

<b>REPORT TO</b>	<b>DATE OF MEETING</b>
Shared Services Joint Committee	27 January 2014

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<b>SUBJECT</b>	<b>PORTFOLIO</b>	<b>AUTHOR</b>	<b>ITEM</b>
Business Improvement Plan & Budget 2014-15	N/A	S Guinness & G Barclay	5

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

This report summarises and explains the content of the attached Business Improvement Plan (BIP) and Budget for the Finance and Assurance Shared Services Partnership which will cover the **6<sup>th</sup> complete financial year of its operation.**

The Committee will receive regular update reports during the course of the year highlighting the actions taken to deliver service improvements and performance targets specified in the BIP, including budget updates, culminating in a detailed Annual Report at the year-end.

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

## **RECOMMENDATIONS**

That the Joint Committee recommends to the Executives of each host authority the adoption of the required resources to deliver the Shared Services Partnership in 2014/15.

That the Committee agrees to delegate the ability to incorporate any residual information or amendments to the BIP and Budget to the Chief Executives of both host authorities in consultation with the Chair and Vice-Chair of the Committee.

## **DETAILS AND REASONING**

### **Performance Management**

The Committee has previously received and approved the formal Partnership Agreement incorporating a 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 main aim of the attached BIP is to translate these outputs and measures into specific projects and targets which need to be achieved during 2014/15. These are shown in the tables at **Appendices 2 and 3** of the BIP.

## Other Purposes

As well as underpinning performance management the BIP fulfils the following purposes:-

- Highlighting the **main achievements** in 2013/14 at the Partnership level and within Shared Financial & Shared Assurance Services individually;
- A **Risk Register (Appendix 1)** for identifying and acting upon the key risks and opportunities facing the Partnership in 2014/15;
- A **Financial Plan (Budget)** to facilitate the effective financial management of the Partnership;
- A **Contracts Register (Appendix 4)** to acknowledge that many of the Partnership's main services are delivered through or in association with other organisations;
- An outline of the main areas of proposed **procurement activity** during 2014/15;
- A summary of the **financial efficiencies** which have already been secured by the Partnership in the first **5 full financial years** of its operation;
- An outline of the **business opportunities** which it is intended to exploit in 2014/15.

## WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of the following:

<b>FINANCIAL</b>	The 2014/15 budget proposed for the Partnership is set out in this report and has also been included in the budget setting processes at each Council for approval.		
<b>LEGAL</b>	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 business planning and performance management arrangements are required to enable the Shared Services Joint Committee to effectively fulfil its obligations.		
<b>RISK</b>	A dedicated Risk Register has been produced in order to identify and mitigate the risks associated with the ongoing development of the Partnership and the latest version is incorporated within the Business Improvement Plan appended to this report.		
<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>



**FINANCIAL & ASSURANCE  
SHARED  
SERVICES PARTNERSHIP**

**BUSINESS IMPROVEMENT PLAN  
2014/15**

**JANUARY 2014**

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## KEY ACHIEVEMENTS IN 2013/14

2013/14 represented a challenging year as the Partnership continued to embed combined and new ways of working whilst seeking to improve the delivery of its services.

The first half of the year was again a particularly successful period during which two separate Statements of Account were prepared for the two Councils plus the Joint Committee's Annual Return with all processes receiving unqualified audit opinions.

Against a background of a deteriorating financial climate nationally we have also achieved significant savings since 2008/09. Cost efficiency within the service is considered to be a fully embedded principal and the service continues to implement projects that seek to increase productivity and therefore efficiency.

At this meeting of the Joint Committee members are informed that the vast majority of the current service development projects for the year are either completed or are on track and almost all the key performance targets are on course to be achieved. Some will be continued into 2014/15 to further build on the work achieved to date.

A summary of the main service level successes achieved so far in 2013/14 are as follows:-

### Shared Financial Services

Closure of Accounts and production of both Councils' statutory Statement of Accounts to the tight required statutory deadline with one error noted. This error did not affect the bottom line of the Council affected. The consistent track record of high standards has been acknowledged by the external auditor's reports.

