

NORTH LINCOLNSHIRE COUNCIL

**CORPORATE SERVICES
CABINET MEMBER**

FINANCE SERVICE PLAN 2009/12

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To seek approval for the Finance service plan 2009/12.
- 1.2 To provide an update on achievements and successes of the Finance service during 2008/9

2. BACKGROUND INFORMATION

- 2.1 The attached service plan sets out the priorities, targets and areas of development for the Finance service over the next three years. It identifies the Finance service's contribution to the council's priorities and how the service aligns with the ambitions of the council.
- 2.2 The attached demonstrates how priorities will be achieved and how performance will be measured. The plan details key outcomes to show what the service aims to achieve for the council. Progress against priorities and outcomes will be reviewed at monthly Finance Management Team meetings and through the Finance quarterly performance review.
- 2.3 The plan in appendix 2 of the service plan details actions and developments planned by the Finance service over the next three years.
- 2.4 The attached Annual Improvement Summary shows progress against key priorities, outcomes achieved, performance and successes of the Finance service during 2008/9.
- 2.5 Also attached is a four page summary document that will be circulated to all staff in the service.

3. OPTIONS FOR CONSIDERATION

- 3.1 The proposed Finance Service Plan sets the direction for both the service and the council on Finance issues. The plan shows clear links between Finance service priorities and the council's ambitions.
- 3.2 An alternative or amended service plan can be produced if required.
- 3.3 Delivery of the service plan will assist in providing a professional and efficient finance service to the council.

4. ANALYSIS OF OPTIONS

- 4.1 The proposed service plan meets the requirements of the council's service planning framework and is essential to ensuring that Finance continues to develop and contribute to the achievement of the council's ambitions.
- 4.2 An alternative or amended plan can be considered if the Cabinet Member decides that the proposed plan is not suitable or adequate

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 5.1 Financial
The proposed service plan has been developed to be delivered within current budgets. All resource implications are set out in the plan.
- 5.2 Staffing
The proposed service plan sets out how Finance employees will contribute to the service and the council. All other staffing implications are detailed in the workforce plan in Appendix 3.
- 5.3 Property and IT
All asset management implications are detailed within the proposed service plan.

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 –CRIME AND DISORDER, RISK AND OTHER)

- 6.1 All related implications are detailed within the proposed service plan.

7. OUTCOMES OF CONSULTATION

- 7.1 All Finance service employees have been consulted in the compiling of this report.
- 7.2 The trade unions have been consulted and no adverse comments have been received.

8. RECOMMENDATIONS

- 8.1 That the 2009/2012 Finance Service Plan be approved and adopted.
- 8.2 That the achievements of the Finance Service during 2008/9 be noted.

SERVICE DIRECTOR FINANCE

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Date: 14 September 2009

Background Papers used in the preparation of this report
None



Going Forward Together 

FINANCE SERVICE
SERVICE PLAN 2009-2012

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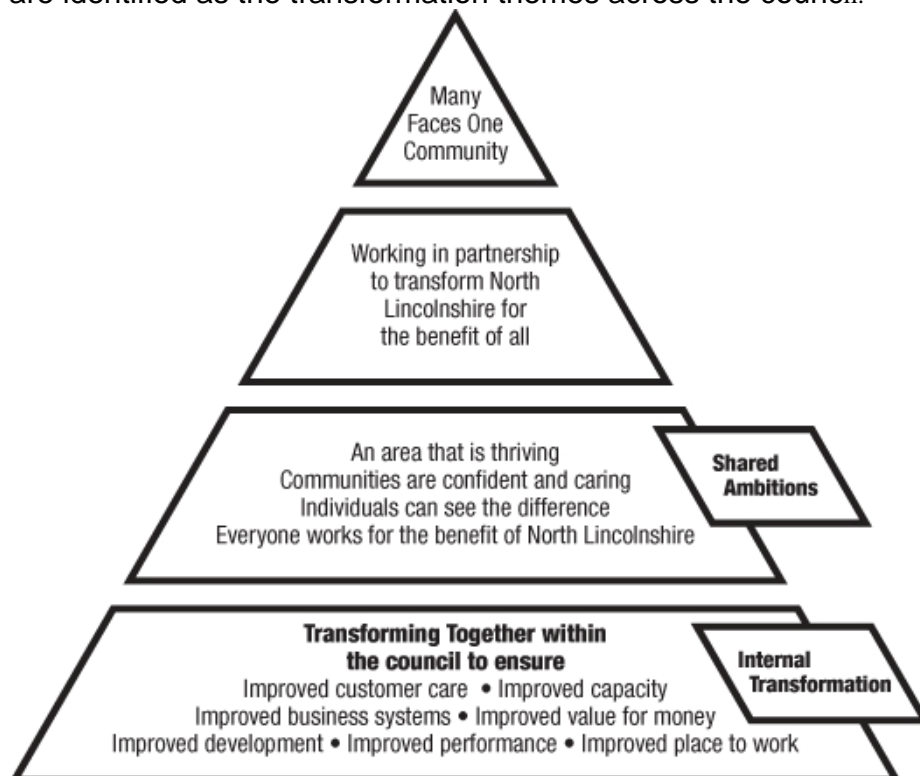
Appendix 1	Capital Schemes
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Introduction

This is the 2009 – 2012 service plan for the Finance Service. It forms a key part of the council's overall strategic plan "Going Forward Together" by contributing towards the agreed overall vision that the council has for the North Lincolnshire area. It sets out how the service will deliver the council's major strategic priorities. It makes the council's strategic plan operational and allows teams and individuals to focus their work on the council's priorities.

The council's vision

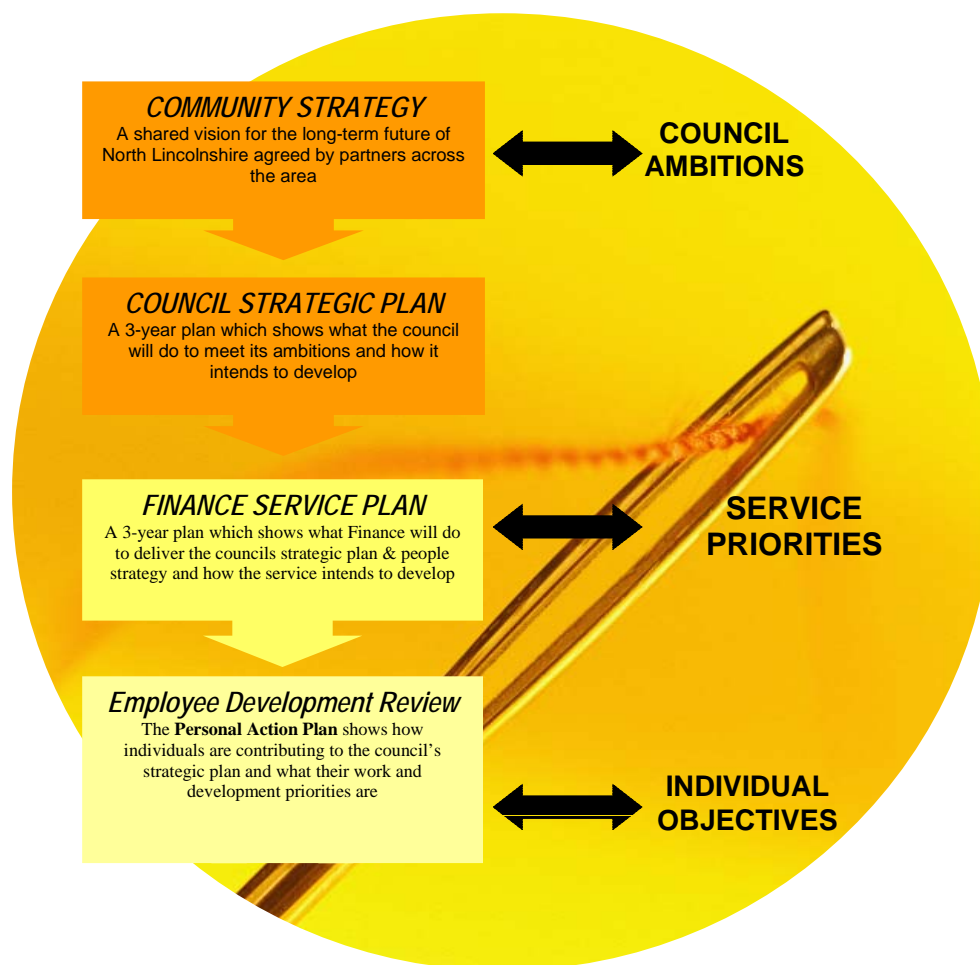
The vision of the council and its partners is 'Many faces one community – working in partnership to transform North Lincolnshire for the benefit of all'. The council shares four ambitions with its partners. To enable the council to achieve the shared ambitions, changes need to be made within the organisation – these are identified as the transformation themes across the council.



The Planning Framework

The service plan forms a key part of the overall planning framework, which is shown below. It explains what the service is responsible for, how it supports the council's ambitions and transformational priorities and where and how improvements to the service need to be made. It ensures that service developments are in line with corporate priorities and aligns resources to them. It also plays a key part in delivering a shared vision, which will be used by the council and its partners to drive the North Lincolnshire Community Strategy. The employee development process supports this by ensuring that staff understand their own role in terms of achieving the council's ambitions and the services development and improvement priorities, as well as identifying any associated training and development needs.

The way in which it will do this is shown below:



Section 2 **Where are we now?**

Service Functions

The Finance Service is split into four main areas

- Financial Services including Corporate Finance and Exchequer
- Audit and Risk Management
- Strategic Procurement & Value for Money (vfm) and
- Local Taxation and Benefits

All provide support for the Service Director Finance to enable him to discharge his statutory duties and also deal with the following specific functions

Financial Services including Corporate Finance and Exchequer

- Management of financial services, and miscellaneous revenues
- Corporate accounting and budgeting procedures and advice to service Directors
- Corporate finance advice and research, including specialist areas such as tax, VAT and grant claim co-ordination
- Long term and short term borrowing and leasing, investment of surplus cash
- Payment of creditors, staff salaries and expenses

Audit and Risk management

- Internal audit service including leading on the council's counter fraud arrangements
- Internal control, risk management and insurance advice to meet statutory and other liabilities
- SLA based finance support and optional insurance services to schools

Strategic Procurement & Value for Money (vfm)

- Strategically lead and advise on the procurement of supplies, services and construction
- Champion and lead the value for money and efficiency development agendas for the council.

Local Taxation and Benefits

- Full council tax, and NNDR assessment, billing and recovery services
- Assessment and payment of Housing Benefits and Council tax Benefits including awareness, detection and prevention of fraud

- Service wide support team for staffing, communication, cultural and development issues.

Our Customers

General public and service users including local residents, customers & citizens and members of the local business community

- There are 72,000 domestic properties in North Lincolnshire and the Finance Service deals with all of these by way of the annual council tax bill and associated information sent about the council's finances.
- We also have contact with all businesses by collecting business rate income (NNDR) from the 5,200 business properties in the area.
- The average number of benefit claimants in 2008-9 was around 15,000 but we have contact with many more. This has increased considerably from the 2007-8 figures of 14,334 due to the impacts of the recession. Payment of Benefits assists the most vulnerable people in the area with their housing and council tax costs
- Strategic Procurement Unit has regular contact with local businesses and third sector organisations

Council Members (including the Audit Committee).

As a statutory service Finance has many links with council members. We report to and have meetings with the Audit Committee, the Corporate Services cabinet member and the Cabinet Member for Housing and Strategic Planning. This them supports them and enables them to lead their communities". We also provide key advice to Council and Cabinet on corporate financial issues.

Staff within the Finance Service

There are 195fte employees in the Finance Service and as major stakeholders in the service they are an important element of it. We take account of views and opinions by the annual Points of view surveys. We consult when undertaking service changes and for diversity impact assessments. Effective management is provided by the use of the Management Charter and adherence to the IIP standards.



EMT and other Service Directors

The Service Director Finance is a member of the Council Management Team (CMT) and attends regular meetings with Executive Management Team (EMT) providing advice and guidance to all about the council's finances. He also attends the Internal Programme Board. The Service contributes widely to all of the Council's shared ambitions and transformational agenda.

Other council service managers and staff

The Finance Teams and Corporate Finance provide detailed financial and budgetary advice to all service managers across the council. All staff are paid by the payroll section and Local Taxation and Benefits has many links to other services such as Children's, and Adult Services and Housing.



The Strategic Procurement Unit provides advice council-wide regarding procurement of supplies, services and works, as well as leading the value for money and efficiency agendas.

Internal audit provide advice council-wide on financial and governance issues. Insurance and risk management provide insurance advice and leads on the council's risk management work.

Our Partnerships

- External Audit
- A range of media organisations
- Voluntary & community organisations, including Voluntary Action North Lincs
- Suppliers
- Central Government associated agencies (DWP, CLG, HMRC) and inspection bodies.
- Purchasers, commissioners and contract managers
- Professional Bodies
- Service suppliers e.g. insurers, broker, IT companies
- North East Lincolnshire Council – Joint working for procurement (Procurement Alliance North & North East Lincolnshire) and NNDR
- Regional Improvement and Efficiency Partnership
- East Riding of Yorkshire Council (procurement)
- Avarto Government services (payroll)



Involvement of Customers and Partners

- Benefits satisfaction surveys are completed every three years; the last one was undertaken in 2006-7 and produced an overall satisfaction rate of 80%.
- We have undertaken some consultation surveys for council taxpayers in the past, and annually consult the business community regarding the Council's spending proposals.
- There was consultation on the budget with the scrutiny panel, business ratepayers, and parish/town councils. The extensive door to door exercise consulting the public in 2008 (simalto) covered three years and did not need to be repeated.



- Staff are consulted via Points of view, on changes to procedures and structure and unions are formally consulted via the Corporate Consultative Committee
- The Strategic Procurement Unit undertakes an annual supplier satisfaction survey. A satisfaction survey of procurement clients is carried out quarterly.
- Questionnaires are sent with all audit reports; 100% of those returned expressed satisfaction with the service they received. Insurance and risk management also survey staff each year – 80% of those who responded rated the service they received as good, very good, or excellent.
- Finance undertakes internal consultation on the services it provides. On-line questionnaires have been prepared for exchequer and accounting services which will be circulated during 2009/10 to a selection of managers. These responses will inform the planned restructure of financial services.
- Regular meetings are held with our major suppliers such as those who provide our IT systems.
- We also have regular meetings with other internal service managers, representatives from the various government bodies, external audit etc.
- The Benefits service has regular involvement with the many and varied advice agencies and other council sections assisting with prevention of homelessness and alleviation of poverty.

Service Standards



- Financial services that are judged to be of high quality by internal and external audit, and reach CPA Use of Resources level 3 (above minimum requirements).
- Financial accounts that are completed on time, comply with SORP and BVACOP requirements, and receive an unqualified audit opinion. The SORP will be replaced by IFRS requirements from 2010/11(international standards).
- Use and maximise the advice and guidance of the following professional bodies
 - Chartered Institute of Public Finance and Accountancy (CIPFA)
 - Institute of Rating, Revenues and Valuation (IRRV)
 - Association of Local Authority Risk Managers (ALARM)
 - Insurance Brokers (JLT)
 - Chartered Institute of Purchasing and Supply.
 - Society of Procurement Officers in Local Government.
- External accreditation and recognition e.g. procurement awards and IIP
- Achievement of at least £1m of cashable procurement savings annually
- All staff within the finance service will comply with the council's code of conduct
- A management charter that is fully utilised and understood by all staff.
- To continue to be compliant with Investors in People standards

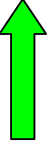


- Compliant with the CIPFA code of practice for internal audit in Local Government in the UK
- Compliant with Auditing Practices Board guidelines
- Recognised best practice.
- Adherence to government's procurement policy as laid down by the Office of Government Commerce.
- All staff in local taxation and benefits use the on-line procedures manuals
- All staff in the service to comply with council and service specific policies and procedures.
- Adherence to a high level of customer care in accordance with our customer service standards
- National SME friendly Concordat
- Benefits service that is working towards meeting the KLOEs required for an audit commission inspection.
- Compliance with CIPFA SOLACE Code of Corporate Governance.


Section 3 How are we doing?

Current Performance (2008/9)







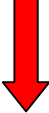
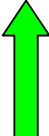
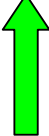
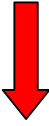
Monitoring performance is a key part of our performance management framework. It allows us to identify areas of good practice as well as areas that aren't performing to the required standard. It is through monitoring performance that we are able to identify key drivers for improvement within the service.

