



Comhairle Ceantair
Lár Uladh
Mid Ulster
District Council

Finance & Procurement

SERVICE PLAN - 2018 / 19

	Date
Consulted within staff team	14/03/2018
Discussed & signed off by Director	26/06/2018

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1.0 OVERALL PURPOSE AND SCOPE OF THE SERVICE

1.1. Purpose and Scope of the Service

The Finance department includes the following service areas:-

- Budget setting
- Financial reporting
- Management reporting
- Cash and bank management
- Supplier processing
- Payroll processing
- Income collection
- Treasury management
- Procurement
- Insurance

The finance section has been rationalised to one site in Cookstown with the procurement section remaining in Dungannon.

1.2. The section is specifically responsible for the following functions:

The department is responsible for:

- Budget setting and ensuring that Council has access to sufficient finance to deliver its services and achieve its objectives
- Financial reporting –this includes preparation and submission of annual financial statements and all other legislative reporting requirements
- Facilitating effective budgetary control by delivering meaningful, accurate and timely reporting of financial performance against budget
- Operation of an efficient and effective banking service and associated treasury management
- Operation of an efficient, effective and timely supplier processing service, which is compliant with Council's policies, procedures and other relevant standards, whether set by Council or other legitimate authority.
- Operating an efficient, effective and timely payroll service, which is compliant with all statutory requirements and Council policy
- Securing all major sources of income, e.g. rate income, rate support grant, de-rating grant
- Facilitating efficient, effective and compliant procurement of goods and services

- Ensuring that Council is adequately insured against all reasonable and foreseeable risks in accordance with statutory requirements and Council's risk appetite

1.3 Customers & Stakeholders

Customers & Stakeholders
<ul style="list-style-type: none"> • Those we provide payroll services to – Employees, councillors and independents
<ul style="list-style-type: none"> • Those we pay for goods and services - Suppliers
<ul style="list-style-type: none"> • Those we make grants and contributions to – Recipients of financial support from Council
<ul style="list-style-type: none"> • Those we report to internally – Councillors, Senior Management Team, Heads of Service, etc.
<ul style="list-style-type: none"> • Those we report to/communicate with externally – LG Audit, DfC, HMRC, NILGOSC, funding bodies, public etc.
<ul style="list-style-type: none"> • Those we collaborate with – other councils

1.4 Performance Overview in 2017/18

The following table provides a progress summary and the impact made by last years' Service Plan (2017-2018). It also details key successes, remaining challenges for the Service and how it made a difference.

2017/18 Performance Overview
<ul style="list-style-type: none"> • Re-location of finance staff in Dungannon to Cookstown in new open plan offices
<ul style="list-style-type: none"> • Researched, developed and submitted costed proposal for changes to staffing structure including multi-disciplinary working and associated job descriptions
<ul style="list-style-type: none"> • Payroll - Implementation of payroll consequences of Environment & Property review. Facilitating Council becoming a living wage employer. Continuance of development of efficient working practices, e.g. increased use of electronic timesheets
<ul style="list-style-type: none"> • Continued working with Business Support to ensure that customers can transact in a "one stop shop" fashion re all payments and alignment of cash handling and lodgement procedures by reception staff at main Council offices.
<ul style="list-style-type: none"> • Implementation of e-ordering functionality within financial application, which includes auto clearing and manual clearing routine for e-ordering invoices
<ul style="list-style-type: none"> • Identification of duplicate / triplicate supplier ledger accounts from the 3 legacy councils and merging of same resulting in one supplier account per supplier in the creditors ledger.
<ul style="list-style-type: none"> • Budget setting process – Substantially improved engagement with Directors/Heads of services at the key budget milestones.
<ul style="list-style-type: none"> • Centralisation of financial budgets for the following areas: building maintenance, grounds maintenance, vehicle costs, property security, Organisational Development employment costs, photocopying, and print cartridges.

<ul style="list-style-type: none"> Engaged with SMT and budget holders to rationalise, agree and implement analysis codes to be used for monthly Financial Report, which supports budgetary control within service areas
<ul style="list-style-type: none"> Engaged with SMT and budget holders to review and rationalise all financial department and detail codes with all identified deletions and amalgamations implemented
<ul style="list-style-type: none"> Extended E-ordering functionality throughout Council service areas – all departments now trained to use E-Purchasing module within financial system. User manual developed providing step-by-step instruction for use of E-Purchasing module. Procurement staff assisting departments with E-Purchasing queries re delivery and clearing.

