

SHARED SERVICES JOINT COMMITTEE

MONDAY, 3RD JUNE, 2019, 6.00 PM

WHEEL ROOM, CIVIC CENTRE, WEST PADDOCK, LEYLAND PR25
1DH

AGENDA

1 Apologies for Absence

2 Appointment of Chair and Vice Chair

Councillor Paul Foster will take the Chair of the Shared Services Joint Committee for 2019/20.

Councillor Alistair Bradley will take the Vice Chair of the Shared Services Joint Committee for 2019/20.

3 Minutes of the Last Meeting

(Pages 3 - 6)

Held on Thursday, 7 February 2019 to be signed as a correct record.

4 Declarations of Any Interests

Members are reminded of their responsibility to declare any pecuniary interest in respect of matters contained in this agenda.

If you have a pecuniary interest you must withdraw from the meeting. Normally you should leave the room before the business starts to be discussed. You do, however, have the same right to speak as a member of the public and may remain in the room to enable you to exercise that right and then leave immediately. In either case you must not seek to improperly influence a decision on the matter.

5 Shared Financial Assurance Business Plan 2019/20

(Pages 7 - 34)

Report of Director of Policy and Governance (Chorley Council) attached.

6 Shared Financial Service Staffing Review and Update and Proposals

Report of the Director of Policy and Governance (Chorley Council) to follow.

7 Exclusion of Press and Public

To consider the exclusion of the press and public for the following items of business on the ground that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

By Virtue of Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information).

8 Extending Shared Services - C.Co Report

(Pages 35 - 62)

Report of the Director of Policy and Governance (Chorley Council) attached.

Gary Hall
INTERIM CHIEF EXECUTIVE

Electronic agendas sent to Members of the Shared Services Joint Committee Councillors A Bradley (Chair), Paul Foster (Vice-Chair), Matthew Tomlinson, Colin Clark, Margaret Smith, D C Shaw, M Boardman, Margaret France, P Wilson and G Dunn

The minutes of this meeting will be available on the internet at www.southribble.gov.uk

Forthcoming Meetings
6.00 pm Monday, 9 September 2019 - Wheel Room, Civic Centre, West Paddock, Leyland PR25 1DH

MINUTES OF SHARED SERVICES JOINT COMMITTEE

MEETING DATE Thursday, 7 February 2019

MEMBERS PRESENT: Councillors A Bradley (Chair), Colin Clark (Vice-Chair), Paul Foster, Margaret Smith, Matthew Tomlinson, A Cullens, A Morwood, P Wilson and G Dunn

OFFICERS: Gary Hall (Chief Executive), Tim Povall (Deputy Chief Executive of Resources and Transformation (Section 151 Officer)), Heather McManus (Chief Executive), Janice Bamber (Interim Head of Shared Assurance Services) and Dianne Scambler (Governance and Member Services Team Leader)

1 Apologies for Absence

An apology was received from Councillor Susan Snape.

2 Minutes of the Last Meeting

RESOLVED (Unanimously)

That the minutes of the Shared Services Joint Committee be confirmed as a correct record for signing by the Chair.

3 Declarations of Any Interests

There were no declarations of any interests.

4 Financial and Assurance Shared Services Annual Accounts 2017-18

The Committee considered a report that contained the Accounting Statements and associated Governance and Internal Audit Statements for the year ending 31 March 2018 in preparation for the "light touch" audit inspection to be undertaken, the results of which to be reported at this meeting.

The outturn position for Financial and Assurance Shared Services was £1.604 million which represented an underspend of £0.051 million against the partnership budget.

A table provided within the report showed the variances between the budget and outturn positions with all showing either under budget or within tolerance.

RESOLVED (Unanimously)

Approval of the 2017-18 Accounting Statements contained within the report.

5 Inspection of the Financial and Assurance Shared Services Annual

Statements 2017/18

The Interim Head of Shared Assurance Services (Audit and Risk) presented a report that provided the committee with the results of the Internal Inspection undertaken by Internal Audit on the Financial and Assurance Shared Services year-end financial statements for 2017/18.

Internal Audit had formed the opinion that the information extracted from the financial system had been correctly presented in the year-end financial statements for 2017/18 and that the processes in place provided **Full Assurance** in regard to the control environment. It was also confirmed that Shared Services partnership charges have been raised and apportioned appropriately.

The Shared Services partnership's gross expenditure of £1.58m had also been reported accurately in the 2017/18 Statement of Accounts.

RESOLVED (Unanimously)

That the findings in the report be noted.

6 Joint Procurement Strategy 2015-18 Performance Report and Proposals for 3 year Joint Procurement Strategy

The Chief Executive (Chorley Council) and Deputy Chief Executive for Resources and Transformation (Section 151 Officer) South Ribble Borough Council)) presented a report that set out the performance achieved against the 2015 – 2018 Chorley and South Ribble Borough Councils Joint Procurement Strategy (JPS), that included recommendations for a new refreshed JPS commencing on 1 April 2019 for discussion.

Recommendations for the revised Strategy had been delayed pending publication of the new draft 2018 National Procurement Strategy and also to provide for, senior management and structure changes.

