
1. Executive Summary

Introduction

- 1.1 On 31 March 2000 both the Prime Minister and Scotland's First Minister made parallel announcements that:
- ◆ by 2005 all public services that are capable of electronic delivery will be available in this form;
 - ◆ public services will be available 24 hours a day, seven days a week where there is a demand; and
 - ◆ people will be able to notify different parts of government of changes in circumstances in one transaction.
- 1.2 As part of our 2002/03 audit of Argyll & Bute Council, we asked that a short questionnaire be completed to establish the level of on-going preparedness towards achieving the Government's commitment on "information age government", and to gauge the level of provision made for controlling the introduction of new electronic services.
- 1.3 Initially we aim to establish a baseline position by examining three main areas which are critical in handling any project:
- ◆ strategy;
 - ◆ implementation; and
 - ◆ monitoring.
- 1.4 We are aware however, that each organisation must tackle the e-Government agenda in a way that:
- ◆ suits its culture;
 - ◆ is geared to the type of interaction that exists with the public and other organisations it does business with;
 - ◆ takes account of its existing infrastructure;
 - ◆ can take maximum advantage of existing legacy applications systems;
 - ◆ takes advantage of experiences elsewhere in the public or private sector; and
 - ◆ can be properly resourced.
- 1.5 We are also aware that different organisations cannot address all issues in the first instance, and have instead been concentrating on the areas it feels are most relevant to them. It is not the intention of this audit therefore, to develop league tables, or compare one organisation against another.

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- 1.6 Our findings are based on a review of documentation provided and discussions with staff based in the Council's Graham Williamson IT Centre in Helensburgh.
 - 1.7 We conduct our audit in accordance with Audit Scotland's Code of Practice. The Code makes clear that it is the responsibility of management to ensure that internal control systems are appropriate.
 - 1.8 This report summarises the findings from our audit work and, where appropriate, makes recommendations to strengthen existing controls or otherwise address any identified weaknesses. It should be noted that the weaknesses recorded are only those which came to our attention during the course of normal audit work and are not necessarily, therefore, all of the weaknesses that may exist.
 - 1.9 Although this report includes a number of specific recommendations to strengthen internal controls, it is the responsibility of management to decide the extent of the internal control system appropriate to the Council. We would stress, however, that an effective internal control system is an essential part of the efficient management of any organisation.
 - 1.10 The assistance and co-operation of all staff interviewed during the course of this review is gratefully acknowledged.

Main findings and conclusions

Strategy

- 1.11 The Council gave comprehensive consideration to the issues facing the organisation and the actions required in its 21st Century Government Action Plan (The Action Plan). The Action Plan aims to address the following themes:
 - ◆ services focused on the citizen and the business;
 - ◆ joined-up government;
 - ◆ electronic delivery; and
 - ◆ use of technology to improve the efficiency of internal processes.
- 1.12 The Action Plan recognises that the nature of the geography and demographics of the Argyll and Bute area lends itself to gain major advantages in service delivery through the use of data communications, disproportionately so compared with densely populated areas. The Action Plan also emphasises the relative unavailability and costliness of communications technology in the area, calling on central government to implement measures to address this disparity.
- 1.13 Various individual projects relating to Modernising Government are underway. The Council funded a project for a Corporate Document Management and Workflow system. All incoming and outgoing correspondence relating to Revenues and Benefits is scanned into digital files. This project makes documentation available throughout the Council regardless of where physical files are held. This new system will be evaluated for further roll-out in due course.

