

Agenda



Delegated Decisions - Cabinet Member for Community & Resources

Date: Friday, 9 November 2018

To: Councillor D Mayer

Item

Wards Affected

1 Finance Service Plan 2018-22 (Pages 3 - 42)

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Report

Cabinet Member for Community & Resources

Part 1

Date: 9 November 2018

Subject Finance Service Plan 2018-2022

Purpose To seek Cabinet Member decision to approve the service plan for 2018-2022

Author Head of Service

Ward All

Summary The service plan sets the scene for how the service area will contribute to the council's corporate plan and the overall vision for the council. The service plan sets short term and longer term actions to align to the same time period as the corporate plan, progress will be reviewed at regular intervals and more detail will be added to the longer term actions as they become more current.

Proposal To approve the service plan 2018-2022

Action by Head of Service

Timetable Immediate

This report was prepared after consultation with:

- Heads of Service
- Directors
- CM/Leader

Signed

Background

The service plan sets the scene for how the service area will contribute to the council's corporate plan and the overall vision for the council. The service plan sets short term and longer term actions to align to the same time period as the corporate plan, progress will be reviewed at regular intervals and more detail will be added to the longer term actions as they become more current. The council's service plans are detailed planning documents that answer the following questions:

- What will we do?
- What impact do we intend this to have?
- How will we know we have done it?
- How will we measure success?
- Do we have the resources to deliver what we have planned?
- What could prevent us from achieving success?

Introduction

The Service Plan has been prepared in accordance with the Council's guidance and is appended to this report.

It includes a mix of shorter and longer-term objectives and continues the 'theme' of previous plans, which is:

- To maximise 'added value' to the Council
- To develop opportunities for 'self-service' where appropriate, recognising that internally, resources are managed by front line services and externally, residents are increasingly working and managing in this way.
- In conjunction with the above, focussing the work of the finance service and teams within it

The plan will be reviewed by Scrutiny every 6 months and updated as necessary.

Financial Summary

The service plan provides information about the resources available to the service area, for example, staff, finances, income, investments etc.

Risks

The risks to the delivery of the service plan are included within the service plan.

Links to Council Policies and Priorities

Service plans provide actions to deliver the objectives and goals that are set out in the corporate plan.

Options Available and considered

Option 1 – to approve the Service Plan

Option 2 – to amend and approve the Service Plan

Preferred Option and Why

The preferred option is 1. The Service Plan provides important direction to the service area and provides the actions that aim to achieve the planned outcomes of the corporate plan.

Comments of Chief Financial Officer

The Service Plan sets out current level of resources in service areas and direction of travel in how services will develop over the medium term. Significant savings will be required over this period and therefore plans on how services develop will need to take that into account, including the delivery of the Administration's key priorities, including those set out in the Corporate Plan

Comments of Monitoring Officer

There are no legal implications. The Service Plans have been prepared in accordance with the Council's performance management framework and reflect both statutory responsibilities and strategic objectives for the relevant services.

Comments of Head of People and Business Change

Any actions arising from the service plans that have additional human resources implications will need to be the subject of a separate report.

The service plans identify the actions that will be taken to achieve the objectives and priorities of the corporate plan and take in to account our legislative duties, including the Well-being of Future Generations Act (Wales) 2015 and the Local Government Measure 2009. The plans form an essential part of the Council's performance management arrangements.

Comments of Cabinet Member

I have been consulted on, and contributed to this plan

Local issues

None

Scrutiny Committees

The mid-year and year end reviews of progress against the service plan will be considered by scrutiny committees.

Equalities Impact Assessment and the Equalities Act 2010

The Equality Act 2010 contains a Public Sector Equality Duty which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The new single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better informed decision-making and policy development and services that are more effective for users. In exercising its functions, the Council must have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation and other conduct that is prohibited by the Act; advance equality of opportunity between persons who share a protected characteristic and those who do not; and

foster good relations between persons who share a protected characteristic and those who do not. The Act is not overly prescriptive about the approach a public authority should take to ensure due regard, although it does set out that due regard to advancing equality involves: removing or minimising disadvantages suffered by people due to their protected characteristics; taking steps to meet the needs of people from protected groups where these differ from the need of other people; and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

Children and Families (Wales) Measure

Although no targeted consultation takes place specifically aimed at children and young people, consultation on is open to all of our citizens regardless of their age. People replying to consultations are not required to provide their age or any other personal data, and therefore this data is not held or recorded in any way, and responses are not separated out by age.

Wellbeing of Future Generations (Wales) Act 2015

Service planning supports the achievement of the council's wellbeing objectives as set out in the corporate plan; and ensures that the Council incorporates the five ways of working when developing plans. Further work to integrate the planning and reporting framework of the plans and the Council's legislative duties will continue develop the process so that service plans become live documents that demonstrate the Councils commitment to achieving its wellbeing objectives as included in the corporate plan.

Crime and Disorder Act 1998

Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

Consultation

Comments received from wider consultation, including comments from elected members, are detailed in each application report in the attached schedule.

