

<b>Actions arising from s22</b>					
<b>Remediation actions we have said we will take</b>					
Key – <b>Actions we need CI input on highlighted in red</b>					
<b>Actions/comments/timescales in the external audit report highlighted in yellow</b>					
<b>Action</b>	<b>Plan</b>	<b>Impact</b>	<b>Action Owner</b>	<b>Due Date</b>	<b>Progress update</b>
1. Appoint Head of Legal and Corporate Governance	Appoint a Head of Legal and Corporate Governance	SSSC will have a dedicated Head of Legal and Corporate Governance to oversee Governance matters	CE	Completed July 2018	Complete
2. Appoint permanent senior role to oversee digital	Appoint a Head of Digital  They should also review our IT support to oversee the delivery of the project and ensure there is continuity to oversee and manage the risks as they arise, recognising the reliance on ICT contract staff alongside the cost of using contractors.	SSSC will have a head of Digital who will oversee the IT team	CE	Original timescale: 31 March 2019  Revised timescale:  December 2019	Post currently advertised.

<p>3. Make payment to CI as a result of the split from ICT shared services</p>	<p>Sponsor departments are arranging the transfer of budgets between them to manage this cost.</p>	<p>CI will not be left in a financial detriment as a result of the ending of the ICT shared services.</p>	<p>Scottish Government</p>	<p>March 2019</p>	<p>Complete</p>
<p>4. Review of the budget for ongoing ICT project reviewed and reported to Resources and Council on an ongoing basis.</p>	<p>A distinct budget for ongoing ICT projects to be prepared.</p> <p>This should be reported distinctly from the organisational budget.</p> <p>It should detail expenditure across lifespan of project.</p> <p>It should be monitored and scrutinised by Resources and Council separate to the overarching organisational budget.</p> <p>It should reflect all known costs including one off costs.</p> <p>It should be reviewed in respect of changing ICT needs and overall project</p>	<p>It will be clearer what is being spent on business as usual and what is being spent on ICT projects.</p> <p>We can demonstrate that money is being used in the most appropriate way.</p>	<p>Head of SS/Head of Finance</p>	<p>Original timescale: January 2019</p> <p>Revised timescale: March 2020</p>	<p>This will be built into the budget setting process for financial year 2020/2021. The timescale has therefore been amended to take account of this.</p>

	benefits anticipated to ensure decisions continue to represent value for money and are procured in the best manner.				
5. Revise the Service Level Agreements with the CI	<p>Draft them to ensure a strong customer focus is at the heart of delivery of future shared services</p> <p>Establish a clear customer and service provider relationship</p> <p>Review roles and responsibilities of those delivering the shared services</p> <p>Remove requirement for Senior colleagues to report separately to two organisations which risks creating conflicts of interest and confusion over specific roles.</p> <p>Ask CIPFA to look at these as part of their governance of shared services review</p>	<p>Services being provided will be clearer to everyone.</p> <p>The costs of shared services and how it is calculated will be clearer.</p> <p>Clearer escalation procedures. This should result in them being used more effectively, if necessary.</p> <p>Better understanding of performance indicators and how they will be applied.</p>	Head of LCG/Head of SS	<p>Original timescale:</p> <p>February 2019</p> <p>Revised timescale:</p> <p>January 2020</p>	<p>The CE, Head of LCG, CI CE and Director of CS had a plenary session with CIPFA on 14 August. That was a review of ingathered and agreed on next steps forward.</p> <ul style="list-style-type: none"> <li>w/c 14 October 2019 - CIPFA to produce a benchmark setting out value of the services to both organisations.</li> <li>4 November 2019 – follow up plenary session to discuss the</li> </ul>

