

REPORT TO: FINANCE COMMITTEE - 12 JANUARY 2004
REPORT ON: FINANCE GENERAL SERVICE PLAN 2003-2007
REPORT BY: DEPUTE CHIEF EXECUTIVE (FINANCE)
REPORT NO: 21-2004

1 PURPOSE OF REPORT

1.1 To report on the new Service Plan for 2003-2007 for Finance General.

2 RECOMMENDATIONS

2.1 That the new Service Plan for Finance General together with performance targets be noted and approved.

3 FINANCIAL IMPLICATIONS

3.1 All services are provided within the Revenue Budget for Finance General.

4 LOCAL AGENDA 21 IMPLICATIONS

4.1 None

5 EQUAL OPPORTUNITIES IMPLICATIONS

5.1 None

6 BACKGROUND

6.1 As in previous years the Department's Service Plans have been designed to ensure that the Department contributes as fully as possible to the achievement of the City Council's Corporate Plan. For the new plans it is thought that this is best achieved by preparing two plans, one for Finance General and one for Finance Revenues, the latter to follow next month.

6.2 Reference is made to the Department's original Service Plan Report Number 660/1999 which was approved by the Finance Committee on 8 November 1999, in which performance targets were set. These were measured against actual performance over the three years of the plan.

6.3 For the new Finance General Service Plan, performance targets have been reviewed and updated and actual performance during the period 2003-2007 will be measured against these.

6.4 Also included in the new plan are targets established by the Department's European Foundation of Quality Management Self-assessment. These improvements will be achieved and further improvements identified in future years.

7 CONSULTATION

7.1 The Chief Executive, the Depute Chief Executive (Support Services) and the Assistant Chief Executive (Community Planning) have been consulted on the content of this report.

8 **BACKGROUND PAPERS**

Report to Finance Committee, 8 November 1999, Report No 660/1999

DAVID K DORWARD
DEPUTE CHIEF EXECUTIVE (FINANCE)

29 DECEMBER 2003

FINANCE DEPARTMENT

FINANCE GENERAL SERVICE PLAN 2003-2007

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1 STRATEGIC STATEMENT BY THE DEPUTE CHIEF EXECUTIVE (FINANCE)

- 1.1 As the nature of local government continues to change significantly with a variety of different mechanisms being put in place to provide services to stakeholders which are value for money, so too do the demands placed on the Finance Department which must adapt and develop its services and skills to support front line service delivery.
- 1.2 The number of new initiatives that the department faces is ever increasing. Wider use of partnerships (including Public Private Partnerships), joint ventures and third party sponsored service delivery present various issues which must be properly considered in order to ensure that appropriate financial support is in place and that this is based on the best financial mechanisms and options available. Other important initiatives such as the new form of Capital borrowing will have a significant impact on the resources available to the authority and more significantly the optimum timing of major capital project initiation, development and completion.
- 1.3 Asset management and planning are becoming increasingly important developmental considerations for the department and the authority. The objective of asset management and planning is to ensure that the Council's assets are managed efficiently and effectively and that account is taken of their utilisation and ongoing cost implications. This should allow limited resources to be directed towards defined priorities.
- 1.4 In addition to the above the department has a key role to play at a corporate level in ensuring that the requirements of Best Value are met. This includes participating in major Best Value Reviews, contributing to Public Performance Reporting requirements through the provision of an annual Performance Report and Performance Summary and taking part in the corporate self-assessment required for Best Value Audit purposes.
- 1.5 All of the above have to be tackled without losing sight of the department's critical functions. Those are to oversee the preparation of the Council's Revenue and Capital budgets, ensure that actual expenditure is monitored and controlled in relation to these budgets and prepare the annual financial statements accurately and timeously after the year end. Other key functions such as ensuring that creditors and employees are paid and debt promptly collected also feature in this plan.
- 1.6 Of paramount importance continues to be the level of Council Tax. In the previous four years the authority has restricted Council Tax increases and since 1996 has the 6th lowest level of cumulative increase of all 32 Councils. In this plan, Council Tax rises will be restricted to less than 5% to enable tax payers to budget more easily for these costs.
- 1.7 The department will continue to strive to meet the highest standards of corporate governance to help ensure that the Council meets its objectives. The department is determined to ensure that it delivers the best possible services to other departments of the Council.
- 1.8 The department will continue to ensure that the highest standards of probity are applied throughout the Council. These standards will be monitored and reported upon to the Audit and Risk Management Sub-Committee which meets on a quarterly basis to consider both Internal and External Audit reports.
- 1.9 The department will ensure that all borrowing and lending practices comply with the CIPFA Code of Practice on Treasury Management in the Public Services. A Treasury Policy Statement will be prepared every three years and a Treasury Management Strategy submitted to the Finance Committee on an annual basis.
- 1.10 Another key issue for the department is ensuring that income available to the Council is maximised, both in terms of the recovery of income due to the Council and the receipt of all available external funding including grant aid.
- 1.11 The Department is committed to ensuring that the Council's financial systems are up to date and operated as efficiently as possible and that the Finance staff training and development is such that our staff are allowed to develop to their full potential. The department is also committed to the Scottish Health At Work initiative and intends achieving the Silver Award during the period of the plan.

