

**FINANCE SERVICES**

**SERVICE PLAN**

**2007/08 – 2009/10**

# Introduction

Welcome to the Finance Services Service Plan. This document provides our stakeholders with a brief description of our services, explains some of the key issues affecting us and aims to put what we do into the context of the organisation as a whole. It also sets out our objectives, what we hope to achieve and the targets we have set ourselves. We will use this plan in the years ahead to help monitor our performance and report on progress. The plan covers a three year period from 2007/08 to 2009/10 but is subject to annual update and review.

## Brief Description of the Service

Finance Services provides a range of risk, business and finance services, both corporate and devolved, to meet the needs of the Council, its members and the 15 service groups across which its services are delivered.

**Central Finance:** Delivering a range of financial services to the Council and its members, including financial strategy, financial planning and management and consolidation for budgeting and closedown. Specialist functions include accountable body services, taxation and treasury and technical financial services incorporating the financial system and payments.

**Support Services Finance:** Delivering financial support to Council Services in managing resources effectively through financial planning, forecasting and monitoring of service budgets. Ensuring the corporate financial responsibilities of the Council are met through the provision of service based financial information for statutory returns and statement of accounts.

**Business Services:** Delivering a range of business services to the Council, members and services, including Internal Audit, Value for Money & Business Development Activity, Risk Management, Strategic Procurement and Education Brokerage (client side).

## Broad Service Objectives

The support we provide has a direct impact on the Council's Aiming High objective in respect of ranking as a high performing Council nationally. The service also plays a key role in the corporate transformation programme, stepping up leading on the value for money and efficiency themes. Through the Corporate Performance Assessment for Use of Resources we currently achieve level 3. In addition, all our work and efforts are aimed towards providing qualitative, efficient and responsive support that best assists our front line services in contributing to corporate goals.

We aim to:

- *Provide for the proper administration of financial affairs and assurance of such in line with the Council's statutory responsibilities*
- *Operate in a way that supports the council's corporate priorities and the service aims, objectives, strategies and plans of all our clients*
- *Provide Value for Money and maintain an environment of continuous improvement in service delivery*
- *Be a good employer, supporting and providing opportunities for all groups and occupations of staff*

## Financial Management

The Service operational budget is comprised primarily of expenditure on staffing and support costs, recovered through charges to internal and external clients. In addition the service looks after over £6m of 'other managed budgets'. These relate to a number of corporate financial issues such as 'corporate and democratic core' costs across the Council, car loans operations, Pensions Act budgets and Magistrates courts costs. The table below sets out the service budget summary. More detailed financial analysis can be found with the Councils financial budget plan.

Set out below is the medium term revenue budget plan for the period 2007/08 to 2009/10.

<b>Finance Services</b>	<b>2007/08 £000</b>	<b>2008/09 £000</b>	<b>2009/10 £000</b>
<b>Base Budget</b>	8015	6392	6489
<b>Variations</b>	-1180	-27	-27
<b>Growth &amp; Inflation</b>	-257	158	167
<b>Efficiencies &amp; Reductions</b>	-186	-34	-139
<b>Estimate</b>	6392	6489	6490
<b>Increased / Decreased Requirements</b>	-1623	97	1

## Budget Management Issues

Over the life Service Plan, there are a number of key budget management issues that the service needs to address:

The service has been allocated an efficiency target for 2007/08 of £125k. A proportion of these savings can be achieved from non staffing budgets however the significant proportion will need to be met through a reduction in posts. Further efficiency targets are anticipated, in line with Gershon requirements for 2008/09 and 2009/10. A range of corporate procurement projects will also result in a reduction in specific budgets for agency staffing and supplies and services.

The medium term strategy for the service places significant emphasis on investment in ICT. This includes procurement of a new financial system. Options for funding are currently being developed. It is likely this will result in a need for prudential borrowing, offset from efficiency savings achieved through implementation.

Budget pressures within the Council have resulted in a formal increase to Treasury Management income targets of £400k from 2007/08. Initial projections indicate this is achievable in the short term but may become a longer term budget pressure on the service subject to changes in interest rates on the cost of borrowing and the level of investment income realised.

The service supports a range of grant funded projects including supporting people. Demands for service support commonly exceed available staffing resources and there is pressure to increase posts both on a short term and long term basis in areas of the service. This is only achievable with additional resources. Work is on-going with services to negotiate funding for any such posts.

To manage budget pressures, improve cost effectiveness and contribute to value for money, the service is planning a significant program of business process re-engineering (BPR). A design team has been established as part of the BPR project plan to map existing processes against new ICT processes, calculating the potential for resource saving and improvements in efficiency.

## Capital Budget Plan: 2007/08 to 2009/10

The service capital budget comprises £3m of capitalised expenditure in relation to equal pay costs. Over the life of the plan the service also expects to undertake capital expenditure in respect of ICT investment. The costs in relation to service ICT schemes will not be finalised until the first stage project plan for the new financial system is complete in April 2007. They have therefore not been included in the capital budget at this stage.