	<p>Drafted by CW and sent to KD in November 2018. With CI for comments.</p> <p>LG and CW meeting with PM, KD and GW.</p>				<p>future strategy and model to deliver shared services</p> <p>Once the future approach has been agreed, CIPFA will work with us to produce relevant SLAs and governance arrangements.</p> <p>The proposed timescales have been amended to take account of this.</p>
6. Carry out a review of Governance arrangements of Shared Services and Policy Forum	<p>Appoint external body to review our Shared Services governance arrangements</p> <p>CIPFA appointed in March 2019</p> <p>Report due in June 2019</p>	Improve our governance arrangements of Shared Services	Head of LCG	<p>Original timescale: 31 March 2019</p> <p>Revised timescale: September 2019</p>	<p>Report completed for Policy forum. EMT considered the report on 12 August 2019.</p> <p>Report to Audit Committee in September 2019.</p>

7. Carry out a Healthcheck Review of the Digital Transformation programme.	Appoint Scottish Government Programme and Project Management Centre of Expertise to carry out a Healthcheck review of the DT programme	Identify lessons learned for future projects.  The recommendations will allow us to properly take forward the next stages of the programme.	CE	Completed March 2019	Complete.
8. Explore the post of Programme Manager	Decide whether we should appoint an internal programme manager to make sure the governance of future projects within the organisation is well managed.	We will ensure that we manage projects in the most effective way from the outset in future.  They will keep us right on the governance arrangements for that project such as: <ul style="list-style-type: none"> <li>• Right governance arrangements for particular projects</li> <li>• Right people on programme boards</li> <li>• Distinct from senior managers</li> <li>• Allows proper scrutiny to take place</li> <li>• Advise on the proper risk management procedures to put in place relating to projects.</li> </ul>	Director of S&P	Original timescale: August 2019 (subject to funding)  Revised timescale: March 2020	Decision taken not to appoint a programme manager at the current time but we are looking at options to develop internal framework for programme management and whether a specific post is required for this.

<p>9. Carry out a best value review of the remaining shared services</p>	<p>Meet with CI CEO, Director of Corporate Services and Head of Shared Services to have an independent review of the best value of the remaining shared services.</p>	<p>This will provide independent advice on whether the remaining shared services continue to provide best value to both organisations.</p>	<p>CE</p>	<p>Original timescale: N/A (a timescale was not provided as it was dependent on the work carried out at action 5)  Revised timescale:  January 2020</p>	<p>This forms part of the work set out at action 5 above.</p>
<p>10. Review and update the shared services strategy and shared services risk register</p>	<p>Meet with CI to start this review.</p> <p>Review the existing strategy</p> <p>Identify areas for improvement</p> <p>Draft and get agreement from both SSSC and CI.</p> <p>Put to Resources Committee for SSSC and CI Board for approval.</p>	<p>Having a clear shared services strategy will make sure that we have a shared understanding of what both organisations want to achieve from these arrangements.</p> <p>It should inform the governance and monitoring arrangements which will be followed to implement the strategy.</p>	<p>Head of SS</p>	<p>Original timescale: June 2019  Revised timescale:  January 2020</p>	<p>This forms part of the work set out at action 5 above.</p>

<b>Recommendations from Healthcheck</b>					
11.Refresh the Digital Strategy (Essential)	Refresh the digital strategy in to include a delivery strategy for further ICT transformation activities and the aspirations for future developments.	We will be clearer about what we need from future ICT and how we will be best placed to deliver this.	Director of S&P	June 2019	Complete
12.Prepare a Programme Business Case	Pull together a Programme business case for the whole programme of work.	<p>Even though this will be retrospective, it will let us take stock of what we have achieved so far and that this is in line with our digital transformation strategy.</p> <p>It will allow us to see what areas we still need to work on and how we can plan for these improvements in future.</p>	Head of P&I	<p>Original timescale: May 2019</p> <p>Revised timescale: December 2019 for reporting on the retrospective business case.</p> <p>Business cases for the ongoing digital transformation work submitted to Sponsor in August 2019</p>	<p>Business case was reported to Council in March 2019.</p> <p>Retrospective business case being worked on and aiming to report on this by December 2019.</p> <p>Programme Board was reconvened as well as a sponsor group to scrutinise delivery of the business cases.</p>

