



ABERDEENSHIRE FINANCE

SERVICE PLAN

2008 - 2011

Aberdeenshire Finance Service Plan 2008-2011

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Aberdeenshire Finance Service Plan 2008-2011

1. Introduction

- 1.1 Aberdeenshire Finance exists to ensure the proper administration of the financial affairs of the Council. It does this by ensuring the provision of a range of financial services that support the delivery of front-line services to the Council, taxpayers and communities in Aberdeenshire, the Scottish Executive and other external bodies. This update of the Aberdeenshire Finance Service Plan covers the period 2008 to 2011.
- 1.2 The budget for the service is allocated across seven core activity budget headings:-
- Accountancy
 - Corporate Finance
 - Revenue Services
 - Payroll & Payments
 - Integrated Benefits
 - Internal Audit
 - Customer Service
- 1.3 This Plan sets out the role of Aberdeenshire Finance and is structured to highlight the key aims and objectives of the Service, and to place the Plan within the wider context of the Council's overall strategic and community planning framework. The Plan incorporates a review of the previous year, highlighting the key achievements and changes in service delivery, and then sets out the main service performance measures and action plan for the following three years.
- 1.4 More detailed service plans are produced by Payroll and Payments and Integrated Benefits sections to reflect more specific actions and operational development within each part of the service.

2 Context of the Service Plan

2.1 Overview of Service

2.1.1 Service Vision

Aberdeenshire Finance fully supports the Council's new vision of "serving Aberdeenshire from mountain to sea – the very best of Scotland". At a Council-wide level, we provide support to other direct service providers in their drive to be "best". Direct service provision in Aberdeenshire Finance features in Revenue Services, Integrated Benefits and Customer Service, which contribute towards the "best quality of life".

The way we work, as described below, contributes towards excellence in services across the Council.

Aberdeenshire Finance exists to "ensure the proper administration of the financial affairs of the Council". This is done by providing a range of services covering all aspects of finance.

An important objective of Aberdeenshire Council is to not only use its financial resources to deliver the Council's policies and objectives economically, efficiently and effectively, but to change the way the Council works. These objectives are achieved through three discernable styles of financial management: 'Stewardship', 'Performance' and 'Transformation'.

- (i) **'Stewardship'** places emphasis on:
 - complying with external rules or requirements, such as those laid out in an Act of Parliament;
 - establishing internal rules to ensure strong audit trails;
 - ensuring good discipline and clear accountabilities;
 - managing key relationships with regulators, auditors, funders and others.
- (ii) **'Performance'** engages more strongly with the Council's objectives. Its emphasis is on providing the right information at the right time to enable managers to understand and use their skill and knowledge to adjust the drivers and inhibitors of performance.
- (iii) **'Transformation'** uses finance to help in achieving the Council's strategic aims. Financial resources are needed to re-engineer the organisation to operate in a different way and to make improvements in performance. It also helps to shape new strategies, structures and systems and influence the Council's culture.

2.1.2 Core Activities

Aberdeenshire Finance is one of the support services of the Council and includes the following main activities:-

Accountancy:	Preparation & Monitoring of Revenue Budgets; Preparation of Final Accounts; Provision of Financial Advice; Preparation & Monitoring of Capital Plan.
Corporate Finance:	Revenue Budget Consolidation; Development & Support of Financial Systems; Treasury Management; Provision of Insurance; Financial Option Appraisal.
Revenue Services:	Administration and Collection of Council Tax; Administration and Collection of Business Rates; Administration and Collection of Sundry Debtors. Reconciliation of Bank Accounts; Collection of Cash.
Payroll & Payments:	Payment of Salaries & Wages; Payment of Invoices; Travel & Subsistence; Administration of HCI & Childcare Scheme. Payment of Councillors' Allowances & Expenses; Administration of the Council Purchase Cards; Administration of all employee travel (train, aeroplanes and hotels).
Integrated Benefits:	Calculation & Payment of Housing Benefits; Calculation & Payment of Council Tax Benefit; Electronic Data Management; Prevention and Detection of Benefit Fraud.
Internal Audit:	Undertaking rolling programme of planned audits of Council activities and additional audits as requested by Services; Investigating matters of suspected financial irregularity.
Customer Service	Undertaking programme of Customer Service improvements throughout Aberdeenshire, incorporating all Services and contact channels; represent services at first point of contact via the contact centre, embracing process delivery re-engineering and setting performance measures.

2.1.3 Key Partnerships

Aberdeenshire Finance provides services to Grampian Fire and Rescue Service and NESTRANS (North East Scotland Transport Partnership), and works in partnership with key officers and board representatives in both organisations.

Aberdeenshire Finance is taking the lead in the development of a joint procurement strategy between Aberdeenshire and Aberdeen City Councils. The Council has also successfully negotiated to be the lead North East Hub for the Scotland Excel project, which will also involve Angus, Dundee, Perth & Kinross Councils, Grampian Fire & Rescue Service, and Grampian Police.