2 DEPARTMENTAL OBJECTIVES

- Manage financial budgets and grant income to ensure that the Council's commitment to Council Tax increases not exceeding 5% can be achieved.
- All departments to have a documented risk assessment process in place and available for audit at any time by end of 2004.
- Continue to pursue all measures to maximise the potential of external funding from the widest range of sources eg Central Government, Europe, Lottery, Private Sector, etc.
- To minimise the difference between actual and budgeted expenditure as a measure of effective budget management.
- To pay a minimum of 75% of local creditors invoices within 14 days and therefore assist local businesses by making a positive contribution towards cash flows.
- To meet the planned Audit Work Strategy fulfilling each year's annual plan.
- To ensure that payslips are accurate and that wages are paid timeously.
- To implement a Health & Safety Committee.
- To ensure the Treasury Management function operates efficiently.
- To have no audit qualifications on the accounts and to meet statutory deadlines for their submission.
- To maximise income collection of that billed during the year and previous years.
- To meet the objectives of the Council's departments in preparing financial information and management reporting.
- To implement a system of E-Procurement within the Council.
- To review departmental structures.
- To achieve Scottish Health at Work Silver Award.

3 KEY FUNCTIONS

3.1 Accounting, Budgeting and Financial Advice Services

This function is primarily responsible for the statutory accounting and budgeting activities of the Council, ensuring that the Council meets its statutory deadlines for the completion and reporting of financial information.

Financial policy guidance and advice is provided to Elected Members and Heads of Departments on all corporate and operational financial matters including preparation and monitoring of Revenue and Capital Budgets, financial options appraisal and corporate governance issues. This function plays an important role in maximising income through progressing and finalising ERDF/ESF and other SIP grant claims. The support and advice provided to Elected Members and Officers is crucial to the efficient and effective delivery of the Council Plan objectives and it is, therefore, essential that the financial information produced is both accurate and timeous.

The Sections' Service Plans contains the necessary performance targets to ensure that the Department's main objectives are capable of being achieved. Main targets are noted in Appendix I as are those of the other finance functions which follow.

3.2 Internal Audit

Internal Audit is an independent appraisal and review function set up within Dundee City Council as a service to the Audit and Risk Management Sub-Committee, Chief Executive, Depute Chief Executive (Finance) and all levels of management. The remit of the service is to objectively examine, evaluate and report on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources throughout the Authority's activities.

An Internal Audit Charter is now in place and has been issued to members of the Audit & Risk Management Sub Committee. The main objective of the Internal Audit Section is developing and implementing Strategic and Annual Internal Audit Plans based on an understanding of the significant risks to which the Council is exposed. The implementation of these plans is monitored by the Audit & Risk Management Sub-Committee.

The Chief Internal Auditor also plays a key role in the Council's Corporate Governance arrangements, providing an annual Internal Audit Assurance Statement to Elected Members, the Chief Executive and the Depute Chief Executive (Finance).

3.3 Insurance & Risk Management

The emphasis of the Insurance and Risk Management Section is constantly moving from the traditional purchase of external insurance to providing the risk management support and advice to Elected Members and Officers to enable the Council to identify, evaluate, eliminate and/or control risk which could prevent it from attaining its Council Plan objectives.

