

<b>REPORT TO</b>	<b>DATE OF MEETING</b>
Joint Committee	26 <sup>th</sup> September 2011

Report template revised June 2008



<b>SUBJECT</b>	<b>PORTFOLIO</b>	<b>AUTHOR</b>	<b>ITEM</b>
Performance Management Report	N/A	Susan Guinness Garry Barclay	5

## **SUMMARY AND LINK TO CORPORATE PRIORITIES**

This report demonstrates the progress made so far against the key service developments and performance indicators in the 2011/12 Business Improvement Plan (BIP).

The report shows progress as at the end of August 2011 and therefore covers the first 5 months of the year.

The report also sets out the Partnership's projected out-turn financial position to the end of this financial year.

**The Shared Services Partnership is a high corporate priority for both Councils.**

## **RECOMMENDATIONS**

That members note the progress on overall performance and comment as appropriate on the report

## **DETAILS AND REASONING**

The Joint Committee has previously approved the Service Level Agreement which sets out the key outputs required of the Partnership and the individual performance measures against which it will be judged. The Business Improvement Plan translates these outputs and measures into specific deliverables and targets which need to be achieved during 2011/12.

Full statements of the progress made on the key projects and the performance targets as at the end of July 2011 are shown at **Appendices 1 and 2**. The highlights from these statements are expanded on in the body of the report.

## **EXECUTIVE SUMMARY**

34 of the 38 key projects for this year have been completed or are on track and plans are in place to address the remaining 4.

15 of the 39 performance measures are at "red" status and there are some mitigating circumstances in each case. Please note that many of the KPIs that have a red status involve the performance of other functions, within both Councils, which is outside the direct control of Shared Services. In these circumstances we are taking action to address issues within our control and also assisting other sections and departments improve performance where it affects the KPIs within our Business Improvement Plan.

The Partnership is also operating well within its approved budget and is currently expected to achieve an under-spend against its budget by the end of the financial year of £0.028m. An analysis of variations between budget heads is shown later in the report.

## KEY SERVICE DEVELOPMENTS

There are 38 key projects included in the BIP which represent service developments for 2011/12. Using a traffic light system, the progress is summarised in the table below.

Detail	Partnership Level	Assurance Services	Financial Services
Green Projects - on track	3	21	10
Amber Projects	0	0	2
Red Projects	0	2	0
Total	3	23	12

The following paragraphs provide commentaries on an exception basis for projects that are considered to have an Amber or Red status.

## ASSURANCE SERVICES PROJECTS

### **Red Projects**

The 2 red projects relate to delays in the update & re-issue of Chorley's Anti-Fraud & Corruption Strategy and the corresponding roll-out of the "Meritec" fraud awareness package.

The Strategy was drafted on time but its issue was delayed to enable it to be reviewed by the Head of Corporate Governance and also to avoid issuing it during the summer months when many members of staff were on annual leave. The Strategy will now be issued and supported by fraud awareness training as a matter of priority in the coming weeks.

## FINANCIAL SERVICES PROJECTS

### **Red Projects**

There are no Red Projects for Shared Financial Services.

### **Amber Projects**

There are two projects that have been allocated an AMBER status this is due to the fact that the projects have over-run with regard to meeting the original end date allocated when the BIP was approved:

1. **Construct and Deliver Financial Training Packages** – The intranet is currently being updated with CIPFA's *A Comprehensive Guide to Local Government Finance 2011*. Some packages and training has been delivered, particularly with regard to topical subjects e.g. Statement of Accounts. Training packages and training is being delivered in the preparation period and during particular work programmes throughout the course of the annual accounting cycle. It is considered that this timing throughout the year makes the training more relevant and topical and therefore more effective in terms of customer and user perspective.

2. **Base Budget Review** – This project has started and is progressing at both Councils. The project will, however, remain a work in progress as the budget preparation period continues. It will be continually re-visited as all budget heads are scrutinised as part of the budget setting timetable at both Chorley and South Ribble.

## PERFORMANCE TARGETS

The BIP contains 39 performance indicators which are all local indicators and draw on the work of the National Audit Office (Value for Money in Public Sector Corporate Services 2007).