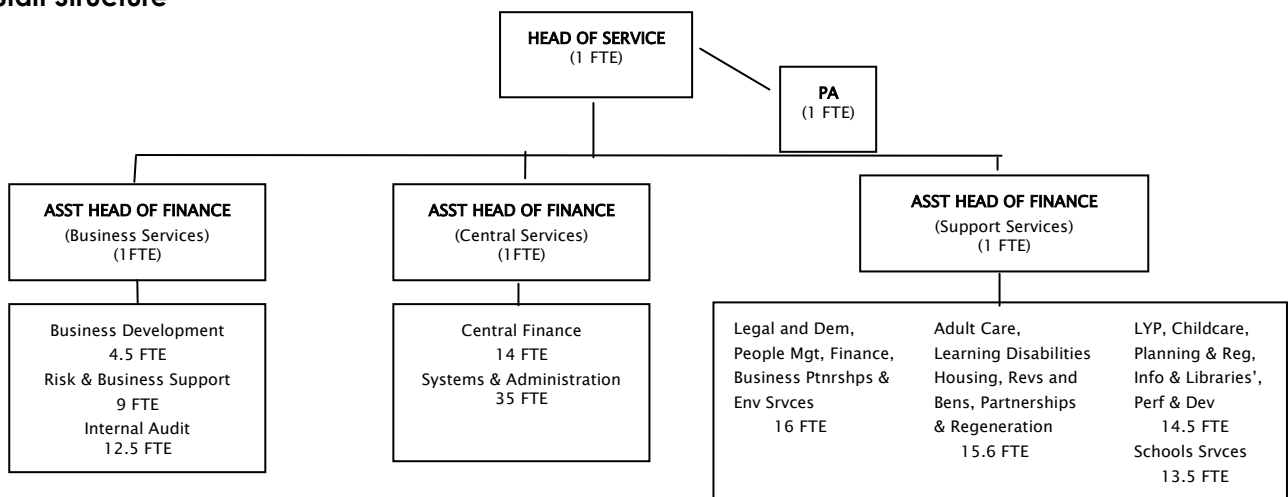
<b>2006/07</b>	<b>Capital Plan Finance</b>	<b>Budget 2007/08 £000</b>	<b>Budget 2008/09 £000</b>	<b>Budget 2009/10 £000</b>	<b>Total Budget £000</b>
0		3000	0	0	3000

**Township Status:** Finance Services is a central service.

## People Management

People management is a key priority for our service. With a total of 139.6 full time equivalents, the commitment and dedication of our staff has a significant impact on the service we can deliver, the quality of that provision and our achievement against targets and outcomes. Investment in staff development and training is very important. Our service and team improvement plans are predicated on a baseline of personal development for all staff that aims to raise aspirations and support achievement. In addition we will provide for a range of management and professional training opportunities that will provide access to qualifications and support for more senior roles. This will be a challenge given pressures on the budget but remains an area that the service is strongly committed to. This area of activity also supports the Council's corporate plan transformational change programme – stepping up, investing in people.

### Staff Structure



### Staff Attendance

The table below sets out the service performance in respect of staff attendance and targets for the life of the plan. The service management team takes an active role in performance managing staff absence and the service is considered to operate a number of good practices in this area.

PI	Description	Target 06/07	Actual 06/07	Target 07/08	Target 08/09	Target 09/10	Upper Quartile National Target	Linked Aiming High Target
ST3	Number of days lost to sickness absence per FTE	9.5	7.8	8.5	8	7.5	8.34	Rank as a high performing council

## Performance Management

This section of the plan helps us to analyse our performance and consider the challenges that will face our service over the next three years. It feeds directly into our action plan and performance indicators set out at the end of the document. References in brackets show the links to actions and targets.

## Achievements for the previous 12 months

- The service achieved an overall Level 3 rating (good) for CPA use of resources, with 7 of the 9 subsections within judgement (those within the control of the service) also achieving level 3.
- Achievement of cost reductions within the financial administration service resulting the unit cost of invoice processing by £0.19 per invoice (2005/06 £2.28 to 2006/07 £2.09).
- Audit Commission commendation of the quality of the internal audit service & the significant role it plays in the development of the Council's overall control environment and risk management arrangements.
- Effective Treasury Management practices resulting in the overachievement of budgeted income (increased investment income and reductions in the costs of borrowing) amounting to over £1m.
- Providing financial support to the Adult Care Services POPS bid, helping to attract £1.02m additional resources.

## Analysis of Performance Information and Review of the Year

**BVPI's:** The service has one BVPI: Number of invoices processed within 30 days. An ambitious target for this indicator was set for 2006/07 of 94%, a 4% increase from on 2005/06. There has been a small improvement in performance during the year, however the target will not be achieved. A number of issues have impacted on this, the most significant of which has been the service restructure, accommodation moves and resulting systems down time. The overall impact is that measures designed to improve performance have not been implemented until the fourth quartile and their impact is yet to be realised. Targets for 2007/08 to 2009/10 reflected the expected performance gains from full year implementation.

