

FINANCIAL SERVICES IMPROVEMENT PLAN FOR 2018/19 to 2019/20

1. INTRODUCTION

- 1.1 This service plan sets out the priorities of Financial Services for 2018 to 2020 and the context within which the service operates.
- 1.2 The service plan supports the objectives of the Moray Community Planning Partnership's Local Outcome Improvement Plan and the Moray Council's Corporate Plan. The main focus of the service plan is on the Council's priority to work towards a financially stable council that provides valuable services to our communities, but the work of the service supports the full range of Council activities.
- 1.3 The specific actions planned for 2018/20 are set out in **Appendix B** to this report, along with associated timescales.

2. REVIEW OF THE PAST YEAR

- 2.1 Financial Services made good progress against the service plan for 2017/20 and regular reports have been submitted to Policy and Resources Committee.
- 2.2 Highlights of the last year have been:
 - Implementation of the Income Management system
 - Embedding e-invoicing in the Financial Management System (fms)
 - Introduction of paperless direct debits
- 2.3 Areas where progress has fallen behind the target set in the service plan for 2017/20 are:
 - Provision of improved budget manager reports
 - Incorporation of budget manager training and fms training into the Council's e-training system (CLIVE).
- 2.4 Targets from 2017/18 not yet met are carried forward into the 2018/20 service plan.

3. SERVICE STRUCTURE

- 3.1 The structure diagram in **Appendix A** shows the different services provided by Financial Services and the total net cost of service provision.

3.2 Key strategies and policies underpinning the work of Financial Services include:

- Prudential Code
- Treasury Management Strategy
- Capital Strategy
- Corporate Asset Management Plan
- Procurement Strategy
- Financial Regulations

4 SERVICE PLAN OBJECTIVES

- 4.1 The main objective for Financial Services is to support the good stewardship of public funds by the Council within the current challenging financial environment. The Council's priority of achieving financial stability sits within this objective. Financial Services has a lead role in the financial management of the Council's revenue and capital budgets and ensures that robust budgetary control procedures are in place.
- 4.2 The main outcome Financial Services must deliver is to make payments accurately and on time. This includes payment of salaries and expenses to staff and elected members; payments to HMR&C, and payments to the council's suppliers and contractors. To achieve these outcomes efficiently and economically Financial Services make use of technology and constantly seek to automate and improve processes.
- 4.3 Other service outcomes include managing the council's cash flow to have sufficient cash to make these payments and investing any cash balances prudently; achieving a balanced budget; producing unqualified annual accounts; providing timely and accurate financial advice and returns; supporting the effective procurement of goods and services.

5 HOW WE DEMONSTRATE CONTINUOUS IMPROVEMENT

- 5.1 The Council's continuous improvement framework will help the service to identify where it can be more effective, efficient and responsive. The table in **Appendix C** details the various management tools which the Council has in place to help demonstrate continuous improvement and how Financial Services uses them.

It is intended that the table should:

- Act as a checklist for the various management tools for future
- Help identify gaps and standardise practice where appropriate

Head of Financial Services

Payments Manager			Principal Accountants	
Payroll	Procurement	Banking	Financial Planning	Grampian Valuation Joint Board
Travel and Subsistence	Purchasing	Treasury Management	Budget Monitoring	MIJB
	Accounts Payable	Insurance	Annual Accounts	Common Goods
		Tax	Financial returns	Trusts
		Accounts Receivable	Financial advice to committees	War Vets
		Fms administration and development	Support major projects	
Training				
Cost of Financial Services: £1.7 million				
58.5 fte				

SUMMARY OF FINANCIAL SERVICES PLAN 2018/20

APPENDIX B

Ref	Service Plan Action	Reason for this action and links to other plans and policies	Impact/ Outcomes	Lead Officer	Target Completion Date
1	Support the Financial Planning Process:	Assist elected members to set a balanced budget, underpinning the delivery of the priorities detailed in the Corporate Plan by providing accurate, timely and relevant information for decision making. Improve budget monitoring information to committee, CMT and budget managers, providing best value for our customers.	To assist Members in developing a sustainable financial plan for Moray Council for the 3 years 2019/20 to 2021/22. Revised budget monitoring format to P&R / Council Develop suite of reports to CMT to include savings monitoring Revised budget monitoring reports to budget managers High-Medium-Low risk area and associated SLAs reviewed Lower level of unplanned procurement work; procurement plans embedded in financial planning process.	Head of Financial Services with CMT/ SMT Principal Accountants Head of Financial Services Principal Accountants Principal Accountants and Payments Manager Payments Manager	Ongoing – milestone dates will be reported to council as the planning process develops December 2018 September 2018 June 2019 September 2019 March 2019 (staged milestones within Action Plan and DPAPs)

