

FINANCE

Portfolio Holder Statement Update March 2013

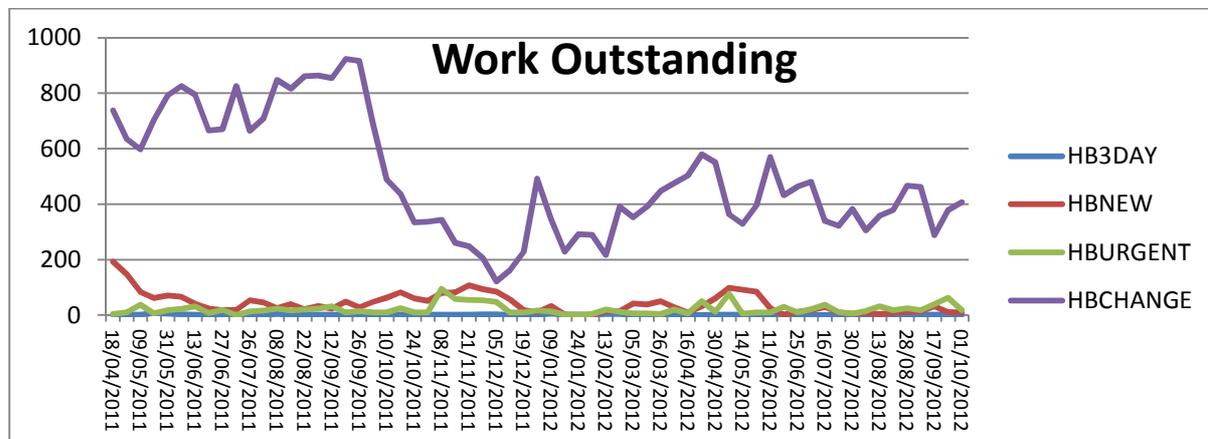
1. What have the measures in the Portfolio Holder Statement been telling you about how things are going in service during 2012/13?

The collection rates for the year were:-
 Council Tax 98.7% (98.9% for 2011/12)
 Business Rates 98.5% (98.5% for 2011/12)

These figures are in line with those for 2011/12 which was the highest year on record. Whilst 2012/13 for council tax is slightly below 2011/12, it does reflect the continuing difficult economic climate impacting upon everyone. Conversely, business rate has seen a further improvement. These collection rates are extremely impressive considering that for most of the year the section has been operating below full establishment due to staff turnover.

2. Which measures have been of particular interest or concern during the period and what have you learnt about your systems from these measures? Please attach the final version of your SAP customer & operational measures for the year.

Benefits work outstanding is monitored weekly. This is subject to seasonal peaks and troughs, notably around Billing (March).



The forthcoming Welfare Reforms have put additional work on the Benefits Team. This has included working with Housing & Property Services and other Social landlords to ensure customers affected by the changes coming in from April 2013 are aware of the changes and what options are available to them. In addition, the changes from council tax benefit to council tax support has entailed much additional work, and even more in 2013/14 as the Council agrees its own scheme for 2014/15. Whilst undertaking all this work, staff are aware that the Welfare Reforms will impact upon their own roles in the future, for which there continues to be great uncertainty due to the lack of detailed information from DWP over Universal Credit.

Despite these changes, challenges and uncertainties, the chart shows that the Team have kept on top of the workload, with no overall increase in backlog.

3. What have you done to date as a result of learning from these measures?

Telephone calls to the Customer Service Centre in respect of Council Tax and have continued to reduce as shown below:-

- 2009/10 38,736
- 2010/11 48,886
- 2011/12 43,655
- 2012/13 34,757 (estimate to year end)

This reduction reflects a number of initiatives, including:-

- Working with CSC to ensure CSC staff are suitably trained and continue to endeavour to answer all calls without passing on.
- Improvements to written communication, letters etc, to ensure the content is as easily understood as possible.
- Increased use of the website, for which improvements to the content have been made over the period.