The new 3 year Joint Procurement Strategy will build on the success of the previous Strategy with a recognition that Councils continue to operate in a very challenging financial environment. The new JPS is presented in a more simple, visual format which is easier to read and has a more immediate impact, clearly showing corporate priorities, joint procurement priorities and clear links to the new National Procurement Strategy themes which are central to the success of its delivery.

Members were provided with assurance that once adopted, an Action Plan, containing a detailed implementation programme, for the new 3 year Joint Procurement Strategy would be developed and brought back to Committee.

It was also noted that procurement could be enormously effected by changes to European law and that Members asked for both Councils to consider what action would be taken to mitigate any risks for those projects that could be effected by EU procurement levels.

Members of the Committee also asked if further consideration could be given to the tendering process around the use of local suppliers and services.

It was also agreed to remove Action 24 of the 2015-18 JPS from the newly refreshed JPS.

RESOLVED (Unanimously)

1. That the Shared Services Joint Committee note the progress made against the Joint procurement Strategy 2015-18.
2. That the new proposed refreshed Joint Procurement Strategy 2019 – 2022 be presented to the Cabinets of both Chorley Council and South Ribble Borough Council for approval and implementation.

7 Exclusion of Press and Public

RESOLVED – that the press and public be excluded for the remaining item of business due to the disclosure of exempt information under Paragraphs 1 and 3 of Part 1 of Schedule 12A to the Local Government Act.

8 Shared Services Update

The Chief Executive of Chorley Council, Gary Hall and Chief Executive of South Ribble Borough Council, Heather McManus, provided the Committee with an update on the Shared Services Management arrangements.

The Committee also received an update on the work of the Internal Audit Service, with details provided on measures taken to ensure the delivery of the Shared Services Audit Plan for 2018/19.

RESOLVED (Unanimously)

That the update be noted.

Chair

Date

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REPORT TO	ON
Shared Services Joint Committee	3 June 2019

September 2017



TITLE	REPORT OF
SHARED FINANCIAL AND ASSURANCE SERVICES BUSINESS PLANS 2019/20	Rebecca Huddleston

Is this report confidential?	NO
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PURPOSE OF THE REPORT

1. To present the 2019/20 shared financial and assurance service business plan for approval.

RECOMMENDATIONS

2. To approve the business plan for 2019/20

CORPORATE PRIORITIES

3. The report relates to South Ribble's Corporate Priority for excellence and financial sustainability and Chorley Councils' priority to be an ambitious Council that does more to meet the needs of residents and the local area.

BACKGROUND TO THE REPORT

4. Shared Financial and Assurance Services was established in 2009 following the development of a shared service agreement between Chorley and South Ribble Borough Council.
5. Each year shared financial and assurance services produce a service plan setting out what the key objectives are for each service, what has been achieved over the previous year and what the key pieces of work are for the year ahead, over and above business as usual. Performance indicators, risk and resources also form part of the business plan.
6. The development of the plans has been led by the relevant service managers who have engaged staff in the process.

BUSINESS PLAN MONITORING

7. Monitoring reports will be presented to the joint committee over the course of the year, to keep the committee informed of progress against the plan.

COMMENTS OF CHORLEY'S AND SOUTH RIBBLE'S DEPUTY STATUTORY FINANCE OFFICERS

Report Author:	Telephone:	Date:
Rebecca Huddleston	01257 515779	24/05/19

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Shared Financial and Assurance Services

Service Plan
2019/20

Corporate Priorities

Chorley Borough Council

An Ambitious Council that does more to meet the needs of its residents and the local area

