

West Lothian Council

Report to Members and the Controller of Audit on the 2008/09 Audit

October 2009



 AUDIT SCOTLAND

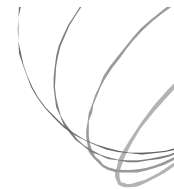


West Lothian Council

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on the 2008/09 Audit**

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Key Messages

We have given an unqualified opinion on the financial statements of West Lothian Council.

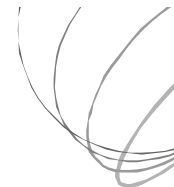
The final outturn for the year was an underspend of £0.122 million and the council recorded an increase of £0.536 million on the General Fund at 31 March 2009. This increased the General Fund balance to £4.602 million. Commitments against the balance were £2.106 million, leaving an uncommitted balance of £2.496 million, which was slightly above the council's target minimum uncommitted general fund balance of £2million.

The council has a number of arrangements in place to ensure it is well placed to manage its current and future budgets pressures. These include:

- The council executive received a report from the Head of Finance in December 2008 detailing the impact of the economic situation on the council's financial strategy.
- The council is pursuing a strategic and longer term approach to achieving budget savings in the council. Key elements of this strategy include the diagnostic pathway, flexible working, driving down sickness absence, electronic document management, lean management, the move to the civic centre and the improvement framework.
- The council introduced a new budgetary control framework in 2008/09. The new framework adopts a risk based approach to budgetary control; detailed budgetary control reports for all West Lothian Assessment Model (WLAM) budget areas are produced and reviewed at months four, six and nine and in the other months, the focus is on closely monitoring the material risk areas of revenue budgets.
- Regular reports were also received on the projected outturn for 2008/09 with measures adopted to ensure a balanced budget. Within education and cultural services, measures included significant realignment of the budget, conservation of savings, reassessment of prior year reserves and delaying current initiatives. Social Policy identified compensating savings and these were aligned to actual spend to ensure a break even position.
- The council has invested time in improving the quality and quantity of financial information so that budget holders and service heads are better informed to make decisions, and senior managers and elected members receive early warning of problem areas.

Since the council's Best Value audit in 2005, the council has taken action to address all of its improvement actions. Areas of good practice can be found in a number of areas reported below.

The performance committee conducts a continuous assessment of reviews of the units included in the WLAM, and the Chief Executive and a rotation of Directors and Senior Officers review each of the WLAM units on a cyclical basis. The purpose of these reviews is to establish current performance and ensure that continuous improvement is planned and attained.



The council has vision and leadership, to address the significant challenges that West Lothian faces and has a sound approach to managing risk. The council is aware of its operating environment and responds appropriately to challenges, often in a proactive and innovative way. There is a clear and consistent commitment to priority programmes. The council has delivered public performance reporting on the Single Outcome Agreement (SOA) targets by making public it's SOA annual report. It also intends to make this information available on it's website in November 2009.

The council is realising the benefits of introducing a corporate approach to asset management. There are six strands to the corporate asset management plan which enables proper strategic financial planning for corporate investment. In our national study *Asset Management in Local Government, May 2009*, West Lothian Council was ahead of most other councils in terms of the condition and suitability of its properties.

The council has a programme to build 700 council houses, and in 2009 a total of 248 houses are being constructed. These will be the first council houses to be built by the council in 25 years.

The council demonstrates a commitment to working with partners. For example with the opening of the new civic centre soon all of West Lothian's public services will be housed under one roof, with forecast savings by the council of around £1million per year.

The locality planning process in West Lothian encourages local communities and organisations to work together to jointly plan services at a local level, resulting in services that are much more responsive to local needs.

The council has made good progress in developing workforce planning during the year with recent finalisation of its workforce planning strategy.

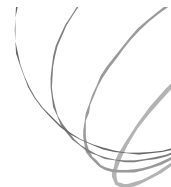
In September, the council achieved the EFQM (European Foundation for Quality Management) Recognised for Excellence Five Star (Gold) Level Award.

Outlook

Non-recurrent capital receipts which provided some respite in prior years are less likely to arise in future.

On the revenue side, all services in the council are working on financial plans based on the assumption of real reductions in expenditure from 2011/12 onwards.

Uncertainty around future pay levels, and the likely reductions in staffing levels over the next three years, leaves the council exposed to higher risk of poor morale and motivation of some staff groups. This has the potential to have an adverse effect on sickness absence levels.



Looking ahead, Scottish Government revenue funding is estimated to reduce by £4.1million in 2010/11. The available resources for the council in 2010/11 are lower than originally announced in the UK and Scottish Spending Review in 2007 and, as a result, a very tight financial position is faced. All indications are that public finances will be severely constrained for many years beyond 2011/12. The council should keep its level of unallocated general fund balance under review to ensure it is sufficient to limit exposure to financial risk and to deal with unforeseen costs or losses.

The co-operation and assistance given to us by West Lothian Council members, officers and staff is gratefully acknowledged.



October 2009

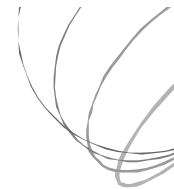


Introduction

1. This report is the summary of our findings arising from the 2008/09 audit of West Lothian Council and other relevant work carried out by Audit Scotland. A number of detailed reports have already been issued in the course of the year. We do not repeat all of the findings in this report. Instead we focus on the financial statements and any significant findings that have arisen from our review of the management of strategic risks.
2. The report uses the headings of the new corporate assessment framework, which is being developed for Best Value 2 (BV2) and for joint scrutiny work. The framework is founded on the characteristics of a best value council. Using evidence gathered in the course of the audit, supplemented by other work by Audit Scotland and other scrutiny bodies, we comment on the council's position this year.
3. It must be stressed that our comments are made on the basis of information made available in the course of the annual audit. We do not offer an overall best value judgement because we do not have enough evidence to conclude on all relevant areas. Our intention is to build up the corporate assessment over time and for that to form the basis of a proportionate best value audit. This report is the first step towards that goal.
4. Audit Scotland carries out a national study programme on behalf of both the Accounts Commission and the Auditor General for Scotland. Reports published in the last year of direct interest to the council are:
 - the impact of the race equality duty on council services
 - improving energy efficiency
 - asset management in councils
 - overview of drug and alcohol services
 - mental health overview
 - civil contingencies planning
 - strategic procurement.
5. We mention some of the key findings from these reports and the implications for West Lothian Council in the performance and use of resources sections of this report. Full copies of the studies can be obtained from Audit Scotland's web page at www.audit-scotland.gov.uk.
6. Appendix A lists external audit reports and opinions issued during 2008/09.



7. Appendix B is an action plan setting out the high level risks we have identified from the audit. Officers have considered the issues and have agreed to take the specific steps set out in the column headed *Planned Management Action*. We do not expect all risks to be eliminated or even minimised. What we are expecting to see is that the council understands its risks and has in place mechanisms to manage them. Members should ensure that they are satisfied with the proposed management action and have a mechanism in place to be duly assured that the proposed action has been implemented.
8. This report is addressed to members and the Controller of Audit. It will be published on our website after consideration by the council. The Controller of Audit may use the information in this report for her annual overview of local authority audits to the Accounts Commission later this year. The overview report is published and used by the Accounts Commission as the basis for its annual briefing to the Parliament's Public Audit Committee and the Parliament's Local Government and Communities Committee.



Financial statements

Introduction

9. In this section we summarise key outcomes from our audit of the council's financial statements for 2008/09, comment on the significant accounting issues faced, and provide an outlook on future financial reporting issues.