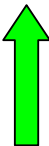
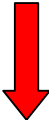
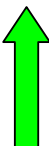
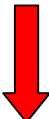
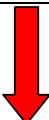
Service Wide

Indicator	Performance	Target 2008-9	Direction
Percentage of EDRs completed within previous 12 months	84%	90%	
Average number of working days lost due to staff sickness	7.94 days	Under 8.8 days	
Percentage of workforce attending training and development activities	83%	90%	

Percentage of new managers completing corporate induction	100%	100%	
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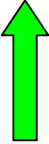




Financial Services

Use of resources			
Accounts	2/4	3/4	
External accountability	3/4	3/4	
Medium term financial strategy and budget setting	3/4	3/4	
Budget monitoring and management	3/4	3/4	
Asset management	3/4	3/4	
Financial standing	3/4	3/4	
Achievement of value for money	2/4	3/4	
Arrangements for improving value for money	3/4	2/4	
Average interest rate on cash flow	0.42% above average base rate of 3.62%	0.1% above average base rate	
Capital financing cost as % of net revenue stream	4.82%	Less than 6%	



Cost of accountancy service per £000 gross revenue turnover	Average	Below unitary average	
Non-finance officer training	5 courses	9 courses	
Member training	4 half day events	4 half day events offered	New
Percentage of creditor invoices paid electronically by value.	91.1%	90%	
Average number of debtor days	117 days	60 days	
% of invoices paid in accordance with payment terms – Finance wide	85.9%	85%	New
% of invoices paid in accordance with payment terms Council wide	78.8%	80%	
FMSiS % of primary schools accredited	100%	100%	New
% of electronic payments (cashiers)	30.8%	26%	New
Payroll payments paid on time	100%	100%	New
Payroll- Reduction of number of cheque payments caused by service areas.	11% increase	2.5% Reduction	New


Audit and Risk management

Completion of internal	N/A	80% But adequate coverage of	New
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audit plan		all high risk areas	
Audit – Number of recommendations agreed and implemented	65.7%	60% of those tested	
Percentage of Woolf claims that are successfully defended due to compliance with Woolf protocols	100%	98%	
Adherence to professional standards	Positive annual review	Positive annual review	New
Satisfaction with internal audit	100%	80%	New
Council wide % of operational risk registers prepared by service division managers	84%	70%	New
Number of strategic risk position statements reviewed	100%	100%	New
Internal Control			
Risk Management	3/4	3/4	
Systems of internal control	2/4	3/4	
Conduct & anti-fraud and corruption	3/4	3/4	






Strategic Procurement & VFM

% of corporate spend through e-Procurement module	15.98 %	15%	
% of National Procurement Strategy milestones completed	100%	100%	

Cashable savings identified through completed vfm projects	£529k	£500K	New
% of VFM reviews completed v overall programme	87%	67%	New
% orders raised electronically by email	5.95%	7.5%	New
% of invoices received and processed electronically	1.56%	3%	New
Cashable savings identified through smarter procurement (annualised)	£1m	£1m	

Local Taxation and Benefits

Percentage of telephone calls offered that are answered in the Local Taxation & Benefits call centre.	85%	90%	
Average time for processing new benefit claims.	24.41 Days	25 Days	
NI 180 The number of changes of circumstance which affect customers' HB/CTB entitlement	N/A	843 per thousand claimants	New
NI 181 Time taken to process Housing benefit/Council Tax Benefits new claims and change events	13.53 Days	15 Days	New

Average time for processing notification of change events	10.61 Days	10 Days	
Accuracy of claims – internal quality check based on 4% check	97.6%	99% paid accurately	
The number of prosecutions and sanctions per 1,000 caseload	5.86	6.5	
BV9 Percentage of Council Tax collected	97.1%	97.6%	
BV10 The percentage of non-domestic rates collected	98.9%	99%	

Improvements that have been made against service priorities -

Investing in people

- The number of homeworkers in Local Taxation and Benefits increased to 13.
- Excellent exam results were obtained in both audit and financial services. All Audit staff are AAT qualified (or equivalent) or above.
- Group Auditor achieved full CIPFA qualification.
- The service secured recognition of the council's IIP scheme under CIPFA's CPD requirements.
- Finance staff had the opportunity of attending a training day to improve their use of e-financials and understanding of key controls.
- Training was delivered to the Finance teams and Corporate Finance on VAT, Closure of Accounts and Capital Accounting.
- Professional development training was provided jointly with external audit on CIPFA's Code of Practice for Internal Audit.
- Implemented the Finance service action plan for 2008 'Points of View' survey and contributed to council wide action plan.
- Continued to support the work of the two service improvement teams with membership that is representative of all parts of the service.
- Contributed to the council wide cultural framework and ensured developed in Finance Service.

- Implemented Capacity and Performance development programme.
- Invested in staff through learning and development opportunities and application of the Finance Management Charter.
- Diversity Impact Assessment training has taken place across the service.
- A knowledge base has now been added to the NL / NEL intranet sites which contains updated procurement policies and guidance.
- Local Taxation And Benefits managers were given an overview of CAA, LAA, LSP etc.
- Two training events were delivered to Finance staff during the year as part of CPD. These covered e-financials, key controls, VAT, Closure of Accounts and Capital Accounting.
- Strategic Procurement Manager and Principal Procurement Advisors all professionally qualified to MCIPS standard.

Effective Communication and consultation

- There was consultation on the budget with the scrutiny panel, business ratepayers, and parish/town councils. The extensive door to door exercise consulting the public in 2008 (simalto) covered three years and did not need to be repeated.
- Corporate Finance worked with PR and Communications to consult with the public through Direct on what kind of financial information would meet their needs. This was used in the relaunch of the annual report which was commended as notable practice by the Audit Commission.
- A series of articles and posters on vfm was launched through the Direct magazine to raise public awareness of the value they get from council services.
- A newsletter for suppliers has been produced by the Strategic Procurement Unit and was distributed with Newslite.
- Benefits have developed an on-line questionnaire to measure the effectiveness and ease of use of the benefits application form.
- Supplier satisfaction and SME/VCO profiling surveyed with impressive findings: Respondents satisfied or very satisfied with the ease of tendering for council contracts = 91% Respondents satisfied or very satisfied with the support they received from the council in relation to bidding for council contracts = 82%
- Articles designed to raise awareness about the council's anti fraud arrangements have been circulated in Direct, on intralinc and on the council's website,
- A new risk management newsletter 'Risk Roundup' has been circulated throughout the council.

- There is also an extensive programme of communication with internal customers, such as fraud articles, leaflets, booklets on risk management and the finance service newsletter. "Finance Focus"

Leading strong & effective financial management throughout the council

- Budget monitoring, virement processing and budget setting elements of the Collaborative Planning module were successfully implemented during the year.
- Extensive work undertaken relating to the efficiency process.
- Achieved level 3 in CPA Use of Resources assessment
- Extensive work was carried out with services leading to a new three year revenue budget plan and five year capital programme
- The council delivered spending within revenue budget for 2008/09 despite the recessionary impact on a range of income budgets
- Participation in the council's approved performance reporting framework and QPR
- Council tax collection rates show that we have maintained a similar level of collection as last year, which is excellent given the current economic situation. However NNDR collection has fallen slightly as expected.

Promoting good governance

- External Audit's review confirmed that internal audit meet all professional standards set out in the Code of Practice for Internal Audit.
- Work with the Audit Committee continues to develop and a forward plan of reports and an assurance map, designed to assist the committee to fulfil its terms of reference, has been approved.
- Quality assurance of service plans to ensure risk management issues were adequately addressed have been done.
- Updated and delivered the Risk Management Strategy. Ensured QPR process includes proper consideration of risk management issues.
- A new risk management newsletter has been developed to raise awareness and promote the council's risk management arrangements.
- Articles designed to raise awareness about the council's anti fraud arrangements have been circulated in Direct, on intralinc and on the council's website.
- A suite of audit reports was prepared for the Audit Committee to consider. The council's corporate governance arrangements were assessed as meeting best practice criteria in most areas. Similarly an assessment of counter fraud arrangements in place shows good compliance with best practice identified by

CIPFA. Also included a review of the council's strategic risks and the adequacy of controls in place to manage those risks.

- The programme of Internal Audit work was adequately completed. Actions are agreed and followed up every year.
- Full participation in the Government's National Fraud Initiative (NFI). The Audit Commission has commended the council's work in this area.
- Completed CPA Use of Resources Self Assessment – assessed overall at level 3.
- Completed performance reports of the Benefits Service for CPA – assessed at level 4.
- More sophisticated internet monitoring software has been installed which allows proactive monitoring of internet useage and access on prohibited sites.
- The Finance Manual was revised and updated and access on intralinc improved.
- Final accounts were produced on time and were unqualified – the auditors were happy that the accounts gave a fair view of the council's financial position and performance.
- The council's performance on processing grant claims accurately and on time improved markedly in the external audit assessment.
- A robust system for ensuring effective controls and authorisation of creditor payments was put in place and for payroll is currently being finalised.
- Annual review of Corporate Governance framework undertaken and refresh of the code of Corporate Governance.
- The council's approach on Anti Money Laundering has been identified and guidance drafted.
- Successful defence of EL claim. Reserve was £120k. Successfully defended – no costs for council to find.
- Excellent performance also in the Benefit Fraud section with a total of 89 sanctions & prosecutions achieved against a target of 90
- Sterling Consultancy Services were appointed to review the council's treasury management strategy in the light of turbulence in the financial markets. After critical evaluation this has been used to develop the policy for 2009/10.
- Following the Icelandic banking collapse of October 2008, we have reviewed our procedures in the light of advice and guidance received.
- New risk management newsletter has been produced.

Supporting partnerships

- Extensive work was undertaken with theme leads to develop costed action plans for the community strategy and LAA. This provided the LSP with its first view of budgetary resources aligned to the key priorities and identified areas of shortfall.
- A joint procurement strategy for 2008/11 was produced.
- The procurement team received favourable media coverage in Supply Management magazine for joint working with Hull City Council on CIPS training.
- Further advice and support was given on the Housing Improvement Programme.
- Support has been given to the Housing Investment Task Group, a subsidiary of the Humber Housing Partnership.
- Input continues to the Connexions Technical Group, dealing with the disaggregation of Connexions Humber later this year.
- The contract between NLC and NELC for processing of NNDR work is continuing to work successfully.

Improving procurement, Value for Money & efficiency throughout the council

- VfM reviews carried out in 2008/09 have identified savings of £529,000.
- The VfM WorkSmart initiative was approved as a transformation project for the council.
- A VfM Programme for 2008/11 was approved by CM. The VfM format for the 2008-11 Service Plans has been adopted corporately helping to embed VfM profiling as part of service planning.
- The service led the council's response to the efficiency agenda and provided appropriate returns to the government.
- A vfm self-assessment was completed for CPA 2008.
- Numbers of staff working from home and hotdesking increased.
- Joint procurement projects concluded with NELC:
 - Property Repair & Maintenance Frameworks.
 - Disabled Adaptations & Grant Works Frameworks.
 - Printing (Bought-in).
 - Inter-town Mowing and Rights of Way Clearance.
 - Cycle To Work Scheme.
 - Office Supplies.

- ICT Hardware & Software.
- Postal Services.
- ICT eAuction.
- Procurement savings performance totalled £1m for 2008/09
- Key council projects supported included The Baths Hall, Waste Projects and the Sports Academy.

Developing capacity and capability to do more

- Capacity of the service developed as part of service development days 'Capacity and Performance'.
- Relaunch of improvement teams under FACT banner (April 08).
- Wireless technology has gone live in interventions visiting section.
- There has been initial involvement from the Finance Team in the Personalisation Agenda within Adults Social Care.
- The service introduced major legislative changes to benefits in October including ESA, with no impact on service delivery.
- An electronic hotline referrals system has been introduced which improves security and speed of information passed from Audit to Benefits Fraud for investigation.
- The Benefits action plan resulted in additional output by the assessors and continues to show improvements in processing times despite the impacts of the recession resulting in major increase in claims received.
- Data collection exercise for NI14 completed on time. Highlighted areas of avoidable contact that will be addressed to create future capacity.

Top quality Services for the public

- Produced and successfully implemented action plan to improve benefit quality
- A successful pilot was undertaken whereby customer services phones are open Thursday/Friday until 6.30 p.m. the week Council Tax reminder notices are issued. A review took place in November 2008 and this now happens every month. In addition telephone lines were open on Saturday morning during the annual billing process.
- Involvement commencing in "Tell Us Once" project with registrar leading.
- A joint SME event was held on 27 August 2008. 30 companies from across the NL and NEL area attended.
- Posters and leaflets designed advertising 'What customers can do online'.
- Following a request from the Economic Development section, a Benefit Visiting Officer went into a local company to aid their workers in making a benefit claim. The company is facing financial problems and are introducing a

periods of lay-off where the staff are unable to claim unemployment benefits but may not be paid their full wages.

- A market event to explain the Supplier & Contractor Management System for the transport sector took place.
- Ten procurement events delivered to local business, targeted at SME's

Improvement reviews

External Audit Reports:

- Governance Report 2007-08 (Sept 2008)
- Use of Resources 2007-08 (Dec 2008)
- Grant Claims and Returns 2007-08 (March 2009)
- Audit Fees Letter 2009-10 (March 2009)
- Annual Audit & Inspection Letter 2007-08 (April 2009)
- Direction of Travel Assessment 2008

Internal Audit Reviews of key systems such as:

- Corporate Governance
- Fundamental Financial Systems: Payroll, E Financials, Creditors, Council Tax & NNDR, Council Tax and Housing Benefits, Sundry Debtors, Treasury Management, Cash Receipting, Asset Management Planning and CareFirst
- Risk Management

Annual Internal Audit Report to Members

Annual Governance Statement

Joint procurement rated as "performing well" under CPA Use Of Resources Assessment 2008

Procurement framework rated as "strong" as part of the equalities standards assessment

Outcomes Achieved

Positive External Audit opinion

- External Audit gave an unqualified conclusion on arrangements for securing value for money.
- The use of resources self-assessment and final accounts were unqualified with few recommendations for improvements.
- The annual audit and inspection letter was favourable.
- The Audit Commission gave favourable feedback on our approach to NFI.

- Procurement framework rated as “strong” as part of the Equalities Standards Assessment.

Positive rating and improved scoring for Use of Resources element of CPA

- Use of resources – Achieved level 3 (consistently above minimum requirements) for 2007-8 and self assessment for 2008-9 indicating similar level of achievements for 2008-9 across most of the criteria.
- Benefits 4 out of 4, maintained for 2007-8 announced in 2008-9.
- Joint Procurement rated as “performing well” under CPA Use Of Resources Assessment 2008.

Maintenance of IIP award

Ongoing reviews undertaken.

Positive Points of View results

Achieved. Good results although issues in a few in specific areas of the service. Action plan produced.

Accurate budget monitoring.

The council has an established budget monitoring system which produces monthly reports to managers and cabinet members with quarterly reports to cabinet. This worked well in 2008-9 so that the council was able to contain recessionary pressures by redirecting savings from other areas from the council budget at the October review. As a result a modest revenue under spend of £466,000 by outturn was achieved. Similarly a mid year review of the Capital Programme re-phased £21m of expenditure so that the under spend at year end was a modest £3m.

Predicted budget outturn – within budget

- The revenue budget was under spent by £466,000. This benefits the council’s overall financial position.
- Capital programme spending was £3.035m under budget for the year and will be rephased.

Procurement savings of £1m

Achieved Savings of £1,165k

Final accounts that are unqualified and on time

Achieved

Performance Indicators that are above average

There are three National Indicators for the service of which two relate to benefits and one to efficiency savings.

- In respect of benefits due to issues with data collection by DWP there is not yet any published data for NI180 or NI181 and so not yet any comparators, although our internal targets have been met.
- NI179 efficiency savings for 2008/09 show a small shortfall against the target set by the council in October 2008: £2.536m against £3.250m. This delivers a 1.65% saving against the government target of 3% per annum, and lost ground needs to be recovered in 2009/10 and 2010/11 to achieve the cumulative three year target.

Achievement of awards

- The Procurement Team were finalists for the MJ Awards 2008 for the Best Use of Resources category. The awards took place on 26 June in London. The team's achievements were commended.
- Kevin Coyle received the Tom Sowerby Award from the CIPFA President at the National Students Conference held at Manchester Town Hall.

Value for money savings of £0.5m achieved

The value of money team were instrumental in identifying vfm savings of 0.5m through a range of vfm review projects.

Council Tax increases in line with Government and public expectations.

Council tax for 2008/09 was 3.9%, well within the government capping target of 5%. In setting the 2009/10 increase council approved 3.8% uplift in line with the indicative 3.9% notified in February 2008. This also was well within the 5% capping limit.

Achievement of milestones in the National Procurement Strategy for Local Government

All milestones achieved.

Positive endorsement of Internal Audit work by External Audit

Achieved.

Standing in national award schemes for procurement

The Procurement Team were finalists for the MJ Awards 2008 for the Best Use of Resources category. The awards took place on 26 June in London. The team's achievements were commended.

Woolf protocol requirements met

Achieved in all cases.

Positive outcomes for Benefits in the event of an inspection by the audit commission

Not applicable. No inspection has yet taken place.

Section 4 Where do we need to go?

Strategic actions we are leading on

We do not lead on any specific actions in the Strategic Plan but contribute to many of them with links to the council's transformational agenda detailed below.

Strategic actions we contribute to

The Finance Service as a whole underpins all the council's activities and contributes extensively to the council's internal transformational agenda and the four main programmes of change as follows:

<p>Organisational Excellence</p> <ul style="list-style-type: none">• Improving our one council approach• Improving our customer care• Improving our performance• Improving our cultural fit	<p>The Local Taxation and Benefits service play a lead role in developing how our customers interact with the service and the council as a whole. Channel migration: telephone and internet benefits applications, e-billing, role of Local Links etc. Links to Finance Service Priority 7 - Developing capacity and capability to do more</p> <p>Maintenance of the excellent rating for benefits</p> <p>Improved council tax collection</p>
<p>Operational fitness</p> <ul style="list-style-type: none">• Improving our working arrangements• Improving our flexibility• Improving our productivity• Improving our accountability	<p>We ensure that we maintain the Investors in People standards and that all our staff are well supported in learning and development activities. We are also committed to ensuring that the service attracts and retains a diverse, skilled and motivated work force. Links to Finance Service Priority 1 - Investing in People</p> <p>The Finance Service has the lead role in the council's annual budget process and three-year financial plan, which bring together the revenue and capital requirements of all council service. This underpins the full range of council activity. Links to Finance Service priority 3 - Leading strong & effective financial management throughout the Council</p> <p>The service ensures that the council's excellent governance arrangements are sustained; we lead on anti- fraud and corruption strategies and risk</p>

	<p>management. Members are supported to ensure that the finances of the council are aligned with priorities.</p> <p>The service is also taking the lead role in changes required for the Comprehensive Area Assessment /Use of Resources changes from 2008/9. Links to Finance Service Priority 4 - Promoting good governance</p> <p>The service will be key in reviewing the governance arrangements for partnerships</p>
<p>Valued Council</p> <ul style="list-style-type: none"> • Improving our focus • Improving our value for money • Improving our commissioning mix • Improving our choice to customers 	<p>The Finance Service is providing support and is NLC lead role in financial matters for the changes that relate to the whole area i.e. the new partnerships/Local Strategic Partnership, budgeting, monitoring, governance arrangements etc. We also ensure that the appropriate financial monitoring and arrangements exist for partnerships such as the Children’s Trust. We also continue to develop partnerships relating to the Finance Service, e.g. procurement alliance and NNDR shared services with NELC. Links to Finance Service priority 5 – Supporting partnerships</p> <p>The service will continue to investigate strategic partnering and procurement solutions for delivery of council services</p> <p>Value for money – the VFM strategy, program and team has been refocused to achieve more significant gains and to help develop and embed the role of VFM across all council services.</p> <p>We play a key role in ensuring that the council meets its performance for the National Indicator 179 – Value for money. Links to Finance Service Priority 6 - Improving procurement, value for money and efficiency throughout the council</p> <p>We have a lead role in developing how our customers interact with the service -Channel migration: telephone and internet benefits applications, ebilling, role of Local Links etc</p>
<p>Worksmart</p> <ul style="list-style-type: none"> • Improving our use of technology • Improving our choice of assets • Improving our systems • Improving our working environments 	<p>The Strategic Procurement & VFM unit lead on council-wide VFM/transformation issues, producing and achieving a VFM business plan and delivery of a three-year procurement business plan.</p> <p>We play a leading role in modernisation of working practices, maximising use of systems, accommodation etc.</p> <p>We will complete roll-out of e-systems e.g. e-procurement, SCMS, carplan, sundry debtors, etc.</p>

We also contribute to the shared ambitions as follows:

<p>Individuals can see the difference</p>	<p>Due to the amount of money paid out and the number of claimants involved the Benefits service plays a key role in assisting the local economy. In particular the service contributes to the following National Indicators that are contained in the Local Area Agreement</p> <ul style="list-style-type: none"> • NI 153 – working age people claiming out of work benefits in the worst performing neighbourhoods. • NI 116 – proportion of children in poverty • NI 141 – Number of vulnerable people achieving independent living <p>We also play a key role in improving the service to customers by working closely with the Local Links. We ensure that we make the best use of our technology to keep the service up to date with legislative changes, and to improve the service whilst achieving efficiencies. The Finance service is also committed to ensuring that the diversity of our customers is addressed in our policies and procedures. Links to Finance Service Priority 8 - Top quality services for the public</p>
<p>Everyone works together for the benefit of North Lincolnshire</p>	<p>The Finance Service contributes to this ambition by ensuring that we consult with our customers, and take account of their views where possible. We also try to communicate with them in an effective way that helps them to understand the services that we are providing. Links to Finance Service priority 2 – Effective communication and consultation</p>

Finance service priorities

Our priorities for the next three years are listed in full on page 28 and are summarised as follows:

1. Investing in people
2. Effective communication and consultation
3. Leading strong and effective financial management throughout the council
4. Promoting good governance
5. Supporting partnerships.
6. Improving Procurement Value for Money and efficiency throughout the council
7. Developing capacity and capability to do more
8. Top quality services for the public

Service Improvements

Service wide

- Develop and implement service wide change management capability and capacity to ensure that the service is able to meet all future challenges.