Aberdeenshire Finance is also exploring the potential for joint finance shared services with Aberdeen City, Moray, Highland, Argyll & Bute and the three Island Councils to create a North of Scotland shared services facility. Initially this review is focussing on revenues and benefits services.

Aberdeenshire Finance currently chairs the Finance Network, consisting of partners from NHS Grampian, Aberdeen City Council, Moray Council, Grampian Police, and Grampian Fire and Rescue Services. This seeks to consider areas of common interest, and has developed joint CPD sessions for finance staff.

Aberdeenshire Finance also provides a range of accounting and payroll services to two visitor attractions within Aberdeenshire. These are both limited companies in receipt of grant support from the Council.

2.1.4 Strategic Themes

The Service Plan is a key element of the Council's overall strategic framework for service delivery. Two of the main themes of the Council's Strategic Priorities are corporate improvement and developing our partnerships. As well as providing a high quality financial service, Aberdeenshire Finance seeks to provide direct support to frontline services to enable them to provide a quality service which makes best use of scarce financial resources. This in turn supports the five strategic priorities of community well being, jobs and the economy, lifelong learning, developing our partnerships, and sustainable environment.

2.2 Development of Plan

Aberdeenshire Finance undertook a self-assessment exercise in 2005 and supplemented this by the adoption of the Aberdeenshire Improvement Model. A further exercise was undertaken in 2007 and the results are currently being considered by the Finance Management Team.

External audit reports have highlighted the need to link policy with budgets and this features within the existing workplan of Accountancy and Corporate Finance sections.

The service has conducted customer exit surveys at Benefits Offices throughout Aberdeenshire. Feedback has been very positive. Performance measurements indicate significant improvement, but there is further work to be done in this area.

Feedback from councillors on performance statistics has been very positive, with the service piloting the graphical presentation of data. Further work requires to be undertaken at a national level to make sure that measures remain relevant, linked to the need to monitor and measure efficiencies.

The shared services and efficient government policy agenda form a major element of the service plan as Aberdeenshire Finance needs to be proactive in responding to these challenges.

The service also needs to consider its approach to new legislation regarding Local Housing Allowance which will require implementation for 1 April 2008.

The service also requires to consider the implementation of changes to financial reporting standards, the post implementation of Single Status, and the development of both Procurement and iProcurement projects.

3. Significant Achievements in the Past Year

- 3.1 Implemented the Single Status agreement for all affected employees in accordance with the revised locally agreed timescale.
- 3.2 Calculated and paid the arrears of pay due to employees following the implementation of the Single Status agreement, the vast majority of which were paid within a short timescale.
- 3.3 Established a Central Procurement Unit through taking the lead role in a shared service with Aberdeen City Council. Expanded the service by linking with Tayside Councils and Scotland Excel providing the scope for further efficiency savings through joint procurement.
- 3.4 The completion of an enhanced training scheme for trainee accountants saw three members of staff achieve the full CIPFA qualification, including a national prizewinner for the top student from local government.
- 3.5 The Contact Centre has consistently maintained a high service standard throughout the year by achieving their target of delivering 75% of service requests at first point of contact. This figure has continued to improve as the year progressed, with the Centre now consistently resolving over 80% of the calls at first point of contact.
- 3.6 The Integrated Benefits Section and the Pensions Service undertook a joint take-up exercise in the Buchan area amongst council tenants of pension age. This pilot was very successful and resulted in additional annual income from a range of welfare benefits totaling £109,563.
- 3.7 Introduced new Timesheets and claim forms for all employees, weekly paid and monthly paid, following the introduction of Single Status. This reduced the number of claim forms in use from over thirty to three. This has improved the efficiency of the Payroll Service by spreading knowledge and increasing the ability to deal with peak workloads.
- 3.8 Doubled the amount saved by our employees (£39k to £86k) and the Council (£11k to £27k) with the implementation of the Childcare Initiative.
- 3.9 Reduced further the number of Remittance Advices posted by developing systems to allow the use of email. This is more environmentally friendly, and has reduced paper and postage costs.
- 3.10 Completed the move from cheque to BACS for Council Tax and Business Rates refunds, thereby increasing efficiency and reducing bank charges.

- 3.11 Completed and implemented the modernisation review of the Finance Service. This placed additional resources into Corporate Finance allowing the Council to further develop its proactive approach to grant distribution and treasury management.
- 3.12 To improve service for both the customer and staff, the CRM system is now integrated into 4 live back office systems which means less systems for the Advisors to use and therefore a quicker service for our customers. Additionally have integrated into a further 3 back office systems within a test environment which will be transferred to live in 2008/09.
- 3.13 Successful pilot of the new Feedback System within the Contact Centre, which has seen an improved reporting facility for management information and an easier way of logging complaints, comments and compliments on customers behalf. The new centralised way of dealing with the complaints allows trends to be easily identified and provides evidence of when Services require to introduce new procedures, further training or potentially review existing policies.
- 3.14 Extensive preparatory work took place during 2007/08 for the implementation of the Local Housing Allowance. This involved extensive communication with all stakeholders i.e. claimants, landlords, advice agencies, other council services and outside agencies such as Jobcentre Plus and the Pensions Service, staff training, website design and software testing.
- 3.15 Appointed a Travel Assistant to assist the Travel Co-ordinator to provide the appropriate cover due to the significant increase in bookings being undertaken by the Travel team following a cross-service Kaizen.