					Individual business cases being worked on with view to submitting to sponsor in August 2019.
13. Adopt a more disciplined and structured project/programme management approach for future projects	<p>As noted above we are looking at appointing a dedicated programme manager with relevant experience in this area.</p> <p>Take forward recommendations from this and the s22 report.</p> <p>Make sure that we properly apply and document the project management methodology that we are adopting.</p>	We will make sure that we manage internal projects most effectively and that they are well governed.	Director of S&P	<p>Original timescale: October 2029</p> <p>Revised timescale: January 2020</p>	<p>Governance arrangements put in place to date are:</p> <ul style="list-style-type: none"> <li>• Change Advisory Group</li> <li>• Programme Board</li> <li>• Digital Development Sponsor Group.</li> </ul> <p>These were reported to Council in June 2019.</p>
14. Carry out a full and structured benefits realisation and lessons	<p>Prepare a benefits realisation document.</p> <p>The benefits should be compared to the costs of the project, alongside</p>	<p>We can demonstrate what benefits we are getting from this work.</p> <p>We can make sure that any lessons from this programme are</p>	Head of P&I/Head of SS	<p>Original timescale: 31 March 2019</p> <p>Revised timescale:</p>	Draft benefits realisation document reported to Council in January 2019.



<p>learned evaluation for the Digital Transformation Programme (Essential)</p>	<p>costed efficiencies to demonstrate good use of public money/value for money.</p> <p>Prepare a lessons learned evaluation</p>	<p>easily identified if we are carrying out future projects.</p>		<p>October 2019</p>	<p>Digital update in June 2019 to Council confirms that an updated benefits realisation plan will be developed for the development work identified for 2019/20.</p> <p>Director of CS inputting into the financial aspects of this.</p> <p>The plan will be updated annually to ensure that all ongoing work approved by the Programme Board for the financial year has an associated Benefits Realisation plan for the year.</p>
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					<p>Progress against this plan is to be reported to Council in October 2019.</p> <p>The proposed timescale has been amended to reflect this.</p>
15. Deploy a structured BPR process. (Essential)	<p>Not feasible for us to carry out this year. There are other pressing priorities that we need to address.</p> <p>This year is about starting this off and then building the skills that we need going forward.</p> <p>LEAN training would assist with this.</p> <p>Put in place a change management programme.</p>	This will allow us to make sure that the full opportunity of digital transformation is realised.	Director of S&P	In 2020/2021	Carried forward to 2020/2021

<p>16.Look at whether we need a dedicated project/ change management resource in the operational management structure of the SSSC</p> <p>17.</p>	<p>This is not something that we can accommodate. We would need a separate post for this.</p> <p>This might be something that the experienced programme manager can do.</p>	<p>It will allow us to handle change management in the most appropriate way.</p>	<p>Unable to complete due to funding</p>		<p>N/A</p>
<p><b>General Governance</b></p>					
<p>18.Do we have the right mix of skills for effective governance on Council?</p>	<p>Induction of Council members and ongoing development</p> <p>Need to recruit people with significant Audit and Risk experience to Council</p> <p>Need to recruit people with financial background experience on Council</p> <p>Target these through recruitment process</p>	<p>A well governed organisation, as a minimum, needs 3 things:</p> <ul style="list-style-type: none"> <li>• Right people with right skills acting courageously</li> <li>• Right performance indicators being used properly</li> <li>• Right processes and procedures in place.</li> </ul> <p>The outcome from the s22 has led to suggestions that there has not been effective scrutiny and proactive actions taken by Council to oversee this project.</p>	<p>Head of LCG</p>	<p>Original timescale: March 2020</p> <p>Revised timescale: October 2019</p>	<p>Council member recruitment taking place in August with members to be appointed in September.</p> <p>We will issue self-assessment questionnaires to new members.</p> <p>If experience in relevant areas are lacking then</p>

