

REPORT TO: POLICY AND RESOURCES COMMITTEE - 27 APRIL 2009

REPORT ON: FINANCE GENERAL SERVICE PLAN UPDATE

REPORT BY: HEAD OF FINANCE

REPORT NO: 229-2009

1 PURPOSE OF REPORT

1.1 To seek committee approval of the Finance General Service Plan update.

2 RECOMMENDATIONS

It is recommended that the committee approves the Finance General Service Plan update.

3 FINANCIAL IMPLICATIONS

3.1 Projects and actions proposed in the Plan are provided for in the department's Revenue Budget and Capital Plan.

4 MAIN TEXT

4.1 This report updates the department's Service Plan 2007 - 2011 as approved by the committee on 10 December 2007, report number 628-2007. The aim is to update the projects under the relevant departmental objectives. The opportunity has also been taken to check that the department's objectives are aligned to the Dundee Single Outcome Agreement. The department's quarterly performance indicators are scrutinised by the Best Value Performance and Efficiency Sub Committee and the department's management team with annual indicators being featured in the Council's Performance Report. CIPFA Headline Indicators are also collected on an annual basis.

4.2 Links to the Single Outcome Agreement

The Council has approved the Single Outcome Agreement between our Dundee partners and the Scottish Government. The department's objectives contribute to these outcomes as follows:-

<p>Dundee SOA Outcome 10 - Our people will have high quality and accessible local services and facilities.</p>
<p>Departmental Service Plan Objectives</p> <ul style="list-style-type: none">• To ensure the Council can achieve its plans within a balanced budget that minimises Council Tax increases.• To collate an annual efficiency statement and forecast based on projects proposed to deliver efficiency across all departments of the Council.• To maintain current performance for payment of creditor invoices.• To reduce percentage of miscellaneous sales ledger debt outstanding for more than 90 days.• To measure the level of customer satisfaction when contacting the department.• To monitor performance of pension fund managers to ensure that they are investing on an active basis to generate return.

- To maintain funding level of Superannuation fund of 100%.
- To ensure wages and salaries are paid correctly and on time.
- To assess the integrity of processes and systems, including those under development to ensure that controls offer adequate protection against error, fraud and loss of all kinds recommending improvements where required.
- To maintain the planned level of service laid down in the Internal Audit annual plan.
- To maintain the level of resources made available by the council for the provision of the Internal Audit Service.
- To reduce financial loss to the Council.
- To protect against Council liability and material damage exposure.
- To ensure continuity of critical services in time of emergency.
- To ensure service recovery following an emergency.

4.3 **Projects and Initiatives**

4.3.1 Appendix 1 sets out the projects and reviews being carried out under each of the department's objectives. This includes the latest update on on-going projects.

4.4 **Projects completed**

Three project have been completed since the service plan was approved and they will now be removed from the service plan. These are:-

- Upgrade current financial system to Authority Financials.
- Implement new payroll system, Resourcelink.
- Re-tender the Council's catastrophe insurance arrangements.

4.5 **Projects behind schedule**

There were no projects behind schedule.

4.6 **Performance Management**

4.6.1 The service plan is at the core of the department's performance management system and is systematically monitored and reviewed by the management team. All the projects and performance measures are scrutinised in the on-line database and reported to the Best Value Performance and Efficiency Sub Committee and exception reports are produced on performance falling behind target or project milestone. The projects included in Appendix 1 are all taken from the Council's on-line planning database. The Service Plan Update will be added to the Plans and Performance page of the Council's website.

4.7 **Risk Register**

- 4.7.1 The department has updated its risk register based on this service plan update. The key risks facing the department are:

Financial Systems failure
Council Tax increase being more than inflation

The following risks have been reduced since the last service plan report:

Financial Systems failure

5 **POLICY IMPLICATIONS**

- 5.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

6 **CONSULTATIONS**

- 6.1 The Chief Executive, Depute Chief Executive (Support Services) and Depute Chief Executive (Finance) have been consulted on the content of this report.

7 **BACKGROUND PAPERS**

- 7.1 Report 628-2007 Finance General Service Plan 2007-2011.