Ref	Service Plan Action	Reason for this action and links to other plans and policies	Impact/ Outcomes	Lead Officer	Target Completion Date
2	Provide Financial Advice/Support for the Council's large strategic projects such as new schools, service reviews and NESS, and Community Asset Transfers.	Financial Services provide support to the council's Transformation Board and other Project Boards. These oversee the delivery of the council's main priorities as expressed in its Corporate Plan. There is a need to ensure that the financial support provided is effective and delivers Best Value.	To ensure that timeous and robust financial advice assists decisions to be taken by members in the delivery of these strategic projects.	Head of Financial Services	Ongoing and will be measured against the timetable set for each Board.
3	Progress Phase 2 of the new HR / Payroll system	This project does not directly link to a council priority, but it does underpin the delivery of all the council's services.	An efficient, integrated HR / Payroll system, meeting all statutory requirements.	Corporate Director (Corporate Services)	Ongoing through 2018/19
4	VAT leisure review	Recent VAT tribunal cases regarding the provision of leisure services prompt this review, which has the potential to deliver savings to the council but would require changes to ways of working, dependent on the route taken.	Decision on VAT treatment of leisure services. Implementation of decision dependent on direction of travel.	Head of Financial Services / Payments Manager	Conference call 26 July This will determine direction of travel and likely timescale

Financial Services - How we demonstrate continuous improvement

APPENDIX C

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	Accountancy			Payroll			Procurement			Banking and Income		
	Date report to Comm	Date of last review	Date of next review	Date report to Comm	Date of last review	Date of next review	Date report to Comm	Date of last review	Date of next review	Date report to Comm	Date of last review	Date of next review
How we engage with our customers	No	Dec-17		No			No			No		
Customer satisfaction survey	Various - monthly and ad hoc			No, but payroll communication group and payroll bulletin allow for regular communication			Supplier events, tender feedback sessions, systems supplier meetings			Regular TM and Bank meeting to review service delivery		
How we demonstrate good governance												
Annual budget review meetings	No	Aug-17	Aug-18	No	Aug-17	Aug-18	No	Aug-17	Aug-18	No	Aug-17	Aug-18
Regular reporting budget to Committee	No		N/A	No		N/A	No		N/A	No		N/A
Departmental procurement action plan	No	Aug-17	Aug-18	No	Aug-17	Aug-18	No	Jan-17	Aug-18	No	Jan-17	Aug-18
Team Plan	No	Jun-18	Jul-18	No	Mar-18	Jul-18	No	Mar-18	Jul-18	No	Mar-18	Jul-18
How we measure performance												
Corporate (SOLACE) benchmarking		N/A			N/A			N/A			N/A	
Service benchmarking	No	Jul-14	Not planned	No			Yes	Mar-17	Mar-19	No		
Director of Finance Pls		Aug-17	Aug-18		Aug-17	Aug-18					Aug-17	Aug-18
Performance Indicators	Yes		quarterly	Yes		quarterly	Yes		quarterly	Yes		quarterly
Public Services Network (PSN)		N/A			N/A			N/A			N/A	
How we demonstrate service improvement												
PSIF review	No	May-16	May-20	No	May-16	May-20	No	May-16	May-20	No	May-16	May-20
Service productivity	Timeliness of service monitored.			No	Various volume measures, accuracy of payments etc			Yes	Annual Performance report with progress against strategic targets, contract volume, financial savings, community benefits. Time for paying invoices. Various volume measures for AP.	No	Various volume measures eg number of Direct Debits	
How we engage with and develop our staff												
Staff survey (corporate)	Yes	Jun-17	Jun-18	Yes	01/06/2016	Jun-18	Yes	Jun-17	Jun-18	Yes	Jun-17	Jun-18
ERDP	No	Nov-17	Nov-18	Yes	Phased throughout year			Phased throughout year			Phased throughout year	
Personal Development Plans/CPD	No	at ERDP		No	at ERDP		No	at ERDP		No	at ERDP	
Workforce planning	yes	Dec-16	Aug-18	Yes	Dec-16	Aug-18	No	Dec-16	Aug-18	No	Dec-16	Aug-18
Regular team meetings	No	Monthly		No	Monthly		No	Monthly		No	Monthly	
How we manage risk												
Risk registers	No	Mar-18	Sep-18	No	Mar-18	Mar-19	No	Mar-18	Mar-19	No	Mar-18	Mar-19
Business Continuity Plan	No	No	No	No	Jul-16	Sep-18	No	Jul-16	Sep-18	No	Jul-16	Sep-18
Health and Safety Risk Assessment	No	As required		No	As required		No	As required		No	As required	