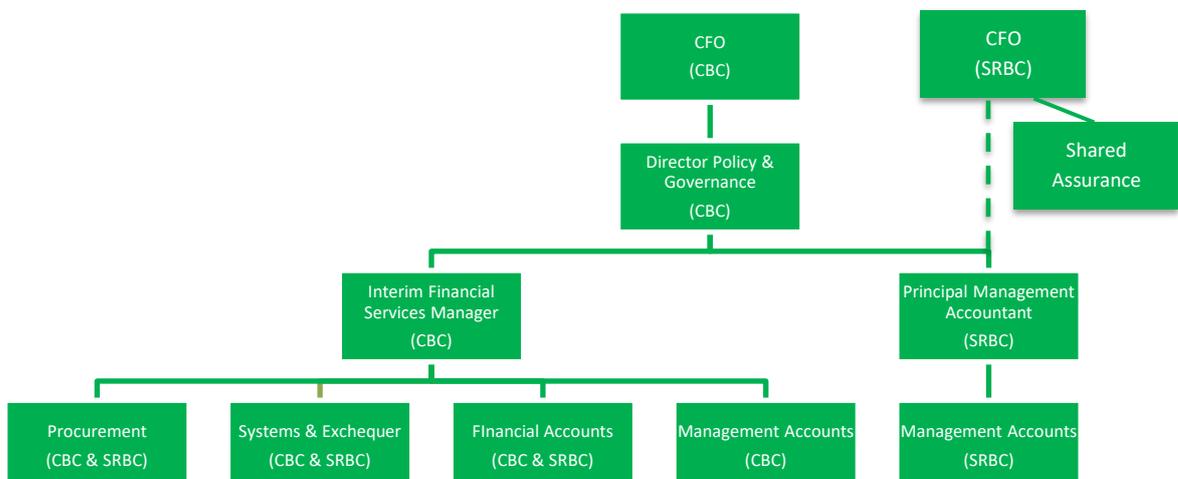
South Ribble Borough Council

Excellence and financial sustainability

Shared Financial Services - Service priorities for 2019/20

- Provide high quality and best practice financial and procurement services to both councils
- Ensure both councils update and remain compliant with financial and procurement regulatory requirements as well as both of the councils' financial and contracts procedure rules.
- Ensure the team remains focussed, motivated and sufficiently skilled during any period of transition and beyond
- Support the financial planning process
- Undertaking a review of the current shared services arrangements and making recommendations to both councils seeking to identify:
 - where appropriate, cost savings in service delivery
 - areas for improvement and change to improve the efficiency and effectiveness of the functions
 - changes that would ensure the services are best placed to support the expansion of shared services

Structure Chart



Shared Assurance Services - Service priorities for 2019/20

- Provide both Councils with a high quality independent, objective assurance & consulting services in order to add value and improve the operations of the Councils;
- Provide assurance to Members, officers and the Councils' stakeholders (partners, Council Tax payers, business etc.) that services are being delivered effectively, efficiently and economically and in a way that adds value to each organisation;
- Support both Councils in the accomplishment of their individual objectives by taking a systematic disciplined approach to evaluating & improving the effectiveness of risk management, control and governance processes within both Councils and support Councils in the achievement of services key objectives and outcomes;
- Develop risk aware cultures at each Council that enables services to make informed decisions, support services in the assessment of the impact of risks and ensure that adequate arrangements are in place to mitigate risks as appropriate;
- Support both Councils in ensuring effective processes and systems are in place to minimise waste, prevent and detect fraud and ensure the achievement of value for money;
- Lead and support both Councils in ensuring processes and procedures are in place to fulfil their Emergency Planning obligations under the Civil Contingency Act;
- Support the development and maintenance of both Councils' Business Continuity arrangements;
- Ensure both Councils have appropriate Insurance coverage for all liabilities;
- Undertaking a review of the current shared assurance services arrangements and make recommendations to both councils seeking to identify:
 - appropriate resources to ensure resilience and capacity in the provision of services;
 - areas for improvement and change to improve the efficiency and effectiveness of the functions;
 - changes that would ensure the services are best placed to support the expansion of shared services.

The shared financial services team can be broadly split into four areas. These areas all support the other and staff resources are shared during busier periods, for example during the closure of accounts process. The management accounts teams are split into dedicated teams at CBC and SRBC however whenever possible best practise is shared between these teams.

Service Area	Main Tasks	Service Delivers	Budget FTE*
Procurement	<ul style="list-style-type: none"> • Provide effective support and guidance to ensure that all procurement is in accordance with EU rules, the Councils' Contract Procedure Rules, Best Practice, is market aware and delivers sustained competitiveness and value for money. • Deliver an effective service which maximises efficiency for joint procurement, collaborative working and the establishment of shared services. • Maintenance and promotion of procurement guidance documentation • Training and support. • Provision and maintenance of template procurement documents. • Management and support of the Chest e-procurement portal. • Maintenance and timely publication of a quarterly Contracts Register. 	Advice, training and support Procurement strategy Procurement guidance Template Documents Quarterly updated contracts register e-procurement portal	2.00 Shared Across Both Councils
Financial Systems & Accounts Payable	<ul style="list-style-type: none"> • Support the maintenance, development and upgrade of the finance, debtor, creditor and cash management systems in line with statutory financial regulations. • Ensure that all payments are paid within the performance indicator timescales, adhering to the financial regulations compliance controls to prevent fraudulent payments. • Training and support for financial system users and officers involved in the 'procure to pay' process. 	Improvements to financial systems Timely and accurate payment of invoices Training and support for system users Tax returns to HMRC	7.00 Shared Across Both Councils
Financial Accounts and Treasury Services	<ul style="list-style-type: none"> • Lead on the closure of accounts process. • Reconcile expenditure and income to both councils' bank statements. • Manage both councils' cash flow including transfers to and from money markets, banks and the treasury; and to make recommendations as to the timing of temporary or long-term borrowing, where required. 	Statement of Accounts VAT returns to HMRC Cash management Treasury Management Strategy	3.00 Shared Across Both Councils

Management Accounts	<ul style="list-style-type: none"> • Manage the budget setting process. • Support the councils' transformation programmes. • Support budget holders in managing their business plans and budgets. • Supporting and leading on aspects of the closure of accounts • Supporting the financial appraisal and monitoring Chorley Borough Council's major capital projects 	Balanced budget Medium Term Financial Strategy Quarterly budget monitoring reports Capital Strategy	4.50 (CBC) 5.50 (SRBC)

*Excludes CFOs, Head of Shared Service and Interim Financial Services Manager

The shared assurance services team can be broadly split into four distinct areas. The Internal Audit Service, Risk Management, Insurance, Emergency Planning and Business Continuity. Risk Management, Insurance and Emergency Planning / Business Continuity currently share resources to support each of the services, however, in the previous financial year, Internal Audit have also supported the Risk Management and Insurance services due to resource capacity issues and staffing matters.