**Corporate Indicators:** The service reports on 9 standard corporate indicators and expects to reach or exceed the 2006/07 targets for 8 of these, a performance level of 88%.

- Indicators where the service exceeds the performance target: staff attendance, disabled employment, client satisfaction, staff satisfaction
- Indicators where the service meets the performance target: review of risks, risk register additional control measures (set at 100%)
- Indicators where the service is below the performance target: ethnic minority employment (less than 1% below the target)

**Local indicators:** The service operates a balanced scorecard of 59 local indicators. These include targets for approval and publication of the statement of accounts, budget monitoring, reporting and reconciliation, and production and publication of the statement of internal control. In addition a number of outcomes were established for 2006/07 across areas such as financial management, consolidation and reporting arrangements, Leisure Trust development and risk management practice. Local targets and outcomes are monitored and reported at management team level on a quarterly basis. At quarter 3 2006/07, 141 targets and outcomes out of a total of 158 (89%) were being achieved to plan. A further 11 are expected to be implemented within the financial year taking the total number of targets and outcomes achieved to 96% of the plan. This is a significant achievement alongside the implementation of a major restructure.

## Drivers or Challenges

- During the life of this plan the service will undertake a significant investment in ICT, including the implementation of a new financial system, workflow and electronic data exchange for all our processes (BP9). This will require a significant level of project activity over and above our day to day business, placing a pressure on workloads and challenging service delivery. The service is however committed to improving the quality and efficiency of financial management and financial processes. This programme will deliver that improvement and enhance the value for money provided by finance services. This supports the Council's stepping up programme for VFM and improving services.
- Alongside the investment in ICT, the service will embark on a major programme of Business Process Re-engineering (BPR) across all our key elements of service delivery, improving the services we provide and releasing capacity (BP10). This supports the Council's transformational change programme VFM and improving services.
- We also aim to make improvement in the ways in which we engage and interact with our clients. Client satisfaction currently meets corporate targets but shows a gap compared to staff satisfaction. Although it may not be realistic to achieve the same levels of performance in these areas, over the life of this plan we aim to reduce the gap, achieving a higher level of customer satisfaction. This work also

supports the Council's stepping up programme for customer services. The actions we plan to undertake are included within the service communication strategy established as part of our 2005/06 Service Plan.

- The service plays a leading role in the annual Corporate Performance Assessment (CPA) Use of Resources Judgement, with responsibility for 9 out of 11 of the judgement areas. 7 of the 9 areas score at level 3 whilst the remaining achieve level 2. The service is ambitious and wishes to achieve level 3 as a minimum across all areas of direct responsibility with aspirations towards a level 4 for our strongest performing areas. This is challenging given that the performance requirements within the annual assessment demand progressively higher standards each year, in addition to which, the 2007/08 judgement will bring forward the timetable by 4 months (BP1-BP3).
- There are two judgement areas with the CPA Use of Resources where the service does not have direct responsibility or control. These areas currently score at level 2 or lower and pose a significant risk to maintaining the overall Use of Resources at level 3.
- The service has set some challenging targets in respect of performance against BVPI8, aiming to achieve second quartile performance against national comparators (OC11) by 2008/09. A programme of measures has been developed to achieve this. Performance is however highly dependent on the financial system. Down time from the replacement of that system and BPR work having potential to negatively impact on this indicator.

## Strengths

- Financial Reporting, Financial Standing and Internal Control (Externally accredited to level 3 Use of Resources 2006/07) with recommendation that some areas should be put forward for commendable practice
- Professionally qualified and experienced workforce (63% of staff hold relevant finance / business / management qualifications)
- Staff satisfaction: 2006/07 staff satisfaction identified 92% of finance services staff considered the Council to be a good employer (higher than Council wide average and industry norms)
- Staff attendance levels are sound with an average of between 7.8 days absence per employee expected for 2006/07
- Strong performance against corporate and local performance measures (2006/07 Finance Services performance monitoring reports).
- Internal Audit service strongly commended (Audit Commission Review of internal audit 2006/07)

## Areas for Improvement

**ICT and business process re-design (BP9-BP11):** Historically low levels of investment coupled with human and financial resource pressures has resulted in a service largely operating on traditional, manual and/or paper based processes that fail to take full advantage of modern technologies. The financial ledger system is now over 8 years old and does not offer windows based operability. Financial management and financial processes operate largely outside of the ledger system on secondary spreadsheet systems with the need for manual reconciliation, input and upload.

Over the life of this plan we will embark on a significant programme of re-investment in ICT and BPR activity including the replacement of the core financial system. This is a major project for the service that will be the focus of development activity for 2007/08 and much of 2008/09.

**Financial Management: (BP3):** The Use of Resources CPA identified Financial Management as achieving Level 2. Whilst financial management processes were judged as being effective, the management of financial resources within service delivery and financial support in respect of those responsibilities are in need of strengthening to achieve level 3. The new service will need to establish a clear strategy for developing this area of support, drawing on evidence from the CPA. This will be developed as part of a framework to improve the integration of financial management, performance management and service planning being driven through the Council's Medium Term Financial Strategy.

