

<b>REPORT TO</b>	<b>DATE OF MEETING</b>
Shared Services Joint Committee	24 <sup>th</sup> January 2013

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	

## SUMMARY AND LINK TO CORPORATE PRIORITIES

This report demonstrates the progress made so far against the key service developments and performance indicators in the 2012/13 Business Improvement Plan (BIP).

The report shows progress as at the **end of November 2012** and therefore covers the first **8 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 of the Committee:

- (1) note the progress on overall performance and comment as appropriate on the report;
- (2) Consider and approve the proposed changes to Internal Audit performance indicators noted in the body of 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 2012/13.

Full statements of the progress made on the key projects and the performance targets as at the end of November 2012 are shown at **Appendices 1 and 2**. The highlights from these statements are expanded upon in the body of the report.

## EXECUTIVE SUMMARY

**25** of the **28** key projects for this year have been completed or are on track and plans are in place to address the remaining **3**.

None of the **31** performance measures are at "red" status.

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 £0.055m. An analysis of variations is shown later in the report.

## KEY SERVICE DEVELOPMENTS

There are 28 key projects included in the BIP which represent service developments for 2012/13. 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	14	8
Amber Projects	0	0	3
Red Projects	0	0	0
Total	3	14	11

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

## ASSURANCE SERVICES PROJECTS

There are no red or amber projects to report at this stage. All projects are completed or on track.

## FINANCIAL SERVICES BUSINESS AND PROJECT PERFORMANCE

In addition to the service's projects Shared Financial Services have continued to perform well with regard to core business delivery. The first three months of the year witnessing the closure of the accounts at both Councils and the production of the Statement of Accounts (SOAs). The external audit inspection has been completed and very pleasing external audit reports issued with confirmation that there were no errors within either SOAs.

Since that time the team have been very much involved with early production of each Council's budget reports and also Medium Term Financial Strategies in the light of fundamental changes to the way in which local authorities are funded, that is, Business Rates Retention and Council Tax Benefit and Support schemes, the complexities of which have been exacerbated by a late settlement announcement. Bringing forward the budget preparation period has been necessary in order for us to research and understand the changes in an environment where there has been scant published and approved detailed regulations to refer to. The funding mechanisms undergoing transformation are so fundamental to assessing the Councils' total funding and forecasted budget position that evaluation of their implications has been vital in order for us to be able to advise senior officer and members and assist other departments in preparing for the financial implications appropriately.

### **Red Projects**

There are no red projects for Shared Financial Services.

## Amber Projects

**Development of the current level/programme of financial training packages for Members and Budget Holders to include use of systems, process improvement and financial management techniques. This is to be undertaken to support the service's problem solving project on process and system compliance** – this project has been delayed due to work being undertaken on other projects and an early start to the budget process. There are no further blockages to progress, however, given the fundamental changes to public sector financing this project has been paused for this year and rolled forward into the Business Improvement Plan for 2013/14 for completion.

**Data use and storage policy for SFS to improve current practice and secure financial data within both Councils. This project will also include gearing up financial files for the implementation of sharepoint at CBC** – The council ICT project was originally being implemented using external suppliers. To achieve improved value for money the project is now being implemented internally. This has changed the project implementation timetable and therefore the SFS project will be undertaken at the appropriate time thereafter. The project has been rolled forward in the 2013/14 BIP.

**Review of the Management Accountancy processes post FMIS implementation (including specifically the Internal Recharges and commitment accounting regimes for both Councils) with a view to establishing a common basis for methodology, calculation and budget holder and corporate reporting** - This project has progressed but is not complete. The earlier production of budget forecasts and reports and the significant scale of the new public sector finance regimes have impacted on its finalisation date. The project has been rolled forward into the 2013/14 BIP for completion.

## PERFORMANCE TARGETS

The BIP contains **31** 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 November 2012 is shown in the table below.

