for completion. Five new actions were added to the CIAP.
- 7.3 The review of the key improvement outcomes from external audits, internal audit follow-up reviews and self-assessments found that 80% of the implementation dates set by Auditors and confirmed with management have been extended, some more than once. The dates of when the original report was issued, when the recommendations were to be implement by and, where relevant, the revised completion dates are included in the Appendix to the Report.
- 7.4 As requested by the Audit and Scrutiny Committee in September 2022, the key findings of the CIAP actions are summarised in the Report by department and service rather than the Local Government Benchmarking Framework themes as in previous reports.
- 7.5 Updates have been provided in Interplan for all CIAP actions. The Comhairle has undergone a period of organisational restructuring, therefore, the alignment of some services to departments may be different to that stated in the original audit or self-assessment report.

## **CHIEF EXECUTIVE DEPARTMENT: Chief Executive**

### **Chief Executive's Directorate**

- 8.1 The Best Value external audit undertaken by Audit Scotland (Sep'22) made nine recommendations. An action plan was approved by the Comhairle in December 2022 to take these forward and work is now underway by services and the CMT to deliver the actions set out. The BVAR Action Plan Progress Report

was presented to the Audit and Scrutiny Committee in February 2024 and, as such, the completion date has been amended from Dec'23 to Mar'25. While the actions are not yet fully complete, there has been good progress to date. A further update will be presented at the September 2024 series of meetings.

#### **Human Resources and Performance**

- 8.2 The Corporate Training Internal Audit (Apr'23) made 11 recommendations and the follow up review (Mar'24) found six recommendations to be outstanding, and management have confirmed that the remaining recommendations will be implemented by late 2024. An update on progress will be provided in the 2024/25 CIAP mid-year progress report.

#### **Internal Audit**

- 8.3 The Comhairle's Annual Audit Report 2021/22 published by the Commission on 1 December 2022 brought forward seven recommendations from previous external audits and five are now complete. The IT Service is working with the Incident Management Team and the Resilience Team to ensure lessons learned from the cyber incident are built into their Business Continuity, Cyber Resilience, and Disaster Recovery Plans. The Procurement Guide and Tender Evaluation Guide have been reviewed, updated, and finalised. As agreed with Internal Audit, training was to be carried out by the end of the financial year 2023/24. However, the service was impacted by the cyber incident, consequently, the training has taken a back seat to other priorities. A LearnPro module had been drafted which has now been lost, but attempts are being made to re-create it and once finalised it will be rolled out during 2024/25.

#### **CHIEF EXECUTIVE DEPARTMENT: Depute Chief Executive**

##### **Assets and Infrastructure**

- 9.1 The Information management self-assessment (Jun'21) included two priority recommendations: a refresh of the IT Strategy; and a review of IT security, with consideration to be given to the continued change from office to home working environments and the effects this may have on information security moving forward to ensure the integrity of corporate information in a home working environment. Work on both priorities is underway. The area for future development requires the continuation of employee training to raise awareness of the importance of, and legal requirements relating to, information security. The Chief Officer, Assets and Infrastructure, advised that the IT Strategy is required to reflect service and operational requirements of the Comhairle, which to date have not been clarified as services have been adapting to COVID restrictions and return to office working. Various actions have been undertaken to improve information management and security over the period, such as implementing two-factor (2FA) authentication. Work continues on modes of working and targets changed to account for further development in these areas.
- 9.2 The IT strategy is under revision following the cyber incident. Key themes will include cloud based solutions where appropriate. Due to the impact and resource implications of the cyber incident, the IT Strategy will need to be considerate of the ongoing learning outcomes and financial implications of the IT system rebuild. These are currently being reviewed through the IMT.
- 9.3 The Bus Contracts - Public, School & Integrated internal audit (Jan'23) made five recommendations and the follow-up review (Oct'23) found two to have been fully implemented. Management confirmed to internal audit that the remaining recommendations would be implemented by December 2023, however, all three were found to be partly outstanding as at 31 March 2024. Two of the outstanding recommendations require the Transport Manager to identify and follow up on Contractors who have not submitted PVG information and to confirm that the required monthly data will be provided as per the Conditions of Contract. There are still a number of Bus na Comhairle drivers who need to be updated from Disclosure/SCRO to PVG. Passenger data is being provided by operators, but the service do still have to chase up submissions from one operator. The third recommendation requires the Head of Municipal Services to arrange to reimburse the bus operators that contributed to the electronic

ticket machine fund. There is only one outstanding payment of approximately £130 to be made to an operator who is no longer in business and who is not contactable. The service intend to make this payment once confirmation is received that the bank details held on file are still valid.

