WORKING WITH PARTNERS
AND COMMUNITIES TO
MAKE LIFE BETTER

south AYRSHIRE COUNCIL

Service and Improvement Plan 2017 - 2018

Finance and ICT

1. Introduction

1.1 The Finance and ICT Service and Improvement Plan covers the period 2017-18 and sets out what we intend to achieve over the next year based on the financial and other resources available to us.

1.2 This plan identifies anticipated challenges for the coming year and how we aim to meet them. It sets out the Council's vision, strategic objectives and strategic outcomes in relation to Finance and assesses how well we have performed in delivering our objectives in the past using the "How Good Is Our Council?" framework as a self-evaluation toolkit. This information is then used to formulate actions and measures to track both service delivery and improvement. We have agreed challenging targets for the Service in order to continuously improve the way we work and to take account of the views and needs of our customers.

1.3 Although the next year present challenges, by planning and monitoring our progress we aim to contribute to the achievement of the Council's Plan 2016-18 and the Single Outcome Agreement 2013/23

2. Profile

2.1 The Finance and ICT Service has the following responsibilities:

- Corporate and service finance, including accounting and budgeting
- Treasury, banking and income management, and accounts payable
- Revenues Administration
- Benefits Administration
- ICT Applications support & development
- ICT Infrastructure support & development

2.2 The Corporate Finance and Accounting service provides a range of services in order to promote sound financial stewardship of the Council's resources. These services include revenue and capital budget development, and monitoring and reporting on spend against these budgets. The service manages the Council's lending and borrowing activities in line with available cash flows, revenue expenditure requirements and capital investment priorities and also manages payments to suppliers via a centralised payments team. A review of the service is ongoing and expected to conclude during 2017/18.

2.3 The Revenue and Benefit service strives to maximise income due to the Council through the effective billing and recovery of Council Tax, business rates, sundry income and housing benefit overpayments and provides a linkage to Welfare Reform and social inclusion through the administration of housing benefit, council tax reduction, discretionary housing payments, community care grants and educational benefits. A review of the revenues service is ongoing, and is expected to conclude during 2017/18. The benefits service review will be conducted during 2018 once the timescales to migrate existing working age housing benefit recipients onto Universal Credit between late 2018 to 2021 are confirmed by the Department for Work and Pensions.

2.4 ICT support and develop the infrastructure and systems required by all aspects of the Councils operational business including schools. They do so by engaging with service units to ensure the aims and objectives of disparate service improvement plans are given the strategic support required. This is achieved by liaising with software suppliers to implement agreed software upgrade plans, participating with the business in software procurement exercises and delivering the hardware platform those systems can efficiently run on. Additionally, ICT provide advice and guidance on computer use, information security and provide a safe environment in which to store the Council's information in line with legal obligations and industry best practice. During the 2015/16 financial year the first stage of a service review was completed. This was conducted through engagement with an external third party. The appointed consultants, Socitm Consulting, conducted a series of interviews and workshops with ICT staff and representatives of senior managers from operational

business areas and schools. The culmination of this exercise was the submission of a report to September 2015 Leadership Panel to propose an improvement implementation plan. This was agreed and is being progressed through 2016 /17.

2.5 These services are provided within an overall net revenue budget for the service of £15.8million for 2017/18, and are delivered utilising a workforce of 168 FTE. Further details of the revenue budget are set out within Appendix 3.

3. How are we doing?

3.1 As a Council we are working to implement the 'How Good is our Council' framework' and over the last year this has continued to be reflected within our Leadership Engagement events. During 2016-17 each service made a robust evaluation of two of the Quality Indicators (QIs) within the framework, namely QI 2.1 Impacts on Service Users and QI 5.4 Improving the quality of services to stakeholders. The 2015-16 evaluation against Q1.1 Improvements in Performance has also been reviewed and revised. The overall evaluations against each of these QIs and the supporting narrative summaries are set out below:

