



Service Plan Template for 2008/09 (covering April 2008 – March 2011)

Service Plan for: Strategic Finance

Directorate: Resources

Service Plan Holder: Head of Finance

Workplans: Corporate Accountancy and Exchequer

Director: Resources

Signed off

Date:

EMAP : Corporate Services
Cllr Ceredig Jamieson-Ball

Signed off

Date:

Section 1: Our service

Service description

Service Functions

- Corporate Accountancy (includes FMS replacement)
- Creditors
- Debtors (including recovery of Housing Benefit Overpayments)
- Payroll

Service Linkages

		Service Functions			
		Corporate Accountancy	Creditors	Debtors	Payroll
Internal Customers	Elected Members	Strategic financial advice & management			
	Management Team	Strategic financial advice & management			
	Directorates	Strategic financial advice & management	Provision of payment service	Debt collection / recovery service	Provision of payroll service
	Finance Teams	Strategic financial advice & management			
	Human Resources				Provision of payroll service
	CYC Staff				Provision of payroll service
External Customers	Central Government	Financial information, VAT.	Payments to governmental bodies.		Provision of payroll related data.
	Pensions	Strategic overview of CYC pensions			Provision of pension related data.
	Audit Commission	District Audit, CPA, Specific Studies	District Audit	District Audit	District Audit
	Parish and Other Government Bodies	Council Tax, Double Taxation	Payments to	Payments from	Taxation
	Payroll Clients				Full Service
	Financial Institutions	Banking and Treasury Management			
	Public	Financial Information	Payments to	Payments from	

Service objectives

- SO1** - To ensure all financial operations of the council are conducted in a timely and accurate manner in line with statutory and regulatory requirements.
- SO2** - To champion effective financial management.
- SO3** - To utilise good services to optimise the council's financial position.
- SO4** - To develop and maintain quality, constructive relationships with key clients and customers.
- SO5** - To contribute towards the development of a modern, efficient and forward-looking council.
- SO6** - To implement replacements for core financial systems centred around a replacement ledger and a potential HR / Payroll system.

Section 2: The Drivers

Driver Type	How this might affect our service
External drivers	
The corporate inspection and changes to the CPA inspection criteria	Corporate finance will have a role in ensuring the new inspection criteria is understood and complied with to pursue the Council's aim to become excellent.
Significant amendments to statutory reporting requirements	Development work will be required to embed changes to the accounts that occurred in April 2007 and to deal with the additional major changes to the council's accounts from April 2008.
Dealing with funding changes	The service will need to deal with the implications of the three year settlement announced on the 6 th December 2007 and the ongoing transfers of resources between general grant, specific grant and other funding regimes.
Corporate drivers (Those with a Directorate driver dimension are indicated by a 'D' suffix)	
Replacement of the Finance Management System (D)	The FMS replacement project is led by the Accountancy team with key input also required from both the Creditor and Debtors teams in relation to the 'add on' modules for their services. Large amounts of work will be done to prepare for the new system going live the Summer of 2008.
Replacement of the HR/ Payroll System (D)	An appraisal of the future needs for the HR/ Payroll system will be undertaken in 2007/08. This may lead to the implementation of a system replacement project. Should this be the case then the service will be responsible for leading and project managing the project.
Budgetary Issues	As the lead service for coordinating and developing the budget, Accountancy will have a key involvement in defining future timetables of work and dealing with the further development of short, medium and long term financial planning.
Integrated Planning and Reporting	Accountancy has a pivotal role in developing and delivering an integrated approach to service and financial planning/ reporting.
Developing a medium term budget process within the scarce resources available	The service needs to lead upon the development of more strategic budget processes which will enable the council to fully utilise the opportunities available through multi-year settlements and enhance its ability to forward plan.
Review of the Council's transport arrangements	Externally funded study looking to reduce passenger journeys within York by one million miles per annum.
HR developments	Potential changes to employee details arising from the implementation of equal pay and job evaluation will distort the normal workflow for the Payroll Service and require significant accounting input.
Local Area Agreement	Work needs to be undertaken to develop new financial structures for the operation of the Council's Local Area Action plan.
Corporate projects	Strategic Finance has a key role in a number of corporate projects. These include Admin Accom, Gershon, the Finance Strategy, the annual budget process, job evaluation / equal pay, transport, ledger replacement and York Pools. In many instances finance staff act either as key officers and advisors for such work. In such an environment developing relevant skills will be key to their success.
Service drivers	
Development of comparative benchmarking information.	Work to be undertaken to establish and assess relative spend on services to that provided by other councils. Such work will help target work in the development of short, medium and long term budget planning.
Develop the management of external grants.	Work to be continued to maximize successful applications for government grants and to promote their proper management by the authority.