- Review service structure to ensure that it properly reflects the responsibilities arising from Local Strategic Partnership /partnerships/Comprehensive Area Assessment developments and has the capacity to deal with the additional demands.
- Ensure the service meets the requirements of the corporate communications campaigns on value for money and benefit take up.
- Review and update the consultation strategy across the service, ensuring that the service is accessible and responsive to all internal and external customer needs.
- Ensure the diverse populations of North Lincolnshire have fair and equal access to our services and that no group is disadvantaged by the way we publicise our services or by the way we respond to their queries.
- Improved measures of attitudes and satisfaction levels of all employees in the service. Deliver the POV action plan and improve the main issues raised in the POV survey for Finance. Ensure the service is ready for next IIP inspection and contributes to the corporate IIP inspection.
- Improve use of office space and efficiency in service delivery by review of storage requirements, homeworking electronic solutions, hotdesking etc.

Financial Services including Corporate Finance and Exchequer

- Develop appropriate financial reporting/monitoring processes for the Local Area Agreement /Local Strategic Partnership.
- Improve the timeliness and accuracy of grant claims submitted for audit. Roll out protocol and training.
- Explore and, if feasible, implement alternative delivery option for the payroll contract.
- To review lease car agreement periodically with a view to renegotiations of individual leases to minimise cost.
- To introduce direct debits as a method of payment for sundry debtor accounts by March 2010.
- To roll out eclaims to all sections..
- To encourage and develop the use of e-forms and embrace business process reengineering work as part of the Vfm exercise.

Audit and Risk Management

- Develop the Internal Audit service in the light of changing service delivery options and government initiatives.
- Deliver the risk based audit plan to enable an appropriate level of assurance to be delivered to both Members and senior management.
- Develop quantitative measures to evaluate the level of assurance provided in audit reviews .
- Delivery of the risk management strategy.
- Ensure QPR process includes proper consideration of risk management issues.

- Evaluate risk management arrangements against New British Standards – Risk Management Code of Practice (BS3110) and CIPFA Risk Management Toolkit.
- Review governance arrangements for LAA/ LSP and partnerships including risk management.
- Implement the new audit management system.
- Evaluate and procure a risk management system. Roll out the council's anti-money laundering procedures and support with appropriate training.
- Improve response rates to audit recommendation implementation and encourage greater council wide compliance with council procedures and policies.

Strategic Procurement & Value for Money (vfm)

- Support the establishment of a strategic procurement solution for the delivery of the council's capital programme.
- Determine a 3 year. business plan of joint projects and developments with North East Lincolnshire Council to deliver the required outcomes of the procurement alliance.
- Complete council-wide implementation of eProcurement and SCMS and develop increased use of eAuctions.
- Deliver the new Vfm program and achieve efficiency and savings targets
- Implement an electronic "procure to pay" solution.

Local Taxation and Benefits

- Ensure that service delivery is maximised and able to face the challenges imposed by the recession.
- Implement the action plan arising from the self assessment against new KLOEs.
- Develop the strategy and implement benefits take up campaign using GIS and MOSAIC technology to ensure that the diverse population of the council is identified and targeted accordingly.
- Develop strategy for electronic services and channel migration including how services are delivered at front line, reflecting customer needs and service efficiencies.
- Improve efficiency in service delivery by exploring joint working opportunities including examining the results of the NLC/NELC feasibility study and implementing the action plans to increase productivity and reduce costs in council tax and benefits.
- Improve efficiency in service delivery by working more closely with the Local Link Service.
- Implement technology changes in particular Government Connect.
- Ensure that the service retains its high profile in the council by working closely with corporate groups such as community engagement, recession group and culture groups.

- Combine annual benefit letters and council tax bills into single postage/print to generate better customer service and reduce numbers of enquiries.

Our key priorities for the next three years

- The Finance Service will provide support and be the NLC lead role in financial matters for the changes that relate to whole area. i.e. the partnerships/LSP: budgeting, monitoring, governance etc.
- Lead role in changes required for the Comprehensive Area Assessment /Use of Resources changes from 2009/10.
- Participatory budgeting developments.
- The Strategic Procurement & Vfm unit will lead on council wide Vfm/transformation issues, producing and achieving a Vfm business plan.
- Delivery of the three-year procurement business plan allied to the procurement strategy.
- Lead role in developing how our customers interact with the service. Channel migration: telephone and internet benefits applications, ebilling, role of Local Links etc.
- Complete roll-out of e-systems e.g. eprocurement, SCMS, carplan, sundry debtors, etc.
- Maintaining IIP accreditation.
- Succession planning as the workforce ages – Develop action plan in consultation with HR.
- A leading role in modernisation of working practices, maximising use of systems, accommodation etc.
- Professional training to maintain skills levels.
- Consultation and satisfaction levels.
- Delivery of a three-year procurement business plan.
- Delivery of a three-year Vfm development program.
- Maintenance of the excellence rating for benefits.
- Undertaking the benefits take up strategy in conjunction with the council's communication priorities.
- Improved collection of council tax.
- Adapt and maintain the high performance of the service whilst dealing effectively with the current economic situation.
- Lead on developing the council's counter fraud arrangements including raising awareness and proactive audit work.
- Develop assurance work to support the Audit Committee to fulfil its terms of reference.
- Implementation of Use of Resources actions plans.

Our Non-Priorities

As most of the services provided by Finance are statutory, services there are no strategic areas that can be classed as non-priority.

We have identified the following that are operational:

- Involvement in low value/low risk procurement where no value is added by the team
- Support to small scale VFM reviews
- Routine processing, particularly where it can be handled electronically at source by services.
- Provision of “hands-on” procurement support which is wasteful in terms of time and resources
- Non value adding regional initiatives
- Low risk audit work

The 'Building Capacity' program in the financial services will identify some activities which are non-priorities for the future so that we can continue to deliver an effective service.

Section 5 How will we know we are succeeding?

Key Outcomes

- To produce annual accounts which are unqualified and on time.
- Achievement of milestones in the National Procurement Strategy for Local Government.
- Positive rating and improved scoring under the Use of Resources element under CPA/CAA.
- Standing in national award schemes for Procurement.
- Positive endorsement of Internal Audit & Risk Management work by External Audit.
- Woolf protocol requirements met.
- Positive outcomes for benefits in the event of an inspection by the Audit Commission.
- Positive External Audit opinion.
- Positive CPA and inspection results.
- Maintenance of IIP award.
- Positive Points of View results.
- Accurate budget monitoring.
- Predicted budget outturn – within budget.
- Procurement savings of £1m.
- Performance Indicators that are above average.
- Achievement of awards.
- Value for money savings of £0.5m achieved.

- Council tax increases in line with government and public expectations.
- Audit Committee able to fulfil its terms of reference.

Key Indicator and Targets

National Indicators	2009-10	2010-11	2011-12
NI179 Value for money – total net value of on-going cash-releasing value for money gains that have impacted since the start of the 2008-9 financial year	£2.652m in year £5.927 cumulative	£2.306m in year £8.233 cumulative	£2.428m in year
NI180 - Changes in Housing Benefit/ Council Tax Benefit entitlements within the year	980 per thousand claims	990 per thousand claims	n/a NI to be deleted
NI181 -Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	13 Days	12 days	10 days

Corporate Health Indicators	2009-10	2010-11	2011-12
BV9 Percentage of Council Tax Collected	Lower 96.49% Upper 98.48%	Lower 96.49% Upper 98.48%	Lower 96.49% Upper 98.48%
BV10 The Percentage of Business Rates Due for the Financial Year which were received by the authority	Lower 98.43% Upper 99.3%	Lower 98.43% Upper 99.3%	Lower 98.43% Upper 99.3%
CH4 Capital Programme - percentage spend at year end against most recent approved Capital Programme	Lower 90% Upper 100%	Lower 95% Upper 100%	Lower 95% Upper 100%
CH5 Revenue Budget - percentage spend against approved net Revenue Budget	Lower 98% Upper 100%	Lower 98% Upper 100%	Lower 98% Upper 100%
CH6 Use of Resources Score	Lower 2 Upper 3	Lower 2 Upper 4	Lower 2 Upper 4
CH8 Overall VFM Assessment of the Council	Yes	Yes	Yes
CH9 Number of Services Achieving Efficiencies	Lower 6 Upper 12	Lower 6 Upper 12	Lower 6 Upper 12
CH10 Number of Services Providing Good Value for Money	Lower 9 Upper 12	Lower 9 Upper 12	Lower 9 Upper 12
CH11 Use of Resources – Internal Control (2.4)	Lower 2 Upper 3	Lower 2 Upper 3	Lower 2 Upper 3

CH12 Use of Resources - Efficiencies (1.2)	Lower 2 Upper 4	Lower 2 Upper 4	Lower 2 Upper 4
CH13 Use of Resources - Managing Finances (1.1)	Lower 2 Upper 3	Lower 2 Upper 4	Lower 2 Upper 4
CH14 Auditor Opinion Unqualified accounts	Lower 0 Upper 1	Lower 0 Upper 1	Lower 0 Upper 1
COM1 (FI) The number of formal complaints received in a quarter in Finance	Lower 10 Upper 5		
COM2 (FI) Complaints upheld in the quarter.	Lower 15 Upper 5		
HR04 Voluntary leavers as a percentage of the workforce (FI)	Lower 8.6% Upper 7.6%		
HR09 Working days lost due to sickness absence (FI)	Lower 10.8 Upper 8.8		
HR33 Employees undertaking learning and development activities (FI)	Lower 70% Upper 90%		
HR35 Employee Development Reviews completed in previous 12 months (FI)	Lower 70% Upper 90%		
HR37 New managers completing manager induction (FI)	Lower 80% Upper 100%		

Priority Indicators	2009-10	2010-11	2011-12
FILTB 30 Average time taken to process new benefit claims	22 days	20 days	19 days
FILTB31 Average time for processing notification of change events	6 days	6 days	6 days
FILTB 32 Benefits Internal quality checks, cases paid accurately based on 4% check before payment	98%	99%	99%
FICP32 Cashable savings identified through smarter procurement	£1m	£1.5m	£1.75m
FICP36 Cashable savings identified through completed VFM projects	£0.5m	£0.75m	£1m
FICF18 Average interest rate on cash flow	Base rate	Base rate - 0.1%	Base rate - 0.1%
FICF19 Capital financing cost as % of net revenue stream	<6%	<6%	<6%
FICF24 Member training events offered	5	5	5
FICF27 Ensure secondary schools in deficit have deliverable recovery plans	4	0	0
FIAR13 Completion of internal audit plan	80% (but adequate coverage of all high risk areas)	85% (but adequate coverage of all high risk areas)	85% (but adequate coverage of all high risk areas)
FIAR05 Percentage recommendations agreed and	60%	65%	70%

implemented			
FIAR15 Adherence to professional standards	Positive annual review	Positive annual review	Positive annual review
FIAR 07 Percentage of claims successfully defended due to compliance with Woolf protocols	98%	98%	98%
FIAR16- No of strategic risk position statements reviewed	20	20	20
FIAR 06 Percentage of operational risk registers reviewed by service managers	80%	90%	95%

Operational Indicators	2009-10	2010-11	2011-12
FILTB 25 % of phone calls that are answered	90%	90%	90%
FILTB 34 Recovered benefits overpayments as % of amount identified in year	75%	76%	77%
FILTB37 Number of fraud prosecution and sanctions	90 pa	90 pa	90 pa
FICP37 Equal Opportunities (references in key procurement docs & plans to equalities considerations)	75%	85%	95%
FICP38 Aggregation 1 (% of corporate spend through corporate contracts)	15%	16%	17%
FICP39 Aggregation 2 (% of corporate spend via collaborative approach)	20%	21%	22%
FICP40 SME/BME Satisfaction with the Council (access to opportunities & support)	90%	91%	92%
FICP 41 End User/Client Satisfaction with procurement process at time of award and contract performance after two years	95%	96%	97%
FICP 35 % of VFM projects completed v overall programme	90%	91%	92%
FICP 42 Service area's trained in eProcurement	100%	100%	100%
FICP 30 Spend through eprocurement module	20%	21%	22%
FICP43 Suppliers adopted on eProcurement	2000	2200	2500
FICP34 Spend through emailed eProcurement orders	7.5%	10%	12.5%
FICP 45 eInvoicing by volume	1%	10%	20%
FICP44 Projects managed through SCMS	100	110	120
FICF21 Non-finance officer training events offered	Induction 18 vfm 2 effective procurement 4 e-procurement	e-financials 7 budget monitoring 4 manager	e-financials 7 budget monitoring 4 manager

	17	induction 6? Induction 18? vfm 2 effective procurement t 4 e- procurement t 17	induction 6? Induction 18? vfm 2 effective procurement t 4 e- procurement t 17
FICF20 Cost of accountancy service per £000 gross revenue turnover	Below average	Below average	Below average
FICF 26 Monitoring reports produced on schedule	12	12	12
FIEC25 Percentage of creditor invoices paid electronically by value NLC	90%	90%	90%
BV8 Percentage of invoices paid in accordance with terms NLC	85%	85%	85%
INV8 Percentage of invoices paid in accordance with terms – Finance Service (INV8)	90%	90%	90%
FIEC 38 Percentage of invoices returned not properly authorised	1%	0.9%	0.8%
FIEC39 Percentage debtor payments by direct debit	5%	10%	15%
FIEC40 Percentage of debtor invoices paid within terms	60%	65%	70%
FIEC 35 Percentage of car users submitting electronic claims through Carplan	80%	80%	80%
FIEC 36 Percentage of debtor invoices generated through devolved input	60%	65%	70%
FIEC 25 Increase in percentage of electronic payments (cashiers)	10%	10%	10%
FIEC26 Payroll payments paid on time	100%	100%	100%
FIEC37 Payroll – Reduction of number of cheque payments caused by errors in payroll	-10%	-20%	-30%
FIEC41 Percentage of payroll documentation returned not properly authorised	1%	0.9%	0.8%
FIAR14 Satisfaction with internal audit service	80%	85%	90%
FIAR17 Timeliness of audit reports % audit reports produced within agreed timescales	70%	75%	75%
FIAR18 Management of audit resources % audit reports completed within the agreed allocation	70%	75%	75%
FIAR19 % audit reports reviewed within 10 working days	70%	75%	75%
FIAR20 Satisfaction with the insurance section	80%	80%	80%

Section 6 How do we get there?

Financial resources

3 year finance settlement

	2009/10	2010/11	2011/12
	£000	£000	£000
Net Revenue Budget	4,123	4,030	4,049
Capital investment programme (see appendix 1)	Nil	Nil	Nil
Efficiency target	72	184	87
Net Revenue Budgets by Division			
Finance Management	215		
Financial Services	2,139		
Audit and Risk Management	551		
Procurement and vfm	237		
Local Taxation and Benefits	981		
External funding			
Benefits subsidy	£40m		
Benefits Administration grant	£1,346K		
Additional admin grant	£190k		
Additional grant for In & out of work project	£7k		
NNDR cost of collection allowance	£249K		

Staffing

The Finance Service has 195fte employees and is committed to the continuing professional development of all of them. This is documented through a Workforce Plan. The plan looks at a number of issues that relate to all aspects of recruitment, selection and retention of employees. The full Workforce Plan is attached as Appendix 3. The main issues arising from it are:



- In the past year there have been 3 posts with limited response to adverts. (ie <10 applicants) These were all in different section across Finance (secretary and support officer, P2P Development support officer, Council tax officer)
- Annual employee turnover within the service is low and is not currently a cause for concern. The average turnover has dropped by 57% in the last year. It is therefore not anticipated that the level of turnover will rise significantly within the next year.

- 87% of employees within Finance agreed that they have enough flexibility in their hours/job to help balance home and work life. (Points of View Survey, 2008)
- Finance sickness absence levels are currently below the Council average. Between April 2008 and Mar 2009, an average of 8.66 days per employee was lost due to sickness absence.
- Stress, depression, anxiety and mental health were statistically the most common reasons given for sickness absence. It is believed that the majority of this is non-work related but work needs to be done on analysis.
- The service as a whole is female dominated compared to both local population and organisation as a whole, however the Finance Management Team has more males than females
- Proportion of BME employees within Finance Service is higher than NLCs average but falls below local population.
- Disabled employees are under-represented in comparison to both the local population and the organisation as a whole.
- Within 10 years, 15 employees will retire based on normal retirement age of 65. This equates to 8% of the workforce. Overall, the age profile and future retirement is within manageable levels. However the fact that over one third of employees in the service will be over 50 within the next three years means that some succession planning is needed
- The age profile of Finance workforce is younger compared to local population with a greater concentration of employees between ages of 25 and 54.