Again using a traffic light system, the progress against these indicators as at the end of August 2011 is shown in the table below.

Detail	Assurance Services	Financial Services
Green on target	9	6
Amber – within 5% of target	2	0
Red – more than 5% off target	8	7
Not measured (*)	1	6
<b>Total</b>	<b>20</b>	<b>19</b>

(\*) These indicators are reported on a half-yearly or annual basis and as such the performance information of some of these measures are not within this document.

A detailed breakdown of the red and amber targets is shown below:

## ASSURANCE SERVICES

Measure	Target to date	Actual to date
% Audit Plan Completed	26%	17% (SRBC)
% Management Actions Agreed	97%	95% (CBC)
% Agreed Management Actions Implemented	100%	41% (CBC)
	100%	74% (SRBC)
	100%	68% (SS)
Of the Agreed Management Actions Implemented -% Implemented on Time	100%	27% (CBC)
	100%	85% (SRBC)
	100%	35% (SS)
% Overall Customer Satisfaction Rating (Assignment Level)	90%	89% (SRBC)
	90%	77% (SS)

### Red Targets

The % **Audit Plan Completed** indicator (SRBC) is marginally below target due to 2 audits being on the verge of completion as at the end of August.

In relation to the % **Agreed Management Actions Implemented / Implemented On Time** indicators – members will be aware that we have recently amended the follow up procedure so as to take place on a quarterly basis with any non-implementations following a reminder being reported to the respective Audit / Governance Committees.

On this occasion these figures contain historical data and reflect transitional arrangements and we are confident that future reports will show significant improvements.

The % **Overall Customer Satisfaction Rating indicator** (Shared Services) is based on only 4 audits completed at this point in the year and there are no underlying trends or issues to report at this stage.

Members of the Joint Committee will note that the above indicators will also be reported to the Audit/Governance Committees of the 2 host authorities who have prime responsibility for ensuring the adequacy of the governance and audit arrangements in place. The role of the Joint Committee is to ensure that the performance management arrangements are operating effectively.

### Amber Targets

These are only marginally below target and there are no issues to report.

## FINANCIAL SERVICES

Measure	Target to date	Actual to date	Variation
Over/underspends within 1% of manageable/cash revenue budget	+/-1.0%	-2.35%	135%
15 working days from the period-end closure to the distribution of financial reports	100%	83%	17%
Statutory Grant Claims and Returns to be submitted on time	100%	80%	20%
Supplier Payment within 30 days	98%	81.53%	16.8%
Supplier Payment within 22 days	85%	71.35%	16.1%
Supplier Payment within 10 days	50%	37.78%	24.4%
% of remittances to suppliers by electronic means	87%	79.75%	8.3%

### Red Targets

**Over/Under spends within 1% of manageable/cash revenue budget** – Both Councils are currently underspending against cash budgets, this is mainly attributable to Budget Holders taking a prudent and pro active approach to efficiency savings and income generation and the receipt of additional grant monies. It should be noted that corporate performance remains high. Recurring budget savings will be identified in the SFS base budget review.

**15 working days from period end to distribution of financial reports** - One set of Budget Monitoring reports were delivered late to budget holders due to delays experienced in receiving payroll data from the provider. We are currently waiting for confirmation that all issues have been addressed. In the meantime we are formulating a contingency plan to prevent any delay should the issues re-occur this month.

**Statutory Grant Claims and Returns to be submitted on time** – Both the RA forms at CBC and SRBC were submitted late. This was caused by the additional work resulting from the first closure following the new International Financial Reporting Standards (IFRS) regime.

**Supplier Payment within 30, 22 and 10 days** - Target not achieved mainly attributable to non compliance by users and unfamiliarity with processes due to staff turnover in Shared Financial Services. A process of publicising the importance of system compliance is currently underway. This is a high priority and the target is already vastly improved. This will take time to be reflected, however, in this cumulative target. The latest results for the previous payment runs are 96.71%, 94.37% and 77.47% respectively.