Detail	Assurance Services	Financial Services
Green on target	12	11
Amber – within or = to 5% of target	1	2
Red – more than 5% off target	0	1
Not measured (*)	1	3
<b>Total</b>	<b>14</b>	<b>17</b>

(\*) These indicators are reported on an 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

### Red Targets

There are no red targets to report at this stage.

### Amber Targets

The amber target relates to the audit of New Income Steams at Chorley which was due for issue but was still at draft report stage as at the end of November.

## REVIEW OF INTERNAL AUDIT PERFORMANCE INDICATORS

At the September meetings of the Joint Committee and Governance Committees we advised members that a baseline review of Internal Audit performance indicators would be undertaken. This was in response to queries raised by the Joint Committee regarding the value of some indicators and also whether it is appropriate to set a 100% target for certain indicators where a degree of under achievement is inevitable.

We have now completed a survey to establish the indicators and targets adopted by 12 Internal Audit Services throughout Lancashire. Although the results demonstrated a considerable variety of indicators and measures used the ones most commonly adopted are as follows:

	Performance Indicator	SRBC /CBC	Target	Others	Ave Target
A	% Planned Time Used	Y	90%	3	86%
B	% Audit Plan Completed	Y	100%	5	90%
C	% Management Actions Agreed	Y	98%	4	96%
D	% Customer Satisfaction Rating (per assignment)	Y	90%	5	89%

This suggests that we are currently measuring the right things and setting targets which are comparable with or slightly higher than our peers.

However we also currently collect the following data, which others broadly do not:

	Performance Indicator	SRBC /CBC	Target	Others	Ave Target
E	% Agreed Management Actions Implemented	Y	100%	2	82%
F	% Agreed Management Actions Implemented on Time	Y	100%	0	N/A

Peer feedback reflects the fact that these indicators do not actually measure Internal Audit performance as the responsibility for implementing agreed actions lies with service managers.

More importantly, service managers are directly accountable to the Governance Committees for any unreasonable delays in implementation and so the audit process itself ensures that this issue is addressed.

It is therefore recommended that the performance measures A/D are retained and E/F are removed from 2013/14 onwards as they add little value and are administratively burdensome to collect and calculate. The Joint Committee has already acknowledged that E/F are primarily a matter for the Governance Committees to consider and so the same recommendation will be made to those members at the January meetings.

## FINANCIAL SERVICES

### Red Targets

Measure	Target to date	Actual to date	Variation
<b>(Over)/Underspends within 1% of manageable/cash revenue budget</b>	<b>&gt;+/- 1%</b>	<b>4.34%</b>	<b>334%</b>
<p>Comments:</p> <p>Underspends are mainly attributable to variations to one off items occurring in 2012/13 only and reductions in costs. These have been brought about from pending budget reviews, other transformation strategy and budget reduction regimes in preparation for actions required to achieve sustainable cost reduction programmes to balance the Councils' budgets on a permanent, recurring basis.</p>			

### Amber Targets

Measure	Target to date	Actual to date	Variation
<b>% of supplier payments by electronic means (VFM Secondary 7)</b>	<b>95%</b>	<b>94.35%</b>	<b>0.68%</b>
<p>Comments:</p> <p>Annual payments at the beginning of the year that can only be made via cheque have had a negative impact on this KPI plus cheque required for petty cash floats and vehicle licensing. Areas where cheques are optional but still being used are being actively targeted to try and achieve the target. Cheque numbers have been reduced to the extent that only one cheque run is required per week.</p>			
Measure	Target to date	Actual to date	Variation
<b>Statutory Grant Claims and Returns to be submitted on time</b>	<b>100%</b>	<b>95%</b>	<b>5%</b>
<p>Comments:</p> <p>Three returns have been submitted late this year due to priority attention being given to producing the Statement of Accounts.</p>			

## BUDGET PERFORMANCE STATEMENTS

At each Joint Committee meeting up-to-date budget performance statements are presented showing actual performance against the approved 2012/13 partnership budget. Any variations will be highlighted together with any actions required to bring budgetary and impacted operational performance back on track.