## Equality and Diversity

In support of the Council's Equality and Diversity Policy, 'No matter who', the service is working towards accreditation to Level 4 of the Local Government Equality Standard (BP5). To help achieve this, we have established a number of objectives and targets developed from our understanding of the requirements of the standard and the outcome from equality impact assessments across all areas of service delivery.

Our objectives and targets recognise that as a support service our primary stakeholders are not the public but our internal customers and our staff. Our focus is therefore on what we can do as an employer and internal service provider. Our equality objectives and targets are:

- To be a good employer, supporting and providing opportunities for all groups and occupations of staff
- To maintain an on-going program of cyclical impact assessments across all our policies, practices and procedures
- To achieve as a minimum, the corporate standards and targets for minority employment (P4/P5)
- For all service staff to be aware of and able to offer advice on how to access information in other formats
- For all staff to be aware of and able to offer advice on our responsibilities as an employer and service provider in respect of disability, race, gender and age
- To include equality and diversity issues in each edition of the service newsletter
- To make those services we support more aware of our commitment to equality issues through the incorporation of our equality and diversity statement within all policies, procedures & service level agreements
- To include equality and diversity issues within annual consultations with staff and clients

## Contribution to Community Safety

As a Support Service our role primarily concerns ensuring that front line services support needs are met. We try to do this in a way that best enables them to deliver their service and therefore take full account of the requirements of national initiatives such as Community Safety.

## e-Government

During 2007/08 we expect to complete the final phase of a significant e-procurement project that will contribute a stepped change to processes for purchase ordering. We will also commence work on the implementation of a new financial system. This will be a major business process re-engineering project, aiming to increase service efficiency by eliminating dependency on manual and secondary systems and fully integrating processes electronically.

In addition to this, the service plan commits to a number of developments that will increase and enhance the level of electronic access to services and use of technology in service delivery. These include:

- Business Support Team: Developing access to information and services through the intranet - service wide development (BP11)
- All teams: Further development of workflow and electronic forms across all areas of service delivery (BP9)
- All teams: Achieving business process re-engineering across all key elements of service delivery to improve value for money and release capacity (BP10)

## Value for Money & Continuous Improvement

### The corporate framework

The service works in partnership with the Performance and Development service to develop, implement and manage the Council's corporate framework for Value for Money (VFM). The key challenges for 2007/08 are to embed that framework within day to day service delivery across all council services, respond to the comments of the Audit Commission following the 2006/07 VFM review and ensure that the Council meets the increased requirements of the Use of Resources CPA across VFM criteria.

## Finance Services Value for Money

In line with the requirements of the corporate framework, the service has developed a score card to measure and report on performance in respect of VFM. The overall service score card comprises a summary of individual scorecards developed for each division of the service. The availability of baseline service data across the range of indicators that have been developed for the scorecards is variable. Some indicators have been populated by existing data (e.g. CPA scores) whilst others require the monitoring and collection of new data sets (e.g. unit costs). Action plans are in place to develop this information with targets for improvement in line with the corporate framework (BP8). Performance Indicators are set out in the service balanced scorecard at the end of this document.

This service plan and the relevant team plans contain specific actions to improve VFM performance. Cashable savings include:

2007/08:

- A reduction in posts within financial administration – estimated saving £45k (cashable) resulting in an ability to maintain 07/08 unit costs at 2006/07 level (invoice processing)
- Reduction in non staffing supplies and services budgets £22k (cashable)

2008/09 & 2009/10

A range of cashable and non cashable savings resulting from the implementation of the new financial system and associated BPR projects. Some of these savings will need to be re-invested to support the costs of additional ICT hardware/software and implementation. The balance will be available to support future service reductions required in line with the corporate VFM agenda. The value of savings able to be realised will be quantified through work planned to be undertaken as part of the first stage of the project plan for the new financial system.

## Customer Focus

### Key Stakeholders

Our service has a range of internal and external stakeholders including partners and service users.

The key internal stakeholders include Elected Members, Headteachers, Governors and School staff in addition to Executive Directors, Heads of Service, their business unit managers and operational staff within our own service and those front line services we provide support to. These are:

- Adult Care
- Child Care
- Environmental Management
- Finance Services
- Strategic Housing
- Information and Libraries
- Learners and Young People
- Legal and Democratic
- Business Partnerships
- Performance and Development
- People Management
- Planning and Regulation
- Partnership and Regeneration
- Revenues and Benefits

- Schools Service

Our external stakeholders include our partners, external agencies and government departments:

- Impact Partnership
- Rochdale Boroughwide Housing
- Leisure Trust
- AGMA
- Audit Commission
- DfES
- DCLG
- GONW

## Consultation and Customer Satisfaction

During 2006/07 we consulted with our service clients and staff in a number of ways both informally and formally. Informal consultation mechanisms include attendance at service management teams, specific events for service developments (value for money) and dialogue through school consultative groups. More formally we have engaged in the Audit Commission Survey of Schools and carried out a staff and client survey to provide feedback and inform the future development of our service.