The action taken has included increasing the detail of performance monitoring by recording the time taken to complete each task within the whole process. This has enabled us to identify the precise points where improvements needed to be made. This has been done in consultation with budget holders. This has resulted in a significant improvement in the results with 100% result being achieved for payments within 30 days. The Team are now looking at ways to ensure that this level of performance is sustained at the same time as reverting back to regular process monitoring levels.

**% of remittances to suppliers by electronic means** – This KPI is red due to the proportion of remittances sent electronically at SRBC. Previously, with the replaced FMI, faxed remittances were classed as electronic but are no longer used as a result of introducing the new system. Continued development of the new FMIS will improve the number of electronic remittances sent to suppliers.

### **Amber Targets**

There are no Amber Targets for Shared Financial Services.

## BUDGET PERFORMANCE STATEMENTS

At each Joint Committee meeting up-to-date budget performance statements will be presented showing actual performance against the approved original 2011/12 partnership budget. Any variations will be highlighted together with any proposals for either reducing or increasing expenditure accordingly.

The following statement presents the projected out-turn position at 31 March 2012. The original partnership budget for 2011/12 is £1.513m which achieves a budget reduction of £0.221m (13%) from 2010/11. The anticipated out-turn position at 31 March 2011 is currently £1.479m which equates to a budget saving at year end of £0.028m

<b>Cost Category</b>	<b>Annual Budget £000</b>	<b>Projected Out-turn as at 31<sup>st</sup> March 2012 £000</b>	<b>(Under)/Over Spend £000</b>
Salary Costs	1.412	1.387	<b>(0.025)</b>
Other Staff Costs	0.037	0.037	-
Lancashire CC Audit Budget	0.010	0.010	-
Transport	0.014	0.014	-
Supplies and Services	0.040	0.037	<b>(0.003)</b>
<b>TOTAL</b>	<b>1.513</b>	<b>1.479</b>	<b>(0.028)</b>

### Estimated Budget Variations

The current expected underspend against budget is anticipated at this stage due to:

- a vacant post in the Procurement Section that will not be filled,
- refund received from the Audit Commission for 2010/11 external audit fees brought about by the change in the Joint Committee's external audit requirements.

## WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of the Shared Services performance management arrangements, and the table shows any implications in respect of each of these.

<b>FINANCIAL</b>	The wider implication of the financial performance of the Partnership is the full year impact on both Councils' Medium Term Financial Strategies. Any under-spend achieved at year end against the Partnership's budget will be passed on in total to both Councils by means of a reduced recharge.		
<b>LEGAL</b>	<p>The partnership has been established with an informal structure which has low complexity and a low cost set up. The Shared Services Joint Committee, established under Section 101 of the Local Government Act 1972, provides the overall governance for this with its terms being set out in an Administrative Collaborative Agreement which has been signed by both Councils. Sound performance management arrangements are required to enable the Shared Services Joint Committee to effectively fulfil its obligations.</p> <p>Schedule 1 to this Agreement sets out the Service Level Agreements which form a key part of the performance management arrangements.</p>		
<b>RISK</b>	A full risk assessment is set out in the Partnership Business Improvement Plan for 2011/12.		
<b>OTHER (see below)</b>			
<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

## BACKGROUND DOCUMENTS

1. Partnership Business Improvement Plan 2011/12.

## APPENDIX 1 – KEY SERVICE DEVELOPMENTS 2011/12

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
<b>Partnership Level</b>						
Ongoing Implementation of the Workforce Development Plan	SG/GB	April 2011	March 2012	As arranged with the respective HR departments at each authority	GREEN	On course to be achieved
Implementation of Customer Survey Actions	SG/GB	April 2011	March 2012	As per agreed action plan	GREEN	On course to be achieved
Participate in CBC & SRBC staff surveys	SG/GB	April 2011	Jan 2012	Timetable to be agreed	GREEN	Completed at CBC & planned at SRBC
<b>Assurance As A Whole</b>						
Feed into new member inductions at SRBC & CBC	GB	May 2011	May 2011	To cover risk, audit and ethical governance	GREEN	Implemented
Arrange (joint) training for the Governance & Audit Committees following the May elections	GB	May 2011	June 2011	To be arranged	GREEN	Implemented
Facilitate control & risk self assessments in services at CBC & SRBC	GB	October 2011	Dec 2011	Timetable to be agreed	GREEN	On course to be achieved
<b>Internal Audit</b>						
Finalise and roll-out the Meritec Fraud Awareness package at CBC	CW	May 2011	June 2011	Tailor to CBC needs Publicise & roll out on the LOOP	RED	Ready to roll out after updated Anti-Fraud & Corruption is finalised / issued (below)
Finalise the Anti-Fraud & Corruption Strategy at CBC	CW	May 2011	May 2011	Update document Publicise on the LOOP	RED	Updated Strategy being finalised



Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
Review the audit assignment process to identify potential efficiency improvements	CW	May 2011	June 2011	Arrange managers meeting(s) & review full process including reporting	GREEN	Implemented
Update the Quality System & retain the ISO 9001 standard	CW	Ongoing	Feb 2012	Regular review of IA processes & updates to the Quality System as necessary	GREEN	On course to be achieved
Further develop the use of IDEA to encompass more applications	CW	Ongoing	Ongoing	Add to repertoire of reports run for key financial & business systems (ongoing)	GREEN	On course to be achieved
Compare the assignment level self-assessments with customer questionnaire results and investigate any discrepancies	CW	Ongoing	Ongoing	Periodic reviews in-year	GREEN	On course to be achieved
<b>Risk Management</b>						
Review tree risk management arrangements at CBC	AA	June 2011	Oct 2011	Review systems, policies and procedures using SRBC report as control matrix.  Produce written report and improvement action plan (July 2011)  Conduct end of year review of actions implemented (October 2011)	GREEN	On course to be achieved

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
<b>Emergency / Business Continuity Planning</b>						
Establish monthly liaison meetings to enable the flow of information between Shared Assurance Services Environmental Services as the key responder	AA	Ongoing	Ongoing	Schedule monthly liaison meetings & prepare agendas to include relevant actions, issues, feedback and monitoring information  Prepare and circulate minutes from meetings	GREEN	Implemented & ongoing
Update the Emergency Plans at both Councils to reflect structural & departmental changes & learning from recent simulation exercises	AA	April 2011	Sept 2011	Update structure & content of existing EP's & issue hard copies  Develop Rest Centre & Recovery Action Group appendices (CBC)  Update EP Control Centre Procedures & arrange awareness session for relevant officers (CBC)  Raise EP awareness with Customer Services Staff & Out Of Hours Contractor  Arrange for electronic versions on Inter/Intranets & the National Resilience Extranet (NRE)	GREEN	On course to be achieved
Implement the National Resilience Extranet (NRE) at both Councils	AA	July 2011	July 2011	Identify users & provide training as necessary  Provide system administration function	GREEN	Implemented. Access now enabled & familiarisation in progress.

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
Identify & agree additional alternative Rest Centres in South Ribble	AA	June 2011	Sept 2011	Draw up MOU's & incorporate within the EP	GREEN	Implemented
Develop and facilitate a Rest Centre test exercise at Chorley in conjunction with LCC Emergency Planning / Emergency Response Group & Active Nation	AA	April 2011	Dec 2011	Participate in Planning Team meetings  Undertake exercise and provide necessary support and resources	GREEN	On course to be achieved
Undertake a combined Chorley Flood Action Plan / Croston Community Flood Plan exercise	AA	Oct 2011	Oct 2011	Agree timetable and actions with other stakeholders on completion of Croston Community Flood Plan	GREEN	On course to be achieved
Support the South Ribble Multi-Agency Flood Group to finalise & implement the Borough Flood Action Plan	AA	April 2011	Aug 2011	Complete the Plan for the remaining 8 flood risk areas  Forward Plan to LRF to complete Part 2 of the LRF Multi-Agency Flood Plan (MAFP)	GREEN	On course to be achieved
Develop a programme to promote BCM to local businesses in both host Boroughs	AA	Sept 2011	Dec 2011	Review of Web site content & undertake publicity campaign to raise awareness  Facilitate an awareness seminar in conjunction with other agencies	GREEN	On course to be achieved

