Disclosure Scotland

Annual report on the 2011/12 audit

AUDIT SCOTLAND

Prepared for Disclosure Scotland and the Auditor General for Scotland

November 2012

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

Contents

Key messages

2011/12 findings

The financial challenges facing the Scottish public sector are well documented, with public bodies facing deep and prolonged cuts in funding. In 2011/12 we assessed the key strategic and financial risks being faced by the Disclosure Scotland. We audited the financial statements and we also reviewed the use of resources and aspects of performance management and governance. This report sets out our key findings.

Financial statements

We have given an unqualified audit report on the financial statements of Disclosure Scotland for 2011/12. We also concluded that in all material respects, the expenditure and income shown in the financial statements were incurred or applied in accordance with applicable enactments and relevant guidance issued by Scottish Ministers.

As recorded in the financial statements, over the year there has been progress in resolving the problems relating to the introduction of the IT system designed to support the Protecting Vulnerable Groups (PVG) legislation. As a result it has not been necessary to repeat the emphasis of matter paragraph that was included in the 2010/11 audit report.

Financial position and use of resources

In 2011/12 Disclosure Scotland operated within the budget set by Scottish Ministers. Both income and expenditure increased by over 30% from the previous year. This increase reflects the growth in the number of basic disclosure applications together with the first full year of the operation of the PVG scheme which has a higher initial fee.

Governance and accountability

As recorded in the Governance Statement within the 2011/12 financial statements, Disclosure Scotland has developed appropriate procedures relating to internal control and risk management, including oversight arrangements. The Governance Statement also records the response to the challenges presented by the difficulties arising with the PVG IT system. Overall, we have agreed with the comments made in the governance statement and were able to conclude that Disclosure Scotland's governance arrangements in 2011/12 were soundly based and operated effectively.

Performance and best value

Disclosure Scotland has also established arrangements for recording and managing performance in processing disclosure applications and other aspects of business operations. In 2011/12 Disclosure Scotland met its main public performance target of producing 90% of disclosures within 14 days, in spite of the challenges created by the introduction of the new PVG legislation and the related IT system problems.

Outlook

Disclosure Scotland's budget for 2012/13 is higher than for 2011/12 reflecting additional capital funding for the next stage of the PVG IT project, in anticipation of the successful resolution of the initial difficulties.

Disclosure Scotland must continue to remain alert to the potential variability in demand for disclosure notices and the importance of its forward projections and financial modelling to its successful financial management in potentially challenging circumstances. The re-tendering of the arrangement with a private sector partner may afford an opportunity for Disclosure Scotland to improve management and financial accounting information (including a common base for both) and facilitate analysis which would help manage changes in demand.

Introduction

1. This report is the summary of our findings arising from the 2011/12 audit of Disclosure Scotland. The purpose of the annual audit report is to set out concisely the scope, nature and extent of the audit, and to summarise the auditor's opinions (i.e. on the financial statements) and conclusions and any significant issues arising. The report is divided into sections which reflect the extent of our public sector audit model.

2. Reports have been issued in the course of the year in which we make recommendations for improvements (Appendix A). We do not repeat all of these findings in this report, but instead we focus on the financial statements and any significant findings from our wider review of Disclosure Scotland.

3. Appendix B is an action plan setting out the high level risks we have identified from the audit. Officers have considered the issues and agreed to take the specific steps in the column headed "planned management action". We do not expect all risks to be eliminated or even minimised. What we expect is that Disclosure Scotland understands its risks and has arrangements in place to manage these risks. The Accountable Officer, with advice from the Audit and Risk Committee should ensure that they are satisfied with the proposed management action and have a mechanism in place to assess progress.

4. This report is addressed to the Accountable Officer of Disclosure Scotland and the Auditor General for Scotland, and should form a key part of discussions with the Audit and Risk Committee, either prior to or as soon as possible after the formal completion of the audit of the financial statements. Reports should be available to the Scottish Parliament, other stakeholders and the public, where appropriate. Audit is an essential element of accountability and the process of public reporting.

5. This report will be published on our website after consideration by the Audit and Risk Committee.

6. The management of Disclosure Scotland is responsible for preparing financial statements that show a true and fair view and for implementing appropriate internal control systems. Weaknesses or risks identified by auditors are only those which have come to our attention during our normal audit work, and may not be all that exist. Communication by auditors of matters arising from the audit of the financial statements or of risks or weaknesses does not absolve management from its responsibility to address the issues raised and to maintain an adequate system of control.