Driving the initiative to support small and medium sized businesses by paying our invoices quickly. During 2013/14 to date 99.77 of our invoices are paid within 30 days and 84.69% are paid within 10 days.

Continued progress made with developing the new Financial Management Information System and Systems Development Plan.

Efficiency savings achieved for both Councils through procurement activity.

Providing expert procurement advice and support to major procurement exercises and significant corporate projects.

Continued support of each Councils' management teams, directors and budget holders to achieve transformation programmes and budgetary efficiencies.

## Shared Assurance Services

Achieving excellent results for Shared Assurance Services in the recent staff survey

Embedding a service restructure delivering further on-going financial savings whilst maintaining service levels

Retaining the ISO 9001 quality standard for Internal Audit

Receiving Excellent customer feedback from St. Catherine's Hospice & extension of the Internal Audit agreement

Supporting the Annual Governance Statement reviews for SRBC, CBC and the Joint Committee

## NEW RISKS & OPPORTUNITIES FOR 2014/15

At the outset of the shared services partnership, the risks associated with its successful implementation were recorded in a risk register together with the proposed actions to mitigate them.

Although the majority of the original risk issues have now been mitigated, the updated risk register at **Appendix 1** contains a list of the original risks where action is still in progress to address them together with some new and emerging risks and opportunities as the Partnership enters its fifth full year of operation.

The key risks and opportunities facing the Partnership at this stage of its development are considered to be:

- Continuing to delivering sustainable services in the light of public sector funding cuts, including seeking out viable opportunities to grow;
- Further developing managers and staff and planning for succession;
- Further developing the management accounting function at both host authorities to increase added value, including developing the Financial Management Information System (FMIS) in order to maximise the potential benefits;
- Providing accurate financial forecasting and advice with regard to new core funding arrangements such as Business Rates Retention when the regulatory framework and guidance is not up to date.

## PARTNERSHIP BUDGET 2014/15 (at summary level)

Budget	2013/14 £000	2014/15 £000	Variation £000	Notes
<b>Employees</b>				
Salaries Costs	1.322	1.319	(0.003)	Net effect of efficiencies achieved and assumptions on pay award and pensions changes
Car leasing	0.027	0.027	-	
Employee Related Insurance	0.010	0.013	(0.003)	
<b>Lancashire County Council Audit Budget</b>	0.010	0.010	-	
<b>Transport</b>	0.014	0.014	-	
<b>Financial Management Information System</b>	0.065	0.060	(0.005)	Transfer of budget to supplies and services category
<b>Supplies and Services</b>	0.040	0.045	0.005	As above
<b>TOTAL BUDGET</b>	<b>1.488</b>	<b>1.488</b>	<b>-</b>	

The budget for the Partnership has been maintained within existing budgetary resources, however, the service seeks to improve productivity and efficiency on a continual basis. The budget set out above is linked to the budgets proposals within each Council's draft Medium Term Financial Strategies. The proposed budget above contains assumptions regarding the following items:-

- Pay award at 1%.
- Provisional Pension Fund contributions for CBC and SRBC.
- The allocation processes regarding the new cash payments into the Pension Fund in respect of the pension deficit recovery arrangements.

# KEY SERVICE DEVELOPMENTS & TARGETS 2014/15

## Service Level Agreement

The Shared Services Joint Committee has approved a Service Level Agreement (SLA) which sets out the key performance outputs and measures for the Partnership.

These outputs and measures have been translated into specific service developments and targets which need to be achieved during 2014/15.

## Service Developments 2014/15

A table showing the annual objectives and key projects for 2014/15 is shown at **Appendix 2**. Several of these are aimed at addressing the strategic risks and opportunities impacting on the Partnership as identified in the revised Risk Register. It should also be noted that the budget review processes and ongoing restructuring in both Shared Assurance Services and Shared Financial Services have led to a greater focus on core functions and activities and this is reflected in the project programme proposed for 2014/15.