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
Update & Test Business Continuity Plans (BCPs) following restructures at SRBC	AA	April 2011	February 2012	<p>Update core BCP to incorporate critical service and supplementary plans &amp; new "loss of building plan". Ensure alignment with DR Plan.</p> <p>Issue hard copy &amp; electronic versions on CONNECT as appropriate (September)</p> <p>Compile incident specific appendices for fuel shortage &amp; pandemic flu (December)</p> <p>Arrange test exercise (February 12)</p>	GREEN	On course to be achieved
Update & Test Business Continuity Plans following restructures at CBC	AA	April 2011	December 2011	<p>Undertake facilitated development sessions to produce building-based BCP's</p> <p>Issue hard copy &amp; electronic versions on LOOP as appropriate (September)</p> <p>Compile incident specific appendices for fuel shortage &amp; pandemic flu (December)</p> <p>Arrange test exercise (December)</p>	GREEN	On course to be achieved

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
<b>Insurance</b>						
Update & distribute Insurance Manuals at both host authorities as a means of publicising the Insurance Service	AA	July 2011	Sept 2011	To be agreed	GREEN	On course to be achieved
Complete a nine month extension of current Long Term Agreements (LTAs) for CBC's insurance Portfolio	AA	April 2011	April 2011	Agree extension with Director of Transformation & obtain necessary Member approvals and exemption of CPRs	GREEN	Implemented
Oversee the exercise for the procurement of new long-term insurance agreements by both councils	AA	April 2011	Jan 2012	Project / procurement plan (April 2011)  Agree selection criteria (May 2011)  Finalise proposal & arrange OJEC publication (June 2011)  Issue ITT (June 2011)  Tender deadline (end September 2011)  Evaluation report to officers  Recommendation report to members for approval (November 2011)  Make appointments & place covers (December 2011)	GREEN	On course to be achieved

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
<b>Financial Services As A Whole</b>						
Construct and deliver financial training packages for Members and Budget Holders to include use of systems, process improvement and financial management techniques.	SG	April 2011	Sept 2011	<p>Consult customers</p> <p>Identify priority issues for customers and Shared Services</p> <p>Produce packages</p> <p>Deliver training</p>	AMBER	The intranet is currently being updated with CIPFA's <i>A Comprehensive Guide to Local Government Finance 2011</i> . Some packages and training has been delivered particularly with regard to topical subjects e.g. Statement of Accounts. Training packages and training is being delivered in the run up and during the course of the annual accounting cycle. It is considered that this timing throughout the year makes the training more relevant and topical and therefore more effective.
Ensure compliance with Service Reporting Code of Practice for Local Authorities including process improvement to facilitate the most efficient and effective data collection and publication processes	SG	April 2011	December 2011	<p>Consult customers and communications staff</p> <p>Set up templates for publication</p> <p>Identify issues and re-currant issues problems/problem solving approach</p> <p>Conduct training to solve problems</p>	GREEN	The end date for this project has been amended to December 2011 as CIPFA have published a standardised coding structure for the Transparency agenda publication and this will expand this project from minor amendments to the chart of accounts to a significant piece of work. (The Chart of Accounts is the technical structure within the FMIS which allows it to pull together reports automatically).
Base Budget Review at CBC and SRBC based on subjective analysis of the total cash budget	SG	April 2011	July 2011	<p>Initial subjective analysis to establish de minimis level / scope of review.</p> <p>Examination and research - matching output/outcomes to optional additional expenditure invested.</p> <p>Consider more cost effective options.</p> <p>Consultation process - Conduct Star Chambers or other appropriate forum</p>	AMBER	This project has been undertaken but remains a work in progress as the budget preparation period continues. It will be continually re-visited as all budget heads are scrutinised as part of the budget setting timetable at both Councils.