Section 3: Critical Success Factors (CSFs)

CSFs for 2008/09	Why a CSF?
1. To procure a replacement financial ledger and manage the process to ensure a successful implementation during 2008.	The replacement of the council's antiquated financial systems should enable step change improvements in terms of the quality of information and operational processes. A successful implementation is a critical success factor not only to the service but also to the council as a whole.
2. To deliver unqualified statement of accounts within the deadlines set by central government and in line with the revised code of practice.	York has a good track record in producing its accounts. However tighter deadlines combined with major accounting changes in 2007 created delivery problems and addressing these issues, the financial system replacement and further regulatory changes for 2008 will make maintaining this position a particular challenge.
3. Delivering strategic business and financial planning.	Over recent years the Council has made great improvements in its medium term financial planning however in order to continue to effectively deploy the scarce resources available to it further improvements and integration must occur in order to deliver effective business planning for the authority.

Section 4: Links to corporate priorities

Corporate Priority	Contribution
Decrease the tonnage of biodegradable waste and recyclable products going to landfill.	<ul style="list-style-type: none"> a. Move to electronic mechanisms for invoicing, payments and debt collection. b. Ledger replacement to provide enhanced electronic rather than paper driven systems.
Increase the use of public and other environmentally friendly modes of transport.	<ul style="list-style-type: none"> c. Support for internal transport review.
Increase people's skills and knowledge to improve future employment prospects.	<ul style="list-style-type: none"> d. Continued support for professional, work related and personal development training. e. New ledger system will provide opportunities for enhanced financial training for finance and non-finance staff.
Improve leadership at all levels to provide clear, consistent direction to the organization.	<ul style="list-style-type: none"> f. Provide modern financial systems to aid effective management decision making. g. Embedding delegation and training to enhance the succession needs of the service. h. Further enhancements to the financial planning process.
Improve the way the council and its partners work together to deliver better services for the people who live in York.	<ul style="list-style-type: none"> i. Deliver training and support for internal staff and partners. j. Address with colleagues in City Strategy the council's partnership action plan. k. Further integrate partners into the development of the Council's financial strategy and annual budgets.
Improve efficiency and reduce waste to free up more resources.	<ul style="list-style-type: none"> l. Manage the council's efficiency review programme, financial strategy and budgeting processes. m. Develop integrated service and financial planning / reporting. n. Review the effectiveness of the council's budgeting processes. o. Use the replacement ledger as a catalyst for change in how services are delivered. p. Provide skilled financial support for key projects in the council.

Section 5: Scorecard of improvement measures & actions

Customer based improvements

Customer measures					
Measure		Current	2008/09 Target	2009/10 Target	20010/11 Target
C1	Maintain and improve on relevant areas of the CPA (currently included in Use of Resources)	2	3	3	3
C2	Number of staff accessing a salary sacrifice benefit		450	500	400
C3	Number of external Payroll Clients		14	14	15
C4	External Funding Information Requests Dealt With	To be provided	To be provided	To be provided	To be provided
Customer actions					
Improvement action			Deadline		
To make positive progress on the FMS replacement project			Implementation Autumn 2008		
To continue progress on improving the quality of services as judged by the Audit Commission as part of the CPA scoring system			Judgement January 2009		
To ensure we produce Final accounts in line with revised deadline and without qualification.			Submission to Council by 30 th June 2008 Unqualified opinion from Audit Commission by 30 th September 2008		

Process based improvements

Process measures					
Measure		Current	2008/09 Target	2009/10 Target	20010/11 Target
P1	BVPI 8 – Invoices paid with 30 days (council wide measure)		96%	96.50%	97%
P2	Paying all staff correctly in year		100%	100%	100%
P3	Key Report Deadlines Met (total 16)		100%	100%	100%
P4	Key Internal Milestones Met (total 25)		100%	100%	100%
P5	Invoices Raised		50k	45k	40k
P6	Invoices Processed (manual input)		110k	100k	80k
P7	Invoices Cancelled or Disputed		1,000	750	500
P8	Number of Voluntary Early Retirements		60	60	60

Process actions

Improvement action	Deadline
Restructure coding structures on the new financial ledger.	July 2008
Implement automated invoice processing system as part of ledger replacement	Implementation of ledger summer 2008 Completion of workflow amendments 31/3/09
Work planning to identify and manage key milestones to be delivered in year.	28 th February 2008