## Performance Information

In order to secure continuous improvement in the way that the Partnership delivers its core services it is essential that appropriate performance measures are identified against which challenging targets can be set and regularly monitored. The table at **Appendix 3** includes a performance indicator set that is based on the work of the National Audit Office (Value for Money in Public Sector Corporate Services – A Joint Project by the UK Public Sector Audit Agencies (2007)). The indicator set was also put together following service user and staff consultation and draws upon previous measures used at South Ribble and Chorley.

## Performance Reporting

Using standard templates, regular reports on progress against the required outputs, service developments and performance targets will be presented to the Chief Executives, Joint Committee and other relevant committees at each council at the appropriate intervals.

## Data Quality

It is also important to stress that the data quality and collection standards appertaining to each Council will be rigorously applied.

# CONTRACTS & PARTNERSHIPS

A list of the contractual and partnering arrangements involving Shared Financial and Assurance Services as at January 2014 is contained in the table at **Appendix 4**.



## DELIVERING EFFICIENCIES

**Cashable Savings 2008/09 – 2014/15** - Since the partnership was launched at the beginning of January 2009 significant budget efficiencies have been secured by working in partnership, making the best of new technology and proactively reviewing the ways in which we work. To date, over £0.550m worth of budget efficiencies have been achieved on a recurring basis from the original budget position which was less than £2.0m. The current Business Improvement Plan also sets out projects that aim to ensure that the partnership continues to achieve efficiencies.

Year	Budget Adjustments		Annual Budget
		£000	£000
2008/09 (Jan to Mar)	<b>Budget Efficiencies Partnership Launch Jan 2009</b>	<b>(0.102)</b>	part year
2009/10	Full Year 2008/09 Budget		1.786
	Budget Efficiency Target - One off	(0.050)	1.736
2010/11	Net budget efficiency target/volumetric/ committed growth	(0.002)	1.734
2011/12	One off budget savings re-instated	0.050	1.784
	Net budget volumetric/ committed growth	0.020	1.804
	<b>Budget Efficiencies - recurring</b>	<b>(0.291)</b>	1.513
	Transfer FMIS to SFS	0.095	1.608
2012/13	Net budget volumetric/ committed growth	0.010	1.618
	<b>Budget Efficiencies - recurring</b>	<b>(0.100)</b>	1.518
2013/14	Net budget volumetric/ committed growth	0.030	1.548
	<b>Budget Efficiencies - recurring</b>	<b>(0.060)</b>	1.488
2014/15	Net budget volumetric/ committed growth and efficiencies	-	1.488
	<b>TOTAL RECURRING BUDGET EFFICIENCIES TO DATE</b>	<b>(0.553)</b>	
	<b>As % of the pre-partnership budget provisions</b>	<b>29%</b>	

## **Budget Efficiencies 2014/15**

The partnership is continuing to work towards assisting both Councils make significant cashable savings in order to close budgetary funding gaps resulting from the current reduction, and heightened uncertainty in core funding. No specified budget efficiency target is included in the 2014/15 BIP, however, the service will continue to seek out new ways of working, including maximising the benefits of new developments within the Financial Management Information System (FMIS) that will improve the efficiency of the service. These will be reported within the services Performance Report during the forthcoming year.

## **BUSINESS OPPORTUNITIES**

### **Shared Financial Services and Shared Assurance Services.**

It has been the intention of the service to seek to expand the new and innovative way of delivering financial management systems within our one Financial Management Information System (FMIS) to a third, external organisation. The service is also involved in investigating new FMIS feeder systems such as payroll and is constantly monitoring developments within other FMIS delivery modules in order to maximise budgetary efficiencies. This involves a feasibility study into returning outsourced services in house. Should the outcome of this review result in new internally managed systems then once they have been fully embedded these may present opportunities for business expansion should it be viable and beneficial to do so.

The potential for creating a larger shared Internal Audit service remains and we are well positioned should an opportunity arise. The work undertaken with St. Catherine's Hospice has demonstrated that contributions towards costs can be achieved without materially impacting on the audit resource available to the two host authorities.