Background Papers

'Together for Newport' – Newport City Council Corporate Plan 2017-2022

Cabinet Report: Performance Monitoring: Improvement Plan and Well-being Objectives (18th April 2018)

Dated: 9 November 2018

Finance Service Plan 2018/19 – 2021/22

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Introduction & Background

The Finance service comprises accountancy, internal audit, procurement/e-payments and revenues. Together, the teams are responsible for a number of areas / functions, including:

- Setting policy, good practice, training, support and co-ordination to enable effective financial management and strategic planning of a net revenue budget of c£275m, supporting over 200 budget manager's/service managers, Head-teachers and Members.
- Supporting the organisation develop its services and deliver key projects with financial advice and support, as needed.
- Providing assurance and ensuring compliance with controls on the use of financial and other resources across the council, including schools and where necessary, investigate potential impropriety / theft.
- Collect c£120m of income from Council Tax, Business Rates and various sundry debts.
- Manage the Council's interaction with its suppliers through e-ordering, payments and support services in tendering / awarding / managing contracts.
- Supporting the Head of Finance in carrying out his statutory S151 responsibility's

In terms of services provided, they are diverse in outlook with a mixture of services providing (i) internal support to service areas, (ii) setting overall policy frameworks for the whole Council and , (iii) in the case of Revenues, one of the biggest external customer facing departments of the Council, dealing with all households and businesses within the city's boundary.

This service plan continues from the last few year's plans in that it seeks to continue the journey of:

- Moving services internally and externally into more 'self-service' where appropriate – enabling the Finance Service to be as efficient and effective as possible.
- Make a real distinction between strategic and transaction / processing functions with a different focus for each area
- Support and develop strong financial management, planning, transparency and governance
- Add value wherever possible to the functioning of the Council

and

- Support and implement collaboration / shared services projects within areas in Finance, as necessary

The services collaborates and co-ordinates with other Gwent and Regional Councils. For example, we share our Chief Internal Auditor with Monmouthshire Council and Treasurers in Gwent have drawn up a potential programme of corporate services back office transactional services which could be considered as projects.

The Finance Service continues to contribute savings into the totality required for the council and benchmarking across Wales has confirmed Newport has one of, and in some functions, the lowest cost finance services in Wales. Demand for support continues to grow though, with a challenging Change Programme requiring resource, an ambitious programme of regeneration and other capital projects, and an increasingly tougher financial climate requiring more 'analysis' and 'insight' to inform the debate and way forward. The Service Plan seeks to acknowledge these and ensure that the Head of Finance, as s151 officer, can fulfil that responsibility, as well as services adding value to the organisation.

Key Statistics

The Finance service deals with both internal and external customers and deals with the full range of service type i.e. ranges from a supporting role to a compliance role. The table below summarises key customers.

Customers	Finance Section	Role
<u>External</u> Council Tax payers (c70,000), Business Rates (c4,500), Sundry Debtor accounts (c16,000)	Revenues	The revenues section deals with the billing and collection of C Tax and business rates plus sundry debts raised by service areas. This also involves taking casework to the magistrate's court, where necessary.

Suppliers (c13,000)	Procurement	Supports service areas in managing procurement exercises with suppliers and with ordering and payments to suppliers. The team establish e-catalogues and corporate contracts for all Council authorised users to access and use
Electors	Accountancy	Statement of Accounts
<u>Internal</u> Service areas budget managers, service managers, Members, Head-Teachers	Internal Audit	The internal Audit section provides a review and opinion on the adequacy of internal controls in the Council and through its reviews, provides recommendations for improvement to managers. It also carries out investigations and training.
	Accountancy	Accountancy supports all service areas, co-ordinates the Councils budget / MTFP and enables the fulfilment of the Head of Finance's S151 responsibilities.
	Procurement	Manages procurement exercises with service areas, co-ordinates the Council's Procurement Gateway Process

Setting Objectives

Objectives for next 5 years

Our main objectives for the next five years are:

1. Internal Audit to provide assurance on Councils financial and other controls
2. Help to minimise the incidence of and identify fraud
3. The Income Collection Section will increase the options available for customers to transact digitally
4. Maximise collection of C Tax and collection of arrears to support funding of Council Services
5. The Finance Section will take a positive view on joint working and support the development of business cases for collaboration / shared services.
6. We will support the organisation to develop and achieve balanced medium term financial plan (MTFP), to deliver savings and support the wider delivery of the council's Change / Efficiency programme.
7. To achieve earlier closedown of accounts and as minimum, meet statutory deadlines and requirements.
8. Support service areas to develop better financial acumen, supported by technology in the systems we use and training, which will allow "self-service" development.
9. Review, develop and implement a revised operating model for strategic procurement
10. Implementation and compliance with new legislation and Welsh Government best practice initiatives.
11. Improved full P2P cycle processes

To achieve these objectives we will plan and review actions in the short and longer term