Service Area	Main Tasks	Service Delivers	Budget FTE*
Internal Audit	<ul style="list-style-type: none"> • Provide an independent, objective assurance & consulting activity designed to add value and improve the Councils' operations • Provide an opinion on the Councils' overall internal control, governance and risk framework and activities • Review & improve internal control arrangements • Review key business processes and advise on risk and controls • Advisory & consultancy services on governance & control matters • Work to prevent & detect fraud and ensure the Councils' fraud risks are managed 	Internal Audit Plan & reports Internal Audit Annual Report Reports on outcomes of investigations & irregularities Reports from Consultancy work Project Support Support for the Annual Governance Statement and Action Plan	4.00 Shared across both Councils (In post 2.7)
Risk Management	<ul style="list-style-type: none"> • Review risk management strategies in relation to corporate and service planning, partnership working, project management and procurement • Provide support in relation to compilation of risk registers 	Project Support Risk Management Framework Reviews of Service, Operational & Corporate Risk Registers	3.00 Shared across both

	<ul style="list-style-type: none"> • Ensure the Risk Management Framework is reviewed, updated and disseminated • Provide support to embed the risk management culture across both Councils • Provide support in regard to the Risk Management system GRACE 	GRACE risk management system administration	Councils (for risk, insurance & ep/bc)
Insurance	<ul style="list-style-type: none"> • Lead on the procurement & renewal of Insurance Services across both portfolios • Manage the Councils' Insurance portfolio for all liabilities, e.g., Public & Employee Liability, Motor, Property etc. • Provide a single point of contact and provide support for all Insurance matters both internally and externally • Co-ordinate the management of information and provide support in regard to the defence of claims 	Appropriate Insurance portfolios Renewal documentation & information Claims data	
Emergency Planning / Business Continuity	<ul style="list-style-type: none"> • Council is a Category 1 responder with statutory duties under the Civil Contingencies Act 2004 • Provide support in the event of a Civil Emergency or Major Incident including Flooding, major fires etc. • Maintain the Councils' Emergency Plan, other supporting plans, a duty rota for Strategic Duty Officers • Provide appropriate training & support • Maintain links with the Lancashire Resilience Forum and supporting groups • Ensure services have appropriate business continuity plans for use in the event of a business failure 	Emergency Plans and other supporting plans Attendance at all LRF meetings and events Plan & undertake practice scenarios to test Emergency Plans Maintain, collate & review Business Continuity plans	

Achievements 2018/19

Procurement

- New Joint Procurement Policy (SRBC)/ Strategy (CBC) taking account of the 2018 National Procurement Strategy themes, developed and approved at both councils.
- Electronic process for intermediate value Contract Procedure Rule waiver requests developed, tested and implemented at SRBC, providing a full e-audit trail, and searchable database of intermediate value CPR Waivers.
- Agreement and support for a new Contracts Management System discussed and obtained at SRBC Leadership Team and system workflow developed in consultation with the Legal Services Manager and IT Services. Test system constructed on Firmstep and is currently subject to testing and development.
- Full spend analysis of above £10,000 CBC supplier procurement spend for the 2017 calendar year. Findings were reported to CBC SMT. (A similar piece of work was carried out at SRBC and reported in the in 2017/18 Business Plan.)
- Assistance and support provided to both councils to achieve efficiency savings through compliant procurement processes.
- Professional procurement advice and support provided at both councils including significant and detailed level of support provided to major contracts e.g. the CBC Waste Contract renewal and ERDF compliant Digital Office Park build contract.
- Successfully passed three on the spot verification procurement audits by MHCLG (Ministry of Housing Communities & Local Government) including the main Strawberry Fields Digital Office Park construction contract.

Financial Systems and Exchequer Services

- Implement new procurement card module & procurement card processes
- National Fraud Initiative work in 2018/19
- Implementation of GDPR module ensuring compliance for the Councils' Financial Systems
- Implementation of archiving module enabling the council to archive financial system records
- Civica Financials upgrade to Version 18.5
- Support the implementation of Inphase performance management software at South Ribble Council
- Group training sessions at South Ribble on procurement, invoices and year end process
- Agree the approach to a joint procurement of cash income management module with South Ribble Council
- Managed the cash and chip and pin transactions and controls for the Chorley Council flower show 2018

Financial and Management Accounts

- Closure of accounts and production of both councils' statutory statement of accounts to the required statutory deadline with no material errors.
- The Treasury Management priority for Chorley Council was to minimise the cost of the borrowing required to finance its ambitious capital programme. Borrowing was

limited to £6m from the Public Works Loan Board and a £1m temporary loan at year-end. This was less than anticipated in the Treasury Strategy for 2018/19 and savings in interest payments were achieved as a consequence.