## APPENDIX 1 - RISK REGISTER 2014/15

RISK / OPPORTUNITY	MITIGATION 2013/14	FURTHER ACTION 2014/15	BY WHOM	BY WHEN
Failure to deliver sustainable services in the light of public sector funding cuts	<ul style="list-style-type: none"> <li>On-going and continual review into working practices, systems and procedures to improve productivity and efficiency.</li> <li>Efficiency reviews in 2013/14 as part of BIP projects, process reviews &amp; reduction of low added value activities.</li> <li>Systems Development Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Seeking growth opportunities for SFS &amp; SAS.</li> <li>On-going and continual review into working practices, systems and procedures to improve productivity and efficiency.</li> <li>Systems Development Plan to make the best use of new and emerging technology.</li> </ul>	HOS	Continual during the year
Further development of managers & staff and plan for succession	<ul style="list-style-type: none"> <li>Participation in both host authorities' leadership development programmes.</li> <li>Continuing Professional Development (CPD).</li> <li>Support for semi-professional and professional qualifications provided.</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity for staff to assess understanding of roles and identify any additional training required to undertake job responsibilities.</li> <li>Continued participation in staff and leadership development training at both Councils.</li> <li>Project within BIP to review staff engagement to continue.</li> </ul>	HOS	Continual during the year
Development of the Management Accounting function at both host authorities to increase added value	<ul style="list-style-type: none"> <li>Service accountants attending Departmental Management Team (DMT) meetings &amp; budget holder 1-2-1 sessions.</li> <li>Improved reporting facilities post FMIS implementation.</li> </ul>	<ul style="list-style-type: none"> <li>Further developing the Financial Management Information System (FMIS) in order to maximise the potential benefits</li> </ul>	HOS	Continual during the year

## APPENDIX 2 - SERVICE DEVELOPMENTS 2014/15

Project / Task	Lead Officer	Start Date	Finish Date	SMART Actions & Milestones	Outcomes / Success Measures
<b>Partnership Level</b>					
Staff Engagement and further manager development for succession planning	SG/GB	Ongoing	Ongoing	<ul style="list-style-type: none"> <li>Review findings of staff surveys</li> <li>Consult/fact finding with staff</li> <li>Facilitates contributions from staff</li> <li>Agree outcome and actions with staff</li> <li>Implement any changes required and recommendations agreed</li> </ul>	<ul style="list-style-type: none"> <li>Improved staff satisfaction survey results</li> <li>Positive feedback from staff</li> <li>Continued delivery of core business and BIP projects and Key Performance Indicators (KPIs)</li> </ul>
Seek out viable opportunities to grow the Partnership	SG/GB	Ongoing	Ongoing	Continual review of opportunities throughout the year	Implementation of larger business models
<b>Internal Audit</b>					
Arrange training for any new Governance Committee members following the May elections	GB/DH	April 2014	June 2014	Identification of new members training needs Delivery of appropriate training materials	Positive feedback in the post training questionnaires

<b>Project / Task</b>	<b>Lead Officer</b>	<b>Start Date</b>	<b>Finish Date</b>	<b>SMART Actions &amp; Milestones</b>	<b>Outcomes / Success Measures</b>
Prepare the 2014 Annual Governance Statements in accordance with revised CIPFA & SOLACE guidance	GB/DH	April 2014	June 2014	Revise policies, procedures and corporate assessment pro-formas Undertake assessments & produce the AGS	Compliance with revised regulatory requirements
Review the operation of both host authorities' Governance Committees in respect of revised CIPFA Guidance on the Role of Audit Committees	GB/DH	June 2014	Sept 2014	Review arrangements with regards to the new Guidance Prepare reports & action plans for both Governance Committees	Compliance with revised regulatory requirements
<b>Risk Management</b>					
Co-ordinate actions arising from the Internal Audit review of service level risk management	AA	June 2014	December 2014	Identification of any areas that are non-compliant with agreed procedures Re-enforcement & monitoring of agreed procedures	Compliance with Risk Management Framework
Oversee the risk management activities undertaken by insurance providers	AA	April 2014	December 2014	Arrange & facilitate new programmes for 2014	Raised staff awareness, skills and knowledge of the management of operational risk.
<b>EP &amp; BCP</b>					
Undertake an EP Contact Centre simulation exercise at each council (SRBC/CBC)	AA	September 2014	March 2015	Arrange the event and deliver the training session Complete a post exercise de-brief & implement learning from the exercise	Compliance with CCA Emergency Preparedness Guidance Development of skills and knowledge