4. External Factors impacting on the Plan

- 4.1 Aberdeenshire Finance has to be proactive in identifying and responding to external factors. This can relate to legislative changes, grant distribution, or financial reporting standards.
- 4.2 One of the major external factors facing the Council will be the impact of the Spending Review 2007. This set out the Scottish Government's spending priorities for the following three financial years and set the Council's grant allocation for the period 2008 to 2011.
- 4.3 The grant settlement is extremely "tight" and will place significant pressure on existing budgets, and Aberdeenshire Finance will have a key role to play in analysing data and providing guidance to senior officers and councillors.
- 4.4 The Scottish Government has issued a consultation paper on a replacement for council tax. This will have significant implications for local tax collection and financial budgets if implemented. Aberdeenshire Finance will require to prepare a detailed assessment of all the implications.
- 4.5 Demographic changes will have a major impact on demand led services. Aberdeenshire Finance will need to assess the financial implications of these changes and produce financial models which assess the impact on service expenditure and grant distribution.
- 4.6 The shared service agenda requires Aberdeenshire Finance to review the way in which it provides services, and to explore opportunities for joint working with appropriate partners.
- 4.7 The Council's Best Value Audit report will be published during 2008/09 and Aberdeenshire Finance will have a significant part to play in responding to the key findings of the audit.

5. Performance Management

5.1 Introduction

This section includes a range of elements that Aberdeenshire Finance uses to monitor and improve performance. These include indicators to compare performance against other Scottish local authorities, internal development and training, service reviews, and ways in which the service influences and shapes strategy at a national level.

All these factors are linked within the performance management framework, and link to the Council's strategic theme of delivering quality services.

5.2 Service Plan Monitoring

The Policy & Resources Committee reviews progress against objectives at the September meeting each year. Towards the end of the planning year (January) a further update is provided. A full review of the new service plan is provided for Committee in the April cycle of meetings.

5.3 Performance Indicators

The Finance Management Team has considered how it can monitor its performance against other Scottish Councils based on the various indicators currently available. This supports the Service aim to be amongst the best in Scotland. This information is now consolidated within the Council's Performance Management System that has recently been improved.

13 indicators are used for comparisons on the basis that these reflect the key drivers of the service.

The actual performance measurements for Aberdeenshire Finance for 2004/05, 2005/06 and 2006/07 are attached as Appendix 1 to this Service Plan.

5.4 Aberdeenshire Improvement Model (AIM)

Aberdeenshire Finance has recently undertaken the Aberdeenshire Improvement Model. The results of this exercise are currently being reviewed by the Finance Management Team.

5.5 Kaizen

The finance service undertook four Kaizen Blitz in the last year, which were Internal Invoices, Petty Cash, Job applications to Customer Relationship Management (CRM), Housing Repairs to CRM. One Team Kaizen, Annual Accounts Procedures, was also carried out. In addition Finance staff have been involved in a number of other services' Kaizens.

5.6 Employee Development & Review Scheme (EDRS)

The EDRS is now a well established part of Aberdeenshire Finance's performance management framework, with a system of regular reviews for all staff embedded in service management processes.

The EDRS for senior staff now requires managers to consider how they personally contribute to the strategic objectives of the strategic priorities, and note the performance indicators they are directly responsible for.

A comprehensive training plan is currently being developed. All staff have considerable opportunities to receive appropriate training comprising personal development, "on-the-job", and professional training leading to appropriate and relevant qualifications.

Investment in training is necessary to ensure that opportunities for improvement in performance or development of skills identified in reviews are captured and fully utilised by the service.

The Council's EDRS form is now accepted by most accounting bodies as evidence to support continuous professional development (CPD). This is now compulsory within the accounting profession, and demonstrates the need for individuals to keep up to date and maintain their high standards of competency.

5.7 External Influences

As part of increasing the national profile of Aberdeenshire Finance, staff are members of the following:-

- CIPFA Directors of Finance - Chair
- IRRV (Institute of Revenues Rating & Valuation) Scottish Executive
- CIPFA (Chartered Institute of Public Finance and Accountancy) Qualifications Development Panel
- CIPFA Scottish Executive
- Local Authority (Scotland) Accounts Advisory Committee
- ICAS (Institute of Chartered Accountants of Scotland) Examiner
- COSLA (Convention of Scottish Local Authorities) Working Groups
- IPP (Institute of Payroll Professionals)
- IRRV Benefit Faculty Board
- Local Authority Accounting Panel

Some of these activities are undertaken in the staff's own time as part of a commitment to continuing professional development.