The other primary objectives of the Risk Management Section are to manage the Council's self-insured programme, arrange catastrophe cover for major incidents and provide a claims management service for Council Departments. In addition, these services are provided to a number of external bodies including Tayside Police, Tayside Fire Brigade, Tayside Contracts, Tayside Valuation Joint Board and Tay Road Bridge.

The Council has developed a Risk Management Policy. In conjunction with Chief Officers, the Risk Management Section is currently preparing a register of risks which could threaten the achievement of departmental service plan objectives, together with their attendant control measures.

A 4 Year Strategic Risk Management Plan is currently being prepared and will be submitted for approval by the Audit & Risk Management Sub-Committee. This will provide a sound basis for safeguarding the Council's assets and delivering the Council's corporate governance arrangements.

3.4 Treasury Management Services

The Treasury Management Section administers the Council's external borrowing and lending arrangements in accordance with the Council's Treasury Management Policy and Strategy. Treasury Management activities are closely prescribed by statute and this is further enhanced by the CIPFA Code of Practice. The Council's Treasury Management Policy complies fully with the CIPFA Code of Practice.

This section also administers the Council's banking arrangements.

3.5 Pension Fund Administration

Dundee City Council is the Administering Authority for both the Tayside Superannuation Fund (Main Fund) and the Tayside Public Transport Company Superannuation Fund (Transport Fund). Both Funds operate as part of the Local Government Pension Scheme (LGPS). The section administers pensions and contributions on behalf of 44 scheduled and admitted bodies, including Dundee City, Angus and Perth and Kinross Councils.

The Main Fund has a total of nearly 30,000 members and the Transport Fund has 600 members.

An official newsletter "Pension Patter" is issued to all employees who are or can be members of the Local Government Pension Scheme on a periodic basis to keep them informed of developments and provide information regarding the Pension Scheme.

3.6 Pension Fund Investment

As Administering Authority, Dundee City Council is responsible for the investment and security of the Tayside Superannuation Funds. This activity is overseen by the Superannuation Investment Sub-Committee of Dundee City Council and is supported and advised by the Finance Department Investment Officers to ensure that the Funds' monies are being efficiently and safely invested by external fund managers.

The Depute Chief Executive (Finance) reports to the Sub-Committee quarterly on the investments made by the Fund Managers and their performances compared with pre-determined targets.

The Section has recently carried out a major review of the funds' investment strategy which resulted in the appointment of 2 new Fund Managers and the setting of more appropriate benchmarks linked to the liability profile of the Funds.

A Superannuation Forum for participating bodies is held annually. This provides an opportunity for the various employers to receive an update on investment performance, pension administration and other topical issues prevailing at that time.

3.7 Creditors

The payment of all Council suppliers and suppliers to various external bodies is a key corporate function centralised in the Purchase Ledger Section of the Finance Department. As well as processing the payment of outstanding purchase invoices, the section maintains all sub-contractor records and provides support and assistance to all Council Departments and various external bodies in supplier payment matters.

The section is in the forefront of technology and pays a significant percentage of its suppliers by BACS. Remittance advices are now being e-mailed to suppliers paid by BACS. The section is committed to assisting the cash flows particularly of local businesses by paying its suppliers timeously.

3.8 Salaries and Wages

Payroll is a key corporate function providing a service to all Departments of the Council, Elected Members, pensioners and various external bodies. As well as processing the payment of salaries, wages and pensions the payroll function provides support and assistance to all Council

Departments in payroll related matters and produces routine and ad hoc payroll information reports as and when requested.

In addition to the above, the Finance Department is responsible for the maintenance of the payroll system which includes:

- the application of increments
- implementing pay awards
- processing the resultant arrears of pay, if relevant
- remitting payments to third parties on a monthly basis
- production of corporate management information

The above functions are carried out in respect of all Departments of the Council and on behalf of the external bodies to whom we provide payroll processing services.

3.9 Sundry Debtors

The Sales Ledger Section is responsible for the billing, collection and debt recovery of invoices raised by Dundee City Council and various external bodies. On behalf of client Departments, the section issues over 73,000 invoices and processes in excess of £50 million per annum.