Financial statements

7. Audited bodies' financial statements are an essential part of accounting for their stewardship of the resources made available to them and their performance in the use of those resources.

8. We are required to audit financial statements in accordance with the timescales set by Audit Scotland, which may be shorter than statutory requirements, and give an opinion on:
   - whether they give a true and fair view of the financial position of audited bodies and their expenditure and income
   - whether they have been properly prepared in accordance with relevant legislation, the applicable accounting framework and other reporting requirements
   - the regularity of the expenditure and income.

9. We review and report on, as appropriate, other information published with the financial statements, including the management commentary, the annual governance statement, and the remuneration report. We also review and report on the Scottish Government Consolidation Pack. This section summarises the results of our audit on the financial statements.

Audit opinion

10. We have given an unqualified opinion that the financial statements of the Disclosure Scotland give a true and fair view of the state of body's affairs and its net operating cost for the year.

11. Disclosure Scotland is required to follow the 2011/12 Government Financial Reporting Manual (the FReM), and we confirmed that the financial statements have been properly prepared in accordance with the FReM. We also confirmed that relevant parts of the remuneration report had been properly prepared and that information given in the management commentary was consistent with the financial statements.

12. We have also reviewed Disclosure Scotland's governance statement and concluded that it complies with Scottish Government guidance.

Regularity

13. We confirmed that the expenditure and income in the financial statements was in accordance with applicable legislation and Ministerial guidance.

Accounting issues

Accounts submission

14. The consolidation pack was submitted for audit on 31 May 2012, with the annual report and accounts submitted for audit on 25 June, both in accordance with the pre-agreed timetable. Matters arising were discussed on a regular basis with the Head of Finance at Disclosure

Scotland. Clearance was provided on the consolidation pack on 13 July 2012. A final draft of the ISA 260 was issued to the Audit and Risk Committee for their meeting on 14 August 2012. Management corrected all identified and agreed mis-statements prior to the finalisation of the financial statements.

15. The financial statements were signed by the Accountable Officer on 27 August with the independent auditor's report signed on 29 August 2012.

Protecting Vulnerable Groups (PVG) asset

16. In 2010/11 the independent auditor's report, while not qualified, included an emphasis of matter paragraph, which explained the uncertainty surrounding the final outcome on the PVG recovery plan. This was in line with the requirements of auditing and accounting standards. In 2011/12 we have taken the view that the uncertainty surrounding the judgements involved has reduced considerably and that it is no longer necessary to include an emphasis of matter paragraph. The 2011/12 accounts record the progress of remedial action to resolve the initial difficulties on the introduction of the scheme; and, in light of this, concludes the PVG asset should not be impaired. It is important that Disclosure Scotland continue to prioritise the management of the PVG IT project and to monitor the valuation of the asset going forward.

Refer Action Plan no.1

Income recognition

17. To provide additional assurance on the fee income recognised, Disclosure Scotland compare (monthly, with annual summary) the turnover figure generated by the Management Information System, with the cash-based figures of monies banked and movement on debtors. There are legitimate reasons (timing differences) for these two streams of information to differ. However; in 2011/12, coinciding with the introduction of the PVG arrangements, we note there was greater fluctuation in the differences than previously. We consider this to be an area that should be reviewed by management and better understood in 2012/13. Accounting arrangements for recognition of income (and related expenditure) are also important for financial management and we consider this aspect in the following section of the report.

Refer Action Plan no.2

Outlook

18. There have been no substantive changes in the financial reporting framework (FReM) for 2012/13 that will have an impact on Disclosure Scotland.

Financial position

19. Audited bodies are responsible for conducting their affairs and for putting in place proper arrangements to ensure that their financial position is soundly based.

20. We consider whether audited bodies have established adequate arrangements and examine:
    - financial performance in the period under audit
    - compliance with any statutory financial requirements and financial targets
    - ability to meet known or contingent, statutory and other financial obligations
    - responses to developments which may have an impact on the financial position
    - financial plans for future periods.

21. These are key areas in the current economic circumstances. This section summarises the financial position and outlook for the organisation.

