

Governance Improvement Plan						
Remediation actions we have said we will take						
Key – Actions we need CI input on highlighted in red Actions/comments/timescales in the external audit report highlighted in yellow						
Action	Plan	Impact	Action owner	Due date	Management comments	Confidence of delivery within timescale
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	SSSC will have a head of Digital, who will oversee the IT team	CE	Original timescale: 31 March 2019 Revised timescale: December 2019	Complete	Completed 6 January 2020

	they arise, recognising the reliance on ICT contract staff alongside the cost of using contractors.					
3. Make payment to CI as a result of the split from ICT shared services	Sponsor departments are arranging the transfer of budgets between them to manage this cost.	CI will not be left in a financial detriment as a result of the ending of the ICT shared services.	Scottish Government	March 2019	Complete	
4. Review of the budget for ongoing ICT project reviewed and reported to Resources and Council on an ongoing basis.	<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</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>	Head of SS/Head of Finance	<p>Original timescale: January 2019</p> <p>Revised timescale: March 2020</p>	<p>Each IT project has a distinct business case which has been submitted to sponsor department for approval before release of funds.</p> <p>Those funds will be managed through distinct budget lines relating to the individual projects and distinct from the SSSC's core operating budget.</p>	Complete

	<p>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 benefits anticipated to ensure decisions continue to represent value for money and are procured in the best manner.</p>				<p>We will build this approach into the budget setting process for financial year 2020/2021.</p>	
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</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>	Head of LCG/Head of SS	<p>Original timescale: February 2019</p> <p>Revised timescale:</p>	<p>Management agreement approved at SSSC Council.</p> <p>CI Board on 4 February</p>	<p>Medium</p> <ul style="list-style-type: none"> While a number of significant steps have occurred, there is still a significant

	<p>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>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>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>		<p>January 2020</p>	<p>Draft Specification of services with Head of SS. Work is ongoing on the draft specification.</p> <p>Customer workshops being arranged for input from recipients of services have taken place and OMT and EMT have fed into the specification.</p> <p>Culture workshops being planned. Interim Director of Finance and Resources for SSSC has been appointed.</p> <p>Meetings have been arranged to take this forward between Directors of both organisations and the Head of Shared Services.</p> <p>The CE's have arranged meeting</p>	<p>amount of work to be undertaken.</p> <ul style="list-style-type: none"> • This depends on the engagement of people who are not directly accountable to SSSC. • Competing priorities and capacity issues have made it challenging to meet timescales. • However there is a real commitment from Senior Officers in both organisations to conclude this to plan. • Engagement and monitoring at this level is frequent.
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					<p><u>to look at some of the challenges.</u></p> <p>Further delays may result in reputational damage and the involvement of Sponsor departments. However we have received assurances from external auditors that they are currently satisfied with the attempts being made to complete this.</p> <p><u>Regular reports going to Audit and Assurance Committee and Council separately.</u></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>	Improve our governance arrangements of Shared Services	Head of LCG	Completed October 2019	Complete	

	Report due in June 2019					
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"> • Right governance arrangements for particular projects • Right people on programme boards • Distinct from senior managers • Allows proper scrutiny to take place 	Director of S&P	Original timescale: August 2019 (subject to funding) Revised timescale: March 2020	Consultant carrying out a review of how projects are being run internally. Review complete and report attached A temporary PMO post and part time support post has been agreed as part of the 2020/21 budget in line with the report recommendations. Recruitment will commence in May	Complete

		<ul style="list-style-type: none"> Advise on the proper risk management procedures to put in place relating to projects. 				
9. Carry out a best value review of the remaining shared services	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.	This will provide independent advice on whether the remaining shared services continue to provide best value to both organisations.	CE	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	CIPFA finalised their report suggesting that it is a cost effective service and suggested improvements. Complete	Complete
10. Review and update the shared services strategy and shared services risk register	Meet with CI to start this review. Review the existing strategy Identify areas for improvement	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.	Head of SS	Original timescale: June 2019 Revised timescale: January 2020	This forms part of the work set out at action 5 above.	Medium As for point 5.

	Draft and get agreement from both SSSC and CI. Put to Resources Committee for SSSC and CI Board for approval.	It should inform the governance and monitoring arrangements which will be followed to implement the strategy.				
Recommendations from Digital Transformation Scotland Healthcheck						
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 retrospective Programme Business Case	Pull together a Programme business case for the whole programme of work.	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. It will allow us to see what areas we still need to work on and how we	Head of P&I	Original timescale: May 2019 Revised timescale: December 2019 for reporting on the retrospectiv	Timescales have slipped due to other priorities taking precedent and internal absences. We have relied on the benefits realisation plan to identify the	HighComplete

		can plan for these improvements in future.		e business case. Further revised to report to Digital Sponsor group on 18 March 2020. Further report to Council in May 2020	achievements to date. Confidence is high that it will be reported by May 2020 Completed and approved by Digital Sponsor to be approved by Council <u>Report went to Council in May 2020</u>	
13. Adopt a more disciplined and structured project/programme management approach for future projects	As noted above we are looking at appointing a dedicated programme manager with relevant experience in this area. Take forward recommendations from this and the s22 report. Make sure that we properly apply and document the	We will make sure that we manage internal projects most effectively and that they are well governed.	Director of S&P	Original timescale: October 2019 Revised timescale: January 2020	Governance arrangements put in place to date are: <ul style="list-style-type: none"> • Change Advisory Group • Programme Board • Digital Development Sponsor Group. These were reported to Council in June 2019.	<u>High Complete</u>