Audit Opinion

10. We have given an unqualified opinion that the financial statements of West Lothian Council for 2008/09 give a true and fair view of the financial position and expenditure and income of the council and its group for the year. We also certify that the accounts have been prepared properly in accordance with relevant legislation, applicable accounting standards and other reporting requirements.
11. We are satisfied with disclosures made in the statement of internal financial control and the adequacy of the process put in place by the council to obtain assurances on systems of control. The statement reflects the fact that the internal audit manager identified critical and significant weaknesses in the payroll system in his report dated 5 June 2009. We are satisfied that the council has a process in place to address the weaknesses and we will review the results of any follow up work performed by internal audit.
12. The council's unaudited financial statements were submitted to the Controller of Audit by the deadline of 30 June. Working papers to support the 2008/09 accounts were of a reasonable standard but there is scope for further improvement in the detail of some supporting information submitted by finance services. We are working in partnership with finance services to clarify our requirements and help improve the processes for the audit of the financial statements. Also, too much reliance is placed on one officer for the production of the accounts and in dealing with audit queries. This is a risk the council is addressing by reallocating responsibilities for preparing final accounts and dealing with audit queries to a number of members of staff in the financial management unit. Comprehensive procedures for the final accounts process will also be prepared.
13. It would be helpful to advance the timetable for receipt of audited information from group companies so that the consolidation of information in the council's group accounts can be completed earlier. This would also help the council produce its whole of government accounts sooner. The council is actively trying to resolve this issue.



14. The accounts were certified by the target date of 30 September 2009 and are now available for presentation to members and publication. The financial statements are an essential means by which the council accounts for its stewardship of the resources made available to it and its financial performance in the use of those resources.

Accounting issues

15. Local authorities in Scotland are required to follow the *Code of Practice on Local Authority Accounting in the United Kingdom – a Statement of Recommended Practice* (the SORP). No major changes were introduced by the 2008 SORP. We were satisfied that the council prepared the accounts in accordance with the 2008 SORP.
16. The council has adjusted the financial statements to reflect audit findings. The only significant accounting issue arising in the course of our audit which we feel we should bring to your attention relates to how the council accounts for fixed asset enhancement expenditure. The council's approach is to add all capital spend to the value of fixed assets, with no downward revaluation for the difference between enhancement expenditure and the increase in value of the asset. When the assets are revalued as part of the rolling programme, the values will be updated at that time to reflect the impact of capital spend incurred on those assets. While adding to the value of fixed assets pending a revaluation is generally an acceptable approach, a valuation should be undertaken, in the year of spend, for any asset to which there are material additions.
17. Officers have previously stated that the cost of revaluation surveys can be prohibitive and therefore, we have agreed that value for money will be taken into account when considering whether to revalue in the year of spend.
18. The Corporate Finance Manager has agreed to request a valuation to be carried out on the civic centre in 2009/10, given the significance of spend to date.

Audit testing

19. As part of our work, we took assurance from a number of the council's main financial systems. We assessed the following central systems as having a satisfactory level of control for our purposes:
 - payroll
 - housing rents
 - main accounting system
 - debtors
 - cash income and banking
 - creditors payments
 - council tax
 - non-domestic rates
 - budgetary control
 - treasury management



20. We relied on the work of internal audit in the following areas to support our work:

- cash income and banking
- payroll
- treasury management
- housing rents.

Prevention and detection of fraud and irregularities

21. At the corporate level, the council has appropriate arrangements in place to help prevent and detect fraud, inappropriate conduct and corruption. These arrangements include: an anti-fraud and corruption strategy, a whistle blowing policy and procedure, codes of conduct for elected members and staff; and defined remits for relevant regulatory committees.

22. In December 2008 allegations were reported of impropriety against one of the members of the council, and the member was reported to the police by the Chief Executive. The police investigation is ongoing.

NFI in Scotland

23. The National Fraud Initiative (NFI) has generated significant savings for Scottish public bodies (£40 million to 2008). NFI in Scotland brings together data from councils, police boards, fire and rescue boards, health bodies and other agencies, to help identify and prevent a wide range of frauds against the public sector. These include housing benefit fraud, occupational pension fraud and payroll fraud. The most recent data matching exercise was carried out in October 2008 and national findings will be published by Audit Scotland in May 2010. West Lothian Council had 3,039 data matches, grouped into 7 categories as set out in the following table. The use of pre-set filters classified 744 of this total as high risk. The council has recorded some progress within all categories of data matches. The results from data matching activity to date, have resulted in a projected saving of £11,366.

24. NFI guidelines have been applied and as a result, all medium and high risk cases have been, or are currently being investigated.

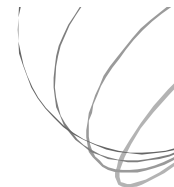


Exhibit 1.

Number and progress on main categories of NFI data matches

Category	Total matches	Processed	In-progress	Fraud identified	Error identified	Amount saved (£)
Blue Badge Parking	757	757	0	0	0	0
Housing benefit	1847	498	125	2	2	9,446
Housing Rents	39	10	0	0	0	0
Pensions/DWP Deceased	3	3	0	0	1	166
Payroll	161	62	9	0	0	0
Rent Arrears/Payroll	1	1	0	0	0	1,754
Right to buy	225	26	0	0	0	0
Private Residential Care Home	1	1	0	0	0	0
	3034	1358	134	2	2	11,366

Housing Benefit

25. Audit Scotland took over the inspection responsibilities of the Benefit Fraud Inspectorate in Scotland in April 2008. Our specialist team are carrying out a programme of risk assessments of benefits services in all councils over a two year period. The risks to West Lothian Council's benefits will be assessed during 2009/10 by this team and any risks with agreed actions will be reported to the council.

Group accounts

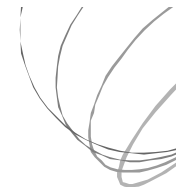
26. The diversity of service delivery vehicles used by local authorities means that consolidated group accounts are required to give a true and fair view of a council's income and expenditure.

Joint ventures and companies

27. The council has interests in four associates and one joint venture. They have been included in group accounts in accordance with the SORP. Audit assurances were obtained through review of board minutes, internal audit reports and audited accounts.

28. We would like to highlight the following issues:

- all bodies within the group received unqualified audit opinions from their external auditors
- in accordance with recommended accounting practice, key policies for component bodies such as pension costs and the valuation of fixed assets at market value, have been aligned with the council.



29. The overall effect of inclusion of the council's subsidiaries and associates is to reduce net worth by £118 million, mainly because of pension liabilities. However, the group accounts have been prepared on a going concern basis as pension liabilities will be funded as they fall due through a combination of employee and employer contributions, government grants and council tax.

Trust funds

30. Local authorities with registered charitable bodies are required to comply with the requirements of the Charities Accounts (Scotland) Regulations 2006. In effect, this means a full set of financial statements is required for each trust fund. However the Office of the Scottish Charities Regulator (OSCR) has deferred the date of full implementation until 2010/11. This means that reliance can be placed on the existing disclosures for trust funds in the council's financial statements, supplemented by appropriate working papers.
31. The council currently administers 39 charitable trusts and if this position continues then 39 sets of independently audited financial statements will be required in 2010/11 to comply with the Charities Accounts (Scotland) Regulations 2006.
32. The council is considering disbanding some of the small Trusts.

Common Good Fund

33. In December 2007, the Local Authority (Scotland) Accounts Advisory Committee (LASAAC) issued a guidance note for practitioners. The guidance requires the common good fund to be disclosed within the financial statements and a separate common good asset register to be in place by March 2009.
34. A separate account for the common good is disclosed in the council's financial statements and common good assets are included in the council's asset register, which is satisfactory given the low number and value of such assets.

Legality

35. Through our planned audit work we consider the legality of the council's financial transactions. In addition the Head of Finance confirmed that, to the best of his knowledge and belief, and having made appropriate enquiries of the council's management team, the financial transactions of the council were in accordance with relevant legislation and regulations. There are no legality issues arising from our audit which require to be brought to members' attention.