Financial results

Annual outturn

22. Disclosure Scotland is expected to be largely self-funding from fees paid for disclosures by applicants or employers. The Scottish Government provides additional funding for specific purposes. The organisation is therefore required to work within its resource budget set by the Scottish Government. Net operating costs of £3.1 million were met by funding from the Scottish Consolidated Fund (£7.1 million) resulting in a surplus of £4.0 million.

23. The underspend in relation to Parliamentary budget relates to the PVG IT scheme; there was a delay in the need to meet certain costs for PVG scheme implementation that were included in the 2011/12 budget; also, £2 million was received from BT towards the year end in compensation for extra costs incurred by Disclosure Scotland in "work-arounds" to meet their service requirements in face of the disruption to the expected service of the PVG IT system, and this has been netted against the relevant expenditure items in the accounts. Exhibit 1 below outlines the performance against budget:

Exhibit 1: Disclosure Scotland performance against resource budget 2011/12

	Actual Outturn £m	Budget* £m	Difference £m
Income	(31.7)	(31.2)	0.5
Expenditure	34.8	38.3	3.5
Net expenditure	3.1	7.1	4.0
Overall surplus	4.0	0.0	N/A

**Budget as per Spring Budget revision, although there were subsequent internal adjustments agreed with the Scottish Government reducing this budget*

Disclosure Scotland financial statements 2011/12 and Budget Documents

24. Operating costs were £34.8 million, £3.5 million less than the £38.3 million originally budgeted; income earned was £31.7million, £0.5 million higher than the £31.2 million originally budgeted. Operating costs for 2010/11 were £25.8 million and related income was £24.0 million, representing an increase of approximately 33% over the year.

25. The increase in outturn from 2010/11 reflects the growth in the basic disclosure market and the first full year of the PVG scheme which has a higher initial disclosure fee.

Budgetary control and financial planning

26. Our review of Disclosure Scotland's budget setting and monitoring arrangements was satisfactory. We found that senior management were receiving budget monitoring reports on a regular (monthly) basis with regular reports presented to the Audit and Risk Committee. We also noted that these reports continue to be developed by management in order to provide better quality information to members.

27. We note the demand-led nature of Disclosure Scotland's business and the importance of its management accounting and reporting arrangements to the financial management of the organisation. There remains an on-going need to monitor trends and developments as the pattern of business changes with time.

Financial position

28. The Statement of Financial Position shows a net asset position of £18.7 million at 31 March 2012 (net assets of £20.7 million for 2010/11). This overall reduction of £2.0 million mainly reflects the depreciation of the PVG asset of £4.2 million as offset by an increase in current assets of £2.2 million.

Financial planning to support priority setting and cost reductions

29. As noted above Disclosure Scotland continues to underspend against its allocation from the Scottish Government. This situation arises directly as a result of the issues surrounding the implementation of the PVG system. Once fully operational and all legacy systems are withdrawn, it is expected that the organisation will be able to move forwards and plan more effectively on a continuing basis.

Outlook

2012/13 budget

30. In the Budget Bill the Scottish Ministers allocated a resource budget of £10.3 million for the financial year 2012/13; this comprises a net revenue budget of £7.2 million and £3.1 million of capital budget for further expenditure on the PVG asset.

31. As at 30 June 2012 Disclosure Scotland identified an overspend against budget of £7,000 with net expenditure for the period totalling £6.2 million. Outturn as at 31 March 2013 has been projected as an underspend of £2 million, after taking account of Scottish Government funding.

32. We have noted above the importance of the management accounting arrangements to the financial management of Disclosure Scotland, as a demand-led business. We are aware that Disclosure Scotland will undertake a re-tendering exercise in relation to aspects of the service currently performed by BT. Management should take this opportunity to review the accounting policies, processes and procedures to ensure that the contract specification appropriately reflects key aspects of financial requirements, for example, the recognition of income (and related expenditure); improving, as practicable, on the existing "audit trail" between the financial records and management information; and facilitating forecasting and other management accounting arrangements.

Refer Action Plan no.3

Governance and accountability

33. The three fundamental principles of corporate governance – openness, integrity and accountability – apply to all audited bodies, whether their members are elected or appointed, or whether they comprise groups of people or an individual accountable officer.

34. Through its chief executive or accountable officer, each body is responsible for establishing arrangements for ensuring the proper conduct of its affairs including the legality of activities and transactions, and for monitoring the adequacy and effectiveness of these arrangements. Audited bodies usually involve those charged with governance (including audit committees or similar groups) in monitoring these arrangements.