Asset Management



Key Assets

The Finance Service occupies office accommodation in Pittwood House and Church Square House in Scunthorpe and Hewson House, and The Angel in Brigg.

Key issues

Finance has the lead role in the Council for achieving Value for Money and efficiencies. A key issue in this is the corporate “worksmart” initiative, which the service is supporting and facilitating.

Due to the introduction of the joint procurement unit with NorthEast Lincolnshire there are potential opportunities for sharing assets with them in the future. This could include accommodation if it was agreed that the team is relocated.

The benefit service is working closely with adult service (IAC) and DWP to develop joint visiting teams; this could potentially impact on requirements for offices but would be minimal.

The number of staff from Local Taxation and Benefits, who work permanently from home, has increased from 9 to 13, and the intention is to increase this number even more and extend across the whole of the finance service where possible. In the long term if we could persuade more staff to work from home then potentially the needs for office accommodation could be reduced.

Some staff such as audit occasionally work from home and in order to reduce office accommodation requirements hotdesking is encouraged in suitable areas such as local taxation and benefits and audit. This links to the corporate “worksmart” initiative.

Local taxation and Benefits are also working closely with the Local Link service regarding provision of front line customer service across the council. It is possible that we might develop a “centre of excellence” where staff from Local Taxation and Benefits are situated alongside the front line. This could mean the transfer of staff from Hewson House in Brigg to work alongside the local link staff as appropriate.

The Finance service has not identified any potential capital schemes or major maintenance works required to any of our key assets.

Information technology



Current IT usage

The service currently uses the following major IT systems.

- Northgate Information systems (NIS) – Council Tax, Benefits and NNDR
- Civica Document management system (URB2) – Council Tax, Benefits and NNDR
- Cedardata – efinancials and eprocurement, Sundry Debtors
- Capita – epayments
- Spectrum – Cash Receipting
- Bottomline Technologies Ltd. – BACS transfers for both creditors and collections. Allocation of bank payments
- Allpay – Payment by swipe cards for council tax and NNDR
- East Riding/Avarto – payroll
- DWP CIS system – benefits link for information checking
- Links to bailiffs
- Interfaces
- Puma – e-claims for travel expenses.
- Lachs- Insurance claims handling system
- Esphera –Staff Absence & Claims Management System
- MK Insights – Audit Management System
- Alito Supplier & Contract Management System – electronic procurement work flow, e-Tendering and contracts management

In addition all staff have access to email and intralinc. Some have access to other systems such as the internet, on-line procedure manuals and various Microsoft office products.

All sections have access to resources required to undertake their duties such as IT equipment, office machinery, stationery and furniture.

In addition flexibility of working is encouraged via homeworking, hotdesking and the introduction of mobile technology in Local Taxation and Benefits.

During 2009-10 The Local Taxation And Benefits Service is playing a key role in the implementation of Government Connect as this is a requirement for the service to be able to continue to access the DWP and other central government systems.

We are also playing a lead role in assisting other services to migrate to document management systems.

Anticipated IT Project List

The IT strategy for the service is drawn up and reviewed annually in conjunction with the account manager. Projects currently included in the strategy are

- Income returns – e payments
- LT & B NIS - Version 6 upgrade and PMQA
- Changes to cheque printing stationary and process.
- Epayments – EOD Processing
- Civica - General filing modules
- Efinancials and eprocurement development for emails
- Sundry debtors by direct debit
- Potential changes to income management – Paye.net
- Sundry debtors and payments interfaces
- Cash receipting interfaces
- NLC/NELC procurement system access to facilitate cross site working
- Risk Management System

Within The Local Taxation And Benefits Service there are various national e-products under development by the IT companies that are suggested for future developments. These include eBenefits, electronic billing for council tax etc.

IT Constraints and Risks

- IT developments are constrained by the availability of resources both within the Finance service and IT service
- Risks are controlled by the IT business continuity plans.
- We have Escrow agreements that cover Northgate and Civica so that in the event of failure of the company we would have access to the core data.
- The possibility of pandemic flu has required an analysis of homeworking requirements and capability within the service. There is a risk that in the

event of an emergency there will be insufficient people set up in order to maintain the priority services from their homes if required.

Legislative Considerations

The Finance Service is governed by detailed regulations and legislation and as such the IT systems must comply with the law. In particular there are constant changes to the legislation for Local Taxation and Benefits, requiring major software updates each year, and which require careful planning for testing and live implementation with minimal disruption to users.











Future known changes include

- October 2009 – Major changes to benefits for families with children. (disregard of child benefits)
- April 2010 – Revaluation of business rates
- Introduction of IFRS

Key Contracts Register & Procurement Plan

Contract Title	Contract Start Date	Contract End Date	Ext. Option (if any)	Finite End Date	Start Date to take Procurement Action	Anticipated Contract Value £ 2009 / 2010	Contract Manager
Payroll Services	1-Apr-08	31-Mar-13	2 Year	31Mar 2015	1 Apr 2014	£50,000	Kevin Coyle
Insurance	1-Oct-07	30-Sep-10	30-Sept-12 (3 + 2yr LTA option taken)	30 Sep 2012	01 Jul 2011	£1,167,000	Rob Walters
Development contract for the finance service	12-Nov-07	11-Nov-11	Reviewed annually	11 Nov 2011	01 Sep 2010	£57,200	Carol Johnson
Document Management System (Provision of)	1-Jul-99	Ongoing	-	to be confirmed		£34,000	Carol Johnson
Swipe cards for payment of council tax and NNDR	14-Jul-04	14-Jul-09	-	14-Jul-09	01-Oct-08	£60,000	Carol Johnson
Northgate (Benefits System)	1-Apr-98	Ongoing	-	to be confirmed		£52,000	Carol Johnson
Cedar	1-Jul-95	Ongoing	-	To be confirmed		£55,000	Mark Kitching

Value for Money Profile

Service Function	VFM Profiling Outcome		Overall VFM Position	Importance to Strategic Plan	Direction of Travel	Evidence Source
	Cost	Performance				
Insurance	Low	High	Strong	Low		CIPFA Benchmarking 2007 Peer Group
Creditors	Med - High	High	Fair	Low		CIPFA Benchmarking 2008 - All Unitary
Cashiers	Low- Med	High	Strong	Low		CIPFA Benchmarking 2007 – All Members
Payroll	Low	High	Strong	Low		CIPFA Benchmarking 2008 – All Unitary
Debtors	High	Low	Poor	Low		CIPFA Benchmarking 2008 – All Unitary
Treasury Management	Low	High	Strong	Med		CIPFA Benchmarking 2008 – All Members
Debt Management	Not yet analysed			Med		
Internal Audit	Low	Med - High	Strong	Med		CIPFA Benchmarking Actuals 2007/8 – All Unitary
Council Tax	High	High	Fair	Med		CIPFA Benchmarking 2007 – All Members
Benefits	Med	High	Fair	Med		CIPFA Benchmarking 2008 – All Members
Strategic Procurement & VFM	Not yet analysed			Med		
Financial Services	Low	Med	Strong	High		CIPFA Benchmarking Actuals 2007/8 – All Unitary

Value for Money Improvement Actions

Service Function	Key Action	Responsibility
Insurance	To be reviewed July 2009	JW
Creditors	<p>Actions to reduce costs:</p> <ul style="list-style-type: none"> Savings potential to be investigated through bank charges, postage and cheque processing. <p>Actions to increase performance:</p> <ul style="list-style-type: none"> Finance Teams to report at QPRs services who are not processing payments promptly Monitor the percentage of invoices paid on time by services through QPR's. Implement e invoicing. Consider electronic document management for invoices. 	<p>MK / MEI</p> <p>Finance Managers</p> <p>MK/ PF PF/KR PF/KR</p>
Cashiers	<p>Actions to increase performance:</p> <ul style="list-style-type: none"> Consider / implement automatic uploads between cash receipting and efinancials to reduce duplicate inputs. Consider / implement telephone and internet payment link between capita system and cash receipting. FMT to consider shared service with CSH Local Link staff Reduced opening hours to be considered for CSH Cashiers 	<p>MK / MEI</p> <p>MK / MEI FMT</p> <p>FMT</p>
Payroll	<p>Actions to increase performance and reduce costs:</p> <ul style="list-style-type: none"> The service will consider greater resilience and cost savings through the revised working arrangements with Avarto. 	MK / MEI
Debtors	<p>Actions to reduce costs:</p> <ul style="list-style-type: none"> Car Plan eClaims to be rolled out throughout the council <p>Actions to increase performance:</p> <ul style="list-style-type: none"> Analysis of debtor days by debt type to be carried out on a regular basis to highlight key areas of underperformance. Consider change from standing order to direct debit for Homecare payments Explore the higher than average charge for IT services, central charges and cashiers through benchmarking network meetings <p>A review of Exchequer functions & requirements to achieve budget savings have been discussed by KC/MK/MEI with proposals forwarded to FMT for consideration. An action plan is currently being prepared.</p>	<p>MK / MEI</p> <p>MK / MEI</p> <p>KC</p> <p>MEI</p> <p>KC</p>
Council Tax	<p>Actions to increase performance and reduce costs:</p> <p>A review of costs and performance in particular to review recovery processes in view of changes to court costs.</p>	CJ

	Review of bailiff contract Introduction of Northgate PMQA system	
Benefits	Actions to increase performance and reduce costs: Review of all costs and processes in particular to reduce avoidable contact and failure demand to speed up processing times. Introduction of Northgate PMQA system.	CJ
Financial Services	To ensure that the benchmarking return for 2008 is completed correctly to enable VfM Profiling to be carried out for each finance team.	PF
Treasury Management	Given the current financial climate, the treasury function will avoid any risky investments to protect council funds. The approved lending list has been reduced and extra control checks have been added into the Treasury system to monitor share prices of banks and building societies. This position is to be subject to ongoing review.	PF
Debt Management	To carry out profiling exercise	JW
Internal Audit	Process bench marking and delivery model to be compared with other high performing councils Categorisation of chargeable days to be compared with other strong performing authorities	CA
Strategic Procurement & VfM	Performance structure and delivery model to be compared with procurement beacons.	JW

Changes we need to make

Budget efficiencies

The three-year resource statement has been agreed as part of the budget process and reflects efficiencies of £383k that need to be implemented across the service in the next 3 years as follows:

2009/10	£72k
2010/11	£184k
2011/12	£87k

Staffing

- There will be structural changes required as a result of the involvement in Comprehensive Area Assessment and Partnerships
- Additional resources are required in benefits to assist in coping with the additional workload due to the recession. Additional funding for this has been provided by DWP.

- Potential structural changes in Local Taxation and Benefits as a result of the costing and efficiency review and the changes to working methods. Other changes may be needed as a result of changing Government legislation.
- Structural changes are also needed to meet the above budget efficiencies
- Actions that need to be taken as outlined in the workforce plan at Appendix 3

Diversity



The Service is committed to the Diversity agenda and contributes to the council wide and statutory requirements for diversity in the following ways.

- The Finance Diversity Working group meets regularly.
- Diversity issues are a standing item on the agenda of Finance Management Team meetings
- We have a diversity action plan in place
- A member of the Service development team regularly attends the Diversity Steering Group.
- Electronic and over the phone payments for council tax, overpayments, debtors etc
- All Finance managers attend the managing diversity training with refresher courses at least every three years.
- Diversity monitoring has started with benefits assessments, currently working on the rest of Finance. We are currently looking at how each team in finance is accessible to external and internal customers. We will ensure we meet the statutory equality duties and promote and use best practice outcomes in terms of service design and delivery to meet the needs of the local population.
- Work on the Points of View results shows that we are committed to diverse needs of staff.
- Homeworkers across Local Taxation and Benefits and flexible working across Finance.
- The Printer contracts for the application form enables us to amend the HB/CTB application form regularly after feedback from the public and staff.
- Diversity & equalities issues in procurement are monitored through IDEA performance indicator LIB/P31 – In a self assessment at 31 March 2009 we met 68% of the actions in the checklist (increasing from 48% at 31 March 2008)
- Diversity impact assessments are completed for any major change in the service; for example they have been completed for the introduction of payment of benefit by BACS and for the introduction of the Local Housing Allowance. These will continue for future changes.
- The Finance Service is committed to working towards the Investors in Diversity Standards.

- Within the service we will promote the understanding of the reasons why we monitor diversity strands and take appropriate action of the analysis of the workforce profile data.
- Procurement framework rated as “strong” as part of the equalities standards assessment



Biodiversity and Sustainable Communities Act

The importance of Biodiversity and sustainability are recognised in the council's procurement strategy. A Sustainable Procurement Policy has been developed and is in the process of being implemented. Work has begun to measure the carbon impacts of the council's suppliers.



Police and Justice Act 2006 Section 17

In order to contribute to the minimising of crime and disorder the Finance Service will

- Ensure that crime and disorder issues are embedded into the risk management process
- Ensure appropriate fraud procedures are in place within the internal and external finance system.
- The Finance Service has contributed to the Corporate parenting pledge and is committed to supporting Young people in the care of the Local Authority to enable them to stay safe from harm of substance misuse, anti social behaviour and crime.
- Cooperate with the Safer Neighbourhoods Action Programme and support and contribute to the Neighbourhood Action Teams and Safer Neighbourhood Area Teams as required.
- Encourage reporting of crime and anti social behaviour.

Contribute to the Joint Strategic Intelligence Assessment, Joint Strategic Needs Analysis and any other strategic level analysis, including provision of data, information, intelligence and analysis as appropriate.

Section 7 Barriers to success

Key Risks

Risk assessment is an integral part of strategic planning. All developments in the service plan have been assessed against likelihood and impact. This ensures that risk is considered as part of the forward planning process. The analysis produces a risk assessment score. Actions with high scores are considered the

greatest risk and will be monitored as part of the quarterly performance monitoring process. They are cross-referenced with the service risk register.

Any new risks or changes that occur during the year will be updated on the service register and used to inform the planning process for the following years

Risks	Controls	Actions
Insufficient 'buy in ' to PANNEL form service managers	CPR, corporate procurement manual, Joint Procurement Strategy, Training,etc.	Strengthen Communication with services
Partners do not share the vision, values and principles of PANNEL	Joint Procurement Strategy, Statement of Principles, Annual Joint Procurement Forward plan, Clear exit strategy, Performance reports, Annual service plan, 3-Year business plan	None
PANNEL does not comply with financial/ accounting regulations for partnerships	Statement of Principles, Governance framework, Performance reports, Annual service plan, 3-Year business plan, CPA/Audit Commission	Review accounting requirements relating to partnerships
Failure of Contractor (Corporate Contracts Portfolio) <ul style="list-style-type: none"> • Performance • Financial • Value for Money 	Contracts professionally let and managed. Financial appraisals undertaken annually for service critical contracts. Most corporate contracts are commodity based - alternative suppliers available in many cases	Review all corporate contracts to check whether any have "service critical" status
Provision of inappropriate or incorrect advice and/or breach of Contract Procedure Rules resulting in project delays or legal challenge from aggrieved suppliers	Officers professionally qualified to MCIPS standard. CPD undertaken. Local training on CPRs provided. Supervision in place. 1:1s	Complete workforce planning. Ensure training plan is kept up-to-date. Ensure 1:1s are carried out monthly
Operational procurement risks	Project management and cross-functional project teams	Ensure appropriate project management arrangements are in place
Breach of EU or other law or regulatory requirement	EDRs and training plan. Corporate in-house training plan Supervision	Continuous Professional Development
Failure to meet audit plan due to long term absence	Corporate absence management process Use of external resources (as funding permits)	None
Poor use of resources through inadequate risk assessment	Risk assessment model, use of risk management strategy	None other than training implications
Inadequate access to relevant staff and systems	Legislation, financial regulations, audit code of practice, on line read only access to all fundamental financial systems	None
Failure of major supplier or contractor e.g. insurer	Robust selection process, financial vetting etc.	None
Over reliance on key officers	Communication, Well documented procedures,	None

Lone working – personal safety	Council's lone working policy, mobile phones, whereabouts monitored, working in pairs when appropriate	None
Failure to meet statutory or significant performance standards	Timetabling, Procedures, Project Management techniques, Performance monitoring, Internal Audit, Efficiency Reviews	Training and marketing to raise awareness of deadlines to be met, Improve performance monitoring through QPR and identify and monitor all key targets
Failure or breakdown of relationship with NELC resulting in the termination or adverse performance of the joint procurement unit	Joint management board established. Statement of Principles agreed.	Ensure program of joint management board meetings is established. Sign Statement of Principles. Prompt resolution of issues. Maintain partnering spirit.
Capacity to meet changes to service delivery resulting from local or national policy changes	Service planning and prioritisation, performance management, flexible working	Complete finance BPR and restructure
Failure of BACS system for making payments to creditors or benefit claimants	Ability in an emergency to make payments using "Bankline " link.	None
Council wide strategic risks for which the service is responsible		
Available resources inadequate to meet identified needs	Funding expertise Efficiency reviews Budget monitoring Treasury guidelines Anti fraud & corruption strategy	Integrate budget planning, VFM and efficiency process Review strategic plan process to align more closely with 3 year budget Implement recommendations of grants audit
Failure of major supplier e.g. partner, supplier contractor or other public sector body	CPRs, Procurement Manual, Advice, Training, Financial safeguards and remedies, Contingency Arrangements	Use of incentives in contract Proactive involvement of legal services & other specialists in procurement/ contract development, implement data handling guide, Develop business case approach & gateway reviews for major procurement projects, Procurement manual revision, BCP for service critical suppliers, Contract management training, consider risk insurance
Breakdown of Prudent Financial Management including Treasury Risks	Financial Regulations, Standing Orders and Constitution, Finance Manual, Internal Audit, SRMG, Anti fraud & corruption strategy, experience and qualified staff, training, treasury guidelines and policy, budget monitoring, well defined collection & monitoring, CIPFA standards , effective audit committee, insurance cover	Review of Finance Manual, Review of authorisation levels, Finance Training, Implement findings of review of Audit Committee, Review treasury policy
Other significant risk		