The section also provides support and assistance to Council Departments and external bodies on a wide range of issues including debt recovery. A corporate debt recovery strategy is in place where customers with unpaid invoices receive final notices after 21 days and notices of intent to take legal action after 35 days, before preparing for Court action. The section also chase unpaid invoices by telephone and personal interview but adopts a sensitive approach to debt recovery, treating each case individually.

4 **PERFORMANCE MANAGEMENT AND PLANNING**

4.1 The Department underwent a Performance Management and Planning audit in 2002. The process involves the annual review of continuous improvements identified in the original submission. The review concludes in 2004 with only one of the original eight proposals for improvement outstanding which is the introduction of Staff Appraisals in Finance Revenues. This is due for completion in 2004. The improvements identified are noted in Appendix II.

4.2 In 2002/03 the Accounts Commission published its Overview Report on Performance Management and Planning submissions including that submitted by the Finance Department. It concluded that the department "had more than 80% of good practice elements in place" which was a very high score achieved by only a handful of departments within Scottish authorities.

5 **EUROPEAN FOUNDATION FOR QUALITY MANAGEMENT**

5.1 The Finance Department recently carried out a quality audit of its procedures and practices. A cross-section of staff from all sections were involved in carrying out the analysis work through a series of workshops. The results of this exercise provide the baseline by which the department will be able to assess future progress as regards continuous improvement. Identified improvements are noted in Appendix III.

5.2 The department will carry out a review of potential improvements on an annual basis. A further full review of the department using the EFQM criteria is planned for 2006.

6 **KEY PROJECTS AND RESOURCES**

The department can draw upon a number of resources not least of which is its staffing complement which number approximately 115. The department has identified the key projects which it requires to undertake over the next three years and these are noted in Appendix IV. The department has no major Capital plans in the near future but has an established Gross Revenue Budget of around £4.6m. This is detailed in Appendix V.

7 ICT STRATEGY

The department has a very close working relationship with the Information Technology Department which is its biggest supplier of expertise. To improve efficiency and effectiveness the department prepared an ICT Strategy in agreement with Information Technology which identified a number of improvements to financial systems which would be carried out over the next three years.

8 PERFORMANCE MANAGEMENT AND REPORTING FRAMEWORK

A summary of key objectives and projects is provided in Appendix VI. Noted alongside these items are the members of staff who will be personally responsible for ensuring that the targets set are achieved by the department.

FINANCE GENERAL - KEY PERFORMANCE MEASURES & TARGETS

<u>Accounting, Budgeting and Financial Services</u>	<u>2003 Baseline</u>	<u>2007 Target</u>
i Whether the statutory abstract of accounts for the previous financial year was submitted by 30 June	Achieved	Achieved
ii Number of qualifications on the closure of accounts	None	None
iii Percentage of designated key Finance returns completed within the prescribed timescale	92%	100%
iv General Fund net revenue expenditure and:		
a Percentage net revenue expenditure of budgeted expenditure	-0.3%	+/- 1%
b Percentage net revenue expenditure of projected outturn expenditure	-0.7%	+/- 1%
c Percentage projected outturn of budgeted expenditure	+0.4%	+/- 1%
v Capital expenditure:		
a Percentage of capital expenditure of budgeted expenditure	+/-5%	+/- 5%
b Percentage of capital expenditure of projected outturn expenditure	+/-5%	+/- 5%
c Percentage projected outturn of budgeted capital expenditure	+/-5%	+/- 5%
vi Setting a budget by the statutory date which did not invoke the First Minister's reserve powers	Achieved	Achieved
vii Timetable for producing and distributing monthly financial ledgers	Achieved	Achieved
viii Timetable for monthly revenue and capital monitoring statements.	Achieved	Achieved
ix Completion of final accounts packages by due date.	Achieved	Achieved
<u>Internal Audit</u>		
i The cost of audit as a percentage of the Council's total employee costs	0.12%	0.15%
ii Actual productive hours achieved as a percentage of the productive hours as per Audit Plan	90%	85%
<u>Insurance and Risk Management</u>		
i Cost of risk by class of insurance expressed as percentage of Council's Revenue Budget (including HRA):		
Employers liability	0.04%	0.12%
Public liability	0.26%	0.35%
Property	1.25%	0.50%
Motor	0.07%	0.08%
ii Claims ratio by class of insurance:		
a Number of employers liability claims per FTE number of employees	0.004	0.003
b Number of public liability claims per head of population	0.005	0.004
c Number of motor claims per number of vehicles	0.53	0.50
iii Total risk management budget as a percentage of Council's Revenue Budget (including HRA)	£100,000 0.035%	£150,000 0.030%