**The Audit Commission Annual Survey of Schools** – this is a national survey, managed locally, which enables us to compare how well we are doing year on year and in relation to national averages and our statistical neighbours.

**Survey Feedback** - 45% of our schools responded to the survey. Five of the questions asked were in relation to the provision of financial services or the local arrangements for school funding and consultation. Across all questions we received a score of between good and satisfactory. One area showed improvement on previous years. In other areas our position remained the same as previously. Variations were not statistically significant and we retained our relative positioning.

**Staff & Customer Survey** –These are local surveys to provide us with feedback that will guide service improvement and enable us to report to members on our performance against corporate indicators.

**Survey Feedback** – 82.14% of clients responding to our survey rated the service overall as satisfactory or above. 92% of staff within finance services agree that the Council is a good employer to work for.

This plan sets out specific actions and targets in respect of improving our performance across indicators for customer and staff satisfaction, as measured against the annual surveys. (BP6/BP7)/(P2/OC1).

**Customer Complaints** – Analysis of baseline data identifies 2 complaints across the service areas providing financial services for 2006/07. In both cases the complaint was upheld and action taken to rectify the issue.

**Communication Strategy** – the service has developed and implemented a communication strategy to support improvements in the delivery of services to clients.

## Health and Safety & Risk Management

Our service has a well developed framework for managing our responsibilities in relation to risk. This includes:

- The maintenance of a service risk register subject to annual review
- Performance against identified additional control measures reported and monitored on a quarterly basis
- Team specific risk management issues reviewed as part of annual team planning processes
- Nominated officers with responsibility for attending corporate risk management groups and embedding risk awareness across the service.

Our areas of high risk relate to the integrity of our financial information and systems and the potential for financial loss in respect of uninsured liabilities. Existing controls in these areas are now fairly well established with additional control measures included within team plans and subject to quarterly monitoring in line with the service performance management arrangements. The service expects to achieve the corporate targets of 100% of risks reviewed by the due date and 100% of additional control measures implemented (FM1/FM2).

Health and Safety is managed through a health and safety policy and plan that sets out the framework, responsibilities, activities and targets for managers and staff in respect of health and safety in the workplace. The plan is supported by a number of guidance documents and includes targets for on-going communication and development of service health and safety issues until March 2010. The service is considered to operate a number of good practices in respect of this area and works closely with the corporate Health and Safety team to share improvements and developments.

## **Performance Measures and Targets**

From the environmental analysis of our service, a number of key objectives and targets have been identified. This section of the service plan sets out those objectives and targets and how we will measure our performance.

The targets and indicators that the service will be working towards are set out in the attached performance indicator table. The service improvement plan sets out the specific actions we have committed to undertake to achieve those targets and to ensure we meet our objectives.

*The Finance Service aims to regularly review all documents, policies and procedures to ensure there are no negative equality impacts. Consultation with our customers is an important part of how we achieve this. If you feel, on reading this document, that there may be a negative equality impact within your service please tell us about this. Please also let us know if you need to access this document in a different format. You can do this by contacting Sue Ashworth, Asst Business Support Manager (Risk & Business Support) ext 4222*

<b>Finance Services Performance Indicators 2007/08 – 2009/10</b>					
<b>Ref</b>	<b>Performance Indicator</b>	<b>2006/2007 Final Figure</b>	<b>2007/2008 Local target</b>	<b>2008/2009 Local target</b>	<b>2009/2010 Local Target</b>
<b>People</b>					
<b>P1/ST3 Standard</b>	Number of days lost to sickness absence per FTE.		<b>8.50</b>	<b>8.00</b>	<b>7.5</b>
<b>P2/ST4 Standard</b>	% Staff Satisfaction	<b>92%</b>	<b>93%</b>	<b>94%</b>	<b>95%</b>
<b>P3/ST5 Standard</b>	% Employee Development Interviews completed		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>P4/ST8 Standard</b>	% Disabled Staff Employed		<b>2.60%</b>	<b>2.80%</b>	<b>3.00%</b>
<b>P5/ST9 Standard</b>	% Ethnic Minority Staff Employed		<b>9.00%</b>	<b>9.50%</b>	<b>10.00%</b>
<b>P6/FS1 Service wide</b>	% staff who have had communication competencies reviewed as part of the annual PDR scheme		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>P7/FS2 Service wide</b>	% staff satisfied with internal communications ( <i>staff satisfaction survey</i> )	<b>72%</b>	<b>73%</b>	<b>75%</b>	<b>77%</b>
<b>P8/FS3 Service wide</b>	% staff who regularly read our internal newsletter ( <i>staff satisfaction survey</i> )	<b>58%</b>	<b>60%</b>	<b>60%</b>	<b>60%</b>
<b>VFM/Improvement or Finance &amp; Efficiency</b>					
<b>VFM1/FS4 Service wide</b>	Number of new finance services accessible electronically		Baseline to be established		
<b>VFM2/FP17 Financial Processing</b>	% invoices received via electronic mailbox facility		<b>Baseline + 10%</b>	<b>Baseline + 20%</b>	<b>Baseline + 25%</b>
<b>VFM3/BD1 Business Dev Unit</b>	VFM approach achieves level 3 in Use of Resources Assessments	<b>2</b>	<b>Level 2</b>	<b>Level3</b>	<b>Level 4</b>
<b>VFM4/BD2 Business Dev Unit</b>	Client satisfaction demonstrated in client survey (Business Development specific survey)		<b>3</b>	<b>2.5</b>	<b>2</b>
<b>VFM5/BD3 Business Dev Unit</b>	Performing VFM assessment for 1/3rd of services	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>VFM6/BD4 Business Dev Unit</b>	Completion of Intervention Projects within Agreed Costs and Timescales (%)		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>VFM7/FP10 Financial Processing</b>	Percentage of service BVPI8 reports issued within 5 working days of period end.		<b>90%</b>	<b>95%</b>	<b>100%</b>
<b>VFM8/IA1 Internal Audit</b>	Productive days per auditor	<b>171</b>	<b>169</b>	<b>172</b>	<b>175</b>
<b>VFM9/IA2 Internal Audit</b>	Cost per Audit Day (£)	<b>352</b>	Baseline to be established		
<b>VFM10/IA3 Internal Audit</b>	Percentage completion of Audit Plan	<b>95</b>	<b>95.00%</b>	<b>95.00%</b>	<b>95%</b>
<b>VFM11/IA4 Internal Audit</b>	% of draft audit reports issued within 14 days of completion of the audit	<b>89</b>	<b>92.00%</b>	<b>93.00%</b>	<b>93%</b>