6. Risk Assessment

- 6.1 The draft register for the service has been completed in the corporate format. This builds on work undertaken three years ago.
- 6.2 Aberdeenshire Finance has prepared a Business Continuity Plan. This plans action that the service will take in the event of a loss of ICT systems.
- 6.3 The service is heavily reliant on ICT systems to provide the wide range of services that it does. The loss of these systems is the most significant risk that the service faces.
- 6.4 The business continuity plan does however aim to list action that will be taken to maintain services in the event of a loss of ICT systems.
- 6.5 While the plan has been produced, further work is required to fully test some of the recommendations. This will be progressed during 2008 in conjunction with ICT.
- 6.6 At a corporate level, one of the major risks facing the Council is a significant reduction in government grant.
- 6.7 Aberdeenshire Finance has a key role to play, both at a local and national level, to identify risks and influence discussions at an early stage.

7. Resources required to fulfil the Plan

7.1 Staffing

- 7.1.1 Following a period of difficulty in recruiting qualified accountants, the introduction of a high profile recruitment programme has produced significant results in 2007. Aberdeenshire Finance continues to support training for in-house staff to progress to CIPFA qualification and a number of staff have recently achieved full qualifications.
- 7.1.2 Longer term the Service aims to build links with local schools and universities to raise awareness of finance as a career within the local government environment.
- 7.1.3 Other areas of the Service have experienced ongoing workload difficulties, particularly within Benefits and Council Tax. These issues have now largely been addressed, allowing more time to be spent on developing systems further.
- 7.1.4 The ongoing participation in the Employee Development and Review Scheme (EDRS) has enabled a training needs analysis to be prepared and training enhanced for a large number of staff.
- 7.1.5 The structure of Aberdeenshire Finance is partly decentralised, with significant presences in Aberdeen, Banff, Fraserburgh, Inverurie, Peterhead and Stonehaven. A total of 262.75 staff (full time equivalent) are employed, distributed as undernoted:-

Establishment

Aberdeen	99.95
Banff	17.46
Fraserburgh	40.30
Inverurie	52.88
Peterhead	11.84
Stonehaven	42.00
Turriff	1.17
	<u>265.60</u>

- 7.1.6 The Director of Finance is assisted in the discharge of his responsibilities by two Heads of Service, one based at Woodhill House and one based at Stonehaven, and the Chief Internal Auditor based at Woodhill House.

7.1.7 Finance representatives on the main Committees are as follows:-

Council and Policy & Resources	Director
Education & Recreation	Chief Accountant
Social Work & Housing	Head of Finance (Exchequer)
Infrastructure	Head of Finance (Accountancy & Corporate)
Scrutiny & Audit	Corporate Finance Manager

7.1.8 The provision of financial services direct to Area Committees is currently the responsibility of individual Principal Accountants.

7.2 *Equipment and Other Assets*

7.2.1 The review of the main finance systems completed under earlier plans has required replacement or enhancement of existing hardware and software to allow the operational objective to be achieved. As a result, the Service is in the main provided with up-to-date hardware.

7.2.2 The development of the EMIS system will provide position management and absence management modules. This will contribute to improved management information across the Council and aid budgetary control.

7.2.3 Aberdeenshire Finance has now financed the leasing of replacement PCs not previously covered by leasing. This means that all staff now have access to a high quality specification PC.

7.3 *Property*

7.3.1 Aberdeenshire Finance is responsible for a number of core financial services and the following offices have lead responsibility as shown:

- i) Aberdeen: Directorate, Internal Audit, Corporate Finance, Payments and Payroll, CRM
- ii) Inverurie: Accountancy, Integrated Benefits, Council Tax, Document Management, Collection
- iii) Stonehaven: Income Recovery, Integrated Benefits, Income Management

In addition services are also provided from the following offices:-

- iv) Banff: Accountancy, Integrated Benefits, Collection
- v) Peterhead: Integrated Benefits, Collection
- vi) Fraserburgh: Business Rates, Council Tax, Integrated Benefits, CRM, Contact Centre, Collection
- vii) Turriff: Collection

7.4 Budgets

7.4.1 The Finance Revenue Budget 2008/11 is shown below. All proposals will be tackled within the 3 year budgets shown. This budget is shown on a functional basis to highlight the main service areas as outlined in paragraph 2.1.2. Budget management responsibility is now delegated to the service managers in each of these areas, thereby allowing greater ownership of the overall budget.

	2008/09 £'000	2009/10 £'000	2010/11 £'000
Directorate	396	407	418
Accountancy	2,166	2,222	2,279
Corporate Finance and Administration	411	424	437
Revenue Services	2,211	2,267	2,336
Payroll & Payments	831	852	873
Internal Audit	390	402	414
Benefits	757	932	1,040
Contact Centre	430	441	452
Totals	7,592	7,947	8,249