The following statement presents the projected out-turn position at 31<sup>st</sup> March 2013. The original partnership budget for 2012/13 is £1.518m which achieves a budget reduction of £0.100m when compared to the previous year. The anticipated out-turn position at 31<sup>st</sup> March 2013 is currently £1.477m resulting in an estimated underspend position at the end of the year of £55k.

<b>Cost Category</b>	<b>Annual Budget £000</b>	<b>Revised Budget £000</b>	<b>Projected out- turn as at 31<sup>st</sup> March 2013 £000</b>	<b>Under or (Over) Spend £000</b>
Salary Costs	1.422	1.363	1.312	<b>0.051</b>
Other Staff Costs	0.037	0.037	0.040	<b>(0.003)</b>
Lancashire CC Audit Budget	0.010	0.022	0.013	<b>0.009</b>
Transport	0.014	0.014	0.014	-
Supplies and Services	0.135	0.105	0.107	<b>(0.002)</b>
Income	-	(0.009)	(0.009)	-
Savings Target	(0.100)	-	-	-
<b>TOTAL</b>	<b>1.518</b>	<b>1.532</b>	<b>1.477</b>	<b>0.055</b>

### Estimated Budget Variations

The partnership's budget has been updated to recognise additional income generated by Shared Assurance Services from the arrangements with St Catherine's Hospice. At the time the revised estimate was prepared it was expected that there would be a transfer of costs from direct staffing costs to the cost of audit bought in from Lancashire County Council and also a requirement in Shared Financial Services to fund the restructure hand over of statutory duties and staff development. The latest projected out-turn shows that the anticipated requirement to the end of the year is less than anticipated. It should be noted, however, that the projected out-turn has been based on some assumptions with regard to the movement of staff and also recruitment as part of the implementation of SFS restructuring and these may be subject to change between now and the end of the year.

## 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>	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.  Schedule 1 to this Agreement sets out the Service Level Agreements which form a key part of the performance management arrangements.		
<b>RISK</b>	A full risk assessment is set out in the Partnership Business Improvement Plan for 2012/13.		
<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 2012/13.

## APPENDIX 1 – KEY SERVICE DEVELOPMENTS 2012/13

### PARTNERSHIP LEVEL

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
Achieve the budget savings target set for the partnership	SG	Ongoing	Ongoing	<ul style="list-style-type: none"> <li>• Undertake detailed review of the budget for SFS and SAS and resources requirement.</li> <li>• Identify different ways of working to achieve greater efficiency in delivering the service</li> <li>• Amend the staffing structure if required following the Councils' relevant policies</li> <li>• Consult with stakeholders</li> <li>• Link project to development of managers and staff and plan for succession below</li> </ul>	GREEN	Completed
Seek out viable opportunities to grow the Partnership	SG/GB	Ongoing	Ongoing	To be arranged	GREEN	On-going
Further develop managers and staff and plan for succession	SG/GB	Ongoing	Ongoing	Implementation of the new staffing structure in SFS	GREEN	On-Going



## SHARED ASSURANCE SERVICES

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
<b>Assurance Services as a Whole</b>						
Assist with new member inductions at CBC following the May elections	GB	April 2012	June 2012	June 2012	GREEN	Completed
Arrange training for new Governance & Audit Committee members following the May elections	GB	April 2012	June 2012	June 2012	GREEN	Completed
<b>Internal Audit</b>						
Update the Quality System & retain the ISO 9001 standard	CW	Ongoing	Feb 2013	Regular review of IA processes & updates to the Quality System as necessary.	GREEN	On Course
Further develop the use of IDEA to encompass more applications	CW	April 2011	Ongoing	Add to repertoire of reports run for key financial & business systems	GREEN	On-Going
<b>Risk Management</b>						
Review the application of the Risk Management Frameworks at both Councils	AA	Apr 2012	Mar 2013	Review and revise the RM Policy and Framework documents  Provide training and awareness on the revised RM Frameworks	GREEN	On Course