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
<b>Accountancy Services</b>						
<p>Provide a common partnership platform for Management Accounting processes, Budget Monitoring and Budget Preparation – Revenue and Capital</p> <p>Review of monthly/quarterly close down procedures with reference to new requirement Enhanced Local Government Accrual Reporting (ELGAR) programme. functionality of the new and developed FMIS at SRBC and CBC respectively</p> <p>Extension of 2010/11 project to develop maximise the</p>	MJ / JB	April 2011	December 2011	<p>Identification of processes that do not add value</p> <p>Establish most efficiency and effective processes</p> <p>Consult with customers and stake holders</p> <p>Implement</p>	GREEN	<p>This project has been marked as Green. Please note that the end date has been revised to December 2011. This is due to the fact it has now been incorporated into the development of FMIS with regard to the budgeting module and management accounting reporting facility. As this project is closely linked to the review of the Chart of Accounts merging the two projects would result in a more efficient project management process.</p>
<p>Close down the accounts of both Councils in accordance with International Financial Reporting Standards (IFRS)</p>	GW	April 2011	June 2011	<p>Consultation with External Auditors</p> <p>Comply with the Code of Practice for Local Authority Accounting</p> <p>Comply with Closure of Accounts timetable</p>	GREEN	<p>The closure of accounts process has been completed and currently undergoing the external audit inspection exercise. Training/walk through sessions have been arranged for members at SRBC and CBC separately to go through the pre-audited accounts in preparation for Audit/Governance Committees in September. This also conforms to best practice as issued by C.I.P.F.A. (as in LAAP 88).</p>
<p>Preliminary Joint Bank Tender preparation (Contact effective from April 2013)</p>	GW	Jan 2012	March 2012	<p>Agree strategy for Tender preparation. Collect data Assess implications for both Councils</p>	GREEN	<p>On Track.</p>

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
<b>System Development &amp; Exchequer Services</b>						
Explore the feasibility of extending the new platform for delivering the Financial Management Information System to other parties outside of the Partnership	LH	April 2011	Sept 2011	<p>Assess resources implications with regard to implementation and sustainability</p> <p>Further test multi company system operations and responsibilities e.g. Disaster recovery outside the Partnership</p> <p>Soft Market testing</p>	GREEN	A report was submitted to Lancashire Chief Finance Officers (LCFO) Sub Group on 2nd September and also to LCFO Group on 16 <sup>th</sup> September outlining how our FMIS is able to host financial systems to other Authorities. An article has also been written by a freelance reporter for publication in public finance journal(s).
Implementation and development of the Asset Accounting, Budget and Payroll Budgeting Modules within CIVICA	LH	April 2011	Oct 2011	<p>Consult Partnership internal and external customers</p> <p>Process re-engineering</p> <p>Test systems</p> <p>Implement including training</p>	GREEN	The demonstration to SFS staff took place on 31 <sup>st</sup> August and a staged implementation is well underway. The end date has been changed from Sept to Oct to take account of the fact the latest version (v12.5) of the system was needed to progress the project and it has only recently become available.
Set up Joint Financial Management Information User groups to enhance customer training and satisfaction	LH	Sept 2011	March 2012	<p>Consult customers</p> <p>Set up group terms of reference and timetable</p>	GREEN	This project is ahead of schedule as user groups have started. The next full meeting will be held in December to co-inside with the release of version 13.



Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
<b>Procurement Services</b>						
The Chest E-tendering systems – the Chest is in place however the process needs to be developed and embedded into core business	JH	April 2011	March 2012	Complete pilot period within procurement  Raise awareness, training and roll-out if, and as, appropriate	GREEN	The Chest has now been used for several procurement exercises at both Chorley and South Ribble and relevant officers at both authorities have been engaged in the process. They have been given a collaborator role to the system to access and view tenders received on line. It is hoped to roll the functionality out further in the next few months, as appropriate.
Develop and implement Model Templates for Pre-Qualification, Request for Quotation and Tender documents	JH	April 2011	March 2012	Research best practice  Develop template docs  Publish and promote	GREEN	A template quotation document has now been developed for use with the Chest. Additionally research has been carried out on templates to simplify and standardise the process. These have been successfully used with recent tender exercises.
Evaluate, implement and publish a range of Model Conditions of Contract	JH	April 2011	March 2012	Research best practice including consideration of NWIEP standard docs  Consult with Legal  Develop template docs  Publish and promote	GREEN	Standard Conditions of Contract for low value routine procurements have been agreed and are published at both authorities. Additionally both SRBC and CBC Legal sections have been consulted and have provided comments on the NWIEP standard conditions for higher value goods and services contracts. These comments will be incorporated into a revised template prior to publishing on the Chest for use with appropriate CBC/SRBC tenders and quotations.