Appendix 1

Indicator	Description	2004/05	2005/06	2006/07
1.	The cost of collecting Council Tax per chargeable dwelling	£10.82	£11.24	£11.68
2.	The percentage of income due from Council Tax for the year, excluding reliefs and rebates, that was received during the year up to and including 31 March.	95.3%	95.8%	95.9%
3.	The cost of collecting Non Domestic/ Business Rates per chargeable property.	£32.06	£30.89	£32.00
4.	The percentage of income due from Non Domestic/ Business Rates for the year, excluding reliefs, that was received during the year up to and including 31 March.	96.9%	96.7%	97.5%
5.	The percentage of income due from Sundry Debtors for the year that was received in-year up to and including 31 March.	75.38%	78.8%	77.9%
6.	Actual cost per payslip produced.	£1.79	£1.76	£1.61
7.	The number of invoices paid within 30 calendar days of receipt, or the agreed time limit if otherwise specified, as a percentage of all invoices paid.	87.8%	87.0%	87.9%
8.	The gross administration cost per Housing Benefit and Council Tax Benefit case.	£66.08	£70.40	£60.72
9.	The time for processing applications from the receipt of the application to the posting of the notification of the outcome: New claims Change of Circumstances New Rent Allowance claims paid on time Percentage of new claims processed within 14 days	53.6 days 6.9 days 93.4% 93%	33.3 days 22.3 days 77% 91%	34 days 19 days 81% 93%

10.	The percentage of cases for which the calculation of the amount of benefit due was correct on the basis of the information available at the determination, for a sample of cases checked post-determination.	93.4%	95.0%	97%
11.	Monitoring financial procedures and performance (in % terms) – Actual Outturn v Revised Budget.	99.51%	101.03%	99.6%
12.	The actual productive hours achieved as a percentage of the productive hours as per the audit plan.	95.15%	97.47%	99.61%
13.	Average Cost of funding Capital Advances to Services in Year – Loans Fund Interest Rate (the “pool” rate).	6.04%	5.83%	5.66%

APPENDIX

Service Action Plan

Theme	Corporate Improvement
Core Activity	Revenues – Administration and Collection of Sundry Debtors
Objective	To reduce the number of internal accounts issued each year
Action Plan	1
Outcome sought	To have a process that <ol style="list-style-type: none"> 1. Eliminates all internal invoices within one year 2. Allows the raising of invoices within 28 days of completion of works 3. Allows authorisation, payment and coding of all internal work within 28 days of notification of internal charge 4. Allows better budgetary control within Services
Current Position	Aberdeenshire Council currently processes some 11,000 internal invoices in a financial year with a total value of £30million. This is an extremely time consuming process, and significant delays can be experienced at various stages of the process. A Kaizen was undertaken in 2007/08 to assess existing work practices and make recommendations regarding options to deliver the same service more efficiently and at less cost.
Risk if action is not taken	Non cost effective method of allocating costs leading to inaccurate budget monitoring information and delays in closing annual accounts within the required timescale.
Actions 08/09	Implement outcomes
Actions 09/10	Review achievement of outcomes.
Actions 10/11	Review achievement of outcomes.
Responsible person(s)	Ross Brennan
Resource Implications	Project was undertaken using existing staff resources. Kaizen Team was formed from a range of services who are involved in internal charging.
Performance Measures	% reduction in volume of invoices Reduction in time taken to raise internal invoices after completion of work Reduction in time taken to authorise, pay and code internal invoices Quality improvement in budget monitoring process through reduction in time of 5% in staff involved in estimating the value of work outstanding.

Service Action Plan

Theme	Corporate Improvement
Core Activity	Revenues – Collection of Cash
Objective	To introduce Point of Service Payments with Council offices
Action Plan	2
Outcome sought	To enable Services to accept payments prior to service delivery
Current Position	Services do accept cheques for certain services, but the vast majority of requested services are invoiced after the service itself has been delivered, and thus the Council is constantly chasing income.
Risk if action is not taken	A continuation of inefficient mode of working where income collection is concerned.
Actions 08/09	Continue to work within the framework of the Customer First Programme, including the Gateway project, to encourage Services to re-engineer their work processes to enable them to accept payments before or at the point of service delivery – not afterwards.
Actions 09/10	Review the progress made during 2008/09 and further develop opportunities to enable Services to capture income prior to service delivery.
Actions 10/11	
Responsible person(s)	Alison Barrett
Resource Implications	Project is being undertaken using existing staff resources.
Performance Measures	% reduction in uncollectible income once Services start to make changes to their working methods.

Service Action Plan

Theme	Corporate Improvement
Core Activity	Revenues – Administration and Collection of Sundry Debtors
Objective	To determine if the Council requires Corporate Debt Recovery Software which would enable a holistic picture of customer's debts to be portrayed to staff when working with arrears debts.
Action Plan	3
Outcome sought	As part of continuing to analyse the way forward in providing the best possible service to customers, this analysis will highlight possible options for consolidating the current processes used to interact with customers who owe the Council significant sums, and if there is a need for additional software to support any consolidation process.
Current Position	Currently 4 different major software systems, (plus other more minor ones) are used to send bills to customers – none of these systems interact with each other to provide a full picture of how much debt any one customer does owe to the Council at any one point in time. Staff have to build up this picture manually before responding to any customer.
Risk if action is not taken	The possible continuation of inefficient workload methods which if automated, may achieve staff savings.
Actions 08/09	Review possible opportunities where processes can be consolidated and look at methods of achieving this – identify the costs of taking this action and the benefits which would result.
Actions 09/10	Consolidate working methods if appropriate. If the analysis determines that software is needed, establish funding for this, and procure such a system,
Actions 10/11	Review consolidation achieved, and implement software system if appropriate
Responsible person(s)	Alison Barrett
Resource Implications	Project will be undertaken during 2008/2009 using existing staff resources.
Performance Measures	A reduction in the amount of time where staff work inefficiently in the area of debt management.