- For South Ribble BC, the Treasury Management priority was to increase the average interest on cash balances invested temporarily in the second half of the year. Cash flow forecasts identified when cash could be invested in term deposits rather than being held in liquid accounts, and sums were placed with suitable counterparties in accordance with the approved Investment Strategy for 2018/19. As a result, interest earned exceeded for target for the year.
- Completion of base budget reviews achieving budgetary savings for both councils
- Produced Fees and Charges report for CBC as well as a review of some of CBC's fees and charges leading to additional £100k income.
- Providing key financial support to both council's transformation programme including support for major capital projects
- Providing the financial support for the City Deal arrangements between South Ribble, Lancashire County Council and Preston City Council.
- Development & implementation of on-line establishment variation control process (SRBC)
- Corporate reporting – introduction of projected outturn forecasts in quarterly budget monitoring reports (SRBC)
- Supported the successful application for the Lancashire Business Rates 75% Pilot bid
- Review and refresh of financial procedure rules (SRBC)
- Created a new Capital Strategy report for both council's outlining the ambition of both council's future capital expenditure
- Provided financial support and evaluation of tenders in the successful tender of Chorley Council's waste contract resulting in a £1m+ saving

Internal Audit

- Retention of the ISO 9001 Quality Standard for Internal Audit
- Continued achievement of compliance with Public Sector Internal Audit Standards
- Support for the Annual Governance Statement & continuing action plan
- Achievement of audit plans
- Further embedding the Risk Based Audit Approach
- Improvements in service delivery and processes

Risk Management

- Further embedding the GRACE Risk Management System
- Undertaken a review of risk registers at both Council's and provided an action plan
- Undertaken further training for Project Leads at South Ribble Council, the same training to be provided at Chorley if required
- Further embedding of the risk management framework at both Councils

Insurance

- Renewal of Insurance policies Long Term Agreement going into the 3rd year of 3 plus 2
- Negotiated favourable rates in respect of extension of the Long Term Agreement
- Ensured risk assessments and relevant documents are submitted in regard to Events in order to ensure appropriate cover is in place

Emergency Planning / Business Continuity

- Maintained and updated relevant plans throughout the year
- Worked as part of the South Cluster Group in regard to the Local Authority Security Review Group and provided reports to each Council's Management Teams in regard to the identification of vulnerable areas, that could be subject to potential terrorist attacks
- Reviewed and updated the rota in regard to the strategic duty officers at South Ribble
- Provided training for strategic duty officers as and when required
- Taken part in LRF events
- Participated in the Strategic LRF / Brexit group
- Compiled risk registers relating to the impact of a no deal Brexit on Local Authority's

Shared Financial Services Service Priorities 2019/20

The following service priorities outline what the service hopes to deliver in 2019/20 over and above 'business as usual' outcomes

Procurement

Project / task	Lead Officer(s)	Start Date	Finish Date	Actions	Outcomes and success measures
Develop a procurement training programme on the councils' e-learning platform	Janet Hinds	Aug 2019	Dec 2019	Research and training on e-learning platform Identify resource and appoint external support if required Consult with colleagues and identify key requirements Draft and build training on e-platform Consult and test	Procurement training available and ready to implement on e-platform
Develop and implement a Social Value Policy By April 2020	Janet Hinds	Sep 2019	Apr 2020	Research best practice Consult and draft outline policy Seek feedback and refine Submit for approval	Social Value Policy developed and implemented
Subject to resources including IT priorities and staff availability, develop and implement a simple contract management system, building on work already started at SRBC, and yet to commence at CBC	Janet Hinds	Apr 2019	SRBC: July 2019 CBC: Apr 2020	Complete testing and development of system currently under construction at SRBC with IT and Legal Services Seek Leadership Team approval Refine as required Roll out and implement Consult/ support Legal Services and other colleagues to replicate system at CBC, adapting and refining as required.	Contracts Management System in place and ready to roll-out across the Council.

Support financial systems team in updating creditors system to accurately report local and/ or regional spend.	Janet Hinds	Jul 2019	Mar 2020	Provide support as required to the systems team.	Systems team have sufficient information and support to update creditors system.
Recruit a graduate trainee to provide additional resources and succession planning	Janet Hinds	Sep 2019	Mar 2020	<p>Create a new graduate trainee role</p> <p>Create JD and have it evaluated</p> <p>Advertise, interview and recruit</p> <p>Create training plan and sign up the graduate to appropriate college course</p>	<p>Additional capacity</p> <p>Succession planning</p>

Financial Accounts and Treasury Services

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Ensure compliance with updated International Financial Reporting Standards (IFRS)	Michael Jackson	Aug 2019	Dec 2019	Review all leases including leases embedded in contracts	A full register of all leases including embedded leases
	James Thomson			Make necessary adjustments in statement of accounts	Adjustments carried out in the finance ledger
					Compliant statement of accounts
Renew Bank Contract and Merchant Acquiring Services Contract	Michael Jackson	Apr 2019	Oct 2019	Review and agree approach to renewal	Renewed contracts
	James Thomson			Procure professional advice	Potential savings to both councils
Investigate the use of Civica Bank Module for SRBC (already implemented at CBC) to provide faster and more accurate bank reconciliations	Michael Jackson	Aug 2019	Dec 2019	Review bank reconciliation processes at SRBC	Review of bank reconciliation processes at SRBC
	James Thomson			Liaise with SRBC ICT service to assess the efficiency of implementing the new module	A new bank reconciliation module with a training programme to relevant officers
				If it provides VFM and an approach can be agreed with ICT services, implement module	Faster and more accurate bank reconciliations