4. What has been the impact of what you have done to date?

With the introduction of Business Rates Retention from April 2013, there has been increased scrutiny of the sums being collected in respect of Business Rates. Systems are being put in place to monitor growth in Business Rates from April.

5. What else do you plan to do as a result of learning from these measures?

During 2012/13, there has been a staffing Review which has impacted upon many areas of finance, including most notably Accountancy, Payments and the FASTeam. As with any staffing review, this is a lengthy process to go through until any changes are implemented and staff have become accustomed to their new role. Accordingly, during the year it has not been possible to progress some initiatives as quickly as may have been hoped. Consequently, work will still be on-going on the "transactions review" during 2013/14. This project seeks to reduce the overall number of orders, creditor and debtor invoices being processed. Whilst some changes have been made during the year, further changes will be required as part of the 2013/14 Finance Service Area Plan.

The Budget Review process was introduced in April 2012. This includes a more holistic approach being taken to budget management. It will not be possible to ascertain how successful this work has been until the 2012/13 accounts are closed in June 2013. Consequently, this project will also feature in the 2013/14 Service Plan.

6. Of your key projects (as identified in your portfolio holder statement) how many were completed and how many are not? Of those that were not completed please indicate what the revised dates are.

Project	Progress	Original milestones	Revised milestones
Finance Staffing Restructure	Recommendations presented to Employment Committee in September and subsequently January for the Payroll/HR proposals.	Employment Committee report – September 2012	Payroll/HR proposals to be presented to Employment Committee in January 2013.
Budget Savings “post final accounts review”	Savings identified and included within 2013/14 Base Budget report.	July 2012 Budget Review	Further savings should be identified as part of on-going Budget Review, but these are often difficult to relate to being prior year “underspend s”.
Discretionary Budget Review	Savings identified and included within 2013/14 Base Budget report.	August 2012	December 2012
Local Council Tax Support Scheme	Status quo scheme agreed for 2013/14 by Council in December 2012.	Final scheme to be publicised February 2013	Amended scheme to be considered over 13/14 to be implemented April 2014.
Universal Credit	Details of housing benefit becoming part of Universal Credit are still very limited. Other Welfare Reforms are being introduced by the Government. We are continuing to work with claimants affected to help them manage these changes.	On-going watching brief	Greater impact expected in 2013/14 when HB is expected to transfer. SAP issue for 2013/14.
Benefits Fraud – Business cases for resources for more pro-active working.	Detailed “matches” for claimants in work requested. These proved to be less productive than referrals from other channels (Benefits Officers	May 2012	SAP 2013/14 to consider fraud staffing requirement following on from the

Project	Progress	Original milestones	Revised milestones
	primarily). Also, with many cases, whilst a fraud may be proven, the recovery of the overpayment of benefit is frequently difficult. With shift to SFIS (see above), this is not the time to be taking on additional HB fraud staff.		transfer of HB to UC.
Financial Management	New Budget Review process rolled out across organisation from April. Full impact will not be known until 2012/13 accounts are closed and process formally reviewed.	June 2012.	SAP 2013/14 to review success of Budget Review Process.
Transactional Review (Systems Thinking Initiative)	Since the new FASTeam has been in place in October 2012, further work has progressed in centralising creditor invoices, notably from Housing & Property Services.	On-going	SAP 13/14 to consider further H&PS invoices transferring, & processing of debtor invoices.
Insurance renewals 2012	Renewals followed EU procurement process. New contract in place to commence Nov 2012, broadly in line with budget.	By October 2012	
Review Code of Financial Practice	Progress delayed due to work on other Service Plan priorities, notably the Staff Review. Updated Codes of Finance and Procurement agreed by March 2013 Executive/Council	July 2012	January 2013 Executive
Officer Training - Budgets and Code of Financial Practice.	Budget Training provided to budget managers as part of Financial Management Review.		Code of Financial Practice training being rolled out in 2013/14.
Procurement – progress in line with action plan and to make financial savings	On track. Monitored by procurement champions. Annual reported to Finance and Audit Scrutiny Committee June 2012.	On-going	On-going

7. Does your Service Area Plan/Portfolio Holder Statement need to be amended? If so, please describe the changes.

Changes to milestones detailed in section 6.