Project / Task	Lead Officer	Start Date	Finish Date	SMART Actions & Milestones	Outcomes / Success Measures
Transfer EP/BCP documents to the SharePoint management information system (CBC)	AA	April 2014	December 2014	TBA	Compliance with CBC's Information Management Strategy
Support the Scrutiny Committee review of Flooding (SRBC)	AA	June 2014	March 2015	TBA	Facilitation of a successful and challenging review of the Council's responsibilities and activities regarding flood management
<b>Insurance</b>					
Oversee procurement of a new insurance broker under a combined agreement (SRBC/CBC)	AA	April 2014	July 2014	Produce procurement plan, agree selection criteria, finalise proposal documentation & obtain approval Assess responses using cost and quality criteria Appoint successful candidate	Appointment of a suitable preferred insurance broker
Work with the insurance broker to develop a Risk Financing Strategy for each host authority for implementation from 1 <sup>st</sup> January 2015 (SRBC/CBC)	AA	July 2014	December 2014	Identify and evaluate the alternative risk financing options available on a risk by risk basis, including traditional insurance procurement and self-insurance options Produce a report making recommendations for CEO consideration and member approval. Arrange for the implementation of the approved option(s).	Implementation of approved option(s)

Project / Task	Lead Officer	Start Date	Finish Date	SMART Actions & Milestones	Outcomes / Success Measures
Oversee procurement of new insurance covers to take effect from 1 <sup>st</sup> January 2015 (SRBC/CBC)	AA	July 2014	December 2014	Produce procurement plan, agree selection criteria, finalise proposal documentation & obtain approval Assess responses using cost and quality criteria Appoint successful bidders	Appointment of a suitable insurance providers
Oversee annual Insurance Policy renewals (CBC/SRBC)	AA	September 2014	December 2014	Complete the assimilation of all renewal information and submit to /liaise with the Insurers/Broker Participate in renewal meetings and assist with the generation and checking of renewal reports and premium information	All appropriate risks covered at the most economically viable cost Successful renewal of insurance covers and payment of premiums
<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.	Head of Service	April 2014	March 2015	<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>	<ul style="list-style-type: none"> <li>Delegate feedback</li> <li>Reduction of errors within processes e.g. coding errors corrected</li> <li>Improved timeliness of service delivery including corporate reporting</li> </ul>

Project / Task	Lead Officer	Start Date	Finish Date	SMART Actions & Milestones	Outcomes / Success Measures
<b>Management and Financial Accountancy Services (incorporating FMIS Development function)</b>					
<p>Review of data interrogation in respect of all financial systems to ensure that full functionality is being utilised and data manipulation outwith systems is minimised</p>	<p>Head of Service</p>	<p>July 2014</p>	<p>March 2015</p>	<ul style="list-style-type: none"> <li>• Identify all key points of data extraction and management information reporting</li> <li>• Identify where data is extracted at a high level and needs to be expanded to provide information and reconciliation data and therefore improve process controls and information required for informed decision making</li> <li>• Identify where data needs to be manipulated outwith systems to achieve the desired output</li> <li>• Develop system reporting and data extraction routines that achieve appropriate output without additional manipulation</li> </ul>	<ul style="list-style-type: none"> <li>• Greater efficiency achieved in data extraction elements of all processes to expand time allocated to added value tasks such as advising senior officers and budget holders</li> <li>• Improve the data and information available to Budget Holders that can be derived directly from the FMIS</li> </ul>
<p>Review of 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 &amp; corporate reporting.</p> <p>Project to include review of management of the establishment and Payroll systems – this is directly linked to the development of FMIS project.</p>	<p>Principal Management Accountants</p>	<p>April 2013</p>	<p>March 2015</p>	<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> <li>• Review output and outcomes with regard to reporting including frequency, content and formats.</li> </ul>	<ul style="list-style-type: none"> <li>• Introduce new a management Accountancy process for both Councils.</li> <li>• Introduce revised process and systems for allocating Internal Recharges within both Councils</li> <li>• Revised procedures to be on a common basis/platform</li> <li>• Wider understanding of role &amp; purpose of Internal Recharges - Members &amp; Budget Holders and greater transparency within Budget Holder &amp; corporate reporting with particular regard to Internal Recharges</li> <li>• Produce new reporting standards</li> </ul>