3.2 **QI 1.1 Improvements in performance: Evaluation – Good**

- The Annual Accounts process was again concluded within the statutory timeframe and to a high degree of accuracy, as evidenced by the external auditor's unqualified audit opinion and annual report to Members. We continue to ensure that audit recommendations and other feedback received are addressed quickly and effectively.
- Invoice payment performance (within 30 days) out-turned at a record high of 94.8% in 2015/16, above the Scottish average of 92.8% and the current 2016/17 year to date rate of 93.7% indicates continued high levels of performance within the service.
- Revenues and benefits performance targets have improved, particularly in relation to new claims where it now takes an average of 17 days (up to 31 Dec 2016) to process claims, an improvement from 21 days in 2015/16. The service actively participates in benchmarking groups with other Councils to share information and promote best practice.
- Within ICT progressed much of the work towards a more robust infrastructure and systems environment with upgrades to the McCalls Avenue and County Buildings data centres and establishment of redundant communications links.
- Appointed a Digital Transformation Manager to progress the recommendations of the ICT Service review – particularly developing an ICT Strategy and establishing a new ICT Service delivery model both of which are due to be presented to Leadership Panel in March 2017.

3.3 **QI 2.1 Impacts on Service Users: Evaluation - Satisfactory**

- Finance officers regularly discuss with and report to services and senior management significant variances and issues concerning their budget management requirements. A timetable of clear, well-established key tasks is communicated throughout the service to help ensure consistent and equal treatment across all directorates.
- A clear, formal budget strategy and effective budget planning process, including a timetable of key tasks, standardised documentation and equalities impact assessments are in place to support the Council's revenue budget setting process.
- All housing benefit legislation administered by the Council on behalf of the Department for Work and Pensions are subject to Equality Impact assessments as are the Council tax reduction, Scottish Welfare Fund and Discretionary Housing Payments schemes administered by the Councils benefits service on behalf of the Scottish Government.
- The SOCITM ICT Review sought feedback on existing ICT services from all DMT's. The specific areas of ICT that need improving were collated from that feedback, and plans to deliver improvements instigated
- A stakeholder engagement exercise has been conducted by the Digital Transformation Manager as part of the consultation process of the designing the new ICT service delivery

model. The needs of Service users continue to be included in the development of the detailed ICT service framework.

3.4 **QI5.4 Improving the quality of services to stakeholders: Evaluation - Satisfactory**

- A workshop held during 2016 sought to engage with Social Care management to understand and develop solutions to resolve their financial issues and highlight the availability and usefulness of financial information in circulation.
- An annual review of the Annual Accounts process is informed by a number of factors, including performance against previous year timetable, audit matters arising and recommendations and external audit plans. This information is used to identify areas of concern and provides focus for improvement actions in order to make the process more efficient and accurate.
- Through streamlined processes and procedures, the speed of processing benefit new claims and changes of circumstance has improved together with the accuracy of awards in line with national targets to reduce fraud and error. The use of online council tax forms has been consistent with expected outcomes of 50% online transactions to be automated within first year of introduction. The changes introduced have made it easier, faster and more efficient for users to access the service and receive a better user experience.
- The ICT Service review identified key areas to help deliver an improved ICT service to Stakeholders. These are to be progressed over the next 2 years:
    - Develop an updated ICT Strategy
    - Establish a Governance Structure to guide technology decisions
    - Develop an organisational structure for ICT in line with the ICT strategy and operating model
    - Continue the capital programme towards ensuring stability of the technology platforms
    - Review procurement models and sourcing options for delivering ICT
    - Establish effective Service Management and Project Management processes

3.5 Areas identified for improvement are being taken forward both within this Service and Improvement Plan, within the supporting Team Plans and through the Performance and Development Review process. The following is a brief summary of key areas for improvement from this latest evaluation which have been prioritised within the Finance and ICT Service:-

- Identify and address issues in order to improve accuracy of budget projections, including the development of cross-team working to co-ordinate and evaluate customer feedback. Incorporate the findings into the PDR process and internal training programme.
- Having evaluated the feedback from the Social Care Finance workshop, agree with senior management a series of priority improvement actions to allow resources to be planned accordingly. Replicate this process in other directorates.
- Further promotion of on line council tax forms and the development of electronic billing will help to promote greater customer self-service. Similarly the introduction of risk based verification functionality and targeted benefit intervention functionality via an external portal for selected claimants will streamline procedures whilst increasing speed and accuracy of benefit awards.
- Development of an updated ICT Strategy that include technology support for South Ayrshire's digital transformation ambitions.
- Introduction of a new ICT Operating Model including structure and process framework to deliver improved ICT performance for the council.