<p>Objective 1</p>	<p>Internal Audit to provide assurance on the adequacy of the Council’s systems of internal control, governance and risk management to ensure proper use of public funds and minimise fraud across the Council.</p> <p>Internal Audit will develop their work methodology to ensure issues found which could enable savings to be made will be flagged up in their reporting. The reporting will also differentiate between ‘control’ issues and issues affecting effectiveness and risk. This will add more value to the organisation.</p>
<p>Description</p>	<p>Individual audit jobs will be undertaken in accordance with professional auditing standards to assess the adequacy of the internal control environment to ensure public money is being spent appropriately and fraud / error is minimised. Early intervention of issues will support longer term prevention to ensure services are delivered in an economic, efficient and effective way and meet their objectives. This will involve a mix of opinion and non-opinion related audit work. The Internal Audit annual plan has been approved by the Council’s Audit Committee.</p> <p>The Internal Audit team will provide assurance that controls are working well and provide advice where improvements are required. We will continue to provide advice and training to raise awareness and support for stronger financial management across all service areas. This will lead to improved outcomes for citizens and communities.</p> <p>Internal Audit is a statutory requirement within local government in accordance with S 151 Local Government Act 1972 and Accounts and Audit (Wales) Regulations 2005; the team will comply with the Public Sector Internal Audit Standards.</p> <p>To add more value, the Internal Audit reporting methodology will be developed to differentiate between control issues, effectiveness issues and those findings which can lead to savings if dealt with – to enable appropriate focus on each.</p>

Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
<p>i) Undertake audit work in line with the agreed Internal Audit Plan</p> <p>ii) To complete sufficient (per target agreed by Internal Audit Committee) audit opinion related work in order for the Chief Internal Auditor to provide an overall opinion for the Authority as a whole at the end of each financial year</p> <p>iii) Review and report on how many of the agreed management actions have been implemented within service areas to improve service delivery, controls and governance</p> <p>iv) Lessons learnt from the external peer review of the self-assessment against the professional audit standards will be taken on board to further improve the service delivery of the Internal Audit team. Action Plan and</p>	<p>Through the completion of the target amount of the audit plan, the implementation of the agreed management actions and the timely reporting of special investigations this will contribute towards:</p> <ul style="list-style-type: none"> - Greater assurance that public money is being used appropriately - Strengthen governance arrangements across the Council - Improve aspects of service delivery - Minimise fraud / corruption - Provide assurance to senior officers, Audit Committee, Members and the public that public funds are being controlled appropriately <p>The target is to achieve 82 % of the audit plan in 2018/19 with a mix of opinion and non-opinion related work. We aim to provide around</p>	<p>Senior Leadership Team</p> <p>Heads of Service Service Managers</p> <p>Audit Committee</p> <p>IT auditor</p> <p>Fraud / Investigation Auditor</p> <p>Newport City Council / Monmouthshire County Council – shared Chief Internal Auditor</p>	<p>Chief Internal Auditor</p>

<p>timescales to be agreed by Internal Audit Committee and implemented thereafter.</p> <p>(v) Update and implement a new reporting structure for audit findings to differentiate between control, effectiveness, efficiency and other issues</p>	<p>35 audit opinions on the work undertaken.</p> <p>Completion of the audit plan and audit opinions issued will be monitored monthly by Audit Management and reported into Audit Committee quarterly.</p> <p>Implementation of agreed management actions will be reviewed on an ongoing basis and reported to Audit Committee annually.</p> <p>This will allow appropriate focus on each, including the identification of potential money saving issues. This will add more value from the audit team</p>		
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Objective 2	Internal Audit will strive to minimise fraud and corruption within the Authority		
Description	<p>The Internal Audit team will be alert to any potential fraudulent activity when undertaking audit work across all services and report any concerns to the Chief Internal Auditor who will risk assess the situation and decide whether or not to investigate further. Early intervention will lead to longer term prevention.</p> <p>The Chief Internal Auditor will risk assess all allegations of fraud / corruption received from any source and decide whether or not to investigate further.</p> <p>In conjunction with relevant Heads of Service the Chief Internal Auditor will also determine if the matter should be referred to the police.</p> <p>The Chief Internal Auditor will raise awareness of fraud prevention across the Council through publication of relevant documents</p>		
Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
<ul style="list-style-type: none"> i) Co-ordination and submission of data for the National Fraud Initiative (NFI) ii) Co-ordination of the review of returned data matches from NFI iii) Respond and then investigate allegations of fraud / 	<p>Less fraud / corruption identified and investigated.</p> <p>The data sets required for the NFI data matching exercise will be collated and submitted to the Cabinet Office by October 2018.</p>	<p>The Council's Anti-fraud, bribery and corruption policy has been updated and endorsed by the Audit Committee.</p> <p>Heads of Service</p> <p>Service Managers</p>	<p>Chief Internal Auditor</p>