Project / Task	Lead Officer	Start Date	Finish Date	SMART Actions & Milestones	Outcomes / Success Measures
Review of core accounting system and process controls compliance	Principal Financial and Management Accountants and Principal Financial & Systems Accountant	April 2014	March 2015	<ul style="list-style-type: none"> <li>Review all controls within accountancy processes and routines</li> <li>Evaluate adequacy and compliance/ non-compliance</li> <li>Evaluate efficiency of control processes and automate where possible using FMIS</li> <li>Report to HOS findings with recommendations for strengthening controls and re-enforcing compliance where required including any training requirements</li> <li>Update procedures notes if required and communicate to staff</li> <li>Provide training where required</li> </ul>	<ul style="list-style-type: none"> <li>Updated procedures notes</li> <li>Communications with staff</li> <li>Staff training provided – this project is directly linked to the financial training project</li> </ul>
<p>Successful implementation of the FMIS Development Plan</p> <p>With particular focus on the review and development of the following processes and systems and to achieve effective and efficient self-serve functionality: Payroll services Debtors and creditors</p> <p>To also include a review of the all current products available to ensure that the system best supports the whole ICT infrastructure and strategies at both Councils.</p>	Financial Systems Manager	April 2014	March 2015	<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' CEOs/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 measures where possible for each system improvement strand</li> <li>Ensure all financial data complies with the Councils' Data Quality policies</li> </ul>	<ul style="list-style-type: none"> <li>Improve the effectiveness and efficiency of accounting processes by maximising the functionality of FMIS</li> <li>Evidence by measurable productivity gain where possible</li> <li>Increase customer satisfaction</li> <li>Produce a proposal with regard to the longer term view on the future development of FMIS in the light of developments in that arena since FMIS was implemented.</li> </ul>

Project / Task	Lead Officer	Start Date	Finish Date	SMART Actions & Milestones	Outcomes / Success Measures
<b>Procurement Services</b>					
Renew Joint Procurement Strategy (JPS)	Principal Procurement Officer	April 2014	August 2015	<ul style="list-style-type: none"> <li>• Cross reference project with training project in this BIP</li> <li>• Consult with key stakeholders</li> <li>• Update JPS with agreed amendments and updates taking account of the improvement procurement environment within both Councils following on from improvements made post Shared Services implementation</li> <li>• Get revised JPS approved</li> <li>• Communicate new JPS and provide training where necessary</li> </ul>	<ul style="list-style-type: none"> <li>• Updated and revised Joint Procurement Strategy for 2014/15 on wards</li> </ul>
Waste Contract Procurement Process at SRBC	Principal Procurement Officer	April 2014	Nov 2014	<ul style="list-style-type: none"> <li>• Drafting /Managing OJEU, PQQ, ITT, Evaluation Documentation</li> <li>• Key member of project team</li> <li>• Publish OJEU</li> <li>• Publish PQQ</li> <li>• Support Evaluation PQQ Team Process</li> <li>• Support entire process including all contact with bidders through the Chest</li> <li>• ITT Issue</li> <li>• Support ITT Evaluation Team Process</li> <li>• Notification/ Standstill letters</li> <li>• Contract award</li> </ul>	<ul style="list-style-type: none"> <li>• Waste Contract is awarded to the timetable set</li> </ul>
Implementation of Fairtrade Town at CBC	Principal Procurement Officer	April 2014	August 2015	<ul style="list-style-type: none"> <li>• Arranging meetings, agendas, taking minutes</li> <li>• Develop, update and manage action plan</li> <li>• Manage Chorley Fairtrade Group website</li> <li>• Manage and maintain Progress/ evidence for subsequent application</li> <li>• Support Application process, date to be determined by the Group but potentially Summer 2014</li> </ul>	<ul style="list-style-type: none"> <li>• Chorley becomes a Fairtrade Town</li> </ul>