Financial Systems & Exchequer Services

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Making Tax Digital Phase 1	Richard Birchall	Jun 2019	Oct 2019	Mandatory changes in reporting to the HMRC electronically.	Compliant with phase 1 requirements to report payments made to creditors to HMRC electronically
Phase 2	Michael Jackson		Oct 2020	Initially involves looking at options in the market with the treasury management team. From there the use of Civica modules will be explored Communication with other councils in Lancashire with regard to different approaches	Financial system is more easily interrogated for supplier payments
Improve payroll file integration with finance system	Richard Birchall	Apr 2019	Dec 2019	In conjunction with payroll configure the salaries, overtime, on call etc data so the process can be automatically imported into the ledger	Automatic integration of payroll files into the ledger
Strawberry Fields Digital Hub Income Software integration with finance system and debtors system	Richard Birchall	Apr 2019	Aug 2019	Liaise with Civica team to integrate new tenancy system at Strawberry Fields to Civica Financials and Debtors Test System and fix problems Implement integrated system	Strawberry Fields Digital Hub income system integrated with Debtors and GL Positive feedback from Digital hub Management and Debtors team
PA-DSS Icon upgrade	Richard Birchall	Jun 2019	Oct 2019	Testing and implementation of ICON version 17.5 and mandatory 3D Secure v2 upgrade	Upgrade ensures financial system is PA-DSS compliant (a part of PCI-DSS)
Civica Financials upgrade to V19 or V19.5 if available	Richard Birchall	May 2019	Feb 2020	Upgrade the test financial system. Test core functionality. Upgrade the live financial system.	Eliminating the possibility of corrupt data Eliminating the possibility of introducing system bugs in the new version
Roll out of Civica Financials Web Client	Richard Birchall	Jun 2019	Sep 2019	Train relevant staff to use the web client version of Civica Financials	100% of staff at both councils using web client

				Provide online learning resources and FAQs Phase out old system	
Project Starting: Tender process for new PCI-DSS compliant payment system	Richard Birchall	Sep 2019	Jul 2020	Agree procurement approach and desired outcomes Stakeholder mapping and engagement with key service managers Agree timetable and resources	Detailed business plan
Changes to car lease scheme within SharePoint	Richard Birchall	Apr 2019	Dec 2019	Gain feedback from the finance team and staff as to how improvements can be made Draw up process map of lease car administration Identify improvements and create new SharePoint processes Provide on-line support for users	Improved workflow that mitigates the risk of cars not being insured More lease car queries dealt with by the user rather than finance
Update creditors systems to analyse local and SME spend	Stuart Roberts	Jul 2019	Mar 2020	Update creditor system to allow the flagging of local businesses and SMEs Agree a definition with procurement for local and SME Update existing creditors system Write reports that extract the data	Updated creditor system Spend analysis reports
Make amendments to purchase order and invoice authorisers	Stuart Roberts	Jul 2019	Mar 2020	Review current list Report to senior management teams potential improvements that could be made With agreement implement changes alongside training for those that require it	A more effective spread of authorisers at various levels of both organisations Improvement in the time taken to approve and process invoices Improved PIs for SFS

Management Accounts (Chorley Borough Council)

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Business Rates	James Thomson	Apr 2019	Draft Budget Jan 2020 Final Budget Feb 2020	Model the impact of potential changes to business rates retention in 2020/21. Brief Senior Officers and Members outlining assumptions made. Include in draft and final budget 2019/20.	Up-to-date, accurate and agreed business rates information included in MTFS.
Review Financial Procedure Rules (FPR)	James Thomson	Jul 2019	Jul 2019	FPRs have been reviewed at SRBC and they need updating for CBC.	Report to Full Council with updated FPRs.
Support the Chorley Council Transformation Programme	James Thomson	Apr 2019	Mar 2020	Provide budget management and strategic finance support Implement new monitoring processes for projects becoming operational in 2019/20	Up-to-date capital and revenue information for project managers and SMT Financially assessed business plans Financial presence and support to all transformation project board meetings Up-to-date MTFS monitored throughout the year
Support the implementation of the Senior Management Review	Dave Bond	Sep 2019	Dec 2019	Liaise with service managers to adjust budgets Liaise with HR to amend payroll records Refresh the chart of accounts and budget monitoring and budget setting working papers	Up-to-date staffing structure in finance and HR systems Up-to-date authorisation levels for purchasing system

Management Accounts (South Ribble Borough Council)

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Review of Constitution	Jane Blundell	June 2019	Dec 2019	Provide revised document for discussion and approval by the leadership team and Council.	Delegated authority to officers for approval of revised phasing and spend on capital projects within approved Capital Programme Revised governance arrangements for approval of My Neighbourhood Forum projects
Revise monthly budget monitoring reporting	Jane Blundell James McNulty	May 2019	Sep 2019	Further development of budget monitoring reports Development of revised month-end processes Set up regular budget meetings with capital project leads Review and support financial reporting requirements in Inphase	Reduce monthly processing to allow for greater analysis and value added Up-to-date capital and revenue information for project managers and Leadership Improved budget forecasting and phasing of capital projects
Support the delivery of the Corporate Plan Projects	Jane Blundell James McNulty	Apr 2019	Mar 2020	Provide budget management and strategic finance support Support use of Performance Management System	Up-to-date capital and revenue information for project leads and Leadership Team Finance support/attendance at project meetings Up-to-date MTFS monitored throughout the year