35. Consistent with the wider scope of public audit, auditors have a responsibility to review and report on audited bodies' corporate governance arrangements as they relate to:
    - corporate governance and systems of internal control
    - the prevention and detection of fraud and irregularity
    - standards of conduct and arrangements for the prevention and detection of corruption.

36. In this part of the report we comment on key areas of governance.

Corporate governance

Overall effectiveness

37. Disclosure Scotland has a range of policies and procedures which govern its activities and behaviours which are subject to ongoing review and development. We found that overall, corporate governance arrangements operated effectively during 2011/12.

Processes and committees

38. The Accountable Officer, supported by the Executive Team and Strategic Board, is responsible for ensuring that Disclosure Scotland fulfils the aims and objectives set by Scottish Ministers. The role of the Board in 2011/12 included helping to oversee the overall strategic direction, supporting the Agency's monitoring of performance and assisting with ensuring that statutory requirements for the use of public funds are complied with.

39. The Audit and Risk Committee monitors and reviews risk, control and corporate governance and reports to the Board.

40. Our audit procedures have confirmed the operation of these arrangements and their continued further development over the year.

Internal control

41. While auditors concentrate on significant systems and key controls in support of the opinion on the financial statements, their wider responsibilities require them to consider the financial systems and controls of audited bodies as a whole. However, the extent of this work should also be informed by their assessment of risk and the activities of internal audit.

42. As part of our risk assessment and planning process we assessed the Scottish Government Internal Audit Division, Disclosure Scotland's internal auditors, and concluded that they operate in accordance with the Government Internal Audit Manual. We were therefore able to place reliance on their work in a number of areas as detailed within our annual audit plan.

43. In their annual report for 2011/12, Scottish Government Internal Audit Division provided their opinion that, based on the internal audit work undertaken during the year, there was reasonable assurance in respect of the Agency's risk management, control, and governance arrangements; their assessment included reviewing the adequacy and effectiveness of internal controls.

44. In the interests of an efficient audit approach we also rely on assurances received from the auditor of the Scottish Government on work performed on the shared systems that operate at Disclosure Scotland, which are hosted by the Scottish Government. This approach ensures we are delivering an efficient co-ordinated audit that avoids unnecessary duplication and expense.

45. The central systems assurance letter provided by the auditor of the Scottish Government concluded that there was adequate assurance for all systems that Disclosure Scotland uses. Adequate assurance is where key controls and procedures are operating to enable reliance to be placed on the system.

46. Our audit approach includes a review of the high level controls operating within Disclosure Scotland's key financial systems. Our overall conclusion from the 2011/12 review was that key controls were operating effectively and that Disclosure Scotland has adequate systems of internal control in place. We provided more detailed comment on specific aspects in our letter to management covering less significant matters arising.

47. Our interim audit work identified no material weaknesses in the accounting and internal control systems that would adversely affect the ability to record, process, summarise and report financial and other relevant data so as to result in a material misstatement in the accounts.

Governance statement

48. In 2011/12 Disclosure Scotland included a governance statement in its annual accounts for the first time. In accordance with Scottish Government guidance, this included description and assessment of the essential components of corporate governance and details of any significant risk-related matters arising during the period. Prior to this, a Statement of Internal Control was included.

49. The Statement records the further development of arrangements, including the implementation of the PVG system and the arrangements put in place to manage the difficulties arising and remedial actions. We consider that the 2011/12 Governance Statement has been fairly stated and reflects management's responsibilities and processes by which the assurances on the system of internal control are obtained.

Prevention and detection of fraud and irregularities

50. Disclosure Scotland is responsible for establishing arrangements to prevent and detect fraud and other irregularity. We review and report on these arrangements.

51. Disclosure Scotland has appropriate arrangements in place (based on Scottish Government guidance) to prevent and detect instances of fraud and corruption. We are aware that there was fraudulent activity on a Disclosure Scotland Government Procurement Card (GPC) which was identified by the bank which manages the GPC scheme. This was an external fraud perpetrated on-line, involving 7 transactions with a total value of £750, which was promptly credited back to Disclosure Scotland by the bank. Disclosure Scotland confirmed to the bank that the transactions concerned were not authorised by Disclosure Scotland and have therefore suffered no loss. Management have confirmed that controls in operation at Disclosure Scotland and Scottish Government would have detected this unauthorised use of the card. Otherwise there were no instances of fraud or corruption reported by Disclosure Scotland in 2011/12.