<p>corruption</p> <p>iv) Raise awareness of the Council's Anti-fraud, bribery & corruption policy</p> <p>v) Continue to roll out the financial training package for school based staff with Accountancy</p>	<p>On receipt of the data matching exercise from The Cabinet Office in February 2019, the Internal Audit team will co-ordinate further investigation into the higher risked matches.</p> <p>Greater awareness of how to report allegations of fraud / corruption through publications on the Council's intranet.</p> <p>Medium to longer term this will lead to greater financial benefits with more appropriate use of public funds in the right areas.</p> <p>All allegations of potential fraud / corruption received by the Internal Audit team will be risk assessed by the Chief Internal Auditor who will determine if further investigation is required. This will be done within 5 working days of receiving the allegation.</p> <p>The school based training started in 2017/18 and will continue into 2018/19; training sessions have been held on the 2-2-18, 16-3-18</p>	<p>External / independent Fraud / Investigation Auditor</p> <p>Police</p>	
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	<p>and will be run on the 11-5-18, 22-6-18 and 21-9-18.</p> <p>Internal Audit will continue to deliver training regarding financial regulations and contract standing orders as per the corporate training programme.</p> <p>Deadlines set nationally for data submission will be achieved by Audit Management</p>		
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Objective 3	The Income Collection Section will increase the options available for customers to transact digitally.		
Description	To provide the means for customers to carry out routine transactions digitally To enable citizens to access their council tax records and carry out routine transactions digitally which will improve efficiency, reduce costs and reduce unnecessary contact.		
Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
<p>Upgrade the core ICT systems and Customer Relationship Management system (CRM) to enable customers to be able to view account transactions and carry out routine actions digitally.</p> <p>Enabling citizens to transact digitally will be an integral part of the replacement of the current CRM system and will be linked to the introduction of the 'one account' a single sign in portal which will enable customers to undertake digital transactions more easily.</p> <p>The Revenues team will work with colleagues to ensure this is appropriately linked to Council Tax / National Non-Domestic Rates (NNDR) system to enable self-service</p>	<p>Increase in digital transactions will allow customers to take control of completing most routine transactions.</p> <p>Costs savings already achieved by reducing the costs associated with paper, face to face and telephone transactions.</p> <p>Increasing the volume of transactions conducted digitally at a time when demand is increasing due to city expansion will enable a high level of service for customers</p>	<p>Work with Newport City Council's Digital Board and SRS partners to deliver a secure, resilient and cost effective solution.</p> <p>Close working with the Customer Services Team to ensure a smooth implementation of the replacement CRM system and development of the digital portal.</p>	<p>Income Collection Manager.</p> <p>Income Collection Manager & Customer Services Manager</p>

<p>Progress is dependent on the CRM replacement timetable, the introduction of the one account is in phase 2/3 and due to commence in summer 2019.</p> <p>In the meantime information gathering is being undertaken with the current council tax software provider to ascertain what options are available and how those might work as part of the on line customer portal.</p>	<p>to continue to be provided without increasing costs.</p> <p>Staff time will be freed by not having to undertake routine transactions enabling them to concentrate the collection of arrears, which should result in an improvement in the overall collection rate.</p>		
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Objective 4	The Income Collection Section will increase council tax collection and reduce historic arrears.		
Description	Collection of council tax is vital to support the budget and ensure that the Council has the funds needed to carry out the objectives set.		
Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
<p>Establish a dedicated team to focus on collection and recovery of debt.</p> <p>Establish a casework review and performance protocol to maximise effectiveness and performance of recovery team</p> <p>Establish and publish a local taxation debt collection protocol to ensure transparency throughout the recovery process, so that customers are aware of the process and to ensure that support services are signposted at all stages.</p> <ul style="list-style-type: none"> July 2019 - The dedicated recovery team has been established and staff are now in post. Tasks and targets have been set to ensure that the team is aware of the objectives for the improvement in collection rates. 	<p>Improved collection rate and reduction in arrears outstanding.</p> <p>Improved cash flow.</p> <p>Clear processes for customers to help them understand the steps that will be taken, and how to avoid additional costs.</p>	<p>Work with outside collection agencies to deliver a responsive collection process.</p> <p>Work with CAB and 3rd sector organisations to ensure that those who need help with budgeting receive it.</p> <p>Close working with the Benefits Team to signpost customers to the services available to maximise take up of the Council Tax Reduction Scheme.</p>	<p>Income Collection Manager.</p> <p>Income Collection Manager and Team Leader - Recovery</p> <p>Income Collection Manager.</p> <p>Income Collection Manager</p>

Objective 5	The Finance Section will take a positive view on joint working and support the development of business cases for collaboration / shared services. This would include transactional finance functions in line with the Gwent 9 Authorities (G9) and Cabinet/Council decisions.		
Description	To aid the joint working agenda, the finance section will proactively work with other authorities in supporting the development of business cases for collaboration and shared services. There are a number of transactional finance functions such as payroll, payments etc. and common systems that could be included in this agenda.		
Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
Carry out a review of current Council Tax / NNDR systems across the SRS partners. Explore and report on the options for collaboration with a common ICT system.	More resilient ICT system less issues around resources. Could impact on collection targets during the implementation period.	Close working with ICT partner authorities to ensure that benefits of collaborative are realised.	Income Collection Manager/Assistant Head of Finance
Be an integral part of supporting the development and challenge of business cases for collaborative / shared services approach.	Robust business cases with a clear analysis of the outcome of shared arrangements. Cost saving from the sharing arrangements.	Other LA's, joint working groups i.e. G9	Finance
Be pro-active in engaging with regional and sub-regional groups on future potential collaboration arrangements	This will give us an idea of what potential there is on arrangements we currently have.	Regional and sub-regional groups including Society Welsh Treasurers and Chief Accountants Group, G9.	Head of Finance/Assistant Head of Finance
Collaborate on key areas of	Collaborate with partners where it	Service Areas	Procurement Manager