**MARJORY STEWART
HEAD OF FINANCE**

15 APRIL 2009

APPENDIX 1

Description	Status	Latest Assessment	Owner/Officer	Start Date	End Date	Financial Allocation	Theme
Upgrade current financial system Powersolve to new version Authority Financials	Completed	The Project Board meeting held on 26 June 2008 agreed that the remit of the Project Board had been achieved in that the new system had been installed and was functional. While much had still to be done in moving the system forward it was agreed that this was in the main a Finance/IT issue working with specific service departments as required.	RS	03/07	06/08	£302,000	Finance
Implement a Strategy for Procurement and the Management of Contracts and Contractors	On Schedule	The procurement process is now being developed over all council departments establishing Commodity User Groups to identify future contract and goods and services requirements. Tayside Procurement Consortium now fully established and the Council has joined Scotland Excel.	DKD	04/08	03/10	2008/2009 Revenue Scotland Excel £93k, TPC £81k.	Finance
Develop long term Revenue Budget reflecting Projected Demographic Changes	On Schedule	The 20-year Revenue Budget model currently reflects the 2008-2011 Revenue Budget (as approved in February 2008) and will be updated to reflect the 2009-2012 Revenue Budget in due course. The model will be used to inform future budget and service planning exercises and to model possible structural changes in the funding of Local Government.	MS	04/10	03/30	Existing Resources	Finance
Undertake self-assessment of the strengths and weaknesses of financial management using the CIPFA FM model	On Schedule	Improvement Plan now in operation for 2008/09	RMcK	04/08	03/09	£1,500	Efficient Public Service
Resourcelink Implementation	Completed	All departments and outside bodies' payrolls now live on Resourcelink Payroll Human Resources System. Phase 1 of development now underway.	MS	04/07	03/09	Existing Resources	Information & Communication Technology
Resourcelink Development	On Schedule	Phase 1 of development has commenced & is concentrated on providing standard facilities such as recording of sickness absence and producing management information. A new Virtual Machine for running the system was received and testing of the latest software release (which includes year end tax updates) started on 2 March. Also initial testing of standard letters has begun.	AM	04/07	03/09	£30k for new post charged to service users.	Information & Communication Technology
Pension Fund Website Development	On Schedule	updated Jan 2009 to include latest edition of Pension Patter and information on buying back strike breaks	PRH	04/08	03/10	Existing Resources	Information & Communication Technology
Foster and encourage business continuity within local community	On Schedule	Further Business Continuity promotion event planned for Spring 2009	GM	07/09	03/10	£2,500	Efficient Public Service
Provide support, assistance and training to enable effective Business Continuity Plans to be held by Service Departments	On Schedule	First of Gap Analysis responses now available for discussion with departments	GM	04/09	03/10	£10,000	Efficient Public Service

Further embed risk management processes within Council	On Schedule	All Department Service Plans now incorporate a formal risk register. All Committee reports include evidence of consideration of risk in the Policy Implications section.	GM	On-going	On-going	Existing Resources	Efficient Public Service
Test business continuity plans	On Schedule	This project is not due to start until April 2009 and be completed by April 2010	GM	11/09	03/10	£10,000	Efficient Public Service
Evaluate, refine and review Risk Registers	On Schedule	Update on progress with this item is not due until financial year 2009/10	GM	01/09	06/09	£3,000	Efficient Public Service
Develop cross departmental Risk Management Group	On Schedule	Revised Risk Management Strategic Plan, approved by Policy and Resources Committee on 9/2/09, contains framework for risk management forums.	GM	On-going	On-going	Existing Resources	Efficient Public Service
Refine claims reporting systems for departments	On Schedule	Evidence of development produced for January 2008 Audit and Risk Management Sub Committee. Project not due to be completed until end of 2009.	GM	04/09	03/10	Existing Resources	Finance
Re-tender Council's Catastrophe Insurance arrangements	Completed	Insurance covers to be reviewed by 31 December 2011.	GM	07/11	12/11	Existing Resources	Finance
Review Business Processes of Payroll Section	On Schedule	Project approved by Lean Services Board. Initial meeting held with Personnel to outline scope.	SF	04/08	03/10	Existing Resources	Efficient Public Service
Review Business Processes of Pension Admin Section	On Schedule	Two consultation meetings have been held with shareholders. Contract received for purchase of Task Management software.	SF	04/06	03/10	Existing Resources	Efficient Public Service
Review Revenue Budget.	Completed	Efficiency Savings of £2.865million identified per the Performance Report 2008.	MS	04/08	03/09	Existing Resources	Efficient Public Service
Pension Fund Forum - ensure administration and investment information more readily available.	On Schedule	Next event will be held in second half of 2009	SF	04/08	03/10	Existing Resources	Efficient Public Service
Review staff survey	On Schedule	Details have now been posted on the Finance Intranet.	RMcK	12/08	03/09	Existing Resources	People