Lack of adequately trained staff	EDRs and training plan. Training Needs Analysis Corporate in-house training plan Professional training etc. liP	None (cross – cutting risk)
Recruitment and retention of quality staff	Standards in recruitment policy. Interview process. Flexible working. liP, 1 to 1 and section meetings, training & development.	None (cross – cutting risk)
Loss of premises due to fire or flood	Contingency plan, contact details held by managers	None (cross – cutting risk)
Loss & Fraud	Corporate Governance Framework, Anti fraud & corruption strategy, financial regs, Finance Manual, Internal Audit, Budget monitoring	None (cross – cutting risk)
IT failure resulting in loss of a major system	IT Business Continuity Plan	None (cross – cutting risk)
Loss of staff e.g. pandemic flu outbreak	Finance business contingency plan	None (cross-cutting)

Appendix 1 Capital Schemes

There are no capital schemes proposed for the finance service

FINANCE SERVICE PLAN 2009-12- Appendix 2

PRIORITY ACTIONS

SERVICE WIDE				
Link to service priority	Action no	Action	Target Date	Responsibility
Top quality Services for the public	P1	Complete Diversity action plan.	31 Mar 2010	PK/AG
Investing in people	P2	Implement the finance service action plan for 2008 'Points of View' survey.	30 Sep 2009	PK/AG
Investing in people	P3	Involvement in/contribution to corporate IIP standards	30 Sep 2009	PK
Investing in people	P4	Professional Qualification Training - Determine a strategy for the finance service regarding numbers of staff who hold a professional qualification or who are undergoing training leading to the qualification.	31 Mar 2010	ME
Effective communication and consultation	P5	Review and update the consultation strategy across the service, ensuring that the service is accessible and responsive to all internal and external customer needs.	31 Mar 2010	PK/AG

LOCAL TAXATION AND BENEFITS				
Top quality Services for the public	P6	Develop strategy for electronic services and channel migration including how services are delivered at front line, reflecting customer needs and service efficiencies	31 Mar 2010	CJ
Promoting good governance	P7	Implement KLOEs action plan	31 Mar 2010	CJ/AG
Promoting good governance	P8	Involvement and support to council wide project for introduction of Government connect.	30 Sep 2009	LK
Improving Procurement Value for Money and efficiency throughout the council	P9	Ensure LT & B service meets optimum VFM position and complete the 'vision' for the service.	31 Mar 2010	CJ/ME
STRATEGIC PROCUREMENT AND VFM				
Leading strong and effective financial management throughout the council	P10	Deliver the PANNEL Business Plan 2008 - 2011 second year - £1m targeted saving	31-Mar-10	Jason Whaler
Leading strong and effective financial management throughout the council	P11	Complete P2P Roll Out (Requisition – Purchase Order) functionality)	31-Dec-09	Jason Whaler

Leading strong and effective financial management throughout the council	P12	Establish a pilot for e-Invoicing with the support of Corporate Finance & Payments teams	31-Jul-09	Jason Whaler
Improving Procurement Value for Money and efficiency throughout the council	P13	Introduce a VfM Strategy for 2009-12	31-Jul-09	Jason Whaler
Improving Procurement Value for Money and efficiency throughout the council	P14	Determine a new VFM programme for 2009/12	31-Jul-09	Jason Whaler
Improving Procurement Value for Money and efficiency throughout the council	P15	Deliver the VFM programme for 2009-12	30-Jun-10	Jason Whaler
Promoting good governance	P16	Update the procurement strategy for 2009 – 2012	30-Sep-09	Jason Whaler
Leading strong and effective financial management throughout the council	P17	Successfully procure solutions for key council projects	In accordance with project timetable	Jason Whaler
Promoting good	P18	Achieve Level 2 of the National	31 Mar-10	Jason Whaler

governance		Sustainable Flexible Framework		
Promoting good governance	P29	Implement all relevant Glover Report & Roots Report recommendations	31-Mar-10	Jason Whaler
FINANCIAL SERVICES				
Supporting partnerships	P20	Develop appropriate financial reporting/ monitoring processes for the Local Strategic Partnership	30-Sep-09	Peter Fijalkowski
Promoting good governance	P21	Ensure effective arrangements for the preparation of accounts	30-Jun-09	Mark Kitching
Leading strong and effective financial management throughout the council	P22	Develop a clearer link between financial and performance information in monitoring and budget review reports	31-Mar-10	Mike Pollard
Leading strong and effective financial management throughout the council	P23	Assist staged development of participatory budgeting in NLC	31-Mar-11	Peter Fijalkowski
Leading strong and effective financial management throughout the council	P24	Personalisation of social care-develop resource allocation system	31-Mar-11	Richard Andrew
Improving Procurement Value for Money and	P25	Building Schools for the Future: provide financial support to	31-Mar-13	Pete Briggs

efficiency throughout the council		implementation stage		
Improving Procurement Value for Money and efficiency throughout the council	P26	Provide support to the Waste Procurement process	31-Mar-11	Pete Briggs
Leading strong and effective financial management throughout the council	P27	Complete a fundamental financial plan review for downturn in public finances	30-Sep-09	Peter Fijalkowski
Leading strong and effective financial management throughout the council	P28	Implement revised code of practice for treasury management to ensure treasury function is fit for purpose	31-Mar-10	Peter Fijalkowski
AUDIT AND RISK MANAGEMENT				
Promoting good governance	P29	Review governance arrangements for the Local Area Agreement/ Local Strategic Partnership/ Partnerships and recommended improvements as necessary.	30- Sep-09	Carol Andrews
Promoting good governance	P30	Lead on the completion of the council's Governance Statement	30- Jun -09	Carol Andrews
Promoting good governance	P31	Lead and promote the revised anti fraud and corruption strategy and	31 Mar-10	Carol Andrews

		ensure council's arrangements meet best practice		
Promoting good governance	P32	Development & delivery of the forward plan and assurance map for the audit committee	31 Mar-10	Carol Andrews

FINANCE SERVICE PLAN 2009-12 – OPERATIONAL ACTIONS

SERVICE WIDE				
Link to service priority	Action no	Action	Target Date	Responsibility
Investing in people	O01	Rollout across finance of <i>management</i> competencies Rollout across finance of <i>generic</i> competencies	31 Mar 2010	PK
Top quality Services for the public	O03	Write DIA action plan	31 Mar 2010	PK/AG
Top quality Services for the public	O04	Deliver DIA action plan	31 Mar 2010	PK/AG
Developing capacity and capability to do more	O05	Succession planning - determine an appropriate action plan in consultation with Human Resource.	31 Mar 2010	ME/CD
Effective communication and consultation	O06	Implement the consultation strategy	31 Mar 2010	AG

LOCAL TAXATION AND BENEFITS				
Developing capacity and capability to do more	O02	As a result of the NLC/NELC feasibility study ,implement action plan to increase productivity in council tax	31 Mar 2010	GT
Developing capacity and capability to do more	O07	Contribute to council wide measurement of NI 14 -Avoidable contact	31 Mar 2010	LT/CS
Developing capacity and capability to do more	O08	Implement improvements to processing new claims, including reducing failure demand and interface with Local Links	31 Mar 2010	CD
Top quality Services for the public	O09	Implement 'in and out of work' project	31 Mar 2010	CD
Developing capacity and capability to do more	O10	Implement Civica Email module to enable direct interface	31 Mar 2010	LK/GT
Developing capacity and capability to do more	O11	NIS and DWP interfaces for 3rd party payments to improve processing of payments deducted from claimants benefits	31 Mar 2010	LK/GT
Developing capacity and capability to do more Developing capacity and capability to do more	O12	Implement Civica version 14 software release to ensure making best use of technology Northgate - Implement and use Performance Management and Quality Assurance (PMQA) module.	31 Mar 2010	LK
Developing capacity and	O13	Review assessments quality plan and	31 may 2009	CD

capability to do more		implement action plan to monitor performance		
Top quality Services for the public	O14	Combine annual Benefit letters and council tax bills into single postage/print to generate better customer service and reduce numbers of enquiries	31 Mar 2010	GT
Promoting good governance	O15	Tender for new bailiff contract	1 Dec 2009	GT
Top quality Services for the public	O16	Tender for new swipecard contract	1 Dec 2009	GT
Promoting good governance	O17	Whole area single resident discount review using Experian	31 Mar 2010	GT
Top quality Services for the public	O18	Implement changes to child benefit disregard	1 Oct 2009	CD
Developing capacity and capability to do more	O19	Interface Northgate IS and bailiff software - notification of new and cancelled cases, if appropriate following new Act	31 Mar 2010	GT
Developing capacity and capability to do more	O20	Establish interface & joined up working with valuation office Ctax and NNDR	31 Mar 2010	GT
Top quality Services for the public	O21	Plan for impact of Local Housing Allowance changes	31 March 2010	CD

Developing capacity and capability to do more	O22	Implement Northgate Version 6 (replacement for iWorld)	August 2009	LK
Developing capacity and capability to do more	O23	Implement new NIS debtors system for benefit overpayments	31 March 2010	MP
Top quality Services for the public	O24	Review backdate + DHP policies to ensure benefits maximisation during recession	1 Oct 2009	CD/AG
STRATEGIC PROCUREMENT AND VFM				
Improving Procurement Value for Money and efficiency throughout the council	n/a	Delivery of the operational actions as set out in the 2009/12 PANNEL Business Plan and VfM Programme	31-Jul-2010	Jason Whaler
FINANCIAL SERVICES				
Investing in people	O25	Deliver minimum 2 development days for finance staff	31-Mar-10	Peter Fijalkowski
Effective communication and consultation	O26	Produce an annual report in variety of formats	31-Jul-09	Heather Graham
Leading strong and effective financial management throughout the council	O27	Staged implementation of IFRS	30-Jun-11	Mark Kitching
Leading strong and effective financial	O28	Establish separate accounting for Scunthorpe Special Expenses	31-Dec-09	Kevin Coyle/ Steve Cowlbeck/ Nick

management throughout the council				Doust
Leading strong and effective financial management throughout the council	O29	Update and Review Finance Manual and integrate with pocket guides	31-Mar-10	Wendy Hall
Leading strong and effective financial management throughout the council	O30	Commissioning and roll-out of e-returns	31-Mar-10	Karen Rawding
Leading strong and effective financial management throughout the council	O31	Implement Phase 3 of Collaborative Planning	31-Mar-10	Sarah Milburn/Paul Winter
Promoting good governance	O32	Complete government grants deferred exercise	30-Jun-10	Dave Lyons
Developing capacity and capability to do more	O33	Plan and deliver exchequer restructure	31-Mar-10	Kevin Coyle & FS managers
Developing capacity and capability to do more	O34	Plan and deliver financial services restructure	31-Mar-10	Kevin Coyle & FS managers
AUDIT AND RISK MANAGEMENT				
Promoting good	O35	Implement the council's response to	30-Sep-09	Carol Andrews

governance		money laundering legislation		
Developing capacity and capability to do more	O36	Internal audit - Lead on efficiencies in service delivery e.g. risk based auditing, joint working opportunities, better use of technology (electronic working papers), hotdesking	31-Mar-10	Carol Andrews
Promoting good governance	O37	Complete CPA Use of Resources Self Assessment sections 2.4	31-Mar-10	Carol Andrews
Promoting good governance	O38	Implement the Audit Management system	31-Mar-10	Carol Andrews
Developing capacity and capability to do more	O39	Develop the Internal Audit service in the light of changing service delivery options and government initiatives. To provide assurance on LAA etc.	31-Mar-10	Carol Andrews
Promoting good governance	O40	Evaluate Risk management IT system	31-Mar-10	Rob Walters
Promoting good governance	O41	Develop protocols with other Internal Auditors or review bodies to determine adequate source of assurance	31-Mar-10	Carol Andrews
Promoting good governance	O42	Develop risk management performance and outcome measures	31-Mar-10	Carol Andrews
Promoting good governance	O43	Develop the risk management strategy	31-Mar-10	Carol Andrews

Promoting good governance	044	Ensure QPR process includes proper consideration of Risk Management issues	31-Mar-10	Carol Andrews
Promoting good governance	O45	Develop more proactive risk management reviews based on the LACHS reports and target high frequency /value claims for appropriate action to be taken by managers	31-Mar-10	Rob Walters
Promoting good governance	O46	Evaluate the effectiveness of the Audit Committee	31-Mar-10	Carol Andrews

Appendix 3

Finance

Workforce Plan

2009/2010

WORKFORCE PLAN

2009/10

SERVICE: Finance

STAFF PROFILE AT 31 MARCH 2009

Number of FTE posts	195												
Number of people	222 67% are full time and 33% are part time												
Turnover	3.6%												
% staff aged 50 and over	32%												
% of staff aged 25 and under	5.4%												
Gender	Female 78% Male 22%												
Disability	2.25%												
Ethnicity (BME)	2.25%												
Sexual Orientation	Majority are heterosexual although 24% have not disclosed this information												
Religion and Belief	<table> <tr> <td>Not disclosed</td> <td>23</td> </tr> <tr> <td>Sikh</td> <td>3</td> </tr> <tr> <td>None</td> <td>24</td> </tr> <tr> <td>Hindu</td> <td>2</td> </tr> <tr> <td>Christian</td> <td>159</td> </tr> <tr> <td>Total</td> <td>211</td> </tr> </table>	Not disclosed	23	Sikh	3	None	24	Hindu	2	Christian	159	Total	211
Not disclosed	23												
Sikh	3												
None	24												
Hindu	2												
Christian	159												
Total	211												

What are your current recruitment and retention issues:		Action Required
Do you have any posts that are difficult to recruit to?	<p>The following posts have had limited response rates when advertised within the previous year (<10 applicants):</p> <ul style="list-style-type: none"> • P2P Development Officer • Council Tax Officer • Secretary & Support Officer • <i>See appendix 1a</i> 	<ul style="list-style-type: none"> • Continue to develop our employees to ensure ability to compete equally for higher graded posts and retention of talent within the service • Develop equitable succession planning processes
Why are these difficult?	<ul style="list-style-type: none"> • Specialist skills required • Some posts advertised internally only • 	
Where will the largest change in staffing numbers be required?	<ul style="list-style-type: none"> • None at present 	<ul style="list-style-type: none"> • None at present
What is the impact of recruitment problems on the service?	<ul style="list-style-type: none"> • Extra pressure on existing Finance employees • Continuity of service • Cost of agency and back filling of posts 	<ul style="list-style-type: none"> • Review level of service provision • Ensure adequate budgets to cover possible agency costs
		Action Required
What specific skills are being lost?	Professional skills – Council tax and benefits legislation	<ul style="list-style-type: none"> • Develop succession planning to ensure transfer of knowledge • Consider job rotation and generic skills

<p>Why do people leave your service?</p>	<p>Annual employee turnover within the service is low and is not currently a cause for concern. The average turnover has dropped in the last year. It is therefore not anticipated that the level of turnover will rise significantly within the next year.</p> <p>(a) Promotion (b) Geographical (c) Personal/social reasons <i>See Appendix 1b</i></p>	<ul style="list-style-type: none"> • Analysis of reasons for leaving through leavers review process to identify potential negative areas • Ongoing monitoring of turnover through Performance and exit Review process
<p>What work is currently ongoing to address recruitment and retention issues?</p>	<ul style="list-style-type: none"> • Work on flexible benefits • Career progression • Organisational Culture/Points of View feedback • Protection arrangements • Internal Communication • Homeworking • Training and Development • Continuing professional development • Leadership and Management Development Framework • Diversity • Code of Conduct • Comply with HR policies • Monitoring of sickness • Succession Planning 	<p>Regular 1:1 and EDRs</p>
<p>Where posts cannot be filled, can the work be covered in a different way?</p>	<ul style="list-style-type: none"> • Honorarium payments may be used for lower-graded employees to take on some duties of higher graded posts on short-term basis. • Rotation of existing employees between teams on an informal basis may be utilised to cover work demands • Use of agency staff on a short term basis • Consideration of outsourcing for discrete areas of service provision • Consider integration of like for like posts through shared services with NELC 	<p>None Required</p>

		Action Required
Are there any current pay issues in your service? If so, where?	Job evaluation processes are in place to ensure that Finance employees are remunerated fairly compared to other employees within the organisation	None required
Is work-life balance embedded in your service to ensure staff retention? Where are the gaps?	<p>87% of employees within Finance agreed that they have enough flexibility in their hours/job to help balance home and work life. (Points of View Survey, 2008)</p> <p>Informal and formal flexible working arrangements are available to all Finance employees within the needs of the service:</p> <ul style="list-style-type: none"> • All posts are eligible to be considered for job share • Home working is available both as a formal arrangement and as and when required • All Finance employees are able to work flexitime within the needs of the service 	<ul style="list-style-type: none"> • To ensure that work is prioritised and delegated appropriately.
What is the current rate of sickness absence? What are the problem areas? What are the reasons?	<p>Finance sickness absence levels are currently below the Council average. Between April 2008 and Mar 2009, an average of 8.66 days per employee was lost due to sickness absence. A slight increase from last years 7.94%</p> <p>From the statistics it is clear that the Local Taxation and Benefits Service has the highest level of sickness at an average of 11.88days per person in the period from April 2008 to Mar 2009. Absence due to a family bereavement impacted greatly on this figure.</p> <p>Stress, depression, anxiety and mental health were statistically the most common reasons given for sickness absence.</p> <p style="text-align: center;"><i>See Appendix 1c</i></p>	<ul style="list-style-type: none"> • Continue flexible and supportive approach to rehabilitation back to work • Monitor reasons for sickness and identify areas of concern on ongoing basis • Stress Awareness and Management Workshops for Finance employees • Time management training • Ensure consistent application of the sickness policy

Future Workforce Requirements:				
				Action Required:
Will your service experience changes in level of workload, demand or customer or funding requirements?	There will be an impact on Finance as a result of: <ul style="list-style-type: none"> • Impact of e-government initiatives i.e. BPR processes • Budgetary shortfalls/Gershon - requirement for extra savings • Possible deductions due to efficiency agenda 			<ul style="list-style-type: none"> • Vacancy management • Restructuring Finance in response to future service demands • Review requirements to fill vacant posts • Close working with HR
Will there be any new models of service delivery, e.g. partnerships	Finance would be interested in providing services to any areas that move outside of the council and to other councils; Excellence in procurement. <ul style="list-style-type: none"> • Joint training initiatives • Joint working with the Department of Work and Pensions (DWP) / Pension Service • Shared Services with NELC • Service structure needs to reflect new responsibilities arising from LSP and CAA etc • Implementation on Government Connect 			<ul style="list-style-type: none"> • Consider joint working / partnerships for culture changing • Undertake regular customer surveys to identify strengths and areas for development in Finance service delivery
What is the short, medium and long-term impact of any planned service changes?	<i>Short term (1 year):</i> <ul style="list-style-type: none"> • Staff working from home 	<i>Medium term (2 years):</i> <ul style="list-style-type: none"> • Changes to affect efficiency agenda 	<i>Long term (3-5 years):</i> <ul style="list-style-type: none"> • Changes to national policies 	<ul style="list-style-type: none"> • Vacancy management • Restructuring finance in response to future service demands