Service Delivery Plan –2013/14

Name of Service / Portfolio			
Finance			
Purpose/Purposes of Services provided			
Note: please write this from the customer’s perspective. You may wish to include more than one purpose			
<ul style="list-style-type: none"> • I want the Council’s finances to be well managed, in accordance with best practice whilst ensuring best value for money is always obtained. • I want to know how I can do business with the Council and be able to tender fairly on an equal basis along with all other perspective businesses. • I require sound and understandable financial advice and a responsive support service to enable me to make the right decisions and to ensure the Council’s services are properly managed. • I want assurance that all risks are being properly managed and controls are in place. • I want the right benefits that I am due at the right time. 			
FFF Achievement Award Measure / Milestones			
	Agreed Measure / Milestone	Progress 1	Progress 2
1	Council Tax support Scheme progressed in line with project plan.		
2	Implementation of Income Management “On-Line” Returns		
3	Implementation of Council Tax Penalties		
Customer Measures – those important to the people/organisations who use our services			
Note : these measures should be used on a daily, weekly or monthly basis to identify the impact of interventions in the system and to plan future interventions. Interventions may be very small adjustments to resources, or may involve transformational change			

	04	05	06	07	08	09	10	11	12	01	02	03
Accurate and timely processing of Benefit claims	X	X	X	X	X	X	X	X	X	X	X	X
Prompt payment of invoices within agreed payment terms	X	X	X	X	X	X	X	X	X	X	X	X
Unqualified audit statement on Statement of Accounts						X						
Timely and accurate Budget and Financial Forecasts		X	X	X	X	X	X	X	X	X	X	X
Number of Benefits/Revenues calls to Customer Service Centre												
Operational Measures – other (non customer) measures essential to ensure that “purpose” can be achieved.												
Note: <u>this section will not be used by most service areas</u> as their Customer Measures are expected to be sufficient. However, there may be cases where an operational measure is required to ensure the smooth running of a service area.												
	04	05	06	07	08	09	10	11	12	01	02	03
Sundry Debt outstanding	X	X	X	X	X	X	X	X	X	X	X	X
Numbers of transactions – orders, creditor invoices, sundry debtor invoices	X	X	X	X	X	X	X	X	X	X	X	X
Efficient and timely CT & NNDR processing	X	X	X	X	X	X	X	X	X	X	X	X
Efficient processing of change of circumstances	X	X	X	X	X	X	X	X	X	X	X	X
Timely submission of benefit appeals	X	X	X	X	X	X	X	X	X	X	X	X
NNDR and council tax collection rates	X	X	X	X	X	X	X	X	X	X	X	X

Business Rate Growth	X	X	X	X	X	X	X	X	X	X	X	X	X
Completion of Internal Audit Plan													X

Approved Budget for 2013/14

Note : below are listed key income and expenditure targets which could significantly influence financial performance within the service area

Service Headings	Revenue Cost
Income	
Revenues	£661,800
Benefits	£31,330,000
Benefits (Admin)	£622,300
External Interest Receipts (Net to GF)	£205,500
Expenditure	
Finance (Support service) Gross	£1,198,700
Revenues	£628,900
Benefits	£31,024,900
Benefits (Admin)	£803,300
Discretionary Rate Relief	£52,100

Parish Councils (Concurrent Services and Council Tax support Grant)	£172,100
Treasury Management	£29,000
Non-Distributed Costs	£675,800
Corporate Management	£835,400
Planned Capital Expenditure – Project Heading	Project Costs (2013/14)