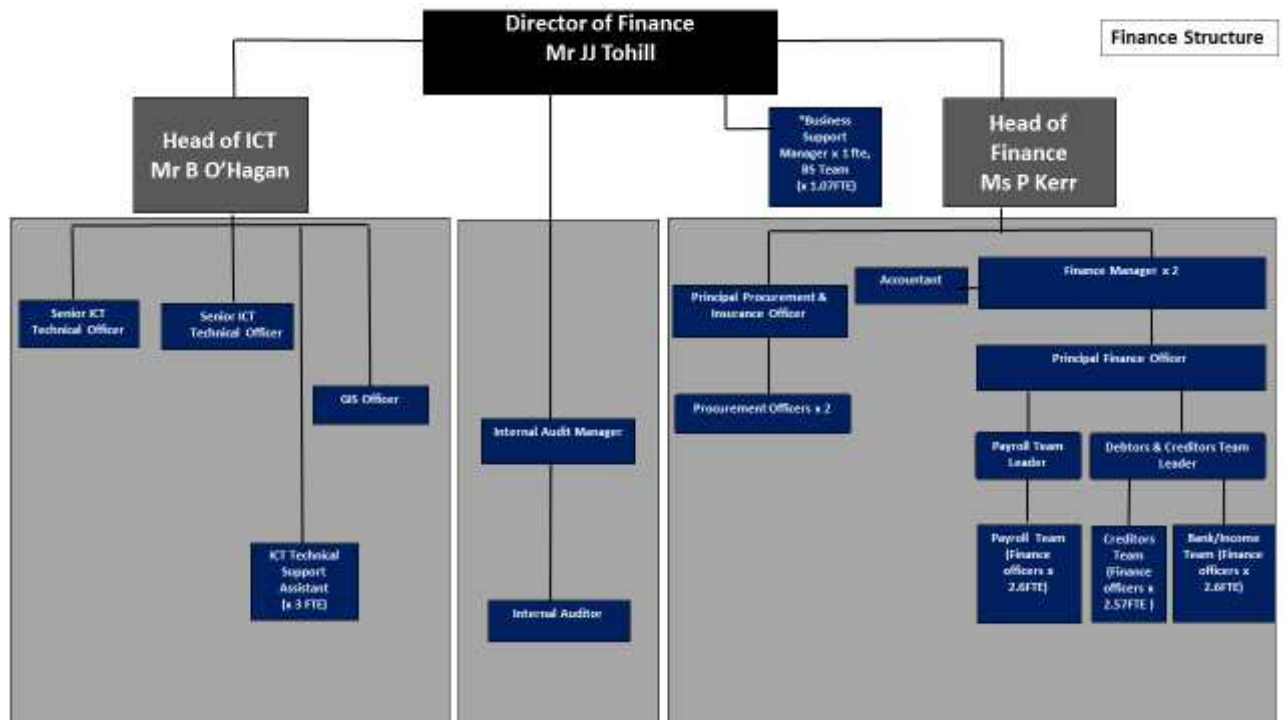
2.0 SERVICE WORKPLAN 2018/19

The following tables confirm the resources, financial and people, which the Service has access to throughout 2018-19 to deliver its actions, activities and core business.

2.1 Budget 2018/19

Service Budget Headings	£
Staffing costs	670,406
Insurance	636,405
Other	54,013
Capital financing	4,430,850
External interest	301,833
Gross Budget	6,093,507
Income	0
Net Budget for 2018/19	6,093,507

2.2 Staffing Complement - 2018/19



Staffing	No. of Staff
Head of Service	1
Managers	2
Officers / Team Leaders	7
Remaining Team	7.77
Total	17.77

SERVICE WORK PLAN

2.3 Service Work Plan - 2018/19

Link to Community Plan Theme:	Corporate Plan Theme						
<i>CMP 1.1 Economic Growth - We prosper in a stronger & more competitive economy</i>	<i>CRP 1.1 Delivering for Our People - High performing services focused on customer and value for money</i> <i>CRP 1.1 Delivering for Our People - High performing services focused on customer and value for money</i>						
Service Objective	How Will we measure the impact of our work (PI's)	Where are we now? (Baseline data)	What do we want to achieve? (Targets)	How Will we get there?			
				Key Actions	Dates	Owners	Outcome
To maximise efficiency of finance function and to increase, enhance and quicken services provided to stakeholders	Multi-disciplinary team established and populated with all team members appointed and demonstrating capability and experience of working across all transactional functional areas	Statistical baseline data does not exist. However, currently still operating at transaction processing level in line with legacy council procedures and resource limitations Also, staff undertaking transactional processing type activities currently working to legacy job descriptions –	Establish an effective and efficient multi-disciplinary team environment for transactional processing and other work processes Multi-disciplinary team members able to work effectively across all transactional functional areas Team leaders operating effectively to	• Confirm job descriptions, workflow and monitoring arrangements with Organisational Development department	31 July 2018	HR and P Kerr	Agreed job descriptions, workflow and monitoring arrangements
				• Matching and recruitment exercises completed	31 July 2018	HR and P Kerr	Team members and leaders appointed
				• Implement rotation schedule to ensure all team members are competent and experienced in all transactional functional areas	Immediately upon staff acceptance of matching/appointment into positions within multi-disciplinary team and team leaders	Team leaders/ Team member	Ongoing rotation of team members through transactional functional activities according to planned rotation schedule
				• Initiate ongoing completion and review of monitoring forms	Within 1 month of implementation of rotation schedule	Team Leaders	Completed monitoring forms evidencing progression towards attainment

		<p>differing roles and responsibilities</p>	<p>lead and manage multi-disciplinary teams</p>	<ul style="list-style-type: none"> • Initiate ongoing performance management processes to support staff, identify training requirements and ensure effective and efficient service delivery • Agree L & D plan with timescales for each: <ul style="list-style-type: none"> • Team leader regarding new skills to be acquired to facilitate multi-disciplinary working and new tasks that will be transferred to them; and • Team members regarding new skills to be acquired to facilitate multi-disciplinary working 	<p>Immediately upon staff acceptance of matching into positions within multi-disciplinary team and team leaders</p> <p>Immediately upon initiation of performance management processes</p>	<p>Principal Finance Officer</p> <p>Principal Finance Officer</p>	<p>of objective and affording potential for evidence based amendments</p> <p>Functioning performance management culture</p> <p>Agreed L & D plan</p>
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Service Objective	How Will we measure the impact of our work (PI's)	Where are we now? (Baseline data)	What do we want to achieve? (Targets)	How Will we get there?			
				Key Actions	Dates	Owners	Outcome
To maximise efficiency of finance function and to increase, enhance and quicken services provided to stakeholders	Documented MUDC standing financial instructions and financial operating procedures in place	Majority of financial operating procedures are undocumented legacy procedures. Standing financial instructions included within Council Constitution but require review.	Agreed documented standing financial instructions and financial operating procedures in place for all transactional functional areas	• Research