## APPENDIX 2 – PERFORMANCE TARGETS 2011/12

### SHARED ASSURANCE SERVICES

Key Measures	Lead Officer	CBC/ SRBC/ SS	Actual 2010/11	Target 2011/12	Target to date 2011/12	Actual to date 2011/12	Status	Comments
<b>Assurance Overall</b>								
Assurance Staff Satisfaction	GB	N/A	N/A	N/A	N/A	N/A	NM	Annual Indicator
<b>Internal Audit</b>								
% Planned Time Utilised	CW	CBC	98.5%	100%	40%	44%	GREEN	Above target
		SRBC	106%	100%	26%	26%	GREEN	On target
		SS	N/A	100%	20%	23%	GREEN	Above target
% Audit Plan Completed	CW	CBC	92%	92%	29%	29%	GREEN	On target
		SRBC	95%	92%	26%	17%	RED	See body of report
		SS	N/A	92%	20%	20%	GREEN	On target
Percentage of Management Actions Agreed	CW	CBC	99%	97%	97%	95%	AMBER	Slightly below target. No issues to report.
		SRBC	98%	97%	100%	100%	GREEN	On target
		SS	N/A	97%	97%	100%	GREEN	Above target

Key Measures	Lead Officer	CBC/ SRBC/ SS	Actual 2010/11	Target 2011/12	Target to date 2011/12	Actual to date 2011/12	Status	Comments
% of Agreed Management Actions Implemented	CW	CBC	69%	100%	100%	41%	RED	See body of report
		SRBC	89%	100%	100%	74%	RED	See body of report
		SS	N/A	100%	100%	68%	RED	See body of report
Of the Agreed Management Actions Implemented - % implemented On Time	CW	CBC	68%	100%	100%	27%	RED	See body of report
		SRBC	74%	100%	100%	85%	RED	See body of report
		SS	N/A	100%	100%	35%	RED	See body of report
% customer satisfaction rating – assignment level	CW	CBC	91%	90%	90%	92%	GREEN	Above target
		SRBC	90%	90%	90%	89%	AMBER	Slightly below target. No issues to report.
		SS	N/A	90%	90%	77%	RED	See body of report
Risk Management								
Average customer satisfaction score per insurance claim (max 5.0)	AA	N/A	4.7	4.7	4.7	4.7	GREEN	On target

## SHARED FINANCIAL SERVICES

Key Measures	Lead Officer	Actual 2010/11	Target 2011/12	Target to date 2011/12	Actual to date 2011/12	Status	Comments
<b>Finance As A Whole</b>							
Customer Satisfaction	SG	Last survey in 2009/10	90%	N/A	Not measured yet	N/A	For reference 82% was achieved in 2009/10
Financial Services Staff Satisfaction	SG	81%	95%	N/A	Not measured yet	N/A	To be measured during 2011/12
% of professionally qualified finance staff as % of total finance staff (vfm Secondary 1)	SG	25%	18%	18%	26%	GREEN	Target Exceeded
<b>Accountancy</b>							
Over/Underspends within 1% of manageable/cash revenue budget	SG	3.1%	<1.0%	<1.0%	2.35%	RED	Both Councils are currently underspending against cash budgets, this is mainly attributable to Budget Holders taking a prudent and pro active approach to efficiency savings and income generation and the receipt of additional grant monies. It should be noted that corporate performance remains high. Recurring budget savings will be identified in the SFS base budget review.
% variation between the forecast outturn at month 6 and the actual outturn at month 12 (VFM Primary 3)	SG	120%	5%	N/A	Not measured yet	N/A	To be measured at year end