Standards of conduct and arrangements for the prevention and detection of bribery and corruption

52. Audited bodies are responsible for ensuring that their affairs are managed in accordance with proper standards of conduct and have proper arrangements in place for implementing and monitoring compliance with standards and codes of conduct, standing orders and financial instructions. Auditors consider whether bodies have adequate arrangements in place. We have concluded that the arrangements in Disclosure Scotland are satisfactory and we are not aware of any specific issues that we need to identify in this report.

Outlook

53. We note the continued progress that Disclosure Scotland has made in developing its corporate governance arrangements. In 2012/13 Disclosure Scotland will need to continue to prioritise the successful outcome for the PVG recovery plan; the migration of all work to the new system; and the implementation and documentation of internal control arrangements relating to the new arrangements. In addition, management will need to maintain the momentum on the procurement exercise for retendering the current partnership arrangement.

Best value, use of resources and performance

54. Audited bodies have a specific responsibility to ensure that arrangements have been made to secure best value. The Auditor General may require that auditors consider whether accountable officers have put in place appropriate arrangements to satisfy their duty of best value. Where no requirements are specified for auditors in a period they may, in conjunction with their audited bodies, agree to undertake local work in this area.

55. As part of their statutory responsibilities, the Auditor General may procure, through Audit Scotland, examinations of the use of resources by audited bodies and publish reports or guidance. We, as appointed auditors, may be requested from time to time to participate in:

- a performance audit which may result in the publication of a national report
- an examination of the implications of a particular topic or performance audit for an audited body at local level
- a review of a body's response to national recommendations.

56. During the course of our audit appointment we also consider and report on progress made by audited bodies in implementing the recommendations arising from reviews in earlier years. We may also consider the use of resources in services or functions, where the need for this is identified through local audit risk assessments.

57. This section includes a commentary on the best value and performance management arrangements within Disclosure Scotland. We also summarise headline performance measures used by Disclosure Scotland, highlight any relevant national reports and comment on the body's response to these.

Management arrangements

Best value

58. The Scottish Government guidance for accountable officers on best value in public services requires a systematic approach to self-evaluation and continuous improvement. The guidance identifies the themes an organisation needs to focus on in order to deliver the duty of best value, but notes that implementation should be appropriate and proportionate to the priorities, operating environment, scale and nature of the body's business.

59. Where possible the principles of best value were applied and as recorded in the management commentary, *'The organisation sought to be efficient and deliver good value across the year. This included negotiating with the major contractor to reimburse the Agency for additional costs incurred as a result of the problems with the new ICT system, thus ensuring that the impact on DS was cost neutral. The Agency made use of the Scottish Government Framework Agreements in its procurement and benefitted from some important shared services with the*

Scottish Government which also added value to operations. Plans are in place to consider further efficiencies and greater value for money once the new PVG system beds down.'

Performance management

60. Disclosure Scotland's principal activity is to contribute to the protection of vulnerable groups in society by providing criminal history information to organisations and potential employers to assist them in making safer, and more informed, recruitment decisions.

Overview of reported performance in 2011/12

61. As recorded in the annual report, Disclosure Scotland received over one million applications in 2011/12. This represented an overall increase of 2% from the previous year. Within that there was a 12% increase in the number of basic disclosures to 829,000. Most of the remaining disclosures were under the new PVG scheme; these replaced the majority of the previous enhanced disclosures but a direct comparison with the previous year numbers is not considered appropriate because of the difference in arrangements. The annual report records for the first time Disclosure Scotland's duty to report annually under section 85 of the PVG Act on their vetting, barring and disclosure functions.

62. One of Disclosure Scotland's key organisational aims is to meet its public performance target (to produce 90% of all types of disclosure within 14 calendar days) and continuously improve the quality and efficiency of the service delivered. The annual report records that 92% of applications received were processed within 14 calendar days (2010/11: 99%); the average processing time was 8.6 days (2010/11: 6.6 days). This performance measure excludes the time that applications are in exception; that is where an enquiry has been sent to a Police Force and the application is on hold. The annual report records that the average overall turnaround time (including the time applications are in exception) was 10.9 days and that 78% of all applications were processed within 14 days (2010/11: 9.9 days and 88% respectively).