Service Action Plan

Theme	Corporate Improvement
Core Activity	Revenues
Objective	To develop a performance framework within Revenues
Action Plan	4
Outcome sought	A robust performance framework covering both quantity and quality targets to ensure efficient effective service delivery
Current Position	Although workloads across all facets of Revenues are monitored regularly in order to ensure that the needs of all our customers, be these internal or external, are served, to date no continuous rigorous detailed measurements have been actioned and only guideline targets have been set.
Risk if action is not taken	Quality yet efficient services may be compromised.
Actions 08/09	Continue to focus the senior staff within Revenues to use all means possible including the Civica EDM software to identify realistic targets that can be implemented
Actions 09/10	Review targets regularly and continue to develop new ones.
Actions 10/11	
Responsible person(s)	Alison Barrett
Resource Implications	This work is part of the roles of all senior managers within Revenues
Performance Measures	Introduction of actual targets for staff to meet including the reporting of not just turnover of workload quantity turnover but also quality.

Service Action Plan

Theme	Corporate Improvement
Core Activity	Corporate Finance – Development and Support of Financial System
Objective	To reduce the time needed to manage the Oracle Financials Receivables software module
Action Plan	5
Outcome sought	Provision of a more appropriate “clean” database for the hundreds of staff who use this software, thus achieving efficiencies.
Current Position	There has been no archiving of data with this module since 1999, the start date of its usage, and owing to the nature of the work undertaken, it is vital that this is achieved regularly.
Risk if action is not taken	The Receivables module is swamped with unnecessary data, causing errors and staff delays relating to data input to the module, resulting in inefficient staff time, and causing unnecessary expense.
Actions 08/09	Jointly work with Incisus, the company that manages the Oracle system to produce a specification suitable for agreeing the archiving actions required and establish any additional costs that this company will apply to do this work. Once any necessary funding has been established, require Incisus to produce the necessary software to achieve the archiving and once tested against specification, implement archiving procedure.
Actions 09/10	Program regular archiving activities into the work timetable for this system.
Actions 10/11	Program regular reviews.
Responsible person(s)	Alan Wood / Alison Barrett
Resource Implications	Project will be undertaken using existing staff resources with joint working with Incisus.
Performance Measures	% reduction in volume of errors and staff time wasted in trawling through unnecessary data in the Receivables module.

Service Action Plan

Theme	Corporate Improvement / Developing our Partnerships
Core Activity	Integrated Benefits and Revenues
Objective	To examine the feasibility of sharing operational services within the Revenues and Benefits field with Highland, Moray, Western Isles, Aberdeen City, Argyll and Bute and Orkney Councils.
Action Plan	6
Outcome sought	Find a more efficient and effective way of delivering Revenues and Benefits services.
Current Position	Aberdeenshire Council in common with the other 6 councils involved has discrete revenues and benefits services that are responsible for the administration, billing and collection of council tax and business rates, the payment of housing benefit and council tax benefit, the prevention and detection of benefit fraud and the collection of housing benefit overpayments. A bid was submitted to the National Shared Services Board for funding to carry out a feasibility study aimed at identifying which areas of the Revenues and Benefits function would if subject to joint working result in better value for money and efficiency gains for the Councils involved e.g. training. Funding has been achieved.
Risk if action is not taken	The Council will miss opportunities to work more efficiently and effectively, thereby achieving better value for money.
Actions 08/09	Carry out the feasibility study outlined in the bid.
Actions 09/10	Any actions carried out in 2008/2009 would be contingent on the outcome of the feasibility study.
Actions 10/11	Any actions carried out in 2009/2010 would be contingent on the outcome of the feasibility study.
Responsible person(s)	Alistair McNair/Alison Barrett/Susan Donald
Resource Implications	There will be a need for a Project Manager and Project Team (1 representative from each of the 7 participating Councils) to work on the feasibility study with the cost of these resources being part of the bid to the Shared Services Board.
Performance Measures	Reduction in cost and performance improvement in terms of processing times and accuracy.