### **Economic Development and Planning**

- 9.4 Two of the five recommendations made in the Planning Applications internal audit (Aug'20) are still outstanding. The rescheduling of the Scottish Government work programme impacted on the completion of these. As such, recommendation 2.1b is deferred as the National Guidance on the role and responsibilities of a Chief Planner, initially expected towards the end of 2022 and revised to Autumn 2023, has still not been published by the Scottish Government. It remains the case that the Comhairle Organisational Review has acknowledged the requirements to make provision for the role within the structure and the Depute Chief Executive will take forward the action once the National Guidance is available. No further update has been issued by Scottish Government since the closing of the consultation on Mandatory Training for elected Members on the 26 October 2023.
- 9.5 Recommendation 2.1a required the Planning Manager to develop a structured plan as to how required changes introduced through the Planning Scotland Act 2019 will be implemented. The Scottish Government [Transforming Planning in Practice: updated planning reform implementation programme](#) was refreshed on 29 October 2021 and has not been updated since. Scottish Government are currently publishing implementation of isolated work packages as they are moving them forward. These are advised to Planning Authorities Heads of Planning Scotland (HOPS). The planning managers maintain a close eye on Chief Planner letters, the [Transforming Planning: Work Packages](#) website and social media for updates. Recent strands of work emanating from the Planning Scotland Act 2019 are primarily focussed upon Development Planning - upon supporting interpretation and delivery of NPF4 (improving Biodiversity) and the early stages of preparation of delivery of new Place Based Local Development Plans.
- 9.6 The Scottish Government [Programme for Government 2023 to 2024](#) (Sep'23) makes reference to only one strand flowing from the 2019 Act. Establishing an infrastructure levy per the powers contained in the Planning (Scotland) Act 2019. It proposed establishing a new Planning Infrastructure and Place Advisory Group and the Scottish Government are currently preparing a discussion paper setting out options for the levy. This paper will inform the basis for engagement with stakeholders. The Scottish Government's aspiration is to implement the new infrastructure levy regulations by spring 2026. The Scottish Government Digital Planning Programme is to be discontinued and a smaller revised programme and format established on account of the Scottish Government budget resetting.

## **EDUCATION, SKILLS AND CHILDREN'S SERVICES DEPARTMENT**

### **Children's Services**

- 10.1 The Children's Services - Residential Placement Providers – Contracts internal audit (Feb'23) made seven recommendations and four were found to be fully implemented during the follow-up review (Oct'23). Management confirmed to Internal Audit that these would be implemented early 2024. One recommendation was found to be partly outstanding as at 31 March 2024. Recommendation 2.3 requires the Comhairle to reflect on the services offered, the costs incurred and to consider looking into the Comhairle running part or all of the service using the Spend to Save strategy. Although the Comhairle commenced discussions with HHP re possible site for new build short-break and residential facility on-island, the review of all commissioned services is pending. The Service plan to bring a report to Committee in June 2024 setting out options.

### **Education, Skills, and Children's Services Directorate**

- 10.2 One of the four recommendations made in the Education Maintenance Allowance (EMA) internal audit (May'22) is still outstanding and requires the service to update and refresh the EMA policy that is published on the Comhairle's website annually. The old policy has been removed from the website. The Scottish Government EMA Guidance and Process document was finalised late 2023 and did not

give enough time for the policy development and report to be presented to the November 2023 series of meetings. Proposals were for the updated policy and report to be presented to the first series of meetings in 2024. However, the cyber incident and the subsequent loss of the Comhairle website has led to a pause with this project. Recovery has been the focus of the officer responsible for refreshing the policy and there has been a delay. The aspiration is to progress this in the summer when it is anticipated the emphasis on recovery will have lessened.

## **HEALTH AND SOCIAL CARE**

### **Health and Social Care Services**

- 11.1 The Learning Disability & Autism Service internal audit (Oct'22) made 11 recommendations and four were found to be fully implemented during the follow-up review (Oct'23) and management confirmed to Internal Audit that these would be implemented by March 2024. One recommendation was found to be partly outstanding as at 31 March 2024. Recommendation 2.4 requires the Head of Partnership Services to progress with the completion of the Learning Disabilities and Autism Strategy. It is anticipated that the Strategy will be completed by October 2024.
- 11.2 The Residential Care Services internal audit (Jul'23) made eight recommendations and six were found to be fully implemented during the follow-up review (Mar'24) and management confirmed to Internal Audit that these would be implemented by late 2024. Progress will be included in the 2024/25 CIAP mid-year progress report.