		Action required:
Will the structure of your service need to change? Will this impact on number of staff required?	The changes facing other service areas mentioned above will inevitably result in the service restructuring to ensure that it continues to meet needs of its customers. There is a possibility there will be reductions in staff.	<ul style="list-style-type: none"> • Vacancy management • Restructuring finance in response to future service demands
Are all key stakeholders/partners being consulted on service changes?	Yes	<ul style="list-style-type: none"> • Ensure key stakeholders/partners are consulted on any future service changes
Are employees able to progress within the service? Is there any blockage areas?	<ul style="list-style-type: none"> • Low turnover can impact upon ability of employees to progress within the service 	<ul style="list-style-type: none"> • Ensure development posts are considered in all future restructures of Finance service • Ensure training and development to existing employees
New skills/knowledge/competencies needed:		
What gaps have you identified in your managers' leadership skills	Skills gap analysis currently being undertaken against Leadership and Management Competency Framework. 76% of managers across the Finance Service have completed their Leadership and Management Competency Assessment. HR have yet to analyse these. Skills gaps have therefore not yet been identified.	<ul style="list-style-type: none"> • Complete skills gap analysis
What gaps have you identified in your managers' management skills	Skills gap analysis currently being undertaken against Leadership and Management Competency Framework (See above)	<ul style="list-style-type: none"> • Complete skills gap analysis

<p>Have you identified what minimum level of competence/qualification/experience is required for each post? Have you identified whether your employees have this?</p>	<p>See specific skills matrices produced for workforce plan</p>	<ul style="list-style-type: none"> • Complete skills gap analysis
<p>Do you have any groups of employees who would benefit from skills for life (basic skills) development</p>	<p>Not yet known. (A skills audit of all employees will be undertaken in the near future. HR's Organisational Development Section will manage this process).</p>	<p>Not yet known</p>
<p>Will changes in legislation/working practices require any employees to have different skills/knowledge?</p>	<ul style="list-style-type: none"> • URB2 (Computer system) • Civil partnerships • Gershon knowledge • E-procurement • Government Connect 	<ul style="list-style-type: none"> • To incorporate in training plan

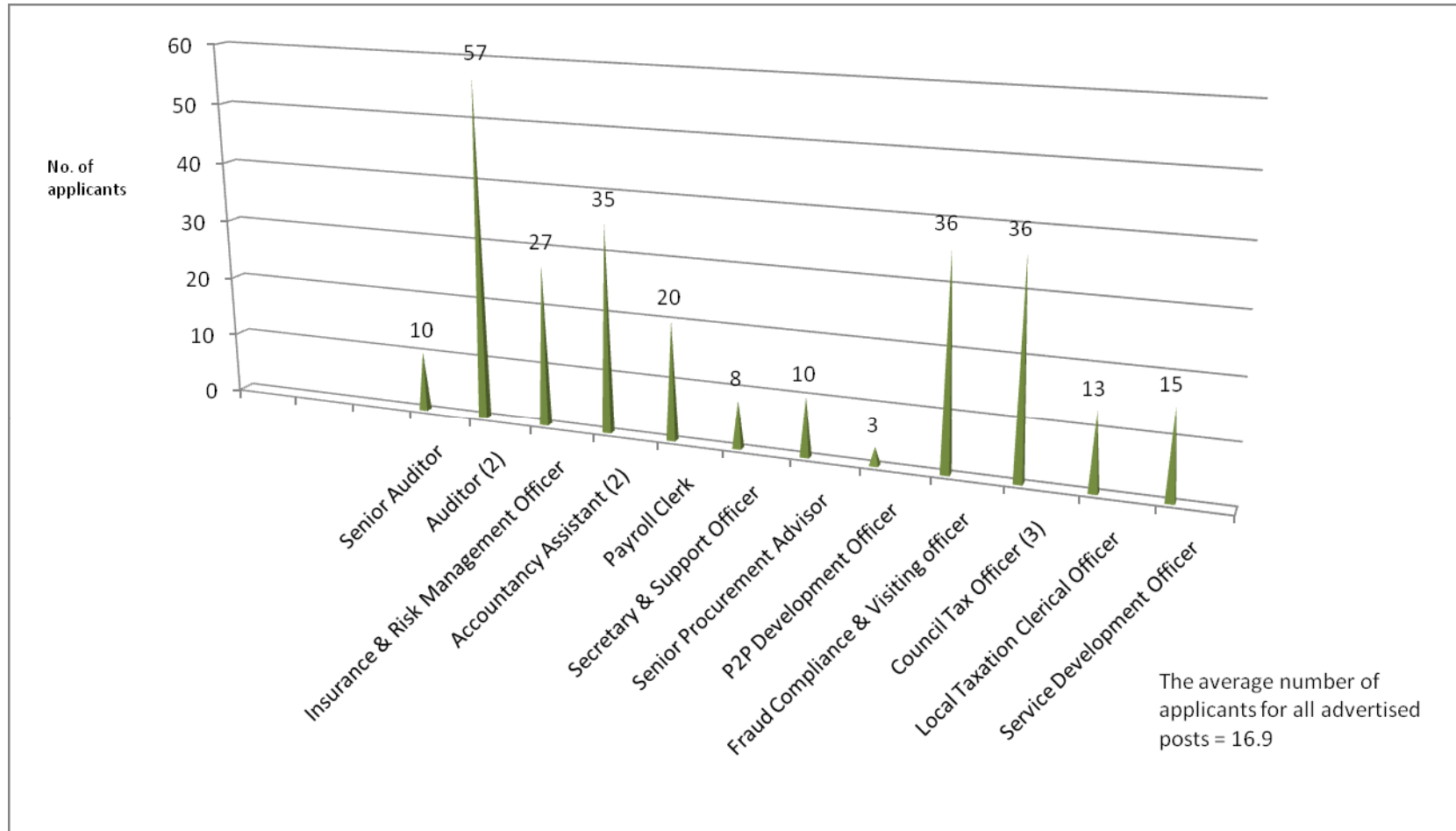
<p>How closely does your <u>service management</u> profile represent the community profile in respect of:</p> <ul style="list-style-type: none"> • Gender • BME • Disability* <p>* based on employees who have declared disability in line with DDA definition</p> <p>Key: FM – Finance Managers (Those roles that scored 3 or more points within the management section of the job evaluation process) F – Finance Service workforce NLC – North Lincolnshire Council NL – North Lincolnshire</p>	<p>Gender:</p> <p>FM: Female 66.7% Male 33.3%</p> <p>F/NLC: Female 78% Male 22%</p> <p>NL: Female 51% Male 49%</p> <p>The gender profile of the Finance management currently has an unbalanced gender profile in favour of males.</p>	<p>BME:</p> <p>FM: 100% White 0% BME</p> <p>F: 2.25% NLC: 1.80%</p> <p>NL: 2.5% BME 97.5% White</p> <p>Ethnicity profile of management team does not reflect that of service, organisation or local community.</p> <p>Low levels of turnover can impact on profile of workforce, but non-discriminatory recruitment and selection processes are in place</p>	<p>Disability:</p> <p>FM: 0% Disabled</p> <p>F: 2.25%</p> <p>NLC: 2.88%</p> <p>NL: 15% Disabled</p> <p>The proportion of disabled employees within the management team does not reflect those of organisation as a whole or local community.</p> <p>Low levels of turnover can impact on profile of workforce, but non-discriminatory recruitment and selection processes are in place</p>	<ul style="list-style-type: none"> • Develop management skills of employees to ensure ability to compete equally for management posts as future vacancies occur • Commitment to internal and external advertising of posts in line with Recruitment and Selection Policy
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				Action required:
<p>How closely does your <u>service workforce</u> profile represent the community profile in respect of:</p> <ul style="list-style-type: none"> • Gender • BME • Disability* <p>* based on employees who have declared disability in line with DDA definition</p> <p>Key: FI – Finance NLC – North Lincolnshire Council NL – North Lincolnshire</p>	<p>Gender:</p> <p>FI: Female 78% Male 22%</p> <p>NLC: Female 78% Male 22%</p> <p>NL: Female 51% Male 49%</p> <p>The service as a whole is female dominated compared to the local population and is the same as the organisation as a whole.</p>	<p>BME:</p> <p>FI: 2.25% BME 97.75% White</p> <p>NLC: 1.8% BME 98.2% White</p> <p>NL: 2.5% BME 97.5% White</p> <p>Proportion of BME employees within the Finance service falls below local population but is greater than NLC as a whole.</p>	<p>Disability:</p> <p>FI: 2.25% Disabled</p> <p>NLC: 2.88% Disabled*</p> <p>NL: 15% Disabled</p> <p>Numbers of disabled employees in Finance are under-represented in comparison to both the local population and the organisation as a whole.</p> <p>Low levels of turnover can impact on profile of workforce, but non-discriminatory recruitment and selection processes are in place</p>	<ul style="list-style-type: none"> • Benchmark gender profile of Finance against national profiles for Finance profession • Monitor applicant profiles for Finance employees and applicants through QPR process to identify potential areas for further action • Commitment to internal and external advertising of posts in line with Recruitment and Selection Policy
				Action required:

<p>Does your age profile indicate any future areas with high retirement rates? If so, what action do you need to take to address future staffing needs?</p>	<p>Within 10 years 15 employees will retire based on normal retirement age of 65. This equates to 8% of the workforce. Overall, the age profile and future retirement is within manageable levels. However the fact that over one third of employees in the service will be over 50 within the next three years means that some succession planning is needed</p> <p>The age profile of Finance workforce is younger compared to local population with a greater concentration of employees between ages of 25 and 54.</p> <p>*Based on Apr08 – Mar09 Quarterly Workforce Report</p>	<ul style="list-style-type: none"> • Targeted long term succession planning required for? • Consider team by team where there potential “hotspots” are for retirement
<p>Training and Development Implications:</p>		
<p>Which groups of employees are affected by the above changes?</p>	<p>All levels</p>	
<p>What service specific skills shortages have been identified as a result of these changes:</p>	<p>To be identified through skills matrix</p>	<ul style="list-style-type: none"> • Complete skills gap analysis
<p>What generic skills are required?</p>	<p>To be identified through skills matrix</p>	<ul style="list-style-type: none"> • Complete skills gap analysis

Appendix 1a - Analysis of applicants for Finance posts advertised

Average number of applicants by post type for advertised vacancies between 1 April 2008 and 31 March 2009



The table below shows an analysis of response rates and outcomes of advertised posts between April 2008 and March 2009

Advertised Post	Number of Advertised Posts	Number of Applicants	Appointment Made?
Accountancy Assistant	2	35	Y
Auditor	2	57	1-Y 2-N
Council Tax Officer	3	36	1-Y 2-N 3-Y
Assessment Officer	1	18	Y
Senior Auditor	1	10	Y
Insurance & Risk Management Officer	1	27	Y
Service Development Officer	1	15	Y
Local Taxation Clerical Officer	1	13	Y
Fraud Compliance & Visiting Officer	1	36	Y
P2P Development Officer	1	3	Y
Senior Procurement Advisor	1	10	Y
Secretary & Support Officer	1	8	Y
Payroll Clerk	1	20	Y

Number of leavers by post between April 2008 and March 2009

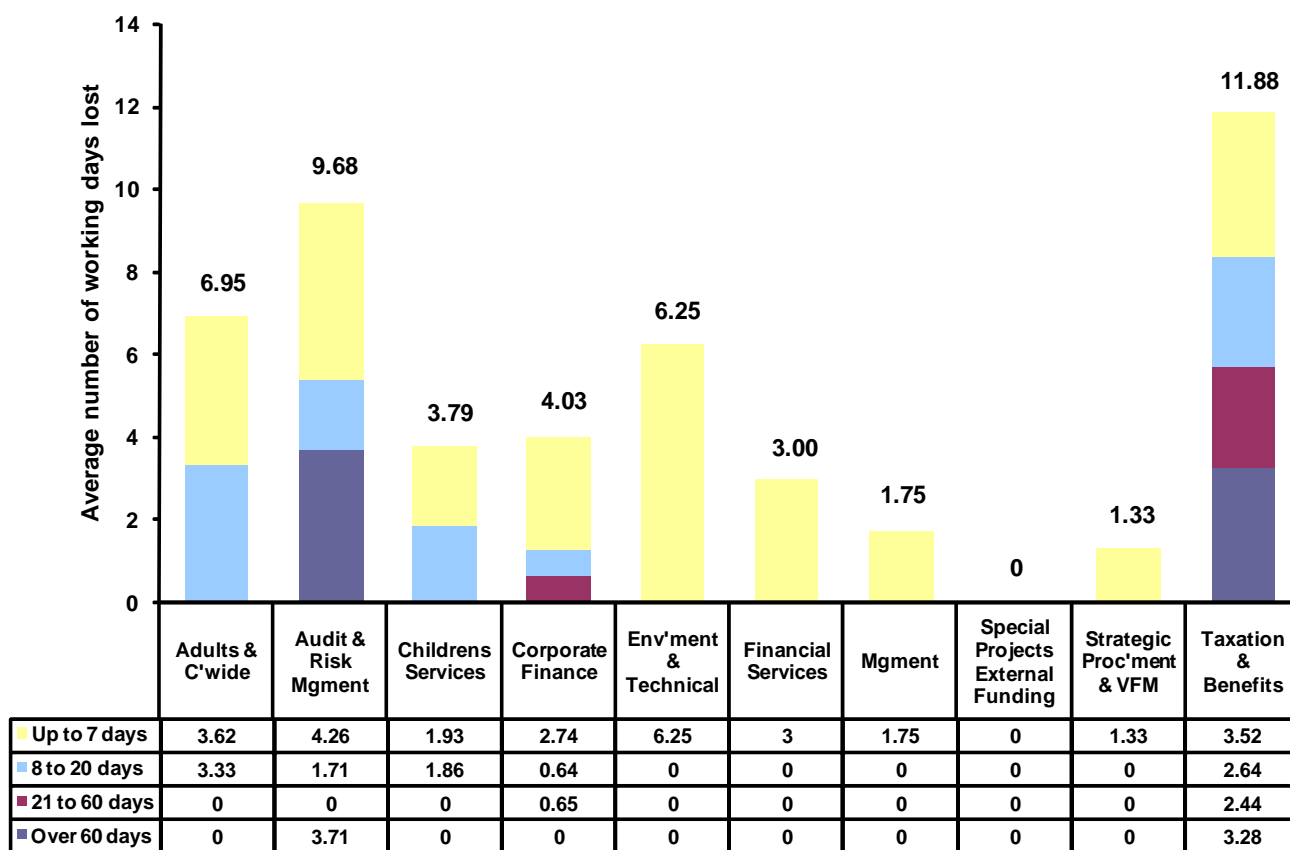
Post	Number of leavers
Auditor	1
Senior Auditor	1
Assessment Officer	3
Inspector	1
Telephone & Clerical Officer	1
Visiting Officer	1



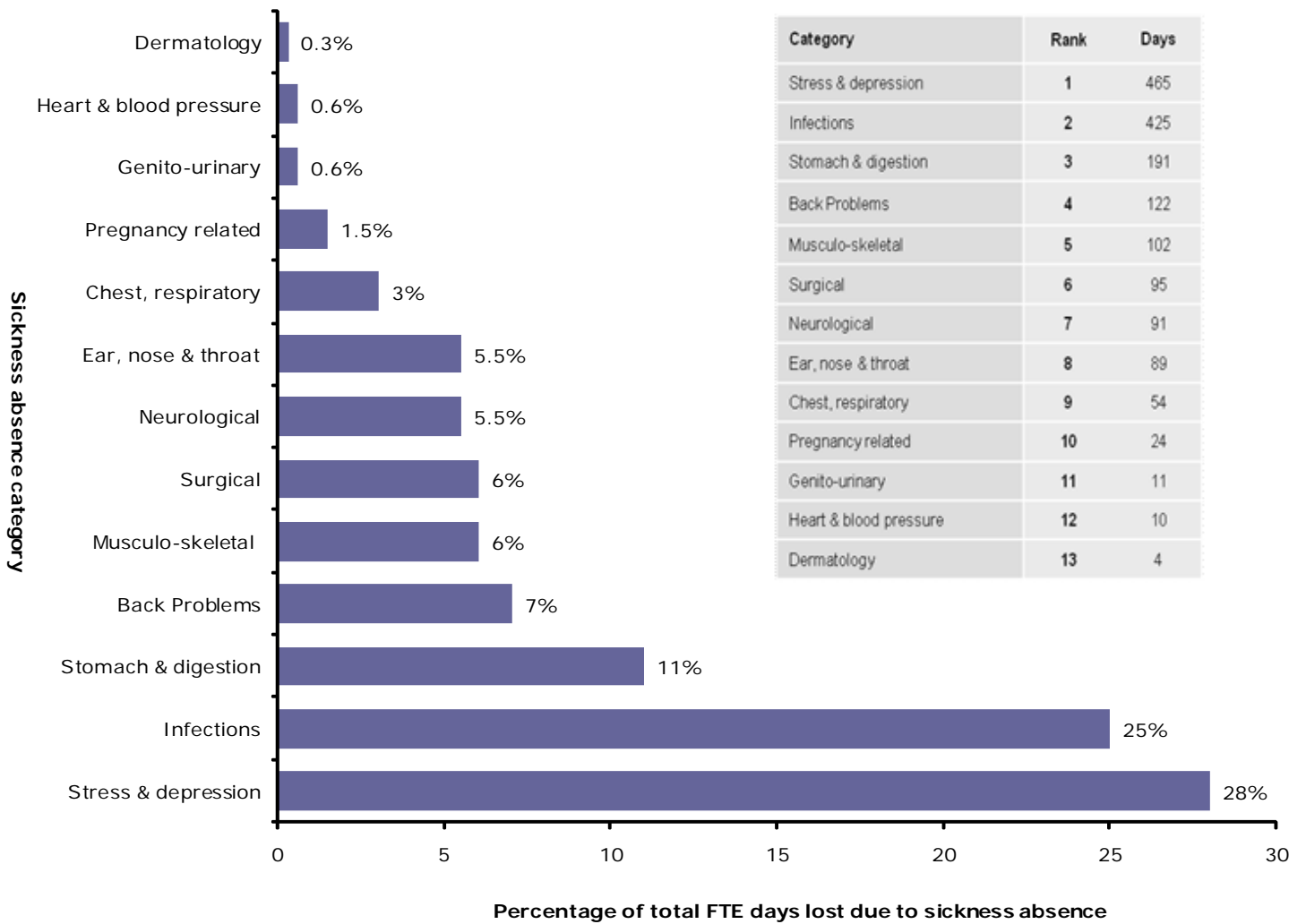
The average percentage of Finance employees leaving the council is more than 50% lower than NLC's average.