<p>procurement activities, to include</p> <ul style="list-style-type: none"> - Common systems / processes and thresholds on activity - Shared procurement activities, leveraging in bigger spend / contracts and achieve savings 	<p>delivers clear procurement benefits and savings resulting from aggregation, consistency, reliability of contractors, ease of use and stability for users. Streamlining processes and procedures ; through sharing forward work plans and communication, similar thresholds and procedures across Gwent, we will have better service resilience and potential to be able to work collaboratively</p>	<p>Heads of Service Gwent/Welsh Local Authorities National Procurement Service (NPS)</p>	
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Objective 6	We will support the organisation to develop and achieve balanced medium term financial plan (MTFP), to deliver savings and support the wider delivery of the council's Change / Efficiency programme.		
Description	There is a need for a more strategic approach to the Council's Medium Term Financial Planning in connection with the Corporate Plan. Finance and in particular the accountancy function will support the move towards a balanced position over the medium term and in the delivery of savings.		
Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
<p>Early analysis of pressures, inflation and savings over the medium term for Corporate Management Team (CMT) review – June 2018.</p> <p>The Corporate Plan 20 commitments by 2022 will also need to be linked to the MTFP to understand the resources required to achieve these commitments.</p>	<p>A more robust and earlier understanding of the impact on the Medium Term Financial Plan (MTFP).</p> <p>This will be taken to CMT and Cabinet in June 2018 to agree on a budget strategy to get to a balanced MTFP position.</p>	<p>Close working relationship with service areas to assess their budgets alongside Finance Business Partners.</p>	<p>Assistant Head of Finance</p>
<p>Robust financial analysis and figures within business plans which support longer term strategic changes across services to meet Corporate Plan priorities.</p>	<p>Better financial planning over the medium term that link with the corporate priorities.</p> <p>Business plans to be delivered by Autumn 2018 as part of budget strategy to balance MTFP.</p>	<p>Significant business partnering with service areas, senior management and business improvement & performance team.</p>	<p>Head of Finance/Assistant Head of Finance</p>
<p>Delivery of service specific savings or</p>	<p>Delivery of 'own' service specific</p>	<p>Significant business partnering</p>	

those it is taking a lead on.	savings or those it is taking a lead on	with service areas, senior management and business improvement & performance team.	
Change/Efficiency programme projects are well supported with sound financial advice as needed.	Change/Efficiency programme projects are well supported with sound financial advice as needed. Projects are delivered within the timescales to achieve a balanced position by outturn.	Significant business partnering with service areas, senior management and business improvement & performance team.	
Strong Balance Sheet which has focussed resources to support delivery of key priorities and manage risks including the review of financial resilience. Use of the 'invest to save' to support the delivery of the change/efficiency programme. Use the agreed capital programme framework, to maximise the capital resources available while minimising the impact on the MTFP.	Strong Balance Sheet which has focussed resources to support delivery of key issues and manage risks including the review of financial resilience. This will be included in the MTFP budget strategy to Cabinet on June 2018, and any forward plans included.	Corporate Wide	

Objective 7	To achieve earlier closedown and as minimum, meet statutory deadlines and requirements.		
Description	<p>For accounts year ending 31st March 2021 the financial accounts of the Authority will need to be audited and published 2 months earlier than the current deadline. This is a significant challenge for the accountancy department. Timescales as follows:</p> <p>- For accounts year ending 31st March 2019 and 31st March 2020 the draft accounts deadline will move from 30th June 2019/20 to 15th June 2019 and the final accounts deadline from 30th September to 15th September 2019/20.</p> <p>- For accounts year ending 31st March 2021 the draft accounts deadline will be 30th June 2021 and the final accounts deadline will be 31st July 2021.</p>		
Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
Ongoing challenge of existing processes and timetables. Requires 'buy-in' from senior management and service areas. Timetable updated with processes completed in shorter timescales with some year-end tasks being completed in year.	<p>Details the requirements of both service areas and accountancy teams in meeting the earlier deadlines.</p> <p>Updated process brought for agreement with audit committee and WAO in November prior to the year end.</p> <p>For 2017/18 accounts Outturn report to Cabinet in May with Draft accounts complete by 31st May 2018 as a dry run to earlier closing.</p>	Close working relationship with service areas and Wales Audit Office (WAO).	Head of Finance/Assistant Head of Finance/Chief Accountant
Work alongside Wales Audit Office to	More efficient closedown with less	Collaboration with Wales Audit	Head of

<p>assess which areas of work accountancy can complete early in the year and can be audited before draft stage.</p>	<p>adjustments to make between draft and final accounts</p> <p>Agreement with WAO which notes will be focussed on before draft stage in November prior to the year end.</p>	<p>Office</p>	<p>Finance/Assistant Head of Finance/Chief Accountant/Senior Finance Business Partners</p>
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Objective 8	Support service areas to develop better financial acumen, supported by technology in the systems we use and training, which will allow “self-service” development. This will increase finance capacity to work in a business partnering arrangement providing added-value support.		
Description	We would look to increase and improve the use of our current systems including our budget management system and control risk self-assessments, to increase our focus and capacity on supporting service areas in delivering self-service development. This will require support of systems and training to increase the capacity.		
Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
<p>Following successful implementation of training across the authority, there is the need to ensure that this is rolled out fully and there is full attendance of all budget managers.</p> <p>Monitoring of attendance stats will be kept to ensure delivery.</p>	<p>Increase the financial acumen of budget holders within service areas</p> <p>Online training module set up in 2018/19, with three face-to-face training sessions during a financial year.</p>	<p>Service Areas</p>	<p>Finance Business Partners at all levels</p>
<p>Increase the capacity and use of the Business Management System (BMS) system and other services which allow for more self-serve, i.e. control risk self-assessments.</p> <p>There will be planned improvements to the system which require implementation and we will monitor whether these have been done within the expected timescales.</p>	<p>Better technology and use of this technology, will increase the capacity of budget holders in a self-service model</p>	<p>Will require collaboration with external consultants to provide updates to system and involvement of accountancy and service areas how these changes will be rolled out to achieve desired outcomes.</p>	<p>Assistant Head of Finance</p>