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- 1.14 Funding was obtained for 6 projects from the Modernising Government Fund (MGF), with the Council contributing proportionately. One of these projects, The Three Islands Project, was co-funded by Argyll and Islands Enterprise. The aim of this project was to provide remote island communities with a range of services equivalent to that obtainable on the mainland using electronic means. This project also served as a test-bed for the development of a multi-agency one-stop shop.
- 1.15 Plans are underway for the Council to buy into the Scottish Executive's e-Procurement project. The business case is being prepared for formal approval during December 2003 with a view to complete first phase implementation by the end of March 2004. This e-Procurement project is a collaborative project with funding from the Scottish Executive, Authorities Buying Consortium (ABC) reserve and individual councils.
- 1.16 Other projects include the Young Scot / Dialogue Youth project where, in phase 1, a youth discount and service access card was introduced and in phase 2 extended to provide for cashless catering in schools. The Data Standards project that is underway aims to establish a local Land and Property Gazetteer with linkage to the National equivalent. The Council is further participating in the ScotXed project, aimed at developing a data exchange between schools and the Scottish Education Department.
- 1.17 The Council's Action Plan acknowledges in paragraph 4.1.1 that "Truly modernising government will require the Council, and its partners, to have the ability to embrace these projects, bring them in to the mainstream and continuously reinvent itself." The Action Plan makes further reference to the re-engineering of service delivery in order to successfully achieve the 21st Century Government objectives (paragraph 3.6).

Implementation

- 1.18 The Council identified services that could be provided electronically in the Scottish Executive's Electronic Service Delivery questionnaire that was completed at the end of 2002 and published in March 2003. This document estimated that the majority of services (60%) will be delivered via contact centre, 25% online and 15% face-to-face.
- 1.19 MGF round two funding for a customer contact centre did not materialise and the Council is reviewing the options available to achieve the systems integration that will enable electronic delivery of services. Various issues are hampering progress in this respect, in particular communication technology availability and the geographical dispersion of different services.
- 1.20 We are pleased to report that the Council is implementing an Information Security Management System based on the best practice contained in BS 7799. As part of this project the Council has already prepared guidance for the different users, including a data protection handbook, policies and procedures relating to Information Security, Data protection, Email Security and Internet Security.

1.21 It is encouraging to note that the Council keeps data protection under constant review, specifically relating to new electronic services becoming available. The Data Protection Register was recently updated to incorporate the purposes and uses of data held on the Integration of Scottish Criminal Justice Information Systems (ISCJIS).

Monitoring

1.22 Projects are being monitored using the Prince project management methodology. The two Acting Heads of IT report progress to the Council Management Team on a quarterly basis. At the time of this audit review the new Head of ICT and Financial Services was being established. This appointment forms part of a reorganisation in the Council's organisational structure and the Head of ICT and Financial Services reports to the Strategic Director of Corporate Services.

Comments for consideration

1.23 A detailed audit of e-Government projects was beyond the scope of this review and it is not appropriate to offer an opinion on controls. However, we would offer the following comments for consideration:

- ◆ Information and Communication Technology is fundamental to enabling e-Government. Effective achievement of the 21st Century Government Agenda relies heavily on the appropriate steering of the ICT function to enable the various Services to deliver through this means.

Refer Action Plan No. 1

- ◆ Though funding for a customer contact centre did not become available the Council is reviewing options to enable this aspect of electronic service delivery. The development of a customer contact centre would have been instrumental in re-engineering current work practices and modernising this element of service delivery.

Refer Action Plan No. 2

2. Action Plan

Para Ref	No	Recommendation	Responsible Officer	Action	Date	Update 30 April 2004
1.23	1	The Council should consider creating an “Information and Communication Steering Group” or equivalent with representation from all Services. This group should steer the Council’s ICT function to introduce electronic service delivery and aim for best value on a Council-wide basis.	Head of ICT and Financial Services	The ICT Strategy Working Group is being established with the aim of formulating a strategy and monitoring it’s implementation.	August 2004	On target
1.23	2	With the customer contact centre project not progressing according to timescales originally agreed, the Council should assess the current position and take action to reflect the way forward in their 21 st Century Government Agenda.	Head of Democratic Services and Governance	The strategic plan is being developed for approval by the Strategic Management Team and Strategic Policy Committee.	July 2004	On target