Appendix 1c - Sickness Absence Analysis

Average number of working days lost due to sickness absence by team - April 2008 to March 2009



Average number of working days lost due to sickness absence by reason in the Finance Service - April 2008 to March 2009





Going Forward Together

2008-
09

ANNUAL IMPROVEMENT SUMMARY

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▪ Key performance indicators	12
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▪ Value for money improvements and efficiency savings	18
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Formal Inspection Reports

CPA Use of Resources	Overall Score 3 out of 4
Benefits	CPA score of 4 confirmed for 2007-8 during the year

Improvement Reviews

	<p>External Audit Reports</p> <ul style="list-style-type: none"> • Governance Report 2007-08 (Sept 2008) • Use of Resources 2007-08 (Dec 2008) • Grant Claims and Returns 2007-08 (March 2009) • Audit Fees Letter 2009-10 (March 2009) • Annual Audit & Inspection Letter 2007-08 (April 2009) • Direction of Travel Assessment 2008 <p>Internal Audit Reviews of key systems such as:</p> <ul style="list-style-type: none"> • Corporate Governance • Fundamental Financial Systems: Payroll, E Financials, Creditors, Council Tax & NNDR, Council Tax and Housing Benefits, Sundry Debtors, Treasury Management, Cash Receipting, Asset Management Planning and CareFirst • Risk Management <p>Annual Internal Audit Report to Members</p> <p>Annual Governance Statement</p> <p>Joint procurement rated as “performing well” under CPA Use Of Resources Assessment 2008</p> <p>Procurement framework rated as “strong” as part of the equalities standards assessment</p>
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Progress Against Key Service Priorities

Investing in people	<ul style="list-style-type: none"> • The number of homeworkers in Local Taxation and Benefits increased to 13. • Excellent exam results were obtained in both Audit and Financial Services. All Audit staff are AAT qualified (or equivalent) or above. • The service secured recognition of the council’s IIP scheme under
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<p>Effective Communication and consultation</p>	<p>CIPFA's CPD requirements. .</p> <ul style="list-style-type: none"> • Implemented the Finance service action plan for 2008 'Points of View' survey and contributed to council wide action plan. • Continued to support the work of the two service improvement teams with membership that is representative of all parts of the service • Contributed to the council wide cultural framework and ensured developed in Finance Service • Implemented Capacity and Performance development programme across the entire finance service for all staff. • Invested in staff through learning and development opportunities and application of the Finance Management Charter • Diversity Impact Assessment training has taken place across the service. • A knowledge base has now been added to the NL / NEL intranet sites which contains updated procurement policies and guidance • Local Taxation and Benefits managers were given an overview of CAA, LAA, LSP etc • Two training events were delivered to Finance staff during the year as part of CPD. These covered e-financials, key controls, VAT, Closure of Accounts and Capital Accounting. • Strategic Procurement Manager and Principal Procurement Advisors all professionally qualified to MCIPS standard • Ongoing review of IIP assessment to ensure input to corporate assessment and future re-inspection of service. <ul style="list-style-type: none"> • There was consultation on the budget with the scrutiny panel, business ratepayers, and parish/town councils. The extensive door to door exercise consulting the public in 2008 (simalto) covered three years and did not need to be repeated. • Corporate Finance worked with PR and Communications to consult with the public through Direct on what kind of financial information would meet their needs. This was used in the relaunch of the annual report which was commended as notable practice by the Audit Commission. • A series of articles and posters on value for money was launched through the Direct magazine to raise public awareness of the value they get from council services. • A newsletter for suppliers has been produced by Procurement and was distributed with Newslines. • Supplier satisfaction and SME/VCO profiling surveyed with impressive findings: Respondents satisfied or very satisfied with the ease of tendering for council contracts = 91% Respondents satisfied or very satisfied with the support they received from the council in relation to bidding for council contracts = 82% • Benefits have developed an on-line questionnaire to measure the effectiveness and ease of use of the benefits application form. • Articles designed to raise awareness about the council's anti fraud arrangements have been circulated in Direct, on intralinc and on the
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<p>Leading strong & effective financial management throughout the council</p>	<p>council's website.</p> <ul style="list-style-type: none"> • A new risk management newsletter 'Risk Roundup' has been circulated throughout the council. • There is also an extensive programme of communication with internal customers, such as fraud articles, leaflets, booklets on risk management and the finance service newsletter. "Finance Focus" • Budget monitoring, virement processing and budget setting elements of the Collaborative Planning module were successfully implemented during the year. • Extensive work undertaken relating to the efficiency process. • Extensive work was carried out with services leading to a new three year revenue budget plan and five year capital programme • The council delivered spending within revenue budget for 2008/09 despite the recessionary impact on a range of income budgets • Achieved level 3 in CPA Use of Resources assessment • Participation in the council's approved performance reporting framework and QPR. • Council Tax collection rates show that we have maintained a similar level of collection as last year, which is excellent given the current economic situation. However NNDR collection has fallen slightly as expected.
<p>Promoting good governance</p>	<ul style="list-style-type: none"> • Final accounts were produced on time and were unqualified – the auditors were happy that the accounts gave a fair view of the council's financial position and performance. • Work with the Audit Committee continues to develop and a forward plan of reports and an assurance map, designed to assist the committee to fulfil its terms of reference, has been approved. • External Audit's review confirmed that Internal Audit meet all professional standards set out in the Code of Practice for Internal Audit. • Quality assurance of service plans to ensure risk management issues were adequately addressed have been done. • Updated and delivered the risk management strategy. Ensured QPR process includes proper consideration of risk management issues. • A suite of audit reports was prepared for the Audit Committee to consider. The council's corporate governance arrangements were assessed as meeting best practice criteria in most areas. Similarly an assessment of counter fraud arrangements in place shows good compliance with best practice identified by CIPFA. Also included a review of the council's strategic risks and the adequacy of controls in place to manage those risks. • The programme of Internal Audit work was adequately completed. Actions are agreed and followed up every year. • Full participation in the Government's National Fraud Initiative (NFI). The Audit Commission has commended the council's work in this area. • Completed CPA Use of Resources Self Assessment – assessed

<p>Supporting partnerships</p>	<p>overall at level 3.</p> <ul style="list-style-type: none"> • Completed performance reports of benefits service for CPA – assessed at level 4. • More sophisticated internet monitoring software has been installed which allows proactive monitoring of internet useage and access on prohibited sites. • The Finance Manual was revised and updated and access on intralinc improved. • The council's performance on processing grant claims accurately and on time improved markedly in the external audit assessment. • A robust system for ensuring effective controls authorisation of creditor payments was put in place and for payroll is currently being finalised. • Annual review of Corporate Governance framework undertaken and refresh of the code of Corporate Governance. • The council's approach on Anti Money Laundering has been identified and guidance drafted. • Successful defence of EL claim. Reserve was £120k. Successfully defended – no costs for council to find. • Excellent performance also in Benefit Fraud section with a total of 89 sanctions & prosecutions achieved against a target of 90. • Sterling Consultancy Services were appointed to review the council's treasury management strategy in the light of turbulence in the financial markets. After critical evaluation this has been used to develop the policy for 2009/10. • Following The Icelandic banking collapse of October 2008, we have reviewed our procedures in the light of advice and guidance received. • New risk management newsletter has been produced. <ul style="list-style-type: none"> • Extensive work was undertaken with theme leads to develop costed action plans for the community strategy and LAA. This provided the LSP with its first view of budgetary resources aligned to the key priorities and identified area of shortfall. • A joint procurement strategy with NELC for 2008/11 has been produced. • Confirmation that NELC have committed to the construction framework project, which now has a clear strategy, has provided a significant boost. <ul style="list-style-type: none"> • The team received favourable media coverage in Supply Management magazine for joint working with Hull City Council on CIPS training. • Further advice and support was given on the Housing Improvement Programme. • Support has been given to the Housing Investment Task Group, a subsidiary of the Humber Housing Partnership. • Input continues to the Connexions Technical Group, dealing with the disaggregation of Connexions Humber later this year.
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Improving procurement, Value for Money & efficiency throughout the council

- The contract between NLC and NELC for processing of NNDR work is continuing to work successfully.
- VfM reviews carried out in 2008/09 have identified savings of £529,000.
- VfM improvement arrangements increased under the 2008 CPA assessment to 3/4.
- The VfM WorkSmart initiative was approved as a transformation project for the council. WorkSmart Advisors Turner & Townsend have been appointed to produce a business case for the project.
- A VfM Programme for 2008/11 was approved by CMT, the VfM format for the 2008-11 Service Plans has been adopted corporately helping to embed VfM profiling as part of service planning.
- CIPFA led VfM training for service managers successfully introduced and incorporated in the corporate training programme
- Lead the council's response to the 'Gershon' and ongoing efficiency agendas and provide appropriate returns to the government
- Completed vfm self-assessment for CPA 2008
- Numbers of staff working from home and hotdesking increased
- Joint procurement projects concluded:
 - Property Repair & Maintenance Frameworks
 - Disabled Adaptions & Grant Works Frameworks
 - Printing (Bought-in)
 - Inter-town Mowing and Rights of Way Clearance
 - Cycle To Work Scheme
 - Office Supplies
 - ICT Hardware & Software
 - Postal Services
 - ICT eAuction
- Savings Performance totaled £1m for 2008/09 Key Projects :
 - Baths Hall
 - Waste Project
 - Sports Academy
 - Telematics Procurement
 - Supporting People
- Capacity of the service developed as part of service development

<p>Developing capacity and capability to do more</p> <p>Top quality Services for the public</p>	<p>days 'Capacity and Performance</p> <ul style="list-style-type: none"> • Relaunch of improvement teams under FACT banner (April 08). • Wireless technology has gone live in interventions visiting section. • There has been initial involvement from the Finance Team in the Personalisation Agenda within Adults Social Care. • The service introduced major legislative changes to benefits in October including ESA , with no impact on service delivery. • An electronic hotline referrals system has been introduced which improves security and speed of information passed from Audit to Benefits Fraud for investigation. • The Benefits action plan resulted in additional output by the assessors and continues to show improvements in processing times despite the impacts of the recession resulting in major increase in claims received. • Data collection exercise for NI14 completed on time. Highlighted areas of avoidable contact that will be addressed to create future capacity. <ul style="list-style-type: none"> • Produced and successfully implemented action plan to improve benefit quality PI. • A successful pilot was undertaken whereby customer services phones are open Thursday/Friday until 6.30 p.m. the week Council Tax Reminder notices are issued. A review took place in November 2008 and this now happens every month. In addition telephone lines were open on Saturday morning during the annual billing process. • Involvement commencing in "Tell Us Once" project with registrar leading. • A joint SME event was held on 27 August 2008. 30 companies from across the NL and NEL area attended. • Posters and leaflets designed advertising 'What customers can do online'. • Following a request from the Economic Development section, a Benefit Visiting Officer went into a local company to aid their workers in making a benefit claim. The company is facing financial problems and are introducing a periods of lay-off where the staff are unable to claim unemployment benefits but may not be paid their full wages. • A market event to explain the Supplier & Contractor Management System for the transport sector took place. • Ten procurement events delivered to local business, targeted at SME's.
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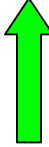

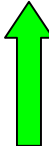
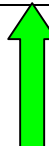
Corporate Outcomes achieved

<ul style="list-style-type: none"> Positive External Audit opinion 	<p>External Audit gave an unqualified conclusion on arrangements for securing value for money.</p> <p>The use of resources self-assessment and final accounts were unqualified with few recommendations for improvements.</p> <p>The annual audit and inspection letter was favorable</p> <p>The Audit Commission gave favorable feedback on our approach to NFI.</p> <p>Procurement framework rated as “strong” as part of the Equalities Standards Assessment</p>
<ul style="list-style-type: none"> Positive rating and improved scoring for Use of Resources element of CPA 	<p>Use of resources – Achieved level 3 (consistently above minimum requirements) for 2007-8 and self assessment for 2008-9 indicating similar level of achievements for 2008-9 across most of the criteria.</p> <p>Benefits 4 out of 4. maintained for 2007-8 announced in 2008-9.</p> <p>Joint procurement rated as “performing well” under CPA Use Of Resources Assessment 2008.</p>
<ul style="list-style-type: none"> Maintenance of IIP award 	<p>Ongoing reviews undertaken.</p>
<ul style="list-style-type: none"> Positive Points of View results 	<p>Achieved. Good results although issues in a few in specific areas of the service. Action plan produced.</p>
<ul style="list-style-type: none"> Accurate budget monitoring. 	<p>The council has an established budget monitoring system which produces monthly reports to managers and cabinet members with quarterly reports to cabinet. This worked well in 2008-9 so that the council was able to contain recessionary pressures by redirecting savings from other areas from the council budget at the October review. As a result a modest revenue underspend of £466,000 by outturn. Similarly a mid year review of the Capital Programme re-phased £21m of expenditure so that the underspend at year end was a modest £3m.</p>
<ul style="list-style-type: none"> Predicted budget outturn – within budget 	<p>The revenue budget was underspent by £466,000. This benefits the council’s overall financial position.</p> <p>Capital programme spending was £3.035m under budget for the year and will be rephased.</p>

<ul style="list-style-type: none"> • Procurement savings of £1m 	Achieved Savings of £1.165m.
<ul style="list-style-type: none"> • Final accounts that are unqualified and on time 	Achieved.
<ul style="list-style-type: none"> • Performance Indicators that are above average 	<p>There are three National Indicators for the service of which two relate to benefits and one to efficiency savings.</p> <p>In respect of benefits due to issues with data collection by DWP there is not yet any published data for NI180 or NI181 and so not yet any comparators, although our internal targets have been met.</p> <p>NI179 Provisional efficiency savings for 2008/09 show a small shortfall against the target set by the council in October 2008: £3.133m against £3.250m. This delivers a 2.1% saving against the government target of 3% per annum, and lost ground needs to be recovered in 2009/10 and 2010/11 to achieve the cumulative three year target.</p>
<ul style="list-style-type: none"> • Achievement of awards 	<p>The procurement team was a finalist for the MJ Awards 2008 for the Best Use of Resources category. The awards for took place on 26 June in London. The team's achievements were commended.</p> <p>Kevin Coyle received the Tom Sowerby Award, presented for outstanding service to CIPFA students, from the CIPFA President at the National Students Conference held at Manchester Town Hall.</p>
<ul style="list-style-type: none"> • Value for money savings of £0.5m achieved 	Joint cashable procurement savings of £2.5m in year were achieved by PANNEL
<ul style="list-style-type: none"> • Council tax increases in line with government and public expectations. 	Council tax for 2008/09 was 3.9%, well within the government capping target of 5%. In setting the 2009/10 increase council approved a 3.8% uplift in line with the indicative 3.9% notified in February 2008. This also was well within the 5% capping limit.
<ul style="list-style-type: none"> • Achievement of milestones in the National Procurement Strategy for Local Government 	All milestones achieved.
<ul style="list-style-type: none"> • Positive endorsement of internal audit & risk management work by external audit 	Achieved.
<ul style="list-style-type: none"> • Standing in national award schemes for procurement 	The procurement team were finalists for the MJ Awards 2008 for the Best Use of Resources category. The





	awards for took place on 26 June in London. The team's achievements were commended.
<ul style="list-style-type: none"> • Woolf protocol requirements met 	Achieved.
<ul style="list-style-type: none"> • Positive outcomes for benefits in the event of an inspection by the audit commission 	Not applicable.










Key Performance Indicators



Indicator	Performance	Target 2008-9	Direction
Percentage of EDRs completed within previous 12 months	84%	90%	
Average number of working days lost due to staff sickness	7.94 days	Under 8.8 days	
Percentage of workforce attending training and development activities	83%	90%	
Percentage of new managers completing corporate induction	100%	100%	






Financial Services


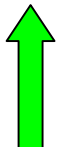

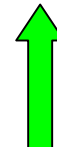


Use of resources


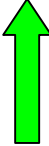

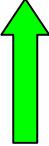
Accounts	2/4	3/4	
External accountability	3/4	3/4	
Medium term financial strategy and budget setting	3/4	3/4	
Budget monitoring and management	3/4	3/4	

Asset management	3/4	3/4	
Financial standing	3/4	3/4	
Achievement of value for money	2/4	3/4	
Arrangements for improving value for money	3/4	2/4	
Average interest rate on cash flow	0.42% above average base rate of 3.62%	0.1% above average base rate	
Capital financing cost as % of net revenue stream	4.82%	Less than 6%	
Cost of accountancy service per £000 gross revenue turnover	Average	Below unitary average	
Non-finance officer training	5 courses	9 courses	
Member training	4 half day events	4 half day events offered	New
Percentage of creditor invoices paid electronically by value.	91.1%	90%	

Average number of debtor days	117 days	60 days	
% of invoices paid in accordance with payment terms – Finance wide	85.9%	85%	New
% of invoices paid in accordance with payment terms Council wide	78.8%	80%	
FMSiS % of primary schools accredited	100%	100%	New
% of electronic payments (cashiers)	30.8%	26%	New
Payroll payments paid on time	100%	100%	New
Payroll- Reduction of number of cheque payments caused by service areas.	11% increase	2.5% Reduction	New
Audit and Risk Management			
Completion of internal audit plan	N/A	80% But adequate coverage of all high risk areas	New

Audit – Number of recommendations agreed and implemented	65.7%	60% of those tested	
Percentage of Woolf claims that are successfully defended due to compliance with Woolf protocols	100%	98%	
Adherence to professional standards	Positive annual review	Positive annual review	New
Satisfaction with internal audit	100%	80%	New
Council wide % of operational risk registers prepared by service division managers	84%	70%	New
Number of strategic risk position statements reviewed	100%	100%	New
Internal Control			
Risk Management	3/4	3/4	
Systems of internal control	2/4	3/4	
Conduct & anti-fraud and corruption	3/4	3/4	

Local Taxation and Benefits			
Percentage of telephone calls offered that are answered in the Local Taxation & Benefits call centre.	85%	90%	
Average time for processing new benefit claims.	24.41 Days	25 Days	
NI 180 The number of changes of circumstance which affect customers' HB/CTB entitlement	N/A	843 per thousand claimants	New
NI 181 Time taken to process Housing benefit/Council Tax Benefits new claims and change events	13.53 Days	15 Days	New
Average time for processing notification of change events	10.61 Days	10 Days	
Accuracy of claims – internal quality check based on 4% check	97.6%	99% paid accurately	
The number of prosecutions and sanctions per 1,000 caseload	5.86	6.5	
BV9 Percentage of Council Tax collected	97.1%	97.6%	

BV10 The percentage of non-domestic rates collected	98.9%	99%	
Strategic Procurement & Value for money (VFM) unit			
% of corporate spend through e-Procurement module	15.98 %	15%	
% of National Procurement Strategy milestones completed	100%	100%	
Cashable savings identified through completed VfM projects	£529k	£500K	New
% of VFM reviews completed v overall programme	87%	67%	New
% orders raised electronically by email	5.95%	7.5%	New
% of invoices received and processed electronically	1.56%	3%	New
Cashable savings identified through smarter procurement (annualised)	£1m	£1m	

Additional Achievements or Progress

- Both areas of the CPA were maintained with benefits being one of only two council service to achieve a score of 4 and maintained the overall score of 3 for the use of resources. The accounts which were produced on time and were unqualified.
- The service contributes much to the council wide priorities and leads on major items such as roll out of eprocurement and supplier adoption. Major contributions have also been made to other areas such as performance management system, accommodation review and diversity action plans.
- The finance pages of intralinc and the website have been reviewed and are maintained up to date and user friendly.
- The two service improvement teams have worked well in the past and developed changes to service delivery. They were successfully relaunched in 2008-9. The service received very good scores in the points of view staff survey with very few red areas being identified.
- Several successful members training days have been held.
- Extensive work has been undertaken regarding the relationship and closer working of the Local Taxation And Benefits Service with the Local Link Service. This will be developed further in 2009-10.
- Considerable work was undertaken with regard to the transfer of external audit firm Robson Rhodes to the Audit Commission, and in building of good relationships.