4. The challenges we face.

4.1 The challenges we face as a Council and a Partnership have been explored in detail within the Council's Plan and the Single Outcome Agreement.

4.2 The principal challenges we face as a service over the course of this plan are:

External:

- Many aspects of public sector reform will impinge on the Council's finances, including health and social care integration, welfare reform, and self-directed support.
- The Council continues to face significant reductions in its budget over the coming years. Finance will require to support all Council services in their attempts to meet this challenge through the provision of relevant, accurate and timely information.
- Customer requirements and expectations are changing in terms of the quality and availability of services, with an increasing assumption and reliance on on-line, self-service and out-of-hours provision which have implications for our front-facing services teams in terms of where, when and how services are available and delivered.
- Due to ongoing reductions in benefit entitlement as a result of the Welfare Reform Act, this has led to an increased demand for benefit advice, and the introduction of greater on line and self-service functionality, together with streamlined verification procedures will help to increase the resilience of the Councils benefits service.
- For ICT the key challenge is to support all service areas plans for new ways of working with their own external customers that are underpinned by new and improving technology with the resources available at our disposal.

Internal:

- Supporting the implementation of strategic organisational and service changes in order to sustain priority front-line services, improve services where appropriate and support the delivery of financial savings and redistribution of resources in line with Council priorities.
- As the expansion of Universal Credit continues to impact upon South Ayrshire residents the Councils benefits service will require to continue to administer Discretionary Housing Payments and Council tax reduction during the migration of existing working age housing benefit claimants to Universal Credit until 2019- 2021. To support experienced benefits staff during the migration process of working age housing benefit claimants to Universal Credit, off site remote benefit processing will be required to meet demand during the migration process.
- Workload planning and prioritisation are an on-going challenge where we frequently need to react to unforeseen demands and come up against short-term deadlines combined with unprecedented demand from external customers particularly within the benefits service.
- The prioritisation of projects, the project management of these and the business engagement process to agree future work scheduling.

Opportunity:

- Influence the Council's financial strategy in order to ensure that it adequately plans for, and responds to, the changing financial position in such a way that protects the ongoing financial stability of the organisation in the short-term and addresses the challenges we face in a financially responsible and sustainable manner.
- To work with COSLA officers and the Scottish Government in the development of devolved Social Security Powers to ensure that scare benefit financial support and assistance is targeted towards those claimants in greatest need
- To use the agreed ICT improvement implementation plan to deliver improved service response, increased flexibility, wider mobility options within a more resilient framework.

4.3 Our responses to these challenges and our review of how we are currently doing are reflected in our detailed planning to deliver on the Council's Strategic Outcomes.

5. Council Vision, Strategic Objectives and Strategic Outcomes

5.1 As a Council we are committed to our vision **"Working with our partners and communities to make life better in South Ayrshire".**

5.2 The Council's strategic objectives are that **we will work to maximise the potential of:**

- **Our local economy**
- **Our young people**
- **Our adults and older people**
- **Our communities**
- **Our environment; and**
- **Improve the way that we work as a Council.**

5.3 In pursuit of these, we will directly contribute towards the achievement of the following strategic outcomes:

- We look after our most vulnerable children and families
- People live as independently as possible in the community and have control over their own care and support
- Budgets designed to support our strategic objectives and deliver our strategic outcomes
- Transformational change and improvement driven by a performance improvement culture and self-evaluation, with all services systematically reviewed using a standard methodology every 5 years;
- Information and communications systems and processes that support efficient delivery of front facing and back office services with a focus on digital delivery
- Governance arrangements that provide an effective framework for decision making and scrutiny

6. Detailed Plan

6.1 How we intend to contribute to the Council Strategic Outcomes is set out in the detail in tabular form at the end of this document, where we set out the key actions that we intend to take forward and the performance measures and targets that we will use to evaluate our progress.

6.2 These have been specified and sequenced in a manner that will allow us to work effectively and efficiently, making the best use of the resources available to us. They include the improvement activity we have prioritised from our self-evaluation and the review activity that we are committed to as part of the Council's systematic review of all services.