Financial reporting outlook

IFRS adoption

36. Local government will move from UK Generally Accepted Accounting Principles to International Financial Reporting Standards (IFRS) with effect from 2010/11. Because local government has already adopted some aspects of IFRS, we expect the transition to be fairly smooth. Indeed, next year, councils will be expected to account for PFI projects on an IFRS basis. But it is important that the council starts the transition period in 2009/10. A comparative balance sheet as at 1 April 2009 will be required and whole of government accounts will also be required on an IFRS basis from 2009/10.
37. This new accounting regime will pose significant challenges requiring revisions to accounting policies, changes in the format of the financial statements and systems and a number of additional disclosures in the Annual Accounts. A project plan will be prepared which will identify workstreams to which individuals can be assigned. The council, along with most other Scottish local authorities, has engaged CIPFA and PWC to provide technical advice and support throughout the transition process.
38. One issue that will need to be addressed is the involvement and development of clear guidance to organisations included with the group accounts on the timing of IFRS introduction and expected impact on their financial statements or consolidation processes.

Action plan no. 3

Carbon trading commitment

39. From April 2010 a new and complex system for charging for carbon emissions will be introduced by the EU. The council will be required to purchase and account for carbon credits to cover all of its non transport related energy usage. Incentives and penalties will be built into the system to encourage a reduction in carbon emissions. The process is in its early stages and the council is not yet clear how this might affect its financial position.



Use of resources

Financial results

40. The final outturn for West Lothian Council for 2008/09 was an underspend of £0.122 million. During the financial year the council spent £709.386 million on the provision of public services with £588.186 million being incurred on revenue services and £121.200 million on capital. The council's net operating expenditure in 2008/09 was £407.141 million. This was met by central government and local taxation of £346.470 million, resulting in a deficit before adjustments in the income and expenditure account of £60.671 million. Local and statutory adjustments require to be made to the income and expenditure position for capital costs and retirement costs to obtain the surplus/deficit on the general fund for any year. After these adjustments for 2008/09 the general fund reported a surplus of £0.536 million.
41. The budget set for 2008/09 was based on a Band D council tax level of £1,128. The council assumed no use of its general fund balance in setting the 2008/09 budget. At the end of 2008/09 the general fund surplus increased the uncommitted general fund balance to £2.496 million.
42. Over the past year, the council has invested time in improving the quality and quantity of financial information so that budget holders and service heads are better informed to make decisions, and senior managers and elected members receive early warning of problem areas. The council executive received a report from the Head of Finance in December 2008 detailing the impact of the economic situation on the council's financial strategy. Regular reports were also received on projected outturn for 2008/09 with measures adopted to ensure a balanced budget. The council achieved its target of £6 million efficiency savings in 2008/09.

Reserves and balances

43. Exhibit 1 shows the balance in the council's funds at 31 March 2009 compared to the previous year. Funds include a capital fund which may be used to defray capital expenditure or repay loan principal, and a repair and renewal fund to finance expenditure incurred in repairing, maintaining, replacing and renewing fixed assets. At 31 March 2009, the council had total funds of £69.002 million, an increase of £13.071 million on the previous year.

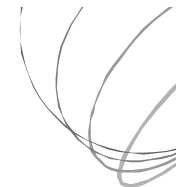


Exhibit 1

Reserves

Description	31 March 2009 £ Million	31 March 2008 £ Million
General Fund	4.602	4.066
Housing Revenue Account	0.924	0.924
Repair and Renewal Fund	0.096	0.091
Capital Fund	53.172	43.008
Insurance Fund	10.208	7.842
	69.002	55.931

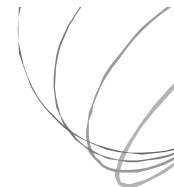
44. In comparison to many other councils, the level of unallocated general fund balance is low, equating to only 0.6% of the council's net operating expenditure. The council should keep its level of unallocated general fund balance under review to ensure it is sufficient to limit exposure to financial risk and to deal with unforeseen costs or losses.

Group balances and going concern

45. The overall effect of inclusion of all of the council's subsidiaries, associates and joint ventures on the group balance sheet is to reduce net assets by £118.526 million, mainly because of pension liabilities. However, all group bodies' accounts have been prepared on a going concern basis as pension liabilities will be funded as they fall due through a combination of employee and employer contributions, government grants and council tax.
46. The council has an obligation to meet a proportion of the expenditure of the joint boards of which it is a constituent member. All of these boards (Lothian and Borders Police, Lothian and Borders Fire and Rescue and Lothian Valuation) had an excess of liabilities over assets at 31 March 2009 due to the accrual of pension liabilities. In total the council's share of these deficits amounted to £129.1 million (2007/08 £121.1 million).

Capital performance 2008/09

47. The council's prudential indicators for 2008/09 were set in February 2008. Capital expenditure in 2008/09 totalled £121.2 million, and was split between two distinct blocks; the housing programme and the general services programme. Expenditure of £28.9 million on the housing programme covered areas such as new house building, external upgrading and meeting the Scottish housing quality standard. Expenditure on the general services programme totalled £92.3 million and included investment on improving three secondary schools and building the new civic centre in conjunction with partners.



48. The housing capital outturn for 2008/09 resulted in a £4.102 million spend in excess of the original budget for the year. This was attributable to the acceleration of spend on the new build housing programme and the completion of the kitchen and bathroom programme. Borrowing was rephased to take account of the accelerated spend, however it is expected that overall borrowing as part of the agreed ten year capital strategy will not increase.
49. The general services capital outturn for 2008/09 resulted in an underspend of £0.373 million against the budget for the year. The underspend is attributable to slippage in the capital programme which has been carried forward to 2009/10 and incorporated in the 2009/10 general services capital budget.
50. The trend in capital investment and sources of funds is reflected in exhibit 2.