## APPENDIX 3 - PERFORMANCE INFORMATION 2014/15

The table below includes a performance indicator set that has been put together:

- following service user and staff consultation;
- drawing upon existing measures at South Ribble and Chorley; and,
- based on the work of the National Audit Office (Value For Money in Public Sector Corporate Services – A Joint Project by the UK Public Sector Audit Agencies (2007)).

The NAO model develops an amended scorecard approach that, in addition to an efficiency dimension, defines three separate facets of effectiveness that can be measured:

- **Impact**, in terms of how the output from each of the services contributes to or influences corporate performance as a whole;
- **Satisfaction** of users and senior managers;
- **Modernisation**, in terms of the extent to which management practices have been adopted that are innovative and forward thinking.

The following table identifies each type of measure being used by the following references:

- E = Efficiency
- EI = Effectiveness Impact
- ES = Effectiveness Satisfaction
- EM = Effectiveness Modernisation

Note also that the data quality and collection standards appertaining to each Council will be rigorously applied.

Key Measures	Type	Timescale	Member Reporting	Target 2013/14	Target 2014/15
<b>Internal Audit Services</b>					
% of Planned Time Used	EI	Quarterly Audit Plan Update Reports & Annual Audit Report	Joint Committee & Governance Committees	90%	90%
% Audit Plan Completed	EI	Quarterly Audit Plan Update Reports & Annual Audit Report	Joint Committee & Governance Committees	100%	100%
% of Management Actions Agreed	EI	Quarterly Audit Plan Update Report & Annual Audit Report	Joint Committee & Governance Committees	98%	98%
Total Cost of Internal Audit Function as a % of Organisational Running Costs / Expenditure) (VFM Primary 1)	E	Annual Audit Report	Joint Committee & Governance Committees	8.28%	8.28%
% Professionally Qualified Internal Audit Staff as a % of Total Internal Audit Staff (FTEs) (VFM Secondary 1)	EI	Annual Audit Report	Joint Committee & Governance Committees	30%	30%
<b>Risk Management Services</b>					
Total Cost of the Risk Management Function as a % of Organisational Running Costs / Expenditure) (VFM Primary 1)	E	Annual	Joint Committee & Governance Committees	4.12%	4.12%
Average customer satisfaction score per insurance claim (max 5.0)	ES	Quarterly	Joint Committee & Governance Committees	4.7	4.7

Key Measures	Type	Timescale	Member Reporting	Target 2013/14	Target 2014/15
<b>Financial Services – Overall</b>					
Financial Services Staff satisfaction	ES	Annual Staff Surveys within each Councils	Joint Committee	95%	95%
% of professionally qualified finance staff (FTEs) as a % of total finance staff (FTEs) (vfm Secondary 1)	EI	Annual	Joint Committee	18%	18%
<b>Management and Financial Accountancy Services (incorporating FMIS Development function)</b>					
Over/Underspends within 1% of manageable/cash revenue budget at year end	EI	Monthly to directorates Quarterly to Members Monthly to the Chief Finance Officer	Executive Cabinets & Joint Committee	<1.0%	<1.0%
% variation between the forecast outturn at month 6 and the actual outturn at month 12 (Vfm Primary 3)	EI	Annual	Executive Cabinets & Joint Committee	5.0%	5.0%
15 working days from period-end closure to the distribution of financial reports (vfm Primary 2)	EI	Monthly	Joint Committee	100%	100%
Year end statutory accounts to contain no material errors and have an unqualified audit opinion	EI	Annual	Joint Committee Accounts Committees	0	0
Compliance with the Prudential Code for Capital Finance in Local Authorities	E	Half Yearly and at Year End	Joint Committee Executive Cabinets	100% compliance with the Prudential Code	100% compliance the Prudential Code
Statutory Grant Claims and Returns to be submitted on time	ES	Half Yearly and at Year End	Joint Committee	100%	100%