<p>We will monitor the performance in both submission stats and how good the forecasts were against outturn to assess whether the training is having the desired outcome.</p>			
<p>Ensure robust implementation of the operating model re; risk based budgets, in particular ensure robust forecasting methodology in those areas.</p>	<p>Will focus accountancy to provide an added value service.</p> <p>Service managers to provide reliable forecasts on the budget management system on a monthly basis, with accountancy supporting and challenging for the risk based areas, which have been agreed with Heads of Service.</p>	<p>Service Areas</p>	<p>Head of Finance/Assistant Head of Finance/Chief Accountant/ Finance Business Partners at all levels</p>
<p>Continue development of a Business Partnering model within accountancy, linked to re-structure in 2017 and on-going training and development of this 'role'.</p> <p>Centralisation of accountancy assistants will improve standardised processes and allow finance business partners to provide a better focus on supporting service areas.</p> <p>Performance of the change to</p>	<p>Will focus accountancy to provide an added value service</p> <p>Centralisation in 2018 will provide for more standardised processes, and will allow a focus by business partners on risk areas.</p>	<p>Service Areas</p>	<p>Head of Finance/Assistant Head of Finance/Chief Accountant/Finance Business Partners at all levels</p>

<p>centralised accountancy model will be monitored to assess whether the new process is being implemented as expected.</p>			
<p>Internal Audit and Accountancy to work jointly in providing training to Head teachers and School Support Officers, in financial management and financial governance.</p>	<p>Will give greater ability to schools to manage their finances on a self-sufficient basis, improving outcomes and allowing for a greater value added service from finance.</p> <p>Two training sessions have already been provided, a further three training sessions with schools are booked in 2018, when we would look to provide continued training in future years.</p>	<p>Schools and Finance teams.</p>	<p>Internal Audit Manager/Assistant Head of Finance</p>

Objective 9	Review, develop and implement a revised operating model for strategic procurement		
Description	Review, develop and implement a revised operating model for strategic procurement. Taking account of the resource levels within the function, to identify key outcomes and work-streams which need to be completed to ensure the Council is compliant with the Public Contract Regulations, WG policy and requirements where needed, adds value to the Council and delivers financial/non-financial benefits wherever possible.		
Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
<p>Review, develop and implement a revised operating model for strategic procurement. Delivering both the added value strategic and operational elements of procurement.</p> <p>To include:</p> <ul style="list-style-type: none"> -role of Procurement Gateway Board -improvement to contracts register to help identify work programme -compilation of and use of annual 'spend analysis' to identify opportunities for review e.g. off-contract spending etc -thematic reviews of spend to identify opportunities to maximise value and / or deliver savings -self-service opportunities 	<p>Increasing visibility and accountability of procurement activity across the organisation and ensuring better outcomes are delivered in line with the corporate plan.</p> <p>Budgets can be better managed with forward planning, robust procurement and use of collaborative arrangements.</p> <p>Strengthens governance arrangements across the Council</p> <p>Improvements in service delivery managing procurements in a timely, compliant and successful manner contributes to the achievements of the required outcomes, the medium term financial plans and corporate plan.</p>	<p>Service Areas Strategic Directors/ Heads of Service Determine collaborative opportunities working with other Gwent/Welsh Local Authorities Procurement Services National Procurement Service (NPS)</p>	<p>Strategic Procurement Manager</p>

	<p>Providing the organisation with the necessary tools and knowledge to undertake low value compliant procurement.</p> <p>Remodel our services and ability to focus on the higher value and more strategic projects.</p> <p>Roll out of the Electronic E-tendering system with templates for Self Service on low value procurements, improving compliance, increasing visibility and compliance of low value contracts across the organisation. Greater scope for strategic procurement to focus on the higher value or more complex projects.</p>		
<p>Possible implementation of a new e-tendering solution, potentially as early as January 2019 when the current Welsh Government (WG) funded solution finishes. WG timeline is September 2018 for decisions on system and funding.</p>	<p>New system in place, thus allowing NCC to continue to be compliant with Procurement Regulations around use of eTendering.</p> <p>EU and WG requirement, through regulation and policy requirement respectively.</p>	<p>Service Areas NPS / WG</p>	<p>Strategic Procurement</p>