<u>Treasury Management Services</u>	2003 Baseline	2007 Target
i Average cost of servicing Loans Fund advances in year:		
- Loans Fund interest rate	6.3%	6.6%
- Loans Fund expenses rate	0.06%	0.075%
ii Compliance with Treasury Management Policy & Strategy	Achieved	Achieved
iii % of variable debt to total debt	30%	30%
iv % of bank reconciliations carried out timeously	100%	100%
<u>Pension Fund Administration</u>		
i Cost per member	£27.20	£25.90
ii Ratio of staff to membership	1:2356	1:2120
iii Target no of days to process:		
a Pensions	4 days	9 days
b Estimates	16 days	21 days
c New admissions	25 days	21 days
<u>Pension Fund Investment</u>		
i Investment performance annualised three yearly. Investment returns compared to the average pension fund as measured by WM Company	+0.6%	+1%
ii Cost of investment management	0.16%	0.25%
iii Reporting deadlines	Achieved	Achieved
iv Review of Actuarial Services	Achieved	Achieved
<u>Creditors</u>		
i The number of invoices paid within 30 calendar days as a percentage of all invoices paid	90%	92%
ii The number of local invoices paid within 14 days as a percentage of all invoices paid to local suppliers.	60%	75%
iii Unit cost per creditor invoice paid	£0.70	£0.70
iv % of permanent suppliers paid by BACS	82%	90%
v % of remittance advices e-mailed to suppliers paid by BACS	8%	50%
<u>Salaries and Wages</u>		
i Unit cost per payslip produced	£3.50	£4.00
ii The number and value of salaries and wages payment made correctly and timeously as a percentage of all salaries and wages payments made	99.8%	99.9%
iii Transfer of payroll and personnel functions from current ISIS system to new Resourcelink integrated payroll and personnel system.	N/A	Achieved
<u>Sundry Debtors</u>		
i The cost of collecting sundry debtors per debtor account issued	£4.56	£5.00
ii Total income collection:		
a The income due from accounts issued during the year	£48m	£50m
b The percentage of a) that was received during the year	78.9%	86%
iii The percentage of debt outstanding:		
Under 30 days old	46%	51%
30-59 days old	5%	12%
60-89 days old	2%	3%
More than 90 days old	47%	34%
iv Number of customers paying by direct debit per annum	1,900	2,000

Template C: Improvement agendaCouncil DUNDEE CITYService FINANCE DEPARTMENTContact: ROD McKAY

1. Brief description of the current situation that needs to be improved.	2. Brief description of what the improved situation will be.	3. Brief description of the improvement actions/ projects that will be used to close the gap between 1 and 2.	4 Do you have arrangements to monitor progress and results (Yes/No)?	5. What are the key milestones for this improvement?	6. Which of the template A headings does the improvement action relate to ¹²
1. Insufficient easily understandable and tailor made information for non-financial managers	Development of Business Objects financial reporting.	Readily available and easily understandable reports.	Yes. Outputs will be discussed with non-financial managers.	Training of accountants in the use of the package. Briefing of non-financial managers on the output by December 2002.	Customer focus.
2. Sales ledger debt collection rates are not as good as the authority expects	Collection rates will be improved which should assist working capital and cash flow requirements.	Consistent improvement of debt recovery strategy. Improved performance monitoring through enhanced reporting.	Yes. Collection rates are monitored on a monthly basis. These will also be considered in the annual Service Plan.	Re-designed regular Sales Ledger reports by September 2002. Introduction of Direct Debits.	Resource use.
3. Further savings and improved performance of the Superannuation Fund.	Pension fund custodian will be appointed.	Centralisation of the custodian function within the scheme.	Yes. Results will be monitored on a quarterly basis through the Superannuation Sub-Committee.	Contract for the work to be put out to tender. Custodian appointed. Results analysed by June 2002.	Resource use.