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
<b>Emergency &amp; Business Continuity Planning</b>						
Implement the findings of the Internal Audit reviews of EP & BCP at both Councils	AA	Jan 2012	Sep 2012	<p>Introduce mandatory EP content improvements</p> <p>Establish compliant training &amp; testing strategies</p> <p>Improve EP info on SRBC web site</p> <p>Finalise SRBC BCP documentation &amp; undertake staff awareness</p>	GREEN	Completed
Oversee the host Councils' elements of the "Riots and Disturbances" action plans	AA	Jan 2013	Mar 2013	Not applicable	GREEN	Completed - considered by the Community Safety Partnership. The Police are updating their documentation which all Districts will work to generally.
Complete a training needs assessment and programme for EP responders at both Councils	AA	Jan 2013	Mar 2013	Establish a compliant training strategy for all EP stake holders (audit requirement)	GREEN	Completed. Rolling programme now incorporated into the EP documentation.
Deliver a Flood Response Plan training and awareness session for SRBC and CBC staff	AA	Oct 2012	Feb 2013	<p>Update the Multi-Agency Flood Plans (Part 2)</p> <p>Arrange &amp; deliver a training session for relevant staff</p>	GREEN	Overtaken by events. Several incidents during the year followed up by internal de-briefing by relevant officers. Detailed action plan produced and to be followed up by SMT in December.
Undertake a combined Chorley Flood Action Plan & Croston Community Flood Plan exercise	AA	TBA	TBA	TBA	GREEN	The Environment Agency is still working with Croston Parish Council to develop their Community Flood Plan. Once it is finalised we will seek to incorporate it in a future flood simulation exercise.

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
Deliver an "Operation Merlin" joint training session for relevant staff at both Councils in conjunction with the Environment Agency	AA	Apr 2012	Jul 2012	Develop the exercise order, briefing material and presentation Arrange the event and deliver the training session	GREEN	Completed
Undertake an EP/BCP out of hours contact exercise at both Councils	AA	Jun 2012	Mar 2013	Telephone all contacts named in the Emergency Plans out of hours Complete a post exercise debrief and report findings to SMT/Strategy Group	GREEN	Completed
On behalf of SRBC, assist in the Multi Agency Exercise "Heron 5" Springfields nuclear incident in conjunction with LCC and other local District Councils	AA	Jan 2012	Dec 2012	Attend planning meetings & develop SRBC related scenario issues Participate in the Exercise	GREEN	Completed
Develop a programme to promote BCM to local businesses in both host Boroughs	AA	TBA	TBA	Review of Web site content & undertake publicity campaign to raise awareness Facilitate an awareness seminar in conjunction with other agencies	GREEN	No longer required at District level. To be undertaken at County level by a Local Resilience Forum (LRF) sub-group. Both host councils to feed into the process.

## SHARED FINANCIAL SERVICES

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
<b>Financial Services As A Whole</b>						
Development of the current level/programme of financial training packages for Members and Budget Holders to include use of systems, process improvement and financial management techniques. This is to be undertaken to support the service's problem solving project on process and system compliance.	HOS	April 2012	September 2012	<ul style="list-style-type: none"> <li>• Identify priority issues for customers and shared services</li> <li>• Consult customers</li> <li>• Produce packages</li> <li>• Deliver training</li> <li>• Develop self-service continual training via intranets</li> </ul>	AMBER	This project has been paused as priority is being assigned to the restructuring arrangements and budget preparation processes. In addition the large scale changes to public sector financing arrangements review are in the process of being implemented. These changes will be incorporated into the project which has been rolled over and continued into the partnership's Business Improvement Plan for 2013/14.
Compliance and problem solving Project – Improve compliance with financial procedures and systems using a Problem Solving Approach	HOS	April 2012	September 2012	<ul style="list-style-type: none"> <li>• Identify areas for improvement where non-compliance reduces the quality of data and the efficiency of financial tasks and functions</li> <li>• Where possible measure impact of non-compliance on efficiency and identify measure of improved productivity</li> <li>• Establish solutions and agree with CFOs, senior management teams and budget holders</li> <li>• Communicate and provide training where necessary such solutions and any required revisions to procedures to all users.</li> </ul>	GREEN	Completed. Proactive interventions continue as part of our business as usual duties to maintain performance and to also address new issues if/when they arise due to new and unfamiliar systems being introduced or staff turnover with regard to system and process users.