Outturn Against Approved Budget

- The revenue budget was underspent by £0.466m. This benefits the council's overall financial position.
- Capital programme spending was £3.035m under budget for the year and will be rephased.

Value for money improvements and efficiency savings

- Council wide Procurement savings of £1.165m achieved.

Customer Involvement and Satisfaction

- There was consultation on the budget with the scrutiny panel, business ratepayers, and parish/town councils. The extensive door to door exercise consulting the public in 2008 (simalto) covered three years and did not need to be repeated.
- Corporate Finance worked with PR and Communications to consult through Direct with the public on what kind of financial information would meet their needs. This was used in the relaunch of the annual report which was commended as notable practice by the audit commission.
- A series of articles and posters on vfm was launched through the Direct magazine to raise public awareness of the value they get from council services.
- A newsletter for suppliers has been produced by procurement and was distributed with Newslime



Going Forward Together

Finance Service Plan Summary Service and Staff Roles 2009 - 2012

- | | | |
|------------------------|---|--------------------------------|
| ↔ Financial Services | ↔ Corporate Finance | ↔ Sundry Debtors |
| ↔ Payroll | ↔ Payments | ↔ Cashiers |
| ↔ Audit | ↔ Insurance and Risk Management | ↔ Service Development |
| ↔ Procurement | ↔ Value For Money (VFM) | ↔ Housing/Council Tax Benefits |
| ↔ Council Tax Billing | ↔ Council Tax Recovery | ↔ Committals |
| ↔ Benefit Overpayments | ↔ Fraud and Interventions | ↔ Systems and Control |
| ↔ Benefit Appeals | ↔ National and Non Domestic Rates(NNDR) | ↔ Customer Services |

How have we contributed to making a difference through our 8 Service Priorities:

- **Effective communication and consultation:** - Corporate Finance worked with PR and Communications to consult with the public through Direct on what kind of financial information would meet their needs, A series of articles and posters on VFM was launched through the Direct magazine to raise public awareness of the value they get from council services, Various newsletters are produced for staff and external suppliers, Articles designed to raise

- **Top quality services for the public:** - Produced and successfully implemented action plan to improve benefit quality, Customer Services Telephone opening times have been extended, Involvement with 'Tell us once' campaign, Ten procurement events delivered to local businesses, Posters and leaflets available to the public are continually improved and updated. They are readily available in all Local Link Offices.

- **Investing in people:** - The number of homeworkers in Local taxation and Benefits increased to 13, Excellent exam results were obtained in both audit and financial services, Continued to support the work of the two service improvement teams with membership that is representative of all parts of the service, Implemented Capacity and Performance development programme, Invested in staff through learning and development opportunities and application of the Finance Management Charter.

- **Developing the capacity and capability to do more:** - Introduction of Capacity and Performance days. Re-launch of improvements teams under FACT banner. Benefits performance action plan implemented resulting in increased individual performance, other teams such as the benefit appeals section helped and supported throughout the process. An electronic fraud hotline has been implemented.

- **Supporting Partnerships:** - A joint procurement strategy for 2008/11 has been produced, The contract between NLC and NELC for processing of NNDR work is continuing to work successfully, Further advice and support was given on the Housing Improvement Programme.

- **Improving procurement, VFM and efficiency throughout the council:** - VFM reviews carried out in 2008/09 have identified savings of £529,000, VFM and IT working together to put forward a business case for a wireless network solution, Lead the council's response to the Gershon efficiency agenda, numbers of staff homeworking and hot desking have increased.

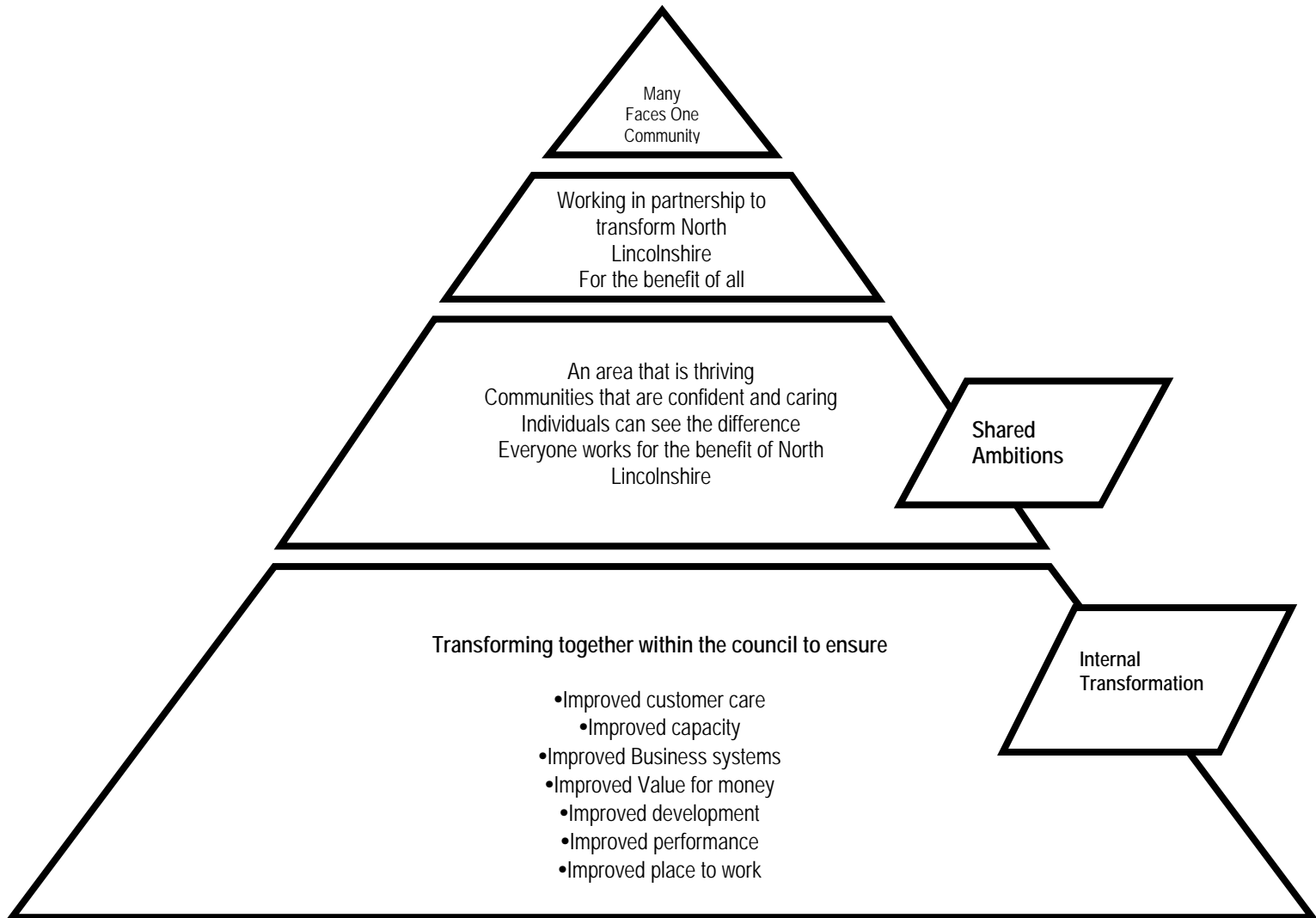
- **Leading strong and effective financial management throughout the council:** - Extensive work undertaken relating to the efficiency process, The council delivered spending within the revenue budget for 2008/09 despite recessionary impact on a range of income budgets, Participation in the council's approved reporting framework and QPR.

- **Promoting good governance:** - Updated and delivered the Risk Management Strategy, External Audit's review confirmed that internal audit are meeting all professional standards set out in the Code of Practice for Internal Audit, Articles designed and circulated to raise awareness of the council's anti fraud campaign. More sophisticated internet monitoring software has been installed, The finance manual was revised and updated – accessible on intranet,

A shared vision

'A council that can really transform North Lincolnshire for the benefit of all.'

The council's vision is outward facing. It is about how the council and its strategic partners can together make a real difference for North Lincolnshire and the people that live, work and visit here. As a council we share four ambitions with our partners. These ambitions work and connect at area, community and individual level. (as detailed in purple below).



Tools for transforming the council

As an organisation we are clear about what we must do in order to play an effective and efficient role in the bigger picture. These four areas focus on how we need to change and develop in the future: -



(NB: Refer to page three to see how our Finance service priorities fit into the transformational agenda.)

Doing our bit

What work have we already done towards achieving the council's internal transformation agenda?

Transforming Together within the council to ensure: -

↔ Organisational Excellence

- ↔ Benefits satisfaction surveys are completed every three years; the last one was undertaken in 2006-7 and produced an overall satisfaction rate of 80%.
- ↔ We have undertaken some consultation surveys for council taxpayers in the past, and annually consult the business community regarding the Council's spending proposals.
- ↔ Improved scoring for 'Use of Resources' element of Comprehensive Performance Assessment (CPA).
- ↔ Positive POV results, Accurate budget monitoring.
- ↔ Procurement framework rated as "strong" as part of the equalities standards assessment.
- ↔ Positive external audit opinion.
- ↔ Maintenance of the excellent rating for benefits.
- ↔ Improved Council Tax Collection.

↔ Operational Fitness

- ↔ FACT groups continue to deliver suggestions received through the Finance-wide staff suggestion schemes. Security access systems being updated and improved at Pittwod House and Hewson House.
- ↔ IIP reviews to ensure we maintain IIP standards.
- ↔ Lead role in the council's annual budget process and three-year financial plan.
- ↔ Lead role on anti-fraud and corruption strategies and risk management.
- ↔ Lead role in the Comprehensive Area Assessment (CAA) 'Use of resources' changes from 2008/09
- ↔ The strategic Procurement & VFM unit lead on council-wide VFM/transformation issues producing and achieving a VFM business plan and delivery of a three year procurement business plan

↔ Valued Council

- ↔ The Finance Service is providing support and is NLC lead role in financial matters for the changes that relate to the whole area i.e. the new partnerships/Local Strategic Partnership, budgeting, monitoring, governance arrangements etc. We also ensure that the appropriate financial monitoring and arrangements exist for partnerships such as the Children's Trust. We also continue to develop partnerships relating to the Finance Service, e.g. procurement alliance and NNDR shared services with NELC.
- ↔ We have a lead role in developing how our customers interact with the service -Channel migration: telephone and internet benefits applications, e-billing, role of Local Links etc
- ↔ VFM reviews carried out in 2008/09 have identified savings of £529,000.
- ↔ Implemented Capacity and Performance development programme.

↔ Worksmart

- ↔ We have a lead role in the council-wide working group with Mike Wedgewood, Jason Whaler and the VFM team having considerable input. There are also links to the council's financial planning process
- ↔ We will complete roll-out of e-systems e.g. e-procurement, SCMS, carplan, sundry debtors, etc.
- ↔ We provide general support on implementation of worksmart processes including use of buildings, systems and process re-design

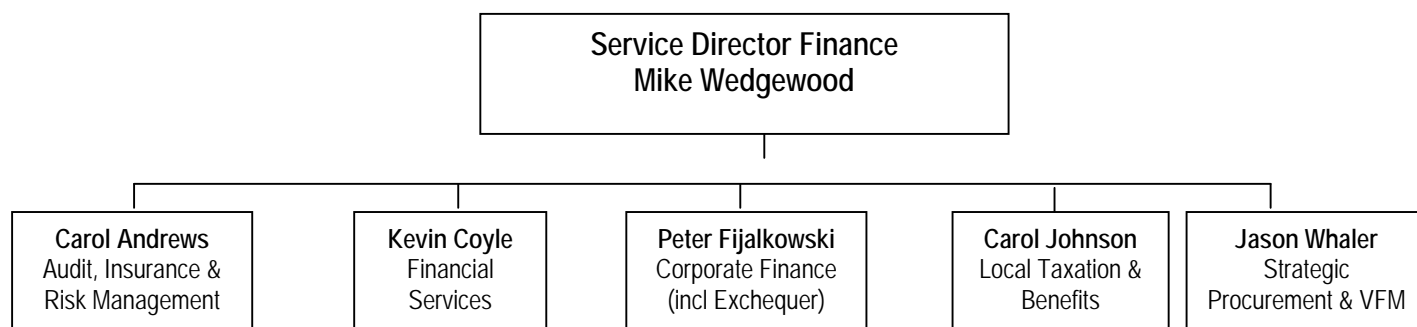
As a Finance Service we also contribute to the council's shared ambitions.....

Individuals can see the difference: Due to the amount of money paid out and the number of claimants involved the Benefits service plays a key role in assisting the local economy. In particular the service contributes to the following National Indicators that are contained in the Local Area Agreement

- NI 153 – working age people claiming out of work benefits in the worst performing neighbourhoods.
- NI 116 – proportion of children in poverty
- NI 141 – Number of vulnerable people achieving independent living
- We also play a key role in improving the service to customers by working closely with the Local Links. We ensure that we make the best use of our technology to keep the service up to date with legislative changes, and to improve the service whilst achieving efficiencies. The Finance service is also committed to ensuring that the diversity of our customers is addressed in our policies and procedures.

Everyone works together for the benefit of North Lincolnshire: We ensure that we consult with our customers, and take account of their views where possible. We also try to communicate with them in an effective way that helps them to understand the services that we are providing.

Our senior Finance Management Team (FMT) who lead the ongoing developments and improvements across the Finance Service: -



Our priorities for 2009/2010

We have six main divisions within the Finance Service plus a Service Development Team. All of which have a vital role to play. Below is a summary of the key services and priorities for the next 12 months:-

↔ Mike Wedgewood – Service Director Finance

- ↔ Lead and manage the Finance Service
- ↔ Plays a strategic role in providing guidance and support across the council on all financial matters
- ↔ Ensure that the council meets all governance requirements and is performing with maximum efficiency and value for money
- ↔ **Service Developments:** Develop and implement service wide change management capability and capacity to ensure that the service is able to meet all future challenges.
- ↔ Ensure the service meets the requirements of the corporate communications campaigns on value for money and benefit take up.
- ↔ Review and update the consultation strategy across the service, ensuring that the service is accessible and responsive to all internal and external customer needs.
- **Financial Services including Corporate Finance and Exchequer:** Develop appropriate financial reporting/monitoring processes for the Local Area Agreement /Local Strategic Partnership.
 - ↔ Improve the timeliness and accuracy of grant claims submitted for audit.
 - ↔ Explore and, if feasible, implement alternative delivery option for the payroll contract.
 - ↔ To introduce direct debits as a method of payment for sundry debtor accounts by March 2009.
 - ↔ To roll out eclaims to all sections..
- **Audit and Risk Management:** Develop the Internal Audit service in the light of changing service delivery options and government initiatives.
 - ↔ Delivery of the risk management strategy.
 - ↔ Evaluate risk management arrangements against New British Standards – Risk Management Code of Practice (BS3110) and CIPFA Risk Management Toolkit.
- **Strategic Procurement & VFM:** Support the establishment of a strategic procurement solution for the delivery of the council's capital programme.
 - ↔ Determine a 3 year. business plan of joint projects and developments with North East Lincolnshire Council to deliver the required outcomes of the procurement alliance.
 - ↔ Complete council-wide implementation of eProcurement and SCMS and develop increased use of eAuctions.
 - ↔ Deliver the new VFM program and achieve efficiency and savings targets
 - ↔ Implement an electronic "procure to pay" solution.
- **Local Taxation & Benefits:** Ensure that service delivery is maximised and able to face the challenges imposed by the recession.
 - ↔ Implement the action plan arising from the self assessment against new KLOEs.
 - ↔ Develop the strategy and implement benefits take up campaign using GIS and MOSAIC technology to ensure that the diverse population of the council is identified and targeted accordingly.
 - ↔ Develop strategy for electronic services and channel migration including how services are delivered at front line, reflecting customer needs and service efficiencies.
 - ↔ Improve efficiency in service delivery by exploring joint working opportunities including examining the results of the NLC/NELC feasibility study and implementing the action plans to increase productivity and reduce costs in council tax and benefits.
 - ↔ Combine annual benefit letters and council tax bills into single postage/print to generate better customer service and reduce numbers of enquiries.