63. The annual report also records the Accountable Officer's appreciation of the staff who "have worked extremely well to maintain service performance" in face of the challenges of introducing the PVG scheme and the "considerable progress made within the year in improving the IT introduced in February 2011".

National performance reports

64. Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission and the Auditor General for Scotland. Over the year the Senior Management Team and Strategic Board considered the findings of two national reports, as relevant to Disclosure Scotland: "The role of boards" (September 2010) and "Scotland's public finances - addressing the challenges" (August 2011). The findings from these reports, together with other relevant guidance, were considered by Disclosure Scotland and fed into their plans for developments in these areas.

65. After the year end, Audit Scotland published a report: "Managing ICT contracts: An audit of three public sector programmes" (August 2012). The PVG IT system was one of the projects

examined. The findings of the report are being considered and we will follow up and report on developments as part of the 2012/13 audit.

Outlook

66. In April 2011, the Equality Act 2010 introduced a new public sector 'General Duty' which encourages equality to be mainstreamed into public bodies' core work so that it is not a marginal activity but part and parcel of how public bodies operate. Following on from this the Scottish Government consulted on a set of 'Specific Duties' which came into force in May 2012. There are nine specific duties listed which aim to support public bodies to better perform against the 'General Duty,' including the duty to assess the impact of equalities in all policies and decisions as well as the requirement to publish a set of equality outcomes (and reporting requirements) no later than 30 April 2013.

67. Disclosure Scotland should continue a programme of self evaluation and review of their management arrangements with a view to continuous improvement of performance. As part of this process Disclosure Scotland should have regard to the outcomes of Audit Scotland's programme of performance audits, and consider best value self assessment toolkits, as appropriate to their circumstances.

Appendix A: audit reports

External audit reports and audit opinions issued for 2011/12

Title of report or opinion	Date of issue	Date presented to Audit Committee
Annual Audit Plan	31 January 2012	31 January 2012
Key financial controls assurance report	10 July 2012	10 July 2012
Consolidation pack audit opinion	13 July 2012	N/A
Report on financial statements to those charged with governance	7 August 2012	14 August 2012
Audit opinion on the 2011/12 financial statements	7 August 2012	14 August 2012
2011/12 Annual Audit Report	7 November 2012	13 November 2012

Appendix B: action plan

Key Risk Areas and Planned Management Action

Action Point	Risk Identified	Planned Management Action	Responsible Officer	Target Date
1	**PVG recovery plan** Although good progress has been made with the PVG recovery plan, the system is not yet delivering in accordance with the original specification. ***Risk: The recovery plan does not achieve required performance from the PVG system creating implications for operations and valuation of assets***	DS are monitoring the recovery plan and responding appropriately to the outcomes. The PVG asset valuation will be assessed and the issue of possible impairment will be considered further in the 2012/13 accounts.	PVG project manager Head of Corporate Affairs & Policy	March 2013 March 2013
2	**Income recognition** DS compare the turnover figure generated by the Management Information System, with the cash-based figures of monies banked and movement on debtors. There are legitimate reasons (timing differences) for these two streams of information to differ. However in 2011/12 there was greater fluctuation in the differences than previously. ***Risk: Recorded income may be mis-stated.***	DS will review this control process, including the point of income recognition identified in the Management Information System and "audit trail", in particular in the context of the specification of the revised partnership agreement (see below).	Head of Finance	August 2013
3	**New partnership agreement: review of accounting arrangements** Changes in the pattern of demand have differing effects on DS's finances. Management accounting information is an important element in mitigating risks. The new	In the context of the contract specification for the new partnership agreement DS will review: • accounting policies, processes and procedures for the recognition of income	Accountable Officer / Head of CAP / Head of Finance	August 2013

Action Point	Risk Identified	Planned Management Action	Responsible Officer	Target Date
	partnership agreement may afford an opportunity for DS to improve management information (as well as financial accounting). ***Risk: The new partnership agreement may not facilitate consistent financial information, including analysis which would help manage unanticipated changes in demand creating financial pressures.***	(and related expenditure) • forecasting and other management accounting arrangements. We shall take any opportunity to improve the quality of financial information and the consistency / efficiency in record keeping. It is anticipated that the new contract specifications should be available by August 2013.		