<b>VFM12/IA5</b> Internal Audit	% of recommendations accepted	<b>98</b>	<b>98.00%</b>	<b>98.00%</b>	<b>98%</b>
<b>VFM13/IA6</b> Internal Audit	Results of client surveys - % of marks in top two categories	<b>93</b>	<b>96.00%</b>	<b>97.00%</b>	<b>97%</b>
<b>VFM14/IA7</b> Internal Audit	Achieving optimum score in CPA Use of Resources block for Internal Control.	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>
<b>VFM15/IA8</b> Internal Audit	Supervision & management as % of available days	<b>6.9</b>	<b>7.90%</b>	<b>7.70%</b>	<b>7.70%</b>
<b>VFM16/IA9</b> Internal Audit	Sickness as % of available days	<b>2.1</b>	<b>1.90%</b>	<b>1.90%</b>	<b>1.90%</b>
<b>VFM17/CF1</b> Central Finance	KLOE 1.1 Financial reporting - The Council produces annual accounts in accordance with the relevant standards and timetables	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>
<b>VFM18/CF2</b> Central Finance	KLOE 1.2 Financial reporting - The Council promotes external accountability	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>
<b>VFM19/CF3</b> Central Finance	KLOE 2.1 Financial management - The Council's Medium Term Financial Strategy/Plan, budgets and capital programme are soundly based and designed to deliver its strategic priorities	<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>VFM20/CF4</b> Central Finance	KLOE 2.2 Financial management - The organisation manages performance against budgets	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>VFM21/CF5</b> Central Finance	KLOE 3.1 Financial standing - The Council manages its spending within available resources	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>VFM22/TM1</b> Treasury Mgt	Cost of function per £m of investment managed		Baseline to be established		
<b>VFM23/TM2</b> Treasury Mgt	Cost of function per £m of debt managed		Baseline to be established		
<b>VFM24/TM3</b> Treasury Mgt	Average rate of interest earned on investment as a percentage of average 7 day LIBID during the year		<b>102.00%</b>	<b>102.00%</b>	<b>102.00%</b>
<b>VFM25/AC1</b> Accountancy	Staff cost per FTE		Baseline to be established		
<b>VFM26/AC2</b> Accountancy	<b>Cost per £000 gross revenue turnover</b>				
	-Advice		Baseline to be established		
	-Budgets and accounts		Baseline to be established		
	-Technical, projects		Baseline to be established		
<b>VFM27/AC3</b> Accountancy	Number of material changes to statement of accounts following audit	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>
<b>VFM28/AC4</b> Accountancy	% of staff CCAB qualified		Baseline to be established		
<b>VFM29/AC5</b> Accountancy	FTE staff per £m total revenue turnover		Baseline to be established		
<b>VFM30/BV8</b> Financial Processing	Percentage of invoices undisputed paid within 30 days		<b>92.00%</b>	<b>94.00%</b>	<b>97%</b>