	<p>If unsuccessful, identify relevant people to co-opt – speak to Colin Langford for some input</p> <p>Create Induction plan for existing Council members to improve these skills</p> <p>Create development plan for Council members to make sure they have effective skills for scrutinising papers/information/responses – regular meetings between Head of LCG and Convener should take place for this purpose.</p>	<p>This has led to concerns that we are not being well governed in other areas.</p> <p>Important that we therefore make sure that our governance in other areas cannot be called into question. Poor governance may lead to:</p> <ul style="list-style-type: none"> <li>• Reputational damage</li> <li>• Greater external scrutiny</li> <li>• Lower funding</li> <li>• Redistribution of functions elsewhere</li> <li>• Possible closure (in extreme cases)</li> </ul>			<p>we will propose co-option of members.</p> <p>Induction plan in progress.</p> <p>We will look at development plan once members are in post and areas for development have been identified.</p>
19.Right information to Council – criticism that reports going to Council are too detailed or not properly focussed.	<p>Review papers going to Council/Committees to find out:</p> <ul style="list-style-type: none"> <li>• Are we asking them to make the right decisions?</li> <li>• Are we providing the right information?</li> <li>• Are we presenting papers in the right way?</li> </ul>	<p>Council members need appropriate information before them to make the right decisions. People can only scrutinise and make the right decisions if they are</p>	Head of LCG	<p>Original timescale: March 2020</p> <p>Revised timescale: October 2019</p>	<p>We have recruited a temporary Corporate Governance Project Manager to assist with reviewing and proposing improvements to our governance arrangements.</p>

	<p>Compare with historic sessions and other organisations.</p> <p>Look at the good governance frameworks to see how our papers match up</p> <p>Relevant training for officers on what papers should contain</p> <p>Input from Council members on what information they need to scrutinise effectively and how this should be presented</p> <p>Need to be clear about which input needed within the organisation some observations:</p> <ul style="list-style-type: none"> <li>• Papers go to Council without proper legal input</li> <li>• Papers are often prepared late and do not get reviewed by EMT</li> <li>• Is the approval process clearly</li> </ul>				
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	<p>articulated and understood?</p> <ul style="list-style-type: none"> <li>• Is it too cumbersome?</li> <li>• How do we improve?</li> </ul>				
20. Do we have the right processes in place to govern effectively?	<p>Review and Update Standing Orders to reflect current needs for eg lack of mechanism to deal with urgent business formally for eg HCPC have specific provisions for dealing with urgent matters via email.</p> <p>Review and refresh the Scheme of Delegation – are the terms of reference appropriate for what we need? In particular we need to:</p> <ul style="list-style-type: none"> <li>• Review terms of reference for each committee</li> <li>• Are they necessary (Registration and Conduct Committees need to be abolished)</li> </ul>		Head of LCG	<p>Original timescale: March 2020</p> <p>Revised timescale: October 2019</p>	As noted for action 18. We will put proposals for a new governance framework to Council in October 2019.

	<ul style="list-style-type: none"> <li>• Audit Committee – needs reviewed in line with the Audit and Assurance Handbook 2018</li> <li>• Letters of appointment should be issued to each member of both committees setting out expectations for each.</li> <li>• Regular meetings arranged between chairs/head of LCG and CE to discuss relevant committee and Council business</li> </ul> <p>Are the powers delegated under the scheme of delegation appropriate for the needs of the organisation?</p> <p>Executive Framework document – needs reviewed and updated. It is not clear if this has been agreed with Sponsor.</p>				
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	<p>Financial regulations – review to make sure reflected in scheme of delegation.</p> <p>Internal Audit Plan – review this to make sure it is capturing key risks.</p> <p>Review our risk management processes and procedures. Not embedded within the organisation. No clear indication how operational and strategic risk are managed and recorded. Difficult to see how they interact. Review these procedures to make sure they are effective</p> <p>Develop assurance map for the organisation. This should tie in with the Internal Audit Plan and clearly show how we are being assured that:</p> <ul style="list-style-type: none"> <li>• The organisation is being well governed</li> <li>• That our Internal and External Audits</li> </ul>				
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	<p>are focussing on the right areas</p> <ul style="list-style-type: none"><li>• That we are managing risk appropriately</li><li>• That we are monitoring performance in the right way</li><li>• That we are therefore targeting resources in the right way.</li></ul>				
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