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
Data use and storage policy for SFS to improve current practice and secure financial data within both Councils. This project will also include gearing up financial files for the implementation of sharepoint at CBC	HOS	April 2012	July 2012	<ul style="list-style-type: none"> <li>• Establish requirements of data access and storage in the light of new ICT development</li> <li>• Produce data storage policy that enables SFS to adhere to both Councils' data storage policies</li> <li>• Ensure the security and integrity of key financial files (electronic and paper) to ensure that information cannot be corrupted or removed inappropriately</li> </ul>	AMBER	Sharepoint implementation is still progressing and therefore this project will be re-scheduled and undertaken later in the year and also carried forward into 2013/14.
<b>Management and Financial Accountancy Services (incorporating FMIS Development function)</b>						
Review of the Management Accountancy processes post FMIS implementation (including specifically the Internal Recharges and commitment accounting regimes for both Councils) with a view to establishing a common basis for methodology, calculation and budget holder and corporate reporting	PMA's	July 2012	September 2012	<ul style="list-style-type: none"> <li>• Consult with CFO</li> <li>• Re-evaluate current process with statutory requirements</li> <li>• Construct proposed process and new systems</li> <li>• Co-ordinate with FMIS development plan project</li> <li>• Consult with stakeholders: Members (portfolio holder), senior management teams and budget holders</li> <li>• Produce procedures notes and protocols</li> <li>• Determine and deliver communications/briefings/training as appropriate</li> </ul>	AMBER	This project has been paused to be rolled over and continued into 2013/14. Priority has been focussed on budget preparation, dealing with a late settlement announcement and the fundamental changes to public sector core funding regimes. The new resource allocation model within Management will assist in the finalisation of the project next year.

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
Successful implementation of the FMIS Development Plan	FSM	April 2012	March 2013	<ul style="list-style-type: none"> <li>• Identify the timescales, resources and priorities within the plan</li> <li>• Approval of the plan by the Councils' CFOs</li> <li>• Link and co-ordinate projects with management Accountancy processes project</li> <li>• Consult with users and Council's ICT sections</li> <li>• Use the Council's project management methodology</li> <li>• Successfully implement the developments within the financial systems development plan</li> <li>• Establish productivity gain measure where possible for each system improvement strand</li> <li>• Ensure all financial data complies with the Councils' Data Quality policies</li> </ul>	GREEN	Good progress continues to be made on the projects within this plan with regard to maintaining and enhancing the new FMIS to make the best use of new development and maximise efficiency and improvement workflow and automated processes.
Prepare for the cessation of the mortgage administrators contract and the administration of remaining Council mortgages in-house	PFA	July 2012	December 2012	<ul style="list-style-type: none"> <li>• Construct project documentation</li> <li>• Cost/benefit analysis</li> <li>• Communications strategy</li> <li>• Test new system</li> <li>• Introduce new policy and procedure notes</li> <li>• Secure appropriate approval from CFOs and internal audit</li> <li>• Notify Mortgagees of new arrangements</li> <li>• Provide Staff Training</li> </ul>	GREEN	Complete.