6.3 They have also taken account of the following aspects that inform our decision making and help ensure that we take account of the context in which we operate, reflecting what could impact on our plans and what could enrich and add value to how we take then forward:

- **Risk Management** – Risk registers underpin the achievement of the Council's Strategic Outcomes and the pursuit of service specific issues. These help to evaluate and assess the risks we face in delivering our plans, and help us to identify and progress mitigating actions to help ensure their successful delivery. The Finance and ICT Business Continuity Plan is reviewed and updated with Impact assessments to ensure ongoing service delivery where appropriate.

- **Equalities** – In pursuing our strategies, plans and policies, we undertake Equality Impact Assessments to ensure that we are aware of the equalities impacts, seeking to optimise them and identifying mitigations and further research and actions where necessary.

- **Sustainability** - In pursuing our strategies, plans and policies, we consider the extent to which what we wish to pursue is sustainable and undertake Strategic Environmental Assessments where required.

- **Consultation** – We look to engage with the community, our service users and staff in developing our services and plans, and are committed to following best practice as identified within the Council's Community Engagement Strategy. We engage with our staff around the development of our SIP through regular team meetings, the HGIOC reviews and through ensuring that PDR's are aligned to SIP objectives.

7. Resource Management

7.1 Crucial to the achievement of this plan will be ensuring that the appropriate resources are in place to deliver the services and commitments it contains, and that these resources are managed effectively within agreed the agreed budgets and parameters set for them.

7.2 The Revenue Budget for the service for 2017/18 is set out in Appendix 3, including specific efficiency and service review commitments that will be delivered over the course of the year.

7.3 Particular attention will also be paid to 'continuing to improve procurement', an initial commitment to this having been the identification of a schedule for the service of all those contracts that will require action over the course of the plan.

Governance

8.1 This Service and Improvement Plan will be subject to approval by Members as part of the agreement of the Council Plan. Progress will be updated through Covalent on a quarterly basis to allow review and formal reporting. It will inform the Council's year end Annual Performance Report and Public Performance Reporting.

Appendices:

1 Detailed Plan Format

2 Glossary of terminology and abbreviations used in the Plan

3 Revenue Budget for 2017-18, including efficiency and service review commitments

Appendix 1: Detailed Service and Improvement Plan

Working in partnership to maximise the potential of our children and families

SO2.4 We look after our most vulnerable children and families

Key Performance Measures	2014/15	2015/16	2015/16 Scottish Ave	2016/17	2016/17	2017/18
	Value	Value		Value	Target	Target
SO2.4 12 Number of Discretionary Housing payments awarded to large families affected by benefit cap welfare reforms.	7	11	N/A	N/A	N/A	N/A
SO2.4 13 Number of Crisis Grants Awarded	1,930	1,170	N/A	N/A	N/A	N/A
SO2.4 20 Percentage of Discretionary Housing Payments processed within 5 working days following receipt of entitlement to housing costs	N/A	N/A	N/A	70% (YTD)	70%	70%
SO2.4 21 Percentage of Crisis Grants processed within one working day	N/A	N/A	N/A	97% (YTD)	97%	97%

Key Action	Sub-Actions	Managed By	Original Due Date	Current Due Date	Progress	Status
FI 1 Mitigate the impact of changes benefit capped cases	FI 1.2 Improve speed of award through greater focus of attention on specific case to provide better holistic support	Billy Phillips	31-Mar-2016	31-Mar-2018	75%	
	FI 1.3 Liaise with the Department of Works and Pension to determine potential additional cases affected from October 2016 due to benefit cap reducing to £20,000	Billy Phillips	31-Mar-2018	31-Mar-2018	80%	

Appendix 1: Detailed Service and Improvement Plan

3 Working in partnership to maximise the potential of our adults and older people

SO3.1 People live as independently as possible in the community and have control over their own care and support

Key Performance Measures	2014/15	2015/16	2015/16 Scottish Ave	2016/17	2016/17	2017/18
	Value	Value		Value	Target	Target
SO3.1 07 Average days taken to process new benefits claims.	27	21	23	17 (YTD)	25	20
SO3.1 08 Average days taken to process changes of circumstances for benefits claims.	10	8	7	10 (YTD)	10	10
SO3.1 09 Percentage of new benefits claims decided within 14 days.	79%	85%	N/A	93% (YTD)	80%	80%
SO3.1 12 Number of Community Care Grants Awarded to support residents in the community or continue to live independently.	778	821	N/A	N/A	N/A	N/A
SO3.1 13 Percentage of Community Care Grants processed within 15 days	47%	81%	N/A	90% (YTD)	87%	87%