Workforce Planning													
Note : Describe predicted staffing issue and indicate when this is likely to impact on the service													
Staffing Impacts	04	05	06	07	08	09	10	11	12	01	02	03	
Universal Credit/Welfare Reforms	X	X	X	X	X	X	X	X	X	X	X	x	
Finance Staffing/Workforce Planning										X	X	x	
Review Housing & Property Accountancy support										X	X	x	
Key Projects – key milestones													
Note : this should include any FFF project and any other corporate project for which this service is the lead													
Project Name	Predicted savings (if relevant)	04	05	06	07	08	09	10	11	12	01	02	03

Council Tax Reduction – amend scheme for 2014/15	Benefits									Agreement by Council			
Welfare Reforms – manage impact and prepare for Universal Credit	Benefits	X	X	Joint DWP Event	X	X	X	X	X	X	X	X	X
Business Rates Retention – monitor and ensure all businesses are being correctly rated	Exchequer/Accountancy		Commence monitoring										
Budget Review – continue review, review process in light of 2012/13 outturn	Accountancy				Review								
Implementation of Income Management “On Line Returns” module	Accountancy							Target Live date					
Council Tax Penalty – introduction following April 2013 Executive approval	Exchequer						Commence amnesty		Charging in place				
Transactional Review – continue to seek to reduce transaction numbers and increase overall efficiency	Exchequer	X	X	X	X	X	X	X	X	X	X	X	X

Risk Management Strategy – continue to promote good risk management in line with Strategy and Action Plan	Audit & Risk	X	X	X	X	X	X	X	X	X	X	X	X
Code of Financial Practice – officer training	All						Training rollout	Training rollout	Training rollout				
Finance Staffing/Workforce Planning	All	X	X	X	X	X	X	X	X	X	X	X	X
Review Housing & Property Accountancy support	Accountancy				X	X	X	X	X	X	X	X	X
Review Discretionary Budget and implement reductions from 2014/15	Accountancy				X	X	X	X	X	Base Budget Exec Report			
Sign up to new Procurement Card and associated support system	Accountancy/Procurement												Prepare for April start
Consider impact of Public Sector Internal Audit Standards	Audit & Risk	X	X	X	X	X	X	X	X	X	X	X	X

Implement actions in Risk Management Action Plan.	Audit & Risk	X	X	X	X	X	X	X	X	X	X	X	X
Assist local suppliers to tender for Council contracts.	Procurement							X	X	X	X	X	X
Key Risks & Mitigation (including Equalities Impacts) <i>Highest scoring risks from Service Risk Register</i>	Cause <i>Full details included within Finance Risk Register</i>	Effect <i>Full details included within Finance Risk Register</i>			Impact			Probability			Mitigation/Control <i>Full details included within Finance Risk Register</i>		
Loss of ICT					Medium			Medium/High					
Loss of key records					Medium			Medium/High					
Loss/shortage of staff					Medium/High			Medium					
Provision of incorrect information / advice to stakeholders					Medium/High			Medium					
Inaccurate medium term financial plans / forecasts					Medium			High					
Insufficient benefit subsidy and admin grant received from Central Government					Medium			Medium/High					

Any Additional Commentary

Legislative Change :

Council Tax Reforms – commence 1 April 2013

Council Tax Support – commence 1 April 2013

Business Rates Retention Scheme – commence 1 April 2013

Climate Change :

Equalities Impacts:

Others Commentary:

Specific “non-Finance” projects will continue to need to be supported by Finance. These are likely to vary over the year, but include:-

- Royal Spa Centre
- Oakley Wood Crematorium
- Chase Meadow Community Centre
- Kenilworth PSC
- Strategic Asset Review and new offices
- Corporate Asset Review
- Housing Joint Venture
- FFF project support
- Auto Enrolment Pension Scheme
- Bowls England
- Empty Property Strategy

Linkages to Sustainable Community Strategy			
	Direct Contribution	Indirect Contribution	None
Housing		Benefits Service	
Jobs, Skill and Economy		Benefits Service, Procurement strategy	
Safer Communities			
Health and Well Being		Benefits Service	
Sustainability			
Involving Communities			
Narrowing the Gaps			
Supporting Families			
Rural Issues	Rural/Urban Capital Improvement		