Service Action Plan

Theme	Corporate Improvement
Core Activity	Integrated Benefits – Calculation and Payment of Housing Benefits
Objective	To implement the Local Housing Allowance for all new housing benefit claimants in the private rented sector from 1 April 2008.
Action Plan	7
Outcome sought	Provide customers, both private sector tenants and landlords with information on how the new legislation will impact on them. Train all benefit staff in the new legislation. Develop the necessary policies, procedures and processes to ensure a seamless transition. Pay housing benefit direct to tenants in the private rented sector with the exception of those deemed vulnerable under the new legislation.
Current Position	Aberdeenshire Council currently administers housing benefit in accordance with the legislation in place, which is extremely complex. A significant number of tenants in the private rented sector have their housing benefit paid direct to their landlord. This will have to change under the legislation governing local housing allowance.
Risk if action is not taken	The Council will not meet its obligations in terms of administering housing benefit according to the legislation in force.
Actions 08/09	Review the implementation process, identifying what went well and why as well as any problem areas in order to improve this process for future legislation changes. Move existing rent allowance tenants, whose HB is paid direct to their landlord onto being paid direct through BACS.
Actions 09/10	Participate in the DWP review of LHA.
Actions 10/11	
Responsible person(s)	Susan Donald
Resource Implications	Additional staff resources may be required – possible 1 full time equivalent. DWP will be providing additional funding of which 40% will be taken up in software development. The remainder will be available to fund any additional staffing resource and printing costs arising from the new legislation.
Performance Measures	That Aberdeenshire Council is able to process claims under the new rules from 1 April 2008 and that 90% of tenants in the private rented sector are receiving housing benefit payments direct.

Service Action Plan

Theme	Corporate Improvement
Core Activity	Customer Service
Objective	Undertake programme of Customer Service improvements and process streamlining throughout Aberdeenshire, incorporating all Services and all contact channels
Action Plan	8
Outcome sought	To significantly improve service delivery. The Contact Centre to complete performance measurements against service delivery including first point of contact resolution and customer service delivery targets. Also the introduction of one-stop-shops throughout Aberdeenshire aim to considerably improve face to face service delivery for our customers, using a sample of the performance measurement structure currently adhered to in the Contact Centre. Lastly to introduce a corporate, customer focused and consistent procedure for the investigation of complaints, by the introduction of a centralised team.
Current Position	The Contact Centre currently deliver 3 live services, introducing cost efficiency savings due to process improvements, consistent customer focused service and improved information channel through knowledgeable, multi-skilled staff. Pilot Feedback System available within the Contact Centre, which sees a centralised team fielding complaint analysis and response.
Risk if action is not taken	Adverse impact to customers using services, as information barriers remain in place between services, therefore disjointed, inconsistent service delivered. Cost implications if no streamlining or cost effective and consistent improvements made to processes.
Actions 08/09	<ul style="list-style-type: none"> • Commitment to delivering 6 further services into the Contact Centre, ensuring the completion of BPR and Kaizen events prior to delivery • Consistently deliver 90% of service requests at first point of contact • CRM system to be rolled-out as a corporate feedback system, with a centralised dedicated team introduced to improve the consistency of service and the identification and analysis of service delivery trends • Delivering “pilot” single point for face to face contract, delivering multiple services by December 08 with the commitment to deliver 2 more by March 09 • Delivery of full end-to-end integration for 4 systems currently utilised within the Contact Centre, with commitment to integrate with 4 further systems following the introduction of new services being delivered • Investigate if the Contact Centre could completing internet enquiries on behalf of the live services, to incorporate a consistent service delivery standard across both the telephones and email channels • To work in parallel with ICT to improve web opportunities for customers
Actions 09/10	<ul style="list-style-type: none"> ○ Investigate the possibility of the CRM system as internet enquiries repository • Commitment to contingency Contact Centre site
Actions 10/11	To be assessed in 09/10
Responsible person(s)	Morag Black
Resource Implications	Project will be undertaken using existing staff resources within CRM team (including ICT element of project team) and Service completing improvements. Service to accept cost of their personnel resource allocation to CRM project team (via people or budget, and assist in Kaizen cost and delivery).
Performance Measures	<ul style="list-style-type: none"> ○ Minimum of 75% of service delivered at first point of contact ○ Minimum of 70% of calls being answered within 20 seconds ○ Customer Service delivery target of 75% against Contact Centre Advisors ○ Customer satisfaction surveys/call-backs (completed on a daily basis)

Service Action Plan

Theme	Corporate Improvement
Core Activity	Payroll & Payments
Objective	To improve the interaction and quality of the data between employees and service to the Payroll & Payments Teams.
Action Plan	9
Outcome sought	Validation at source of input to ensure that the data we receive is 100% accurate. This will then potentially allow the data to be transferred into our systems without input or intervention by the team, thus reducing our workload.
Current Position	The data received is mostly completed in manuscript. This then requires to be validated by the teams before we are able to process the document. All too often there are omissions or inaccuracies that require us to contact people for clarification.
Risk if action is not taken	None, it's just we want to introduce a more electronic way of working with our employees.
Actions 08/09	We are looking to capture the new start data for all employees electronically and from this the employee's contract of employment will be issued to them by the staffing section of Personnel. Single Status delayed any actions in 2007/08. This will now be progressed in 2008/09.
Actions 09/10	We will look to start capturing other data in this way. E.g. timesheets and mileage claim forms
Actions 10/11	To be assessed in 08/09
Responsible person(s)	Calum Spence
Resource Implications	The project will be undertaken using existing staff resources from Payroll and Payments and will also call upon expertise from the ICT and Personnel Teams as required for certain aspects of the project.
Performance Measures	Quality improvement in the information being received by payroll, with the data getting to us several days quicker.