<b>VFM31/FP8</b> Financial Processing	Percentage payments made by BACS		<b>68%</b>	<b>70%</b>	<b>72%</b>
<b>VFM32/FP9</b> Financial Processing	Percentage of invoices processed incorrectly		<b>5%</b>	<b>2%</b>	<b>2%</b>
<b>VFM33/FP11</b> Financial Processing	Percentage of new users set up on 'e' procurement system within 48 hours		<b>95%</b>	<b>98%</b>	<b>99%</b>
<b>VFM34/FP12</b> Financial Processing	Cost of systems support per £000 gross revenue turnover		Baseline to be established		
<b>VFM35/FP13</b> Financial Processing	Cost per invoice processed		Baseline to be established		
<b>VFM36/FP14</b> Financial Processing	Invoice processing staff cost per FTE		Baseline to be established		
<b>VFM37/FP15</b> Financial Processing	Invoices processed per FTE		Baseline to be established		
<b>Operational/Client</b>					
<b>OC1/ST7</b> Standard	% Customer Satisfaction- % rated satisfactory or above	<b>82.14%</b>	<b>82%</b>	<b>84%</b>	<b>86%</b>
<b>OC2/FS5</b> Service wide	% complaints received with satisfactory outcome		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>OC3/FS6</b> Service wide	% client/customers who know which services are provided by Finance Services ( <i>user satisfaction survey</i> )	<b>82.15%</b>	<b>85%</b>	<b>87%</b>	<b>89%</b>
<b>OC4/FS7</b> Service wide	% client/customers who consider that they are kept fully or fairly well informed of services provided by Finance Services ( <i>user satisfaction survey</i> )	<b>75.02%</b>	<b>78%</b>	<b>80%</b>	<b>82%</b>
<b>OC5/FS8</b> Service wide	% client/customers responding to our client survey who regularly read our Client Newsletter ( <i>user satisfaction survey</i> )	<b>46.43%</b>	<b>50%</b>	<b>50%</b>	<b>50%</b>
<b>OC6/FS9</b> Service wide	% customer/clients who feel that Finance Services take account of their views when making decisions ( <i>user satisfaction survey</i> )	<b>71.43%</b>	<b>74%</b>	<b>76%</b>	<b>78%</b>
<b>OC7/FS10</b> Service wide	% customer/clients satisfied with the methods Finance Services use to provide support ( <i>user satisfaction survey</i> )	<b>73.22%</b>	<b>75%</b>	<b>77%</b>	<b>79%</b>
<b>OC8/RB1</b> Risk & Business Support	% claims received relating to Highway tripping		<b>50%</b>	<b>45%</b>	<b>45%</b>
<b>OC9/RB2</b> Risk & Business Support	% Claims successfully defended or discontinued.		<b>95%</b>	<b>95%</b>	<b>95%</b>
<b>OC10/RB3</b> Risk & Business Support	% claims investigated and passed to claims handler within 45 working days.		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>OC11/RB4</b> Risk & Business Support	Take part in CIPFA benchmarking club for insurances - compare cost of claims.		Baseline to be established		

<b>OC12/RB5</b> Risk & Business Support	% Compliance with Civil Contingencies Act requirements		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>OC13/FP1</b> Financial Processing	Systems/Account Reconciliations completed within 30 days		<b>95%</b>	<b>100%</b>	<b>100%</b>
<b>OC14/CF6</b> Central Finance Team	Percentage of capital/revenue estimate and outturn returns submitted within agreed timescale		<b>75%</b>	<b>100%</b>	<b>100%</b>
<b>Financial Management &amp; Control</b>					
<b>FM1/ST1</b> Standard	Risk Register: % Additional Control Measures implemented by the due date		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>FM2/ST2</b> Standard	Review of Risks: % of risks reviewed by the due date		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>FM3/CF7</b> Central Finance Team	Date by which annual statement of account approved by members		<b>30-Jun-07</b>	<b>30-Jun-08</b>	<b>30-Jun-09</b>
<b>FM4/CF8</b> Central Finance Team	Date by which accounts published		<b>30-Sep-07</b>	<b>30-Sep-08</b>	<b>30-Sep-09</b>
<b>FM5/CF9</b> Central Finance Team	Number of <b>material</b> changes to statement of accounts following audit		<b>3</b>	<b>3</b>	<b>2</b>
<b>FM6/SS2</b> Support Services	% Budget monitoring reports issued within 5 days of period end		<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>FM7/SS3</b> Support Services	% Grant Claims completed with no material financial errors.		<b>90%</b>	<b>95%</b>	<b>95%</b>
<b>FM8/SS4</b> Support Services	Number of cheque book returns received from schools > 1 month behind due deadline		<b>95%</b>	<b>95%</b>	<b>95%</b>