Key Measures	Lead Officer	Actual 2010/11	Target 2011/12	Target to date 2011/12	Actual to date 2011/12	Status	Comments
15 working days from period-end closure to the distribution of financial reports (VFM Primary 2)	MJ/JB	N/A	100%	100%	83%	RED	One set of Budget Monitoring reports were delivered late to budget holders due to delays experienced in receiving payroll data from the provider. We are currently waiting for confirmation that all issues have been addressed. In the meantime we are formulating a contingency plan to prevent any delay should the issues re-occur this month. For reference 75% achieved against 10 day target in 2010/11.
Achievement of Prudential Indicators	GW	100% compliance	100% compliance	100% compliance	100% compliance	GREEN	On Target
Year end statutory accounts to contain no material errors and have an unqualified audit opinion	SG	0	0	0	Not measured yet	N/A	To be measured at conclusion of external audit inspection
Statutory Grant Claims and Returns to be submitted on time	MJ/JB/GW	85%	100%	100%	80%	RED	The RA forms were submitted late for both Councils. This was caused by the additional workload created by IFRS with particular regard to staff being unfamiliar this time round with the new process.
Achievement of industry investment benchmarks	GW	CBC = 0.65% SRBC = 1.12%	Out perform London Inter Bank Bid Rate (LIBID) by 10%	Out perform London Inter Bank Bid Rate (LIBID) by 10%	LIBID = 0.43% CBC = 1.13% SRBC = 1.01%	GREEN	Target of 0.47% exceeded

Key Measures	Lead Officer	Actual 2010/11	Target 2011/12	Target to date 2011/12	Actual to date 2011/12	Status	Comments
<b>Systems Development &amp; Exchequer Services</b>							
Supplier Payment within 30 days (local indicator) (linked to AVFM Secondary 10)	LH	98.09%	98%	98%	81.53%	RED	Target not achieved mainly attributable to non compliance by users and new staff unfamiliarity with processes due to staff turnover in SFS. A process of publicising the importance of system compliance is currently underway and all delays within SFS have been resolved. This is a high priority and the target is already vastly improved. This will take time to be reflected in the KPI figures, however, as cumulative results are reported. The latest result is 96.71%.
Supplier Payment within 22 days (local indicator)	LH	91.94%	85%	85%	71.35%	RED	Target not achieved mainly attributable to non compliance by users and new staff unfamiliarity with processes due to staff turnover in SFS. A process of publicising the importance of system compliance is currently underway and all delays within SFS have been resolved. This is a high priority and the target is already vastly improved. This will take time to be reflected in the KPI figures, however, as cumulative results are reported. The latest result is 94.37%.
Supplier Payment within 10 days (local indicator)	LH	61.67%	50%	50%	37.78%	RED	Target not achieved mainly attributable to non compliance by users and new staff unfamiliarity with processes due to staff turnover in SFS. A process of publicising the importance of system compliance is currently underway and all delays within SFS have been resolved. This is a high priority and the target is already vastly improved. This will take time to be reflected in the KPI figures, however, as cumulative results are reported. The latest result is 77.47%.

Key Measures	Lead Officer	Actual 2010/11	Target 2011/12	Target to date 2011/12	Actual to date 2011/12	Status	Comments
% of supplier payments by electronic means (VFM Secondary 7)	LH	93.62%	92%	92%	90.46%	GREEN	On Target
% of remittances to suppliers by electronic means	LH	93.04%	87%	87%	79.75%	RED	This KPI is red due to the proportion of remittances sent electronically at SRBC. Previously faxed remittances were classed as electronic but are no longer used. Continued development of the new system will improve the number of electronic remittances.
% of Financial Systems availability	LH	99.93%	99.5%	99.5%	99.9%	GREEN	Target Exceeded
<b>Procurement Services</b>							
Professionally qualified staff as % of total procurement employees (vfm Secondary 1)	JH	67%	33%	33%	67%	GREEN	Above target
LIB/P12 Satisfaction with the corporate procurement function	JH	Last survey in 2009/10	87%	87%	Not measured yet	N/A	For reference 94% was achieved in 2009/10
Number of Council's Top 10 suppliers (by spend value) who have formal partnership/framework agreements with the authorities	JH	90%	100%	100%	Not measured yet	N/A	To be measured at half year and year end