Key Measures	Type	Timescale	Member Reporting	Target 2013/14	Target 2014/15
Achievement of Industry Investment Benchmarks	EI	Half Yearly and at Year End	Joint Committee Executive Cabinets	Out perform London Inter Bank Bid Rate (LIBID) by 10%	Out perform London Inter Bank Bid Rate (LIBID) by 10%
Supplier Payment within 30 days (local indicator)(linked to vfm Secondary 10)	EI	Monthly	Joint Committee	98%	99%
Supplier Payment within 10 days (local indicator)	EI	Monthly	Joint Committee	70%	80%
% of supplier payments by electronic means (vfm Secondary 7)	EM	Monthly	Joint Committee	95%	95%
% of remittances to suppliers by electronic means	EM	Monthly	Joint Committee	98%	100%
% of Financial Systems availability	E	Monthly	Joint Committee	99.5%	99.5%
<b>Procurement Services</b>					
Professionally qualified procurement employees (FTEs) as a % of total procurement employees (vfm Secondary 1)	EI	Annual	Joint Committee	50%	50%
LIB/P12 Satisfaction with the corporate procurement function	ES	Annual	Joint Committee	90%	90%

## APPENDIX 4 – CONTRACTS REGISTER

Company / Provider	Services Provided	End Date
<b>TREASURY</b>		
Sector ( Joint SRBC & CBC)	Treasury Management Consultancy Service	31/03/2014
Chrystal Consulting Limited (SRBC)	Leasing advice/renewals	31/03/2014 Annual Review
Chrystal Consulting Limited (CBC)	Leasing advice/renewals	31/03/2014 Annual Review
Barclays Bank (SRBC & CBC)	Banking Services	31/03/2018
<b>INSURANCE</b>		
Jardine Lloyd Thompson (Joint SRBC & CBC)	Insurance Broker and tender services	31/12/2014
Zurich Municipal (CBC and SRBC)	Insurance Policies (Fidelity Guarantee, Combined Liability, Motor Fleet, Engineering Inspections and Insurance)	December 2014 *
ACE - Europe (Joint SRBC & CBC)	Insurance Policies (Personal Accident and Travel)	December 2014 *
RMP/Chartis	Insurance Policies (Property including All Risks and Computer)	December 2014 *
AIG Europe c/o Marsh broker (CBC)	Environmental warranty Insurance	31/03/2023
* Insurance cover placed for 3 years with option for 2 year extension to December 2016		

Company / Provider	Services Provided	End Date
<b>PAYROLL</b>		
Blackpool Borough Council (CBC)	Payroll Service	Rolling SLA
One Connect Limited (SRBC) (client role transferred to HR SRBC)	Payroll Service	31 March 2016
<b>SYSTEMS</b>		
Civica (Partnership)	Financials Debtors & Creditors GL Purchasing Intelligent Imaging/Scanning e-Modules (Cr, Dr, Pr) Budget Preparation Asset Management	31/03/2015
Civica (CBC)	ICON Cash Receipting ICON Bank Reconciliation	31/03/2016
Allpay (CBC and SRBC)	Electronic Card Payment Services	31/10/2014
<b>AUDIT</b>		
Lancashire County Council	Internal Audit Services	31/03/2014 Annual Review