Key Action	Sub-Actions	Managed By	Original Due Date	Current Due Date	Progress	Status
FI 2 Further improve process delivery and manage resources to mitigate the increased workload within the Benefits service	FI 2.3 Revenues and Benefits manager to implement further automation for benefit claims, maximise processing efficiencies through the introduction of Risk Based Verification procedures and functionality to allow claimants to report targeted changes in circumstance through implementation of the FERIS portal.	Revenues and Benefits Manager	31-Mar-2018	31-Mar-2018	50%	

Appendix 1: Detailed Service and Improvement Plan

6 Improve the way that we work as a Council

SO6.3 Budgets designed to support our strategic objectives and deliver our strategic outcomes

Key Action	Sub-Actions	Managed By	Original Due Date	Current Due Date	Progress	Status
FI 7 Improve the management of financial resources throughout the Council	FI 7.1 Seek to improve efficiency and establish new ways of working through the consideration of new technology within traditional budgeting and budgetary control processes.	Tom Simpson	30-Apr-2017	31-Dec-2018	20%	

Appendix 1: Detailed Service and Improvement Plan

SO6.5 Transformational change and improvement driven by a performance improvement culture and self-evaluation, with all services systematically reviewed using a standard methodology every five years;

Key Performance Measures	2014/15	2015/16	2015/16 Scottish Ave	2016/17	2016/17	2017/18
	Value	Value		Value	Target	Target
SO3.1 10 Percentage of housing benefit overpayments recovered - Year to date figures	71%	55%	N/A	63% (YTD)	70%	70%
SO3.1 11 Gross administration cost per benefits case	£39.46	£39.88	N/A	N/A	£43.00	£40.00
SO3.1 14 Percentage of housing benefit reductions expected per DWP caseload management	N/A	N/A	N/A	111% (YTD)	84%	85%
SO6.7 08 LGBF Cost of support services as a percentage of the council's total gross expenditure	3.7%	3.0%	5.4%	N/A	3.7%	3.7%
SO6.7 09 LGBF Percentage of invoices sampled that were paid within 30 days	88.2%	94.8%	92.8%	93.7% (YTD)	96.0%	95.0%
SO6.7 10 Percentage of payments made electronically - by number	80.2%	81.7%	N/A	N/A	82.5%	82.0%
SO6.7 11 Council's loans fund pool rate (the rate at which the Council borrows money)	5.57%	5.35%	N/A	N/A	4.68%	4.60%
SO6.7 12 LGBF Percentage of income due from council tax received by the end of the year	94.8%	94.6%	96.2%	N/A	93.5%	95.0%
SO6.7 13 LGBF Cost of collecting council tax per dwelling	£9.66	£8.84	£10.34	N/A	£9.75	£9.50

Key Action	Sub-Actions	Managed By	Original Due Date	Current Due Date	Progress	Status
FI 4 Service Reviews - Finance & ICT	FI 4.1Service Review of Corporate Finance and Accounting Services	Tim Baulk	25-Aug-2015	31-Aug-2017	80%	
	FI 4.3 Review of Revenues Service	Tim Baulk	31-Jan-2017	31-Aug-2017	60%	
	FI 4.4 Implementation of ICT Service Review	Tim Baulk	31-Mar-2018	31-Mar-2018	20%	

Appendix 1: Detailed Service and Improvement Plan

SO6.7 Information and communications systems and processes that support efficient delivery of front facing and back office services with a focus on digital delivery

Key Performance Measures	2014/15	2015/16	2015/16 Scottish Ave	2016/17	2016/17	2017/18
	Value	Value		Value	Target	Target
SO6.7 16 ICT Systems Uptime Availability (Covering Internet, Email, Lync, SWIS & e-Business. Excludes planned downtime)	99.0%	99.6%	N/A	N/A	99.0%	99.0%