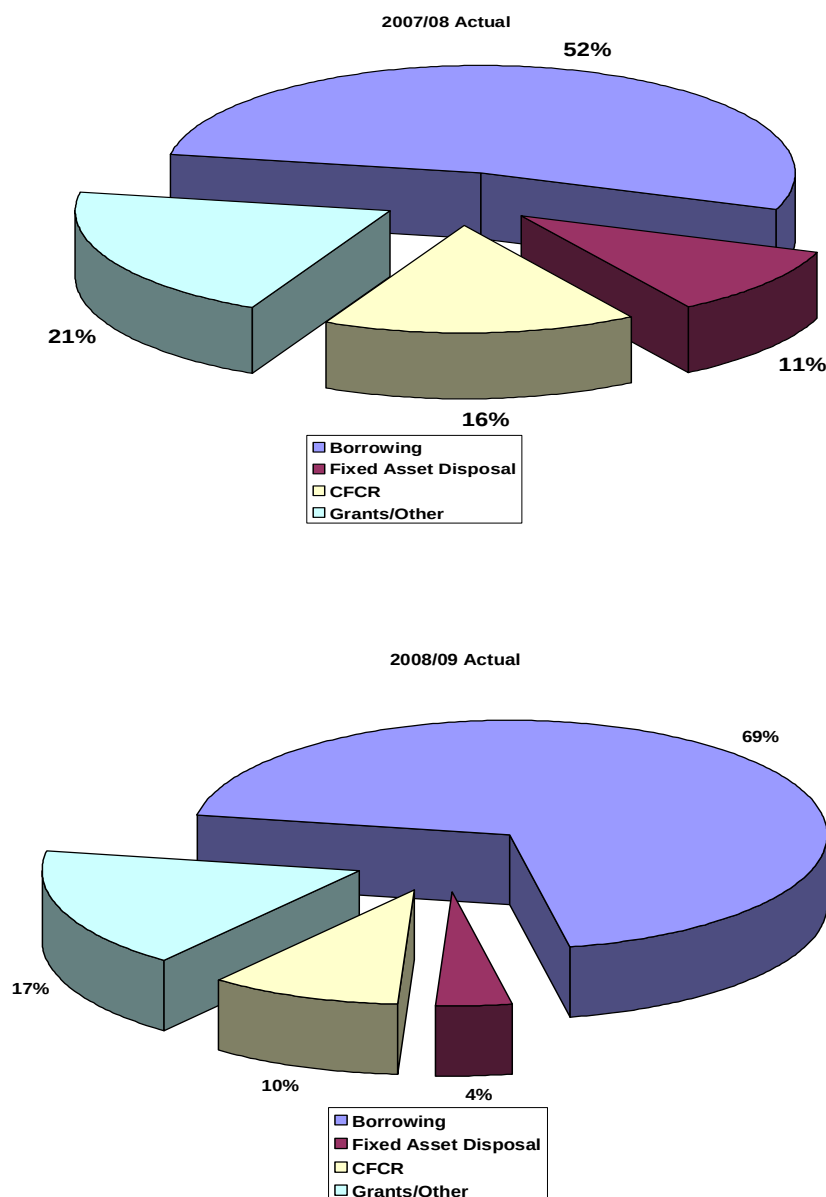
Exhibit 2

Sources of finance for capital expenditure 2005/06 to 2008/09

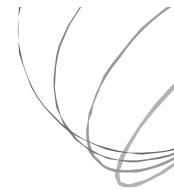
	2005/06 Actual £M	2006/07 Actual £M	2007/08 Actual £M	2008/09 Actual £M
Borrowing	41.5	29.4	38.8	84.0
Fixed Asset Disposal	18.1	21.8	7.9	4.5
CFCR	13.3	11.6	11.8	12.0
Grants/other	11.1	15.7	15.1	20.7
Total	84.0	78.5	73.6	121.2



Chart 1: Sources of finance for capital expenditure 2007/08-2008/09



51. The economic downturn has had a particularly severe impact on the housing market with a sudden and dramatic fall in new build activity across the sector. This has in turn meant that interest from companies in acquiring development land has virtually ceased. This has major implications for the council as the funding for the ten year capital plan 2008/09 to 2017/18 was heavily dependent on capital receipts in the early years of the programme. Receipts assumptions have accordingly been re-phased with minimal receipts now assumed in 2009/10 and 2010/11. The delivery of the ten year capital programme presents a major challenge for the council, as if receipts do not recover by 2011/12, it will have to consider alternative sources of capital funding or reduce capital budgets.



Treasury management

52. In recent years, some councils have held significant amounts of cash and temporary investments to take advantage of favourable interest rates for planned capital programmes. In these circumstances, the early borrowing must be justified in its own right as representing the best time for borrowing the amount required. This should be assessed without regard to temporary investment possibilities, otherwise the action may be judged to be unlawful or to have subjected public money to unnecessary speculation risk.
53. As at 31 March 2009, West Lothian council held cash and temporary investments totalling £80.5 million. The current forecasted balance on temporary investments at 31 March 2010 is £60 million. We received specific representation from the Head of Finance that all borrowing in advance of immediate requirements was made for a legitimate purpose in accordance with legislation and was invested in the interests of prudent cash management.
54. Although interest rates on investments are currently low, the council received £6.701 million in investment income this year compared to £6.584 million in 2007/08 as a result of substantial lending for periods of 12 months prior to the crisis in the banking sector which led to the drop in interest rates. Borrowing rates are also low, but the council has a significant proportion of its debt at fixed rates and its average cost of borrowing over the year was 4.18%. The council has taken advantage of the drop in interest rates to convert £60 million of PWLB long term debt to PWLB variable debt and a further £45.3 million of PWLB loans were repaid and replaced with temporary borrowing from the market. This has resulted in a net saving of £3.6 million, which will contribute to funding the capital programme.

Financial Planning

55. The current economic recession and the resulting squeeze on public expenditure has major implications for the council. A review of the impact of the economic situation on the council's financial strategies was carried out in 2008/09 and appropriate action has been taken to safeguard the council's financial position.
56. At the end of July this year, the council was predicting an underspend in its overall budget, of £84,000 in 2009/10. However, it has been highlighted that a number of risks and financial pressures will have to be managed to ensure this is achieved. The main financial pressures are in relation to additional learning needs within education services, and community health and care partnership and other social policy services. A shortfall of £75,000 in income is predicted within the active schools area and planning income is forecast to be £466,000 below the budgeted target.



- 57. The council is party to the concordat with Scottish Government which means, amongst other things, that council tax was not increased in 2008/09 or 2009/10. The council receives additional grant to implement this agreement. Re-prioritisation measures have also been implemented which take account of the need to continue to deliver agreed outcomes and in many cases is about innovative service redesign to change the way services are provided without compromising on outcomes.
- 58. The Scottish Government has made it clear that public expenditure will be constrained for the medium term. This means that councils need to plan now for a future where there is a real reduction in funding. Assuming that the council remains party to the concordat, there will be no increase in council tax for at least another year.

Action plan no. 1

- 59. The council has plans for service development and improvement. These plans reinforce the need to explore different resource scenarios to help the council decide its priorities for a time when resources are constrained.

Budgetary Control

- 60. The council introduced a new budgetary control framework in 2008/09. The new framework adopts a risk based approach to budget monitoring. From 2009/10 onwards, full monitoring of all WLAM budget areas will be undertaken at months four, six and nine and in the other months, the focus will be on closely monitoring the material risk areas of revenue budgets. Our review of the system identified areas of good practice including the revised approach to revenue monitoring.
- 61. Detailed budget monitoring reports are prepared for the council executive which include committed expenditure to date and forecast outturn. Reasons for projected variations against budget are provided in addition to actions taken to address them.

Asset Management

- 62. Effective management of council assets helps the council achieve its objectives and get best value from its investment in property. Effective management benefits service delivery by making council buildings work better for staff and service users now and in the future. It also reduces the opportunity cost of money locked up in surplus property and reduces the council's carbon footprint.
- 63. The Accounts Commission published the report *Asset Management in Local Government* in May 2009. Our study found that West Lothian Council was ahead of most other councils in terms of the condition and suitability of its properties.
- 64. The council is realising the benefits of introducing a corporate approach to asset management. West Lothian Council has a corporate asset management plan which was approved by the council Executive in November 2007. There are six strands to the corporate asset management plan which enables proper strategic financial planning for corporate investment.



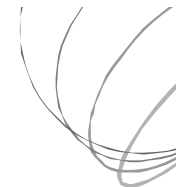
65. For Scottish councils as a whole, over a quarter of all properties were in poor condition and slightly less than that were not suitable for the services being delivered from them. The report noted that 20% of West Lothian Council's properties were in poor condition and 6% were not suitable for the services being delivered from them. The properties in poor condition will reduce by the end of 2009/10 with the completion of the two new high schools, the refurbishment of Armadale community centre and the replacement of Bathgate pool.
66. The report also noted that nationally, joint working in relation to asset management was not widely embedded across services at a planning or operational level although there was a high level commitment to joint working. West Lothian Council has several examples of joint working with community partners including the civic centre, Strathbrock partnership and Fauldhouse partnership centre. In addition, the ten year investment strategy includes three further partnership centres based on the Strathbrock model that will house council and health board activities.

Procurement

67. In March 2006 the McLelland Report concluded that "the main public sector procurement processes still had weaknesses in resources, skills organisational structures and practices". The report stated that "these weaknesses constrained the ability of public sector organisations to obtain Best Value and cost savings from their procurement activities".
68. The council approved a three year procurement strategy for the period 2008-2011 in April 2008. The strategy identified five strategic objectives to establish a framework that will allow council procurement to be fully integrated and aligned to the Corporate Plan. The council is a member of Scotland Excel, a new procurement organisation, launched on 1 April 2008, dedicated to serve all local authorities and related organisations across Scotland.
69. Councils should be striving to tighten procurement practices by engaging in contracts to ensure that they are able to secure best value. West Lothian Council has 156 contracts which is a low number compared to other Scottish local authorities.