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
Completion of the Bank tender exercise for both CBC and SRBC (includes participation of SFS Procurement function)	PFA	April 2012	March 2013	<ul style="list-style-type: none"> <li>• Agree strategy for Tender preparation</li> <li>• Collect data</li> <li>• Assess implications for both Councils</li> </ul>	GREEN	Tender exercise completed and contract awarded to Barclays Bank for both authorities. Implementation project for new banking services for both councils is underway.
Review of Treasury Consultants and advisors Contract	PFA	July 2012	September 2012	<ul style="list-style-type: none"> <li>• Review current arrangement and assess appropriateness</li> <li>• Document alternative arrangements</li> <li>• Determine the best course of action to CFO on the service provision options to extend contract arrangements or undertake a re-tender exercise for the service</li> </ul>	GREEN	COMPLETE – contract with Sector has been extended for 12 months, this arrangement will be reviewed again next year.
<b>Procurement Services</b>						
Develop the use of Spend Pro data to enhance management information	PPO	April 2012	June 2012	<ul style="list-style-type: none"> <li>• Review processes for the recording of data via spend pro</li> <li>• Assess its contribution to improving management information on performance</li> <li>• Set up processes that produce relevant &amp; timely management data including Key Performance Indicators</li> </ul>	GREEN	Spend Pro has proved to be useful in gathering data about other organisations spending, however, the use of Spend pro as an internal reporting tool is limited due to the amendments made by Spend pro to categories of spend meaning that it no longer reconciles with our own general ledger (GL). GL is now being developed in order to extract equivalent Spend pro analysis reports, this will be complete in February 2013.
Participate in the Bank tender exercise for both CBC and SRBC (includes participation of SFS Procurement function)	PPO	April 2012	March 2013	<ul style="list-style-type: none"> <li>• Agree strategy for Tender preparation</li> <li>• Collect data</li> <li>• Assess implications for both Councils</li> </ul>	GREEN	Completed.

Project / Task	Lead Officer	Start Date	Finish Date	SMART Targets / Actions & Milestones	Status	Update
Participation in the Problem Solving and compliance BIP project for procurement procedures – see above relevant project details	PPO	April 2012	September 2012	<ul style="list-style-type: none"> <li>• Identify areas for improvement where non-compliance reduces the quality of data and the efficiency of financial tasks and functions</li> <li>• Where possible measure impact of non-compliance on efficiency and identify measure of improved productivity</li> <li>• Establish solutions and agree with CFOs, senior management teams and budget holders</li> <li>• Communicate and provide training where necessary such solutions and any required revisions to procedures to all users.</li> </ul>	GREEN	Completed. Proactive interventions continue as part of our business as usual duties to maintain performance and to also address new issues if/when they arise due to new and unfamiliar systems being introduced or staff turnover with regard to system and process users.



## APPENDIX 2 – PERFORMANCE TARGETS 2012/13

### SHARED ASSURANCE SERVICES

Key Measures	Lead Officer	CBC/ SRBC/ SS	Actual 2011/12	Target 2012/13	Target to date 2012/13	Actual to date 2012/13	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	GB	CBC	98%	90%	60%	60%	Green	Target exceeded
		SRBC	76%	90%	60%	58%	Green	Slightly under target
		SS	111%	90%	30%	38%	Green	Target exceeded
% Audit Plan Completed	GB	CBC	87%	100%	65%	60%	Amber	Slightly under target – 1 review at draft report stage
		SRBC	100%	100%	77%	77%	Green	Target achieved
		SS	92%	100%	22%	22%	Green	Target achieved
Percentage of Management Actions Agreed	GB	CBC	99%	98%	98%	98%	Green	Target achieved
		SRBC	100%	98%	98%	95%	Green	Slightly under target – 34 out of 36 actions agreed
		SS	100%	98%	98%	98%	Green	Target achieved