Key Action	Sub-Actions	Managed By	Original Due Date	Current Due Date	Progress	Status
FI 5 Maintain the integrity and functionality of the Council's ICT systems	FI 5.2 Implement new ICT operating model following completion of ICT service review	Alan O'Neill	31-Mar-2018	31-Mar-2018	50%	
	FI 5.3 Identify, plan and implement further upgrades to critical systems and infrastructure to ensure operational resilience and security.	Alan O'Neill	31-Mar-2018			

SO6.9 An enabling governance framework supports and delivers the Council's legal and democratic responsibilities

Key Action	Sub-Actions	Managed By	Original Due Date	Current Due Date	Progress	Status
FI 8 Promote adherence to Financial Regulations throughout the Council	FI 8.2 Continue to review financial regulations annually and update where appropriate.	Tim Baulk	31-Mar-2018			
FI 9 Promote medium term financial plan to reflect the Council's objectives	FI 9.2 Continue to review and refresh a medium term financial plan annually.	Tim Baulk	31-Dec-2017			
FI10 Prepare Treasury Management Strategy	FI10.2 Continue to maintain and refresh a robust Treasury Management Strategy annually.	Tim Baulk	31-Mar-2018			
FI11 Prepare regular budget monitoring	FI11.2 Continue to ensure sound monitoring and quarterly reporting of the use of financial resources, including capital and treasury activity New action required as this needs to be rolled forward for a further year	Tim Baulk	31-Mar-2018			
FI13 Introduce Council Fees & Charging Strategy	FI13.1 Undertake a review of the Council's existing fees and charges policies and put in place a clear basis for Council charges in the context of the Council Plan and Strategic Objectives.	Tom Simpson	31-Mar-2016	30-Sep-2017	50%	

Appendix 2: Glossary of terminology and abbreviations used in the Plan

Term or abbreviation	Explanation
DHP	Discretionary Housing Payments are additional sums of money that can be paid to an individual who is currently receiving housing benefit and requires additional help to meet housing costs.
DWP	Department for Work and Pensions
EIA	Equality Impact Assessment. A Council agreed approach used to assess the impacts of strategies, plans and policies.
FTE	Full Time Equivalent. Used in relation to counting employee numbers.
HB	Housing Benefits
HGIOC	How Good is Our Council? Self-evaluation toolkit based on European Foundation for Quality Management principles.
ICT	Information & Communication Technology
PDR	Performance & Development Review is the Councils process which allows individual employees and those concerned with their performance, typically line managers, to discuss their performance and development, as well as the support they need in their role. It's used to both assess recent performance and focus on future objectives, opportunities and resources needed.
SAC	South Ayrshire Council
SOA	The Single Outcome Agreement (SOA) is of part of the Community Planning Process whereby the Community Planning Partners, including local authorities, agree the strategic priorities for their local area. Partners then deliver these priorities, individually or jointly, focussing on agreed outcomes.
Statutory Performance Indicator	The Accounts Commission has a statutory responsibility to specify information that councils must publish about their performance, in the form of Statutory Performance Indicators (SPIs). The information is collected and published locally by each council. The Commission then publishes information about the comparative performance of councils across Scotland.
Triage	The process of assessing customer needs at the initial point of contact and identifying customers requiring additional support at the earliest point in the customer journey and directing resources accordingly
Triangulated Evidence	Evidence gathered from a number of sources both quantitative e.g. PI's and qualitative e.g. customer comments
Universal Credit	The Welfare Reform Act 2012 introduced a 'Universal Credit' to replace a range of existing means-tested benefits and tax credits for people of working age.

Appendix 3: Revenue Budget for 2017-18, including efficiency and service review commitments

Service Expenditure subjective analysis **Finance and ICT**	**2017/18** **£**
Employee costs	6,574,152
Property costs	43,320
Supplies & services costs	1,634,056
Transport costs	25,089
Administrative costs	185,578
Support Service Costs	0
Payments to agencies & other bodies	983,751
Transfer payments	43,587,599
Financing costs	0
GROSS EXPENDITURE	**53,033,545**
Income	37,228,762
NET SERVICE EXPENDITURE	**15,804,783**
The service revenue budget is inclusive of additional investment of:	150,000
The service revenue budget is inclusive of efficiency measures of:	175,200