Management Accounts (Joint)

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Review Fees & Charges	Dave Bond James McNulty	Jul 2019	Jan 2020	The 2019/20 review at both councils provides an opportunity to share benchmarking information and pool resources to complete an identical project Review, benchmark and model the impact of potential changes to fees and charges. Approve changes with senior management teams and brief members for approval.	Review of all current fees and charges Reports to Exe Cabinets Jan 2020 Updated fees and charges register
Create monthly staffing costs reports	Dave Bond James McNulty	Jul 2019	Dec 2020	Agree requirements of the report Agree format of the report Test the new format with budget managers Implement final version of report	Identical processes for generating reports Identical reports for both councils Positive feedback from service managers
Change cost centre and detail code hierarchy	Dave Bond James McNulty	Jun 2019	Sep 2020	Review current cost centre structure including cost centre managers/budget holders Review and amend detail code hierarchy Change cost centre hierarchy to match revised council staffing structures	Cost centre hierarchy matches both council's structures More efficient processing of purchase orders and invoices Better analysis of income and expenditure totals directly from the system
Investigate the procurement of a new finance system and HR system	Jane Blundell James Thomson	Aug 2019	Mar 2020	Define what is required from a new system Procure advisors to soft market test the possibilities for both councils Report to respective senior teams	Alignment of processes at both councils Possible sharing of systems with other councils

				Resource project if the plan is to changes systems Create project and procurement plan	
Investigate the possible procurement of a joint valuations contract	Jane Blundell James Thomson	Aug 2019	Jan 2020	Review current requirements with Property and Insurance services Write draft specification and evaluation criteria Advise senior management teams on preferred approach Post tender on Chest and approve supplier via EMD	Joint year-end valuations contract Possible joint valuations contract for insurance purposes

Shared Assurance Services - Service Priorities 2019/20

The following service priorities outline what the service hopes to deliver in 2019/20, the service is subject to an ongoing review, the business improvement plan will require re-visiting pending the outcome of the review.

Internal Audit

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Use of IDEA for key financial audits & other data analytics across both Council's services	Janice Bamber	May 2019	Jul 31 st 2019	Produce a business case to identify cost / benefit of upgrading licences Arrange a presentation to both Senior Management Teams Identify other services where IDEA can be beneficial Identify costs, IT requirements and training needs to implement and use going forward Implement use of IDEA for auditing key financial systems	Improved testing of key financial systems Identification of trend analyses Able to audit complete systems and controls inbuilt within computer systems to provide assurance Widespread data analytics tool Officers within key services able to analyse data Move towards continuous auditing
Investigate the cost / benefit of an Audit Management system	Janice Bamber	Jul 2019	Mar 2020	Identify audit management systems available and their uses Identify audit requirements of the system, e.g. risk assessments of auditable areas, use for planning, working papers input to system and reports produced Time recording and reporting for producing monitoring reports	Improved planning and management toll Reduction of time taken to compile working papers and reports (a lot of process automated) Improved agile working Robust risk assessment processes for planning Improved reporting to Governance Committee

Improve and further embed Risk Based Auditing	Janice Bamber	Apr 2019	Mar 2020	Review risk based audit processes in line with best practice Review working papers, reports, action plans and challenge in line with best practice Review & challenge current way reports are written and challenge in line with best practice Review & challenge current Management Action implementation and monitoring process	Improved working papers & reporting which will add value to the organisation Ensure processes are in line with best practice
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Risk Management, Emergency Planning & Insurance

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Risk Management Further embed risk management framework, processes & systems at both Councils on a corporate, service, operational and project level	Janice Bamber	Jun 2019	Mar 2020	Review existing risk management framework and ensure fit for purpose Review current processes for managing risk management and ensure best practice is employed Design a process for ensuring risk management is embedded throughout both Councils Provide training on risk management at appropriate levels	Improved Risk Management framework Improved process for managing, embedding and reporting risk Improved capabilities for staff through training
Emergency Planning Produce Town Centre Evacuation Plan for Chorley	Janice Bamber / Kerry Maguire	Jun 2019	Mar 2020	Work with relevant officers at Chorley to produce a robust town evacuation plan Document & produce plan Ensure all staff are made aware and receive relevant training to action plan Undertake a table top exercise to test plan	Robust evacuation response for Chorley Town Centre
Review and maintain all Emergency Plans and procedures on an ongoing basis	Janice Bamber / Kerry Maguire	Jun 2019	Mar 2020	Review and maintain all emergency plans on an ongoing basis Provide updates where necessary Ensure staff are made aware & provide relevant training where required	Robust plans and relevant officers trained