Key Measures	Lead Officer	CBC/ SRBC/ SS	Actual 2011/12	Target 2012/13	Target to date 2012/13	Actual to date 2012/13	Status	Comments
% customer satisfaction rating – assignment level	GB	CBC	93%	90%	90%	87%	Green	Slightly under target
		SRBC	96%	90%	90%	95%	Green	Target exceeded
		SS	90%	90%	0%	0%	Green	All SS audits in final quarter
<b>Risk Management</b>								
Average customer satisfaction score per insurance claim (max 5.0)	AA	N/A	4.7	4.7	4.7	4.7	Green	Target achieved

## SHARED FINANCIAL SERVICES

Key Measures	Lead Officer	Actual 2011/12	Target 2012/13	Target to date 2012/13	Actual to date 2012/13	Status	Comments
<b>Finance As A Whole</b>							
Customer Satisfaction	SG	-	90%	90%	Not yet measured	n/a	Survey not completed yet
Financial Services Staff Satisfaction	SG	91%	95%	95%	95%	GREEN	On target
% of professionally qualified finance staff as % of total finance staff (vfm Secondary 1)	SG	26%	18%	18%	28%	GREEN	Target exceeded
<b>Accountancy</b>							
(Over)/Underspends within 1% of manageable/cash revenue budget	SG	3.15%	<1.0%	<+/-1.0%	4.34%	RED	Underspends are mainly attributable to variations to one off items occurring in 2012/13 only and reductions in costs. These have been brought about from pending budget reviews, other transformation strategy and budget reduction regimes in preparation for actions required to achieve sustainable cost reduction programmes to balance the Councils' budgets on a permanent, recurring basis.
% variation between the forecast outturn at month 6 and the actual outturn at month 12 (VFM Primary 3)	SG	3.83%	5.0%	5.0%	Measured at year end	n/a	
15 working days from period-end closure to the distribution of financial reports (VFM Primary 2)	MJ/JB	95%	100%	100%	100%	GREEN	On target
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	0	GREEN	On target and 4th year out of 4 closure processes

Key Measures	Lead Officer	Actual 2011/12	Target 2012/13	Target to date 2012/13	Actual to date 2012/13	Status	Comments
Statutory Grant Claims and Returns to be submitted on time	MJ/JB/GW	89.50%	100%	100%	95%	AMBER	Three returns have been submitted late this year due to priority attention being given to producing the Statement of Accounts and the budget preparation process
Achievement of industry investment benchmarks	GW	LIBID = 0.48% Achieved = 1.03%	Out perform London Inter-Bank Bid Rate (LIBID) by 10%	Out perform London Inter-Bank Bid Rate (LIBID) by 10%	LIBID = 0.43% Achieved = 1.34%	GREEN	Target exceeded
<b>Systems Development &amp; Exchequer Services</b>							
Supplier Payment within 30 days (local indicator) (linked to AVFM Secondary 10)	LH	90.79%	98%	98%	98.23%	GREEN	On Target
Supplier Payment within 10 days (local indicator)	LH	57.30%	60%	60%	81.51%	GREEN	Target exceeded
% of supplier payments by electronic means (VFM Secondary 7)	LH	91.38%	95%	95%	94.35%	AMBER	Annual payments at the beginning of the year that can only be made via cheque have had a negative impact on this KPI plus cheque required for petty cash floats and vehicle licensing. Areas where cheques are optional but still being used are being actively targeted to try and achieve the target. Cheque numbers have been reduced to the extent that only one cheque run is required per week.
% of remittances to suppliers by electronic means	LH	82.15%	95%	95%	98.09%	GREEN	Target exceeded
% of Financial Systems availability	LH	99.95%	99.5%	99.5%	99.78%	GREEN	On Target

Key Measures	Lead Officer	Actual 2011/12	Target 2012/13	Target to date 2012/13	Actual to date 2012/13	Status	Comments
<b>Procurement Services</b>							
Professionally qualified staff as % of total procurement employees (vfm Secondary 1)	JH	66.70%	50%	50%	100%	GREEN	Target exceeded
LIB/P12 Satisfaction with the corporate procurement function	JH	-	90%	90%	Not yet measured	n/a	Survey not completed yet