Service Action Plan

Theme	Corporate Improvement / Developing our Partnerships
Core Activity	Corporate Finance
Objective	Establish a corporate procurement strategy.
Action Plan	10
Outcome sought	To negotiate, establish, manage and report on joint corporate procurement contracts for key commodities across Aberdeenshire and Aberdeen City Councils.
Current Position	The Corporate Procurement Unit (CPU) have designed and implemented collaborative contracts over a number of commodities saving each Council £1 million in 2007/08. Also, the i-procurement module has been installed in many school kitchens, the Finance and Personnel & ICT Services allowing electronic ordering of supplies. In addition, a Corporate Procurement Strategy has been drafted, the CPU has been appointed as the North East Centre of Expertise for Scotland Excel and is currently staffing up to full complement, with the appointment of a Head of Procurement, four Category Managers and three Procurement Assistants.
Risk if action is not taken	Significant savings and efficiency opportunities will be lost together with the non compliance with a Scottish Executive initiative relating to Public Sector procurement.
Actions 08/09	In 2008/09, the CPU will review progress made in 2007/08 and build on this experience to develop further joint contracts, increased procurement advice and deliver further savings by recruiting further team members and continuing the roll out of i-procurement to more Services.
Actions 09/10	Review the Corporate Procurement Strategy Implement further joint contracts and savings in accordance with the strategy
Actions 10/11	Review the Corporate Procurement Strategy Implement further joint contracts and savings in accordance with the strategy
Responsible person(s)	Alan Wood
Resource Implications	The project will be undertaken using existing staff resources and newly recruited people. This will be funded from the ongoing procurement savings.
Performance Measures	A benefits tracking tool will be developed to monitor actual spend against budget and actual usage of the established contract.

Service Action Plan

Theme	Corporate Improvement
Core Activity	Corporate Finance
Objective	Using demographic information to influence the revenue budget process.
Action Plan	11
Outcome sought	To include the use of demographic information as a key element of the revenue budget process and to establish future trends of data in order to understand how these will impact on Aberdeenshire Council Services.
Current Position	Aberdeenshire Council does not actively use demographic information when compiling the revenue budget and therefore does not have a proactive approach to allow for future planning in this respect.
Risk if action is not taken	The opportunity to plan ahead to take account of significant demographic issues may be lost if early planning is not built into the revenue budget process for movements in population profiles.
Actions 08/09	Building on the initial work in 2007/08, demographics and further analysis and investigation into the implications affecting GAE will be utilised during current and future budget rounds.
Actions 09/10	Review the use of demographic information in the revenue budget process and assess the effectiveness and benefits achieved.
Actions 10/11	Review the use of demographic information in the revenue budget process and assess the effectiveness and benefits achieved.
Responsible person(s)	Alan Wood
Resource Implications	The project will be undertaken using existing staff resources.
Performance Measures	Accountancy teams will be asked to report back to Corporate Finance on the benefits they have attained in budget setting through the use of demographic information.

Service Action Plan

Theme	Corporate Improvement
Core Activity	Corporate Finance / Accountancy
Objective	Survey internal customers
Action Plan	12
Outcome sought	To review existing performance and identify areas for improvement.
Current Position	Aberdeenshire has a record of strong financial management. However this has not been assessed and there is a need to provide stronger links between budget monitoring and the preparation of the rolling three-year revenue budget.
Risk if action is not taken	Staff resources are not used effectively and robust budgets are not prepared resulting in additional time being spent on intervention.
Actions 08/09	Survey internal customers using the CIPFA improvement model
Actions 09/10	Review the outcome of the survey and implement recommendations.
Actions 10/11	Continue to review performance.
Responsible person(s)	Derek Yule
Resource Implications	The project will be undertaken using existing staff resources and the purchase of the CIPFA improvement model.
Performance Measures	Cost of budget monitoring and budget preparation.

Theme	Corporate Improvement
Core Activity	Corporate Finance / Accountancy
Objective	Policy led budgeting to be introduced
Action Plan	13
Outcome sought	To provide a revenue and capital budgeting process that is directly linked to, and driven by, the Council's Strategic Priorities.
Current Position	Work was undertaken to link budgets to core activities and performance management. This work now needs to be updated to link to the new Strategic Priorities and revised performance and planning framework.
Risk if action is not taken	Financial resources are not used effectively and are not directed to delivering the Council's priority objectives.
Actions 08/09	Link revenue and capital budgets to the Council's strategic priorities.
Actions 09/10	Review the budget setting process to provide a direct link between policy and budgets.
Actions 10/11	Review performance and update the process as necessary.
Responsible person(s)	Derek Yule
Resource Implications	The work will be undertaken using existing staff resources.
Performance Measures	Achievement of objectives. Development of budgets measured by outcomes not inputs.