	<p>project management methodology that we are adopting.</p>			<p>These are subject to ongoing review of their effectiveness.</p> <p>The consultant carrying out the work for action 8 will make recommendations on what methodology should be adopted for future projects and how we can embed this into the organisation.</p> <p>Review complete and report attached <u>New project documentation and methodology has been rolled out and with relevant guidance to the organisation.</u></p> <p><u>A Programme Management Office has been recruited and will ensure proper project governance is in</u></p>	
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					place across the organisation.	
14. Carry out a full and structured benefits realisation and lessons learned evaluation for the Digital Transformation Programme (Essential)	<p>Prepare a benefits realisation document.</p> <p>The benefits should be compared to the costs of the project, alongside costed efficiencies to demonstrate good use of public money/value for money.</p> <p>Prepare a lessons learned evaluation</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 easily identified if we are carrying out future projects.</p>	Head of P&I/Head of SS	<p>Original timescale: 31 March 2019</p> <p>Revised timescale: October 2019</p>	Benefits realisation was reported to Council in October 2019 which identified lessons learned. We will continue to monitor progress of the continuing digital work against this plan.	Complete
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</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>Low</p> <p>A separate paper to February Committee will address this point however this recommendation has been overtaken</p>

	<p>skills that we need going forward.</p> <p>LEAN training would assist with this.</p> <p>Put in place a change management programme.</p>					<p>by other pieces of work.</p> <p>An overview of internal process will be presented to Committee in September</p>
16. Look at whether we need a dedicated project/change management resource in the operational management structure of the SSSC	<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>	It will allow us to handle change management in the most appropriate way.	Unable to complete due to funding		N/A	
General Governance						
17. Do we have the right mix of skills for effective governance on Council?	<p>Induction of Council members and ongoing development</p> <p>Need to recruit people with significant Audit</p>	<p>A well governed organisation, as a minimum, needs 3 things:</p> <ul style="list-style-type: none"> • Right people with right skills acting courageously 	Head of LCG	Complete October 2019	<p>Revised arrangements were approved by Council in October 2019.</p> <p>We will continue to monitor and</p>	Complete

	<p>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>If unsuccessful, identify relevant people to co-opt – speak to CIPFA 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</p>	<ul style="list-style-type: none"> • Right performance indicators being used properly • Right processes and procedures in place. <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>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"> • Reputational damage • Greater external scrutiny • Lower funding • Redistribution of functions elsewhere 			<p>improve on these arrangements.</p>	
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	Head of LCG and Convener should take place for this purpose.	<ul style="list-style-type: none"> • Possible closure (in extreme cases) 				
18.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"> • Are we asking them to make the right decisions? • Are we providing the right information? • Are we presenting papers in the right way? <p>Compare with historic sessions and other organisations.</p> <p>Look at the good governance frameworks to see how our papers match up</p>	Council members need appropriate information before them to make the right decisions.	Head of LCG	Complete October 2019	As for point 17 above.	Complete

	<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">• Papers go to Council without proper legal input• Papers are often prepared late and do not get reviewed by EMT• Is the approval process clearly articulated and understood?• Is it too cumbersome?					
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	<ul style="list-style-type: none"> • How do we improve? 					
19. 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"> • Review terms of reference for each committee • Are they necessary (Registration and Conduct Committees) 		Head of LCG	<p>Original timescale: March 2020</p> <p>Revised timescale: October 2019</p>	As for point 17 above	Complete

	<p>need to be abolished)</p> <ul style="list-style-type: none"> • Audit Committee – needs reviewed in line with the Audit and Assurance Handbook 2018 • Letters of appointment should be issued to each member of both committees setting out expectations for each. • Regular meetings arranged between chairs/head of LCG and CE to discuss relevant committee and Council business <p>Are the powers delegated under the scheme of delegation appropriate for the needs of the organisation?</p>					
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	<p>Executive Framework document – needs reviewed and updated. It is not clear if this has been agreed with Sponsor.</p> <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</p>					
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	<p>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">• The organisation is being well governed• That our Internal and External Audits are focussing on the right areas• That we are managing risk appropriately• That we are monitoring performance in the right way• That we are therefore targeting resources in the right way.					
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