<u>Ref</u>	<u>Objective / Area for Improvement</u>	<u>Action to be taken</u>	<u>Lead Officer</u>	<u>Target Finish Date</u>	<u>Indicator for success /Outcome</u>	<u>Resource Implications</u>	<u>Link to aiming high / service Objective</u>
BP1	Implementing actions to meet the more stringent requirements of the new CPA Use of Resources Block and feedback from the Audit Commission	Action plan developed and Lead officer established in respect of : <ul style="list-style-type: none"> <li>• Financial Reporting</li> <li>• Financial Management</li> <li>• Internal Control</li> <li>• Financial Standing</li> <li>• Value for Money</li> </ul>	Assistant Head of Finance:  (Central Services) (central Services) (Business Services) (Central Services) (Business Services)	<b>Sept 2007</b>	Level 3 use of resources maintained against the higher standard	Existing Resources	Rank as a High Performing Council Nationally Provide for the proper administration of financial affairs and assurance of such in line with the Council's statutory responsibilities
BP2	Addressing CPA requirements for a more systematic approach to VFM	Action plan developed implemented to address issues in respect of VFM	Assistant Head of Finance (Business Services)	<b>June 2008</b>	Level 3 use of resources for VFM by April 2008 (notified July 2008)	Existing Resources	Rank as a High Performing Council Nationally Provide Value for Money and maintain an environment of continuous improvement in service delivery
BP3	Addressing CPA requirements in respect of strengthening monitoring of the capital programme and continuing to strengthen budget monitoring and arrangements and medium term financial planning	Development and implementation of an action plan to address issues in respect of capital  Improvements in corporate documentation and processes for MTFS/Budget plan  BPR for budget monitoring process	Assistant Head of Finance: (Central Services)  HOS/ Assistant Head of Finance: (Central Services)  Assistant Head of Finance: (support Services)	April 2008  May 2007	Level 3 use of resources for financial management KLOE 2.1 & 2.2 by April 2008 (notified July 2008)	Existing Resources	Rank as a High Performing Council Nationally Provide for the proper administration of financial affairs and assurance of such in line with the Council's statutory responsibilities
BP4	Develop the performance Management Framework to include technical competencies	Development of technical competencies for each group of posts. Consultation and implementation.	HOS/Assistant Business Support manager	Dec 2007	Performance and development interview for 100% staff	Existing Resources	Rank as a High Performing Council Nationally Operate in a way that supports the council's corporate priorities and the service aims, objectives, strategies and plans of all our clients
BP5	Establish & Implement Equality & Diversity Action plan to meet level 4 of LG Equality Standard	Training & communication on E&D objectives & targets. Monitored programme of actions & cyclical impact assessments	HOS/Assistant Business Support manager	March 2008	Achieve Level 4 Local Government Equality Standard	Existing Resources	Rank as a High Performing Council Nationally Operate in a way that supports the council's corporate priorities and the service aims, objectives, strategies and plans of all our clients
BP6	Corporate Staff development and training programme launched	Determine minimum standards/requirements Research appropriate P&D activities and courses Establish & implement corporate development & training program	HOS/Business Support Manger/Assistant Heads of Finance	December 2008	5% improvement in Staff satisfaction ratings	Existing Resources	Be a good employer, supporting and providing opportunities for all groups and occupations of staff

<u>Ref</u>	<u>Objective / Area for Improvement</u>	<u>Action to be taken</u>	<u>Lead Officer</u>	<u>Target Finish Date</u>	<u>Indicator for success /Outcome</u>	<u>Resource Implications</u>	<u>Link to aiming high / service Objective</u>
BP7	Non-finance officer and member level financial training	Establish training programme & provision of training for elected members and non finance officers on financial issues	Assistant Heads of Finance – corporate (elected members) and support services (non finance officers)	May 2008	Meeting the requirements of CPA – achieving level 3	Existing Resources	Rank as a High Performing Council Nationally  Operate in a way that supports service aims, objectives, strategies and plans of all our clients.
BP8	Baseline all VFM indicators and establish improvement targets from the data	Finalise VFM indicators/targets for each team within the service Identify data/information sources to baseline current performance Establish targets and action plans to achieve targets for following 3 years across each indicator	Assistant Heads of Finance/ Business Support Manager	April 2007  Dec 2007	Service achieves VFM rating of between satisfactory and good with targets for improvement to good VFM.	Existing Resources	Rank as a High Performing Council Nationally Provide Value for Money and maintain an environment of continuous improvement in service delivery
BP9	Delivering investment in ICT to implement a new financial system, workflow and electronic data exchange for all our processes.	Develop & implement project plan for new/upgraded financial system  Develop action plan and targets for implementation of electronic forms across all areas of service delivery	Assistant Head of Finance (central services)  Assistant Head of Finance (Business Services)	April 2008  As per established targets	Project Brief Decision on preferred supplier/product First stage project plan 100% targets for electronic forms achieved	Existing Resources	Rank as a High Performing Council Nationally Provide Value for Money and maintain an environment of continuous improvement in service delivery
BP10	Achieving Business Process Re-engineering across all our key elements of service delivery, improving value for money and releasing capacity	Develop & implement prioritised programme of BPR activity.	Assistant Heads of Finance (Support Services) (Central Services) (Business Services)	On-going with all service areas covered by March 2010	Demonstrable improvement in cost effectiveness (reduction in posts) or productivity (increase in outcomes)	Existing Resources	Rank as a High Performing Council Nationally Provide Value for Money and maintain an environment of continuous improvement in service delivery
BP11	Developing access to information and services electronically	Development of intranet capabilities Action plan/targets for all information/areas of service delivery capable of electronic access	Business Support Manager Heads of Finance	March 2008	Fully developed service intranet site Full utilisation of schools intranet development	Existing Resources	Rank as a High Performing Council Nationally e-Government targets & Priority Outcomes