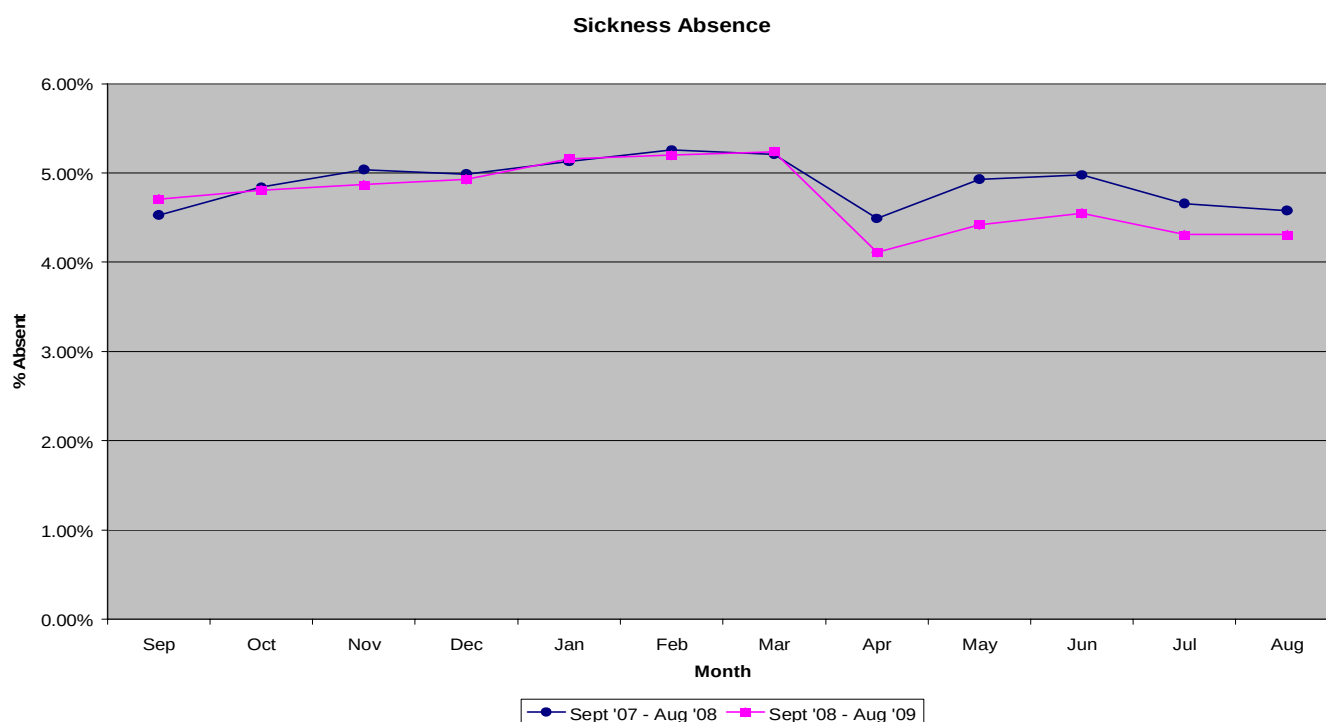
Managing People

70. The council has made good progress in developing workforce planning during the year with recent finalisation of its workforce planning strategy. As part of this strategy, reports have been introduced for the heads of service. This is to enable more engagement with services and the identification of actions and action plans to move forward. The reports contain information on workforce requirements and cover areas including age, gender and sickness/absence. These reports will be used to engage with services and find solutions for any potential problems that may arise.



71. West Lothian Council is also developing an updated people's strategy in relation to workforce matters which cover issues to do with health & safety, equalities, business continuity and succession planning. This strategy is near completion and is currently being discussed and finalised with Heads of Service.
72. The council has agreed procedures in place to manage sickness absence. Information is provided to managers on sickness absence for each service area and comparisons are included against the council target of 4%. The council's overall sickness absence level for 2007/08 was 5.21% and in 2008/09 the level reported was 5.26%.
73. At the start of November 2008, West Lothian Council began a six-month sickness absence pilot project with an external provider the Active Health Partnership (AHP). The pilot project was aimed at specific groups of non-teaching employees, around 650, within the service areas experiencing the highest levels of sickness absence. AHP provided a nurse led call centre, which offers an integrated approach to the management of sickness absence.
74. We have performed analysis on council sickness absence levels between September 2007 and August 2008, and September 2008 and August 2009 from data received by the council and AHP. The results are highlighted in chart 2 below.

Chart 2: Council sickness absence levels for September 2007-August 2009



75. Although there is a consistent drop in sickness absence levels between March and August in both years, the drop is greater in 2009 than in 2008. The council needs to tightly manage sickness absence across the council as it is key in delivering future efficiencies.



76. A number of 'work rated as equivalent' cases were outstanding at the end of March 2009. A provision of £1.117million was included in the 2008/09 financial statements as the best estimate of the expenditure likely to be required to settle present obligation at the balance sheet date. The council has identified a risk relating to potential equal value based equal pay claims. However, it has acknowledged that other local authorities have successfully defended such claims and has therefore made no provision for any potential costs.

ICT

77. The council is making good progress in establishing a sound information management environment and is making good use of ICT to support and deliver services. This is being achieved in part by the information management working group overseeing the implementation of policies, guidance and standards needed to improve information governance, and supported by plans for implementing an information asset register.
78. The delivery of IT services is undergoing some radical changes with the move to the civic centre and the transfer of backup systems from Lindsay House to the Caird Centre, managed by South Lanarkshire Council. When these matters have been concluded the focus will be on the development of a draft ICT strategy to clarify how IT services and systems will be managed going forward.

Data handling and security

79. Data handling and security has received increased public and media attention recently as a result of a number of national incidents relating to lost data. The council shares data with a number of organisations such as the department for work and pensions and other government departments. Information security is now a service delivery issue where a significant failure of controls could lead to loss of stakeholder confidence and opt out from services, higher compliance costs due to enforcement action, withdrawal of third party services such as payment card processing and legal fees relating to civil and criminal litigation.
80. The council's information security policy was approved in December 2008. This policy along with other planned changes to the council's information management regime should facilitate the provision of a more robust reliable, and secure service to customers of the council. A training and awareness programme was developed to support the new security policy and this continues to be rolled out across the council.
81. Further work being carried out to progress the council's information management plans, includes
- all information sharing arrangements are to be registered
 - standards are being developed for data classification and third party data sharing agreements.



82. The council has a number of business continuity plans (BCPs) in place, including an ICT BCP but it was found during 2008/09 that the majority are out of date. With the move to the civic centre which will involve some radical changes to working arrangements and the provision of IT services it is essential that all service area BCP plans have been reviewed and made current. At the time of writing this report good progress had been made in updating BCP's, with only customer service plans requiring completion.

Shared Services/Working with Partners

83. The Accounts Commission commented on the lack of progress in developing shared services in its *Overview of the local authority audits 2008*. They recommended that councils should give this high priority in the light of financial pressures and the drive for efficiency.
84. Examples of shared services are:
- the conclusion of the agreement with South Lanarkshire council for the provision of a shared facility for back up systems for IT services which took place during 2008/09.
 - the National Customer Relationship Management (CRM) Programme is co-ordinated by the improvement service, and West Lothian Council is the lead council. The programme exists to increase the intensity of collaboration around CRM across Scottish Local Government that will result in demonstrable improvement in customer and organisation outcomes.
85. An example of working with partners is the recent completion of the civic centre. The council will share space with the police divisional headquarters, sheriff courts, procurator fiscal, fire and rescue service, childrens reporter and health agencies. Savings are forecast by the council of around £1million a year through reducing the number of buildings owned and run by the authority.