Objective 10	Implementation and compliance with new legislation and Welsh Government best practice initiatives.		
Description	Implementation and compliance with new legislation and Welsh Government best practice initiatives: Welsh Government Ethical Employment in Supply Chains, Code of Practice commitments and Welsh Language Act (standards related to procurement and general communication and language choice).		
Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
Subject to Cabinet Member approval, Implementation and delivery of an action plan to move towards compliance with the Welsh Government “Ethical Employment in Supply Chains Code of practice” commitments.	<p>Organisation Sign up to Commitments</p> <p>Action Plan delivered</p> <p>Assurance that our supply chains are ethical in line with the best practice Welsh Government Code of practice</p>	Organisation wide commitments	Cabinet Member for Assets, Member Development and Equalities, working with Strategic Procurement Manager and HR Manager
Deliver new requirements under the changes to Data Protection Legislation and ensure compliance with Welsh Language Act - standards related to procurement and general communication and language choice.	<p>Legal Compliance</p> <p>Ensuring all new Tenders comply with the changes to legislation.</p> <p>Working with Key current suppliers to ensure changes are made in line with new Legislation</p>	<p>Information Governance</p> <p>Legal Services</p> <p>Key contract Service Areas</p>	Strategic Procurement Manager

Objective 11	Improved full P2P cycle processes		
Description	Improved full P2P cycle process resulting in a more efficient and effective streamlined process. To ensure the transactional processes of ordering and paying for goods and services are effective and efficient, increasing the use of electronic payments and alternative payment methodologies.		
Actions	Impact if Achieved	Collaboration and Involvement	Responsible Person
Further improve the payment of manual invoices by seeking alternative payment methodologies to enhance the process—through e-invoicing and procurement card solutions.	<p>An effective ordering process that meets the needs for easy and effective transactions with appropriate controls, compliance and accountability in place.</p> <p>Improved full cycle P2P process resulting in a streamline process from ordering through to receipt of goods, through to payment. Improved accountability and integration of service areas</p> <p>Reduction in timescales and reduction in operating costs through the better use of technology.</p>	Service Areas	Strategic Procurement Manager Head of Finance

Performance Indicators

Measure Name	Reference Number e.g. PAM/001 (if existing measure)	Type e.g. SP, PAM, IP	Performance 17/18	Target 18/19
Council Tax Collection %	CFH/007	Service Plan	96.7%	97.5%
Non Domestic Rates Collection	CFH/008	Service Plan	97.5%	97.0%
% of Total Council Tax Collected as a % of the budgeted amount	FIN/L/014	Service Plan	104.4%	100%
% Increase in the council tax accounts paid by Direct Debit	FIN/L/023	Service Plan	70.1%	72%
Number of Lodge Cards	FIN/L/024	Service Plan	7	9
Payment of Invoices % (M)	CFH/006	Service Plan	88.4%	90%
Budget gap on 4 year MTRP (A)	FIN/L/020	Service Plan	0	0
% of Internal Audit Plan completed		Service Plan	86% (est)	82%
Submission of NFI data by national deadline for 2018 - October			n/a	October submission
Customer complaints answered in timescales	C&I/L/013	Common	100%	80%
Employee Sickness		Common	5.17	7
Employee Sickness Long Term		Common	2.44	3.3
Employee Sickness Short Term		Common	2.74	3.7
RTW within 7 calendar days %	NHR/010	Common	79.31%	90.00%
% agreed management actions - implemented within 6 mnths of receipt of final IA report	FIN/L/013	Common	92.00%	90.00%

Resources

The key resources data are shown in the tables below.

There are some 100 wte staff working across Audit (8), Revenues (30.1), Accountancy (46.3), Procurement (3.5) and e-ordering/payments teams (10.2). The net budget is £3.1m, after external income of c£1m which comes from school's - (accountancy and payments service), Monmouthshire Council (Chief Internal Auditor). The vast majority of the budget is staff related – at 83%.

As a whole, Corporate Services (legal, finance, people/business change) represents about 3% of the Council's gross budget (and 4% of net budget) in 2018/19 which, by most standards, is low. This was also reflected in the WG sponsored benchmarking exercise of Welsh Council's corporate services back in 2016, undertaken by KPMG, which showed Newport has some of the lowest Corporate Services costs per £ spent – in particular for Revenues, Accountancy and Procurement in terms of the Finance Service. Notwithstanding this, given the financial challenges facing this and other Council's, continuous improvement in efficiency and performance will need to continue.

The above position is a key reason for the central core of the service plan which is to (i) move more towards 'self-service' wherever possible and have systems, processes and guidance/training in place to support/develop this and (ii) focus on more added value activities.

The key drawbacks to the current resource levels are (i) single points of failure – in key roles in some areas (ii) significant impact on service and potentially in delivering key objectives and work-streams when vacancies occur. As noted in the key objectives section – we are working towards minimising some of the above drawbacks by re-structuring in accountancy and being more focussed on what the service can deliver in all areas, but they will always be an issue.

Workforce Planning Data

Headcount	99
FTE	92.66
Permanent	99

Gender	
Female	72
Male	27

Disability	
No	87
Not Disclosed	1
Not Recorded	10
Yes	1

Age	
16-24	1
25-44	51
45-64	46
65-74	1

Ethnicity	
Other Ethnicity	5
Not recorded	1
White	93

Welsh Language Skills				
Competency	None	Beginner	Intermediate	Advanced
Reading	51	18		2
Spoken	52	17		2
Understand	51	15		2
Written	53	16		2