¹² The purpose of this column is to prompt the service to check that it is addressing all aspects of its performance. The service is free to use other headings if it wishes

1. Brief description of the current situation that needs to be improved.	2. Brief description of what the improved situation will be.	3. Brief description of the improvement actions/ projects that will be used to close the gap between 1 and 2.	4 Do you have arrangements to monitor progress and results (Yes/No)?	5. What are the key milestones for this improvement?	6. Which of the template A headings does the improvement action relate to ¹²
4 Too much paper work generated by inter-departmental transactions.	Increased electronic transfer of inter-departmental billing.	Working group set up to take action. Close involvement of Information Technology.	Monitored through the Working Group.	Work to be completed by 30 September 2002.	Resource use.
5 Lack of activity analysis to inform the Best Value process.	The pilot project should identify weaknesses in the business process which are not capable of being identified by other means.	A pilot exercise on Non-Domestic rates should enable the authority to ascertain how it wishes to proceed with this management tool.	Results will be evaluated on completion of the pilot.	Completion of the project. Extrapolation of the findings to a wider context by September 2002.	Internal Management Processes.
6. No formal staff appraisal in operation with Finance Revenues.	Implementation of the staff appraisal process will assist the identification of training requirements and bring consistency of approach with Finance General.	Appraisal process will formulate personal action plans to improve employee performance.	Appraisal process will take place annually and the results evaluated.	The process will begin in June and should be completed by the end of September.	Learning and Development.

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1. Brief description of the current situation that needs to be improved.	2. Brief description of what the improved situation will be.	3. Brief description of the improvement actions/ projects that will be used to close the gap between 1 and 2.	4 Do you have arrangements to monitor progress and results (Yes/No)?	5. What are the key milestones for this improvement?	6. Which of the template A headings does the improvement action relate to ¹²
7 Payroll cost performance indicators are considered too high in relation to those of other local authorities.	More departmental payrolls will be centralised within the Finance function reducing costs and improving efficiency.	Working groups will examine the departmental payroll functions to bring about increased contribution with the minimum of disruption.	Yes. Progress should be evidenced by a reduction in unit cost per payslip as the initiative moves forward.	The milestones will be dictated by departments being centralised as opportunities arise. Small departments will come on stream first with the larger departments following by March 2003.	Resource use.
8 It is thought that there will always be scope for improved communication between the authority and the public.	The leaflet will inform the public of the extent of the services funded by Council Tax.	Leaflet will be published next year with assistance from the Public Relations Department.	Feedback will be informal at this stage but reference to the leaflet is likely to be made in future customer surveys.	Preparation of the financial aspects of the leaflet. Incorporation of advertising spaces to generate revenue to reduce the net cost of publication by April 2002.	External relationships.

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1. Brief description of the current situation that needs to be improved.	2. Brief description of what the improved situation will be.	3. Brief description of the improvement actions/ projects that will be used to close the gap between 1 and 2.	4 Do you have arrangements to monitor progress and results (Yes/No)?	5. What are the key milestones for this improvement?	6. Which of the template A headings does the improvement action relate to ¹²
9 The efficiency of the Pension Fund needs to be improved together with the investment returns.	Greater return on investments and capital growth of the fund.	The Pension Fund will be re-structured.	Yes. Progress reported through quarterly sub-committee.	Current structure will be analysed. Recommendations will then be made to the Superannuation sub-committee as to the best way forward by September 2002.	Resource Use.
10 Insufficient mechanisms in place to measure properly the work carried out by Finance Revenues employees.	Procedures will be in place to assist management measure the contribution made by employees.	Revenues Work Measurement system to be implemented.	Yes. Outputs will be monitored on a monthly basis	System will be introduced by June 2002.	Internal Management Processes.
11 Council Tax collection rate is not as high as the authority expects.	Collection rates will improve assisting cash flow of the authority.	Recovery Final Notice schedule will be brought up to date by December following the Implementation of First Software. Enabling Legislation introduced.	Yes. Collection rates are monitored on a monthly basis.	April 2002, the collection rate for 2001/02 will be calculated. Targets will be set for subsequent 3 years in the Service Plan in June 2002.	Resource use.