Outlook

86. Clearly we are in a period of reduced economic growth and constrained public finance with significant implications for the council's resources and the demand for services. The council needs to remain alert to the impact of the recession on the community it serves and what that means for its own objectives and services. At the same time as the council tries to support its local economy and provide best value services, it will face a reduction in resources and have to plan accordingly.

Uncertainty around future pay levels, and the likely reductions in staffing levels over the next three years, leaves the council exposed to higher risk of poor morale and motivation of some staff groups. This has the potential to have an adverse effect on sickness absence levels



Governance and accountability

Introduction

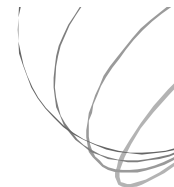
87. We believe that an effective council is committed to high standards of probity and can demonstrate high standards of governance and accountability. It has effective political and managerial structures and processes to govern decision-making and the exercise of authority within the organisation, supported by mature and effective relationships between members and officers. An effective council is committed to public performance reporting as a key element of public accountability. It clearly sets out service standards which reflect the needs of local people and other stakeholders, and is balanced in its presentation of the council's strengths, weaknesses and challenges for the future.

Structure and policies

88. Corporate governance is about direction and control of organisations. Councils are large complex organisations and so good governance is critically important. The working group on corporate governance within West Lothian Council completed a mapping exercise comparing the council's code of corporate governance with the CIPFA/SOLACE framework and guidance: *Delivering Good Governance in Local Government*. The only area not covered in the council's code for members and officers was partnership working. However, in June this year, it was reported to the council that work is being done on a new code of corporate governance reflecting CIPFA's framework.

89. Effective scrutiny is central to good governance, with a significant role for members to scrutinise performance, hold management to account and support the improvement agenda. The Audit Committee's remit includes risk management, IT security and anti-fraud reporting. The committee also has a wider role in terms of promoting, monitoring and developing continuous improvement. The committee is well attended and in overall terms its remit and working practices are in accordance with the good practice principles. For example, the committee:

- is a formally constituted committee with clear terms of reference which reports directly to council and usually meets in public
- membership is in line with the political balance of the council and there is regular attendance by appropriate senior officers of the council
- considers internal and external audit plans and respective annual reports
- reviews the audit certificate and considers matters arising from the audit of the annual accounts.



Political Governance

90. The introduction of the executive committee and the policy development and scrutiny panels (PDSP's), has paved the way for increased scrutiny and debate. PDSP's remit allows new policy proposals to be brought to all members attention at an earlier stage than before, and allowing their input whilst policies are still developing and before they are presented for decision. They also allow a forum for information to be brought before members for information or for noting, which before would have been on the agenda for the five main decision-making committees. They give members an opportunity to apply a critical eye to existing policies and their performance.
91. Seven cases were referred to the Standards Commission during the year. Of the seven cases, six led to a finding by the chief investigating officer of no breach of the councillors' code of conduct, while the other remaining case is ongoing.

Roles and relationships

92. The Accounts Commission recommends that councils give priority to the continuous professional development of its members. Since the elections in May 2007, the council has been successful in implementing a role description, a training needs assessment and a personal development plan for each member. All of these are reviewed in conjunction with members on a regular basis.
93. An elected members training plan is in place for 2009/10 with a more formalised structure and approach to training and development. The aim is to enable high attendance from elected members. The seminar structure will run in parallel to the ongoing provision of individual ad-hoc learning and development to elected members during the year.
94. The revised multi-member ward protocol which was approved in June 2009 details members rights to information and includes guidance on member liaison officers.

Partnership Working

95. West Lothian Council shows evidence of good partnership working. Community planning structures are well developed at council and local levels with appropriate political, official and community representation on each. During the year, the Community Planning Partnership (CPP) worked effectively to develop a single outcome agreement, a real milestone for effective partnership working. The community plan is the keystone of the council's strategic planning framework. The SOA is viewed as a stepping stone to deliver the priorities set out in the community plan. Good leadership by the council ensured that all members of the CPP signed up to the SOA.
96. West Lothian Community Health and Care Partnership (CHCP) was formed in 2005 when NHS Lothian and West Lothian Council joined forces to bring community based health and social care services closer together wherever possible. The purpose of the partnership is to deliver more accessible, integrated and high quality services which are jointly planned and community-focused.



97. The CHCP manages a substantial range of NHS and council services including: community care, personal care, residential care, continuing care, mental health, general practitioner, dental, optician, pharmacist, district nursing, health visiting, five of the allied health professions, children's services, learning disabilities and physical disabilities. The CHCP also works closely with voluntary organisations and private sector agencies to provide a wide range of community services.
98. A permanent Director of the CHCP was appointed in April 2009 but the partnership agreement has not yet been concluded. Work is underway to revise and renew the governance framework for West Lothian CHCP and these arrangements will supersede the draft partnership agreement.
99. In 2008/09 the final outturn for CHCP council services was £64.5 million, resulting in an overspend for of £0.4million. The CHCP is projecting to break even this year by using funding from one off initiatives to match any overspend. The CHCP will face funding pressures in future years.

Community engagement

100. The locality planning process in West Lothian encourages local communities and organisations to work together to jointly plan services at a local level, resulting in services that are much more responsive to local needs.
101. Lead officers for each multi-member ward, assisted by locality planning officers (LPO's) in West Lothian council's communities team have developed locality plans (LP's) for each of the nine multi-member wards in West Lothian. The plans have been developed from the local priorities identified by officers from services across the CPP. The local priorities are discussed at local area committees which act as forums through which local issues can be discussed between local members, local officers and the wider community that have identified local priorities. Multi-agency working groups have also been established to develop action plans for each of these priorities. Some decision making is being devolved to local area committees.

Public performance reporting

102. Each year in September, the council publishes the "Factfile" newsletter, and provides a copy to all houses and businesses in the area. It provides information on performance against the corporate plan but it is not a comprehensive picture against all of the corporate plan undertakings. The council is intending to improve its public reporting by the end of October 2009 when details of performance against service standards and customer satisfaction will be available on the council website and at libraries.
103. The council has delivered public performance reporting on the SOA targets by making public its SOA annual report. It also intends to make this information available on its website in November 2009.



Outlook

104. Partnership working is critical to the council's success. We are developing our approach to the audit of partnerships through the new audit approach to best value . In future, we shall increasingly be looking at the contribution of partners, as well as the council's own contribution, to the delivery of outcomes.



Performance management and improvement

Introduction

105. We believe that an effective council has a clear and ambitious vision for what it wants to achieve for its locality and communities to secure high quality services and effective outcomes for local people. The vision is effectively promoted by the member and officer leadership of the council and supported by staff and partners. It is backed up by clear plans and strategies to secure improvement, with resources aligned to support their delivery. An effective council has a performance management culture which is embedded throughout the organisation. The council's performance management framework is comprehensive and integrated with service planning and delivery. Staff have a customer first culture.

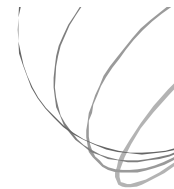
Vision and Strategic Direction

106. Clear political priorities and organisational values have been set by West Lothian Council and a wide range of information about services and performance is available. The council has a set of key documents that reflects its aims and objectives, such as the community plan, SOA and corporate plan. These documents cascade down into locality plans and management plans.

107. The council has a number of ambitious programmes which demonstrate vision. These include delivering more than 700 new high quality affordable homes by 2012, and investment of £93million in schools, roads and community facilities in 2009/10.

108. There is a clear and consistent commitment to priority programmes with little or no evidence of uncertainty or changes in major policies due to political or financial pressures. Due to the current economic climate it is recognised that council planning will require clearer prioritisation.