2018/19 Budget				
			£'m	
Finance	Employees		3.4	
	Supplies & Services		0.7	
	Income	-	1.0	
Finance Total			3.1	
			£'m	
Finance	Accountancy		2.1	
	Income Collection		0.1	
	Internal Audit		0.4	
	Procurement + Payments		0.5	
Finance Total			3.1	
Analysis of Spend by Subjective Analysis				
				FTEs by service Area
				Accountancy 45.3
				Sundry Debtors collection 5.0
				C Tax / NNDR 19.7
				Internal Audit 8.0
				E-ordering/ payments 9.7
				Procurement 3.9
				Head of Service 1.0
				93
			£'m	
2018/19 approved capital budget (as per Feb Council)			0	

Risk

Risks Identified	Mitigation	Timescale for mitigation activity	Impact score	Probability score	Risk Rating (Impact x probability)	Responsible Person Within the service area
(1)Single point of failure in key roles / functions	<p>Formal/systematic review of structures to identify where resilience lies and identify gaps – for higher risk / service issues which have potential organisational impact</p> <p>Re-structuring where possible to create resilience in those higher risk / service areas</p> <p>Ensure cover for key / critical tasks & risks</p> <p>Where appropriate, consider and implement collaboration and shared delivery models with</p>	<p>Formal reviews completed by 31/09/2018 latest</p> <p>Accountancy re-structure completed – implementation on-going</p> <p>Critical / key tasks identified and posts required for cover identified 31/12/2018 Training in progress by 31/12/2018</p> <p>On -going</p>	3	3	<p>9 – most areas</p> <p>This score would be 12-16 in a very small number of critical areas – C Tax billing, NNDR billing, some Systems (Oracle) administrator tasks</p>	<p>Service Managers</p> <p>to carry out review and assessment and identify training where needed</p>

Risks Identified	Mitigation	Timescale for mitigation activity	Impact score	Probability score	Risk Rating (Impact x probability)	Responsible Person Within the service area
	neighbouring Councils on 'transactional areas' and other 'appropriate areas' if benefits analysis supports this					
<p>(2)Key Systems (Oracle / C Tax / NNDR) failure which would have very significant implications for service delivery and organisational impacts, including reputational. Oracle, in particular is a key, strategic system for the organisation.</p> <p>This failure arises from (i) insufficient IT support for these systems characterised by 'single point of failure' and (ii) systems being hosted on old infrastructure</p>	<p>Work with Digital Team at NCC and SRS to increase capability of SRS to support systems and remove 'single point of failure' issue.</p> <p>Work with Digital Team at NCC and SRS to identify systems migration to updated infrastructure, where critical and needed, including migration to 'Cloud based' systems in line with SRS / Digital Team advice and NCC policies and plans for future provision and support for IT systems</p> <p>Share systems and</p>	<p>On-going discussions</p> <p>Formal position on key systems and status logged – 30/6/18</p> <p>Action plan developed from there, as appropriate</p> <p>This will need to be</p>	4	3	12	<p>Head of Finance, working with Oracle system administrator and revenues service manager</p> <p>to ensure internal and SRS colleagues are aware of issue and solutions being developed and put in place</p>

Risks Identified	Mitigation	Timescale for mitigation activity	Impact score	Probability score	Risk Rating (Impact x probability)	Responsible Person Within the service area
	infrastructure platforms with partners either via collaboration of services or use of common systems. This has significant cost implications.	done in conjunction with any formal collaboration proposals and projects.				
(3)Self- service within C Tax / NNDR area does not develop because of lack of IT capacity System has self-service capability and has been purchased but has not been successfully enabled. Resources are insufficient within ICT to 'get the job' done	Council is currently starting a new CRM system development and implementation. This provides a potential solution and if not possible or appropriate, then the current c tax system capability needs to be developed to work.	On-going Dependent on SRS resources being developed and Digital Board prioritising this as a project if existing system enabled. If CRM is route forward – timescales in line with that	3	3	9	Head of Finance in conjunction with service manager for revenues Work with Digital Board to prioritise or ensure enabled / developed as part of new CRM in line with NCC digital strategy

Risks Identified	Mitigation	Timescale for mitigation activity	Impact score	Probability score	Risk Rating (Impact x probability)	Responsible Person Within the service area
<p>within reasonable timescale to date</p> <p>Collection rate target for C Tax is now budgeted at virtually 99% and this is an important enabler towards achieving that</p>		implementation and future developments but could be Spring 2019 if prioritised.				
<p>(4) Recruitment of suitably qualified and experienced staff</p> <p>Service has a large % of professionally qualified staff and work is very technical in some areas requiring both specialist knowledge and experience. Recruitment has historically been very difficult and internal 'pool' is now very limited, in particular in 'accountancy' service</p>	Identify and develop posts/individuals for 'succession planning' purposes.	On-going	3	3	9	Service Managers
(5) Risk of non-	Ensuring all procurement	ongoing	3	2	6	Service Managers

Risks Identified	Mitigation	Timescale for mitigation activity	Impact score	Probability score	Risk Rating (Impact x probability)	Responsible Person Within the service area
compliant procurement taking place outside of the corporate service which could lead to a legal challenge, the contract becoming ineffective (void) and services not being delivered as well as incurring financial penalties.	is undertaken following the procurement gateway procedure.			There have been no legal challenges brought forward against the Council		

Risk Scoring

Probability description	Score
Very Low probability	1
Low probability	2
Medium probability	3
High probability	4
Very high probability	5
Impact description	Score
Negligible	1
Low	2
Medium	3
High	4
Very High	5