## **CONCLUSION**

- 12.1 The end-of-year 2023/24 performance review of the CIAP recorded in Interplan was undertaken to highlight the work outstanding, the action being taken by services and the areas of work outwith the control of services. The review found that all SBPs in Interplan have been updated to advise how the recommendations are progressing, seven of the 12 CIAP actions presented to Committee in the mid-year 2023/24 performance review report are complete and five new CIAP actions were added.
- 12.2 Recommendations from eight (80%) of the audits/self-assessments have not met their original implementation date. The Comhairle experienced a criminal cyber incident on 7 November 2023 that impacted on services completing some of the CIAP actions within the scheduled time period, which resulted in completion dates being extended and the actions being carried forward to the 2024/25 business planning period for completion.
- 12.3 In the wider context of the current public sector financial environment, and the significant decrease in real terms funding experienced by the Comhairle and highlighted in its [BVAR](#) by the Commission, it is essential to ensure that services are as efficient and effective as possible through continuous improvement and show ongoing viability in delivering the Comhairle's strategic priorities and statutory obligations.
- 12.4 Although a mid-year 2024/25 performance review of the CIAP will be undertaken and presented to the Audit and Scrutiny Committee in due course, Elected Members have access to Interplan and can monitor the progress of SBPs and CIAP actions online throughout the year.

## CONTINUOUS IMPROVEMENT ACTION PLAN SUMMARY

NB: The table below displays External Audits shaded blue, Internal Audit Follow-up Reviews shaded yellow and Self-assessments shaded orange.

CIAP Summary	Interplan Reference	Responsible Person	Status	Original Report Issued	Implement by	Revised Completion Date	% Complete	Target	On Target
<b>CHIEF EXECUTIVE'S DEPARTMENT:</b>									
Chief Executive									
<b>Chief Executive's Office</b>									
<u>Best Value Assurance Report: Comhairle nan Eilean Siar</u>	4.1.5.49	Malcolm Burr	In Progress	29/09/2022	Dec 2023	Mar 2025	75%	75%	Green
<b>Human Resources and Performance</b>									
<u>Corporate Training</u>	4.1.5.66	Norma Skinner	In Progress	24/04/2023	Dec 2024		45%	45%	Green
<b>Internal Audit</b>									
<u>Comhairle nan Eilean Siar annual audit report 2021/22</u>	4.1.5.55	Sandy Gomez	In Progress	01/12/2021	Mar 2024	Mar 2025	80%	100%	Amber
<b>CHIEF EXECUTIVE'S DEPARTMENT:</b>									
Depute Chief Executive									
<b>Assets and Infrastructure</b>									
<u>Information Management</u>	4.1.5.25	Calum Mackenzie	In Progress	22/06/2021	Mar 2022	Dec 2024	70%	70%	Green
<u>Bus Contracts - Public, School &amp; Integrated</u>	4.1.5.61	David A Macleod	In Progress	24/01/2023	Dec 2023	Dec 2024	80%	100%	Amber

CIAP Summary	Interplan Reference	Responsible Person	Status	Original Report Issued	Implement by	Revised Completion Date	% Complete	Target	On Target
<b>Economic Development and Planning</b>									
Planning Applications	4.1.5.36	Morag Ferguson	In Progress	17/08/2020	Mar 2023	Mar 2025	85%	100%	Amber
<b>EDUCATION, SKILLS AND CHILDREN'S SERVICES DEPARTMENT</b>									
<b>Children's Services</b>									
<a href="#">Children's Services - Residential Placement Providers – Contracts</a>	4.1.5.62	Jack Libby	In Progress	10/02/2023	Mar 2024	Dec 2024	90%	100%	Amber
<b>Education, Skills, and Children's Services Directorate</b>									
Education Maintenance Allowance	4.1.5.56	Jordan Carberry	In Progress	16/05/2022	Sept 2023	Dec 2024	80%	100%	Amber
<b>HEALTH AND SOCIAL CARE</b>									
<b>Health and Social Care Services</b>									
<a href="#">Learning Disability &amp; Autism Service</a>	4.1.5.59	Emma MacSween	In Progress	27/10/2022	Mar 2024	Dec 2024	90%	100%	Amber
<a href="#">Residential Care Services</a>	4.1.5.65	Emma MacSween	In Progress	10/07/2023	Dec 2024		80%	75%	Green