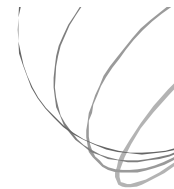
109. By July this year a number of council services had received the Customer Service Excellence Award, which replaces the Chartermark award previously held. More recently, in September, the council achieved the EFQM (European Foundation for Quality Management) Recognised for Excellence Five Star (Gold) Level Award.



Performance management

110. The council uses covalent performance management system to monitor and report on various aspects of performance against service standards and customer satisfaction. There are around 3000 performance indicators including those relating to council initiatives in the system in total, with a core set at service level measuring:
- customer service
 - how customers view the service
 - efficiency of services
 - effectiveness of outcome measures.
111. Service managers monitor their performance indicators on a regular basis and compare their service performance to previous levels.
112. Reports are submitted quarterly to the various PDSP's . At the beginning of the financial year the PDSP's receive a full list of indicators and thereafter they receive reports detailing those indicators which show either that performance is below target or performance is below target but within the agreed threshold. The PDSP's discuss performance and can request further updates or investigation of indicators which highlight significant improvements or decline in performance.
113. In April/May this year, an audit was carried out by internal audit on the covalent performance management system. The results of the audit showed that out of a random sample of 22 high level performance indicators:
- 18 were up to date; four indicators were not up to date
 - three indicators could not be checked as back-up information was not available or was not auditable
 - four indicators either had material errors or were estimates, which turned out to be materially different from actual.
114. Further follow up audits will be conducted by Internal Audit and services have been reminded to give Covalent due attention and priority. This will become increasingly important as the data held on covalent will be used in public performance reporting.

Action plan no. 2



Statutory performance indicators

115. One of the ways of measuring council performance is through the statutory performance indicators (SPIs). A total of 58 SPIs were reported in September 2009. Chart 2 below highlights how performance overall compares to that reported in 2007/08. Some of the areas where performance has improved are:

- there has been an increase of 51% in other adults with residential staff qualifications
- an increase of 30% of total number of homecare hours
- the number of council buildings accessible to disabled people has increased by 23%
- the time taken to deal with non-domestic noise complaints has decreased by 96%; and
- the number of refuse collection complaints has decreased by 19%.

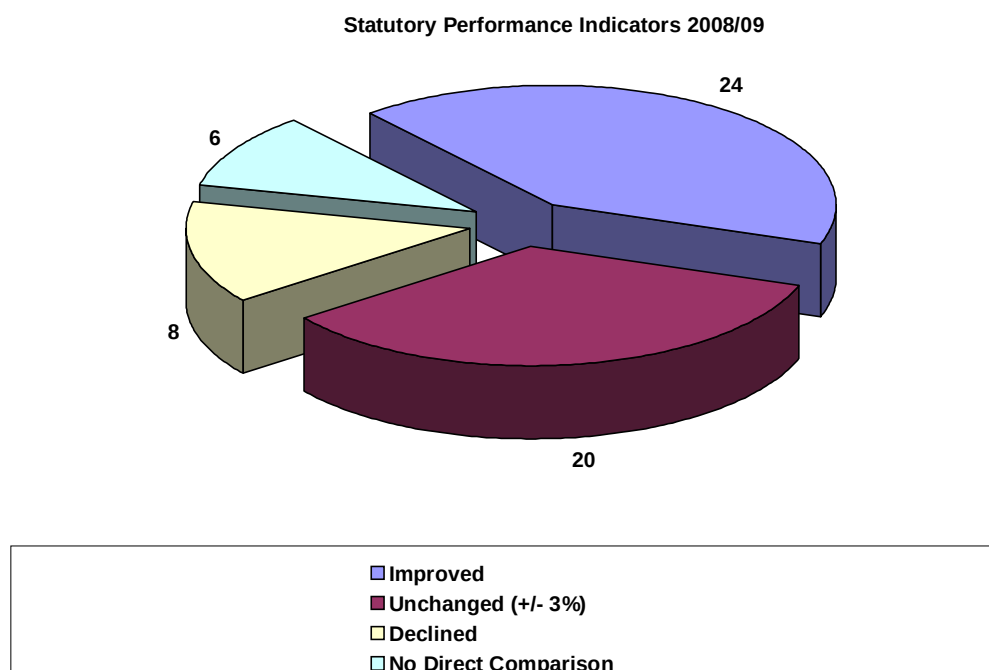
116. The key areas where performance has declined are:

- there has been a decrease in looked after children academic achievement of between 20% and 34% in each section
- the use of libraries has decreased by 17%
- the average hours per week to complete community orders has increased by 22%
- the average number of council houses sold in 26 weeks has decreased by 10%.

117. A report was submitted to the performance committee in October 2009 highlighting the improvements and reductions in performance during 2008/09. Consideration was given to the report and it was decided that action would be determined by the Performance Committee once the Best Value manager had provided a report that compared West Lothian Council's Statutory Performance Indicators against other local authorities. As in previous years, this will be done following the publication of all Scotland data by Audit Scotland in December 2009.



Chart 2: Improvements demonstrated by SPIs (Total 58 indicators)



118. Each year we review the reliability of the council's arrangements to prepare SPIs. Overall, the quality of working papers provided to support the SPIs was good. Two indicators were classified as unreliable due to incomplete information. One of these indicators was the number of street light failures which has been discontinued. The other indicator, being a new indicator, is expected to be assessed as reliable in 2009/10.

Equality and Diversity

119. Equality and diversity are widely recognised as fundamentally important factors in the sound management of a modern, effective organisation.

120. In November 2008 the Accounts Commission published a report titled '*The impact of the race equality duty on council services*'. The report found that while councils have developed policies on race equality they now need to ensure that these have a positive impact on people from minority ethnic communities, through the design and delivery of services. The report concludes that councils need to build a better understanding of the needs of their minority ethnic communities; mainstream their approach to race equality; and give more priority to race equality in delivering services. West Lothian Council prepared a position statement which demonstrated that all recommendations in the report have been addressed or are in the process of being addressed. The statement also includes information on how the council intends to demonstrate continuous improvement.



121. In West Lothian Council diversity is seen as part of the equalities approach and some aspects are covered by the council's people strategy, for example a commitment to "recognise the worth" of employees and to celebrate success.
122. West Lothian Council has an equality policy and action plans are required for 3 key schemes: the Disability Discrimination Act, Employment Act and Race Relations Act.
123. There also exists a policy statement on equal pay, gender equality scheme, equality impact assessment toolkit, policy on equality, disability equality scheme, and a disability equality policy.

Efficiency

124. The council is pursuing a strategic and longer term approach to efficiencies. Key elements of this strategy include the diagnostic pathway, flexible working, driving down sickness absence, electronic document management, lean management, the move to the civic centre and the improvement framework. Priority areas for the diagnostic are customer access, management structures, procurement, administrative support, and supporting localities. Flexible working is expected to deliver financial benefits from increased productivity by eliminating 'dead time', reduced requirement for property and a lower carbon footprint. Flexible working also aims to benefit services by improving customer responsiveness and staff, by providing more flexibility and a better work life balance.
125. Tackling climate change and making the best use of resources require the efficient use of energy. In 2008, we published a report on this subject: *Improving Energy Efficiency*. Our report concluded that the public sector in Scotland has made progress in using energy more efficiently, recording a 5% decrease in energy consumption in councils for the three years to March 2007. However, the amount spent on energy, over the same period, increased by 47% due to price increases. Public bodies are recommended to develop and implement robust energy strategies and to encourage the necessary changes to culture and behaviour.
126. There are three key climate change related programmes for West Lothian and the relationship between them and the anticipated legislation is as follows:

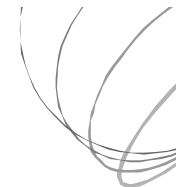
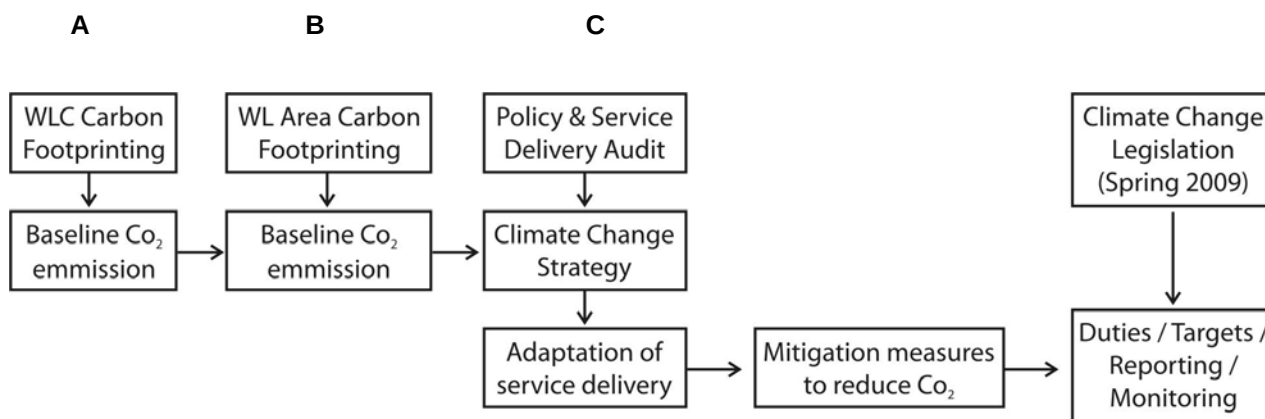


Exhibit 3



127. These closely related work programmes have been started in 2008/09. The aim of the programmes is to enable the council to respond to future anticipated targets set by the government and place it in a position to lead on what is the most severe environmental problem to which it will have to respond.

128. There is a carbon management plan, adopted by the council in May 2009, which sets a target for the council of a 20% (i.e. 4.3% gas + 15.7% electricity) carbon emission reduction in its buildings and street lights by 2014.

Progress on delivery of the council's best value improvement plan

129. The findings from the first best value and community planning audit in West Lothian Council were published in 2005. In intervening years short follow-up reviews are carried out by the local auditor. The 2005 best value report highlighted that the council demonstrated a clear commitment to best value and community planning. The report stated, however, that the council should continue to develop a comprehensive performance management system and implement a development strategy to enable members to fulfil their scrutiny role. It also noted that the council should further develop public performance reporting in line with statutory guidance and continue to develop its strategic approach to procurement.

130. Since this time the council has made improvements in all of the areas highlighted above. In relation to performance management a monthly review panel was established in April 2009 to scrutinise the performance of each service unit. A programme is being developed to support members in carrying out their scrutiny role. This programme will cover three major areas of scrutiny i.e. performance, policy and strategic review and scrutiny of others. A web based public reporting system based on the Covalent system is being launched before the end of the year and the council approved a three year procurement strategy for the period 2008-2011 in April 2008.



131. The performance committee conducts a continuous assessment of reviews of WLAM, and the Chief Executive and Senior Officers review each of the WLAM units on a cyclical basis. The purpose of these reviews is to establish current performance and identify services which require improvement, in line with the adopted improvement strategy.

Other scrutiny and inspection reports

132. The Social Work Inspection Agency (SWIA) published a follow-up inspection in March 2009. SWIA recognised the high value and level of effectiveness of the council's social work services to people in need, and set out many examples of good practice from which other local authorities could learn. In the course of the period since the performance inspection report was published in 2007, social policy has made efforts to improve performance in the areas identified in the report. Significant progress has been made in relation to some of the recommendations but the timing of the single outcome agreements has delayed progress in other areas. In general it was noted that the learning disability plan provides a good foundation for further progress and there are clear indications that the required increase in the pace and scale of change is beginning to take place.

Risk Management

133. Risk is the threat that an event, action or inaction will adversely affect an organisation's ability to achieve its objectives. Risk management is the process of identifying, evaluating and controlling risks. Risk management supports decision making and contributes to performance.
134. The council's risk management policy and strategy requires that an annual report be submitted to the council executive. The report for 2008/09 was submitted in March 2009. The report identifies progress made in respect of the completion of the risk register and the key risks to the council. The annual report noted that there were 2500 active risks included in the risk register of which 75% were being actively managed. The significant risks noted in the report included delay or failure of the waste proposal project, failure to meet legislative requirements in respect of homelessness and affordable housing, and failure to deliver the local structure plan. The report also noted that work is continuing on the partnership business continuity plan for the new civic centre.

Outlook

135. As well as the importance of developing the governance aspects of the SOA; the performance management aspects are also important. The long term and complex nature of many of the outcome targets, pose many challenges for performance management. For example, how can the council tell if its resources are making a difference? We recognise the challenges and whilst we have no plans to audit the outcome progress reports in 2010/11, we will pay attention to the systems West Lothian Council have in place to monitor progress and take remedial action.



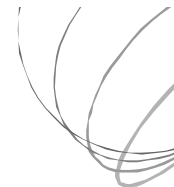
136. We are currently developing our approach to best value 2 by working with five pathfinder councils. From April 2010, we shall be rolling out the new approach to all Scottish councils. The timing of the council's best value audit will be determined by a risk assessment. We will report the risk assessment in March 2010.
137. The risk assessment will be carried out in conjunction with other scrutiny bodies. That means that not only will it determine the timing and scope of the best value 2 audit of the council, but it will also identify the timing and scope of other scrutiny work. Along with the other bodies, we intend to publish a scrutiny plan for each council covering all scrutiny activity over a three year period.



Appendix A

External audit reports and audit opinions issued for 2008/09

Title of report or opinion	Date of issue
Strategic audit risk analysis	27/3/09
Key financial controls report	18/6/09
Education maintenance allowance certification	29/5/09
Statutory performance indicators	17/9/09
Criminal Justice claim certification	25/9/09
Report on financial statements to those charged with governance	15/9/09
Information management audit	15/9/09
Follow-up ICT service review	15/9/09
Audit opinion on the 2008/09 financial statements	29/9/09



Appendix B: Action Plan

Key Risk Areas and Planned Management Action

Action Point	Risk Identified	Planned Management Action	Responsible Officer	Target Date
1	Financial Pressures Funding settlements, increased cost pressures, economic conditions and reduced flexibility are contributing to greater financial pressures for the council moving forward. Risk: The council may not be able to respond to these pressures and this may affect services or/ local taxation levels.	Heads of Service are fully aware of and committed to delivering efficiencies in their service. Service budgets will be closely monitored to ensure target efficiencies are being delivered. The council will continue to plan ahead and budget for emerging financial pressures and will continue to keep the level of unallocated general fund balance under review to ensure it is sufficient to limit exposure to financial risk and to deal with unforeseen costs or losses.	Heads of Service Heads of Service Head of Finance	Throughout 2009/10 Throughout 2009/10 Ongoing
2	Performance Reporting In future single outcome agreement's (SOA's) will be used to engage partners and to monitor performance. It is important therefore that the council develops robust governance arrangements for the development and monitoring of this key document. Risk: The current performance monitoring and reporting system does not align to the SOA.	The council has confirmed this is the case and work is in hand to extend the system to community partners in order to simplify and standardise public and management reporting against the SOA. Management are currently taking action to ensure the accuracy of data in the Covalent system.	Community Planning Manager	Throughout 2009/10
3	IFRS The council has arrangements for managing the introduction of IFRS but now needs to demonstrate taking actions against its overall project plan Risk: The council may not be prepared for producing IFRS compliant financial statements	The Head of Finance is fully aware of the requirements of IFRS and will ensure that there are appropriate preparations and training, including a project plan to co-ordinate work.	Head of Finance	March 2010