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QUALITY MANAGEMENT

<u>Category</u>	<u>Target Date</u>	<u>Achieved</u>
<u>Customer Results</u>		
Customer Survey Strategy Better Customer Service Training	March 04 Sept 03	Phased in Achieved
<u>People Results</u>		
Extend Availability/Understanding/Training re the Intranet Implement Exit Interviews	Sept 03 July 03	Achieved Achieved
<u>People Management</u>		
Establish Formal Induction Training Review Training Budget to Maximise Take-Up	Sept 03 Aug 03	Achieved Achieved
<u>Processes</u>		
A More Comprehensive Evaluation of New Systems Commencing with Working Group Established to Review New Recovery System	Aug 03	Achieved
<u>Partnerships & Resources</u>		
Raise Student Awareness of Council Tax through University Visits Prepare Schedule of Partnerships for the Service Plan	Sept 03 Sept 03	Achieved Achieved
<u>Society Results</u>		
Annual Consultation on Revenue Budget with Interested Groups	Feb 04	Scheduled
<u>Policy and Strategy</u>		
Improve Use of Forums Commencing With i Revenues Backlog Group ii Communications Group	Aug 03 Sept 03	Achieved Achieved
<u>Key Performance Results</u>		
Review all PI's for Monthly Reporting Purposes	Sept 03	Phased in

KEY PROJECTS

Project Objective	Lead Officer	Resource Allocation	Target End Date
Best Value - Publish an annual Performance Report	R McKay	£5,000	July 2004
Best Value - Establish 3 Year Revenue and Capital Budgeting	M Stewart	N/A	Feb 2004
Best Value - Devise and implement a four year risk management plan	G Mackenzie	Not Known	Jan 2004
Financial Resources - Continue to press Dundee's case for adequate revenue funding from the Scottish Executive	D Dorward	N/A	Ongoing
Payroll - Introduction of Resourcelink	A Mooney	£250,000	April 2004
Internal Audit - Increased audit scope through introduction of new posts	S Dailly	£50,000	March 2004
Accounting Services - E-Procurement	R Sturrock	Not Known	March 2005
National Fraud Initiative 2004 - All Scotland	R McKay	£5,000	June 2005
Review of Actuarial Services	S Flight	Not Known	March 2004
Investors in People Award	S Flight	Not Known	March 2005

REVENUE EXPENDITURE AND INCOME

	2004/05 £	2005/06 £	2006/07 £
Staff Costs	3,224	3,307	3,388
Property Costs	64	65	66
Supplies and Services	718	725	734
Transport Costs	24	25	25
Third Party Payments	514	520	525
Support Services	-	-	-
Capital Charges	-	-	-
Gross Revenue Expenditure	4,544	4,642	4,738

Government Grants			
Other Income	1,621	1,661	1,702
Net Revenue Expenditure	2,923	2,981	3,036

LESS CONSEQUENTIAL REVENUE SAVINGS			
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NET INCREASE/DECREASE IN REVENUE COSTS			
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Performance Management and Reporting Framework	
	Who
Communication of the plan	
Plan will be issued to all employees	R McKay
Project Monitoring	R McKay
Each of the objectives and key projects will be developed into detailed action plans to ensure delivery	D Dorward
Annual report within three months of the year end	
Project delivery	D Dorward
Performance Data	R McKay
Resourcelink	A Mooney
Performance Report	R McKay
3 Year Revenue and Capital Budget	M Stewart
Risk Management Plan	G Mackenzie
Employee Appraisal & Development Review Process	
Assistant Chief Executive's (Finance) appraisal with the chief executive on an annual basis will include an assessment of performance in relation to this plan	D Dorward
Management Development review process will ensure that the service plan is part of the Management Team's appraisal process.	D Dorward
Employee Development Process will be linked to the targets in the Department Service Plan.	M Stewart/ J McDougall
Investors in People	
Achieve the liP award	S Flight
Self Assessment for improvement using the EFQM Model	
Annual update and review of EFQM results	R McKay
Linkages to external networks	
CIPFA, AAT, ICMA, ACCA, ICAS	M Stewart/ J McDougall
Commitment to Best Value Reviews and Audits	
Publish an annual Performance Report	R McKay
Establish 3 Year Revenue and Capital Budgeting	M Stewart
Devise and implement a four year risk management plan	G Mackenzie