Insurance Explore the procurement options for future Insurance policies to ensure robust procurement is undertaken and all options considered	Janice Bamber / Kerry Maguire	Jun 2019	Dec 2020	Explore and identify advantages & disadvantages of various procurement routes including LGA Mutual, CCS & YPO Frameworks, Competitive tendering process	Robust procurement procedures Understanding of all options and the advantages / disadvantages in order to make informed decisions
Review & update processes for claims administration	Janice Bamber / Kerry Maguire	Jun 2019	Mar 2020	Review current processes & identify if any / all parts of the processes can be delivered differently Provide options papers to Senior Management Teams at both Councils Ensure processes are robust	Improved processes Release of capacity within Insurance team to undertake more proactive work

Shared Assurance Service

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Undertake a review of Shared Assurance Services	Tim Povall / Gary Hall / Rebecca Huddleston / Janice Bamber	Apr 2019	Aug 2019	Review Shared Assurance function, scope & provide options in regard to continued delivery of the service and how it is delivered	Effective Shared Assurance Service

Shared Financial Services - Performance Measures – 2019/20

Ref	Performance Measure	Target
SFS 01	% variation between the forecast outturn at month 6 and the actual outturn at month 12	Less than 5%
SFS 02	15 Working days from period end closure to the distribution of financial reports	100%
SFS 03	Year end statutory accounts to contain no material errors and have an unqualified audit opinion	
SFS 04	Compliance with The Prudential Code	100%
SFS 05	Statutory Grant Claims and Returns to be submitted on time	100%
SFS 07	Supplier Payment within 30 days	99%
SFS 08	Supplier Payment within 10 days	83%
SFS 09	% of supplier payments by electronic means	97%
SFS 10	% of remittances to suppliers by electronic means	95%
SFS 11	% of Financial Systems availability	99.5%

The 10 day supplier payment target will be removed as this target has never been achieved at CBC or SRBC. The requirement for reporting payment days comes from a number of sources:

- The prompt payment code that both CBC and SRBC signed up to required payment within 30 days and to monitor the performance of this
- The Public Contracts Regulations require local authorities to publish their 30 day payment performance annually along with any late payment interest due, or paid, on any late payments
- The government's faster payment initiative about five years ago required all public sector organisations to agree to aim for a 10 day payment target and all central government departments had to publish their 10 day and 30 day payment performance. This has since reduced to 5 day and 30 day

A request to other Lancashire District Councils was made as to payment targets, of the six that responded only Preston has a 10 day target and this is only achievable as Preston Council sets up all creditors as direct debits.

It is now the view of SFS that the 10 day target should be removed as a performance target and replaced with a commitment to monitor the speed at which the council makes payments to local and SME businesses. This is included in the Financial Systems and Exchequer Service's service plan for 2019/20.

The 15 working day management accounts target will not apply in April and May due to the demands placed on the management accounts team in closing the accounts and generating the statement of accounts.

Shared Assurance Services - Performance Measures – 2019/20

Ref	Performance Measure	Target
SAS 01	Planned Internal Audit Time	90%
SAS 02	Audit Plan Completed	85%
SAS 03	Management Actions Agreed	95%

Shared Financial Services Risk Review

Risk	RAG Status	Status/Actions
Review of shared services and in particular SFS diverts staff time away from delivering service plan	Red	Shared services review will involve staff consultation and engagement taking time away from day to day activities and project work
There is a lack of skills within the team to deliver the shared services plan	Yellow	The current staff in SFS have the necessary skills to deliver the service plan or will buy in external expertise to deliver it e.g. Civica support or procurement support for bank contract There is an inherent risk that there is insufficient succession planning such that some skills may be lost if a restructure is completed
There is a lack of capacity within the team to deliver the shared services plan	Yellow	There is a high demand on the SFS, especially procurement and the financial system team. Any unforeseen demands on these teams, such as new corporate projects, may impact on these services in particular.
Services external to SFS do not have the capacity to help implement the SFS service plan	Yellow	The main demand will be on both councils' ICT services. SFS must ensure its projects are built into both councils' ICT programmes.

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Shared Financial Services Skills Review

Additional Skills Identified	Project/Action	Required by whom	Required by date
Commercial/investment appraisal skills	In-house and external training	Management accounts	31/03/20

Shared Assurance Services Risk Review

Risk	RAG Status	Status/Actions
Review of shared assurance services diverts staff time away from delivering service plan	Red	Shared services review will involve staff consultation and engagement taking time away from day to day activities and project work
There is a lack of skills within the team to deliver the shared assurance services plan		The current staff within Shared Assurance have significant skills to deliver the business improvement plan, however, there are some specific skills required that will either have to be bought in to support implementation or training provided to enable the delivery There is a current risk in regard to the right levels of skills being in place due to long term sickness of one postholder and due to the service carrying vacancies at present
There is a lack of capacity within the team to deliver the shared services plan	Yellow	There are currently resource issues within Shared Assurance Services which has reduced capacity within the teams and there is currently insufficient capacity to deliver all improvements within the plan
The business improvements planned do not deliver the required or outlined benefits	Yellow	Further investigation in regard to business outcomes and cost / benefits needs to be undertaken in order to determine the validity of the proposed business improvements.

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Shared Assurance Services Skills Review

Additional Skills Identified	Project/Action	Required by whom	Required by date
IDEA Software training	External Training	Internal Audit & other services to be determined	31/03/20

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