Resource management improvements

Resource measures

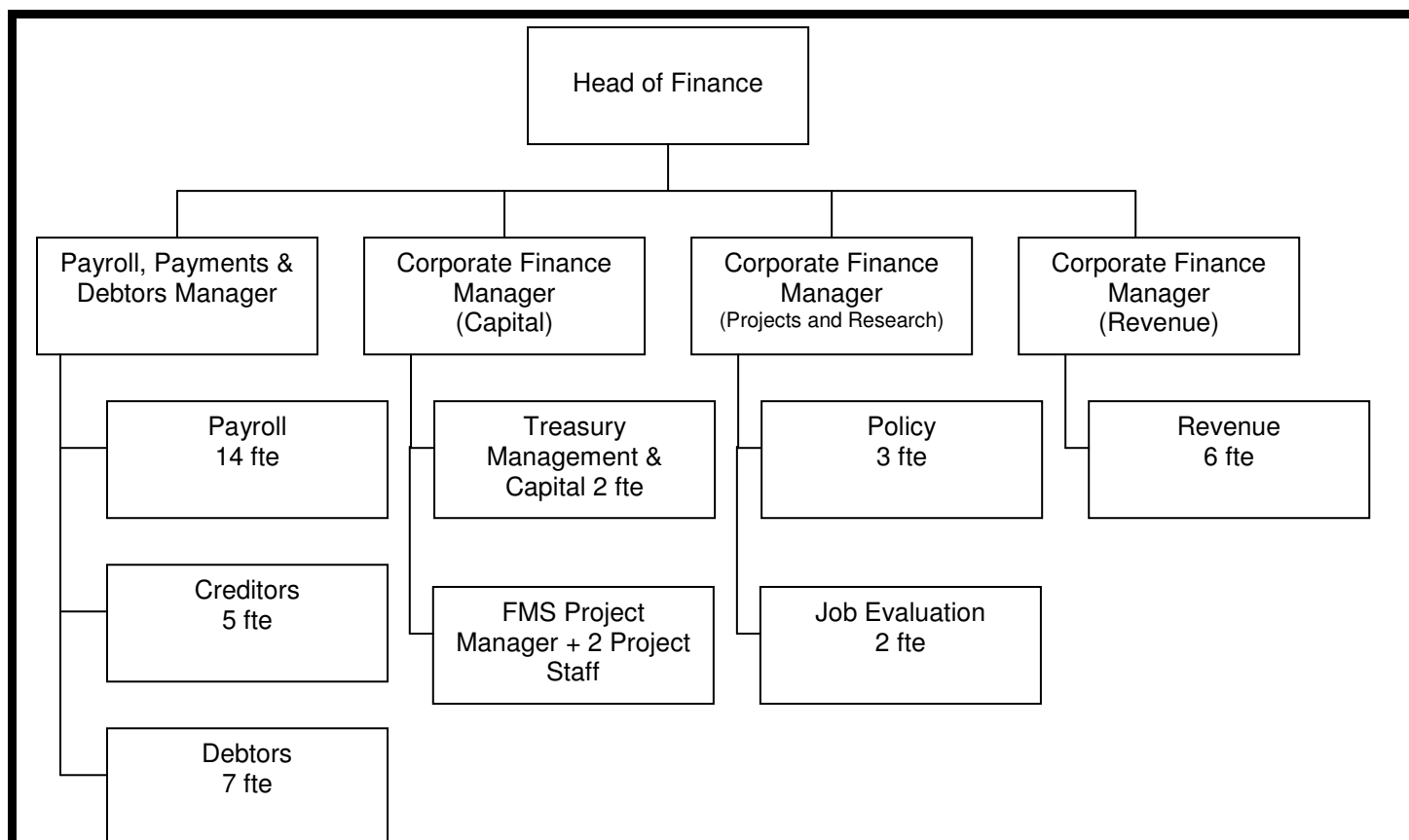
How will you check whether you are improving from a **resource management** perspective? This covers financial/budget/staff based improvements, such as cost, budget management, staff absence, etc.

Measure	Current	2008/09 Target	2009/10 Target	2010/11 Target
R1 Improve level of housing benefit overpayment recovery.		£290k	£300k	
R2 Average Interest Payable on Council Borrowing		4.60%	4.60%	
R3 Benefit achieved from Treasury Management Activity		+1.00%	+1.00%	+1.00%
R4 Cost of Voluntary Early Retirements		£900k	£900k	£900k
R5 Proportion of staff holding a professional qualification relevant to their post.		94%	94%	

Resource actions

Improvement action	Deadline
Assess current staffing requirements to ensure appropriate opportunities exist for trainee posts to be established and supported.	On-going

Section 6: Resources



Budget

	<u>2007/08</u>	<u>2008/09</u>
Employees	£1,267	£XXXX
Premises	£ -	£XXXX
Transport	£4	£XXXX
Supplies and Services	£254	£XXXX
Miscellaneous	£ -	£XXXX
– Recharges	£844	£XXXX
– Other	£ -	£XXXX
Capital Financing	£ -	£XXXX
Gross cost	£2,369	£XXXX
Less Income	£(2,319)	£XXXX
Net cost	£50	£XXXXX

There has been a XX% increase/decrease in our budget since last year. This is due to.....

Please list any additional funding your service has received for 2008/09. This could be as a result of:

- Government funding increases or a grant
- A reprioritisation bid (previously called growth bids)
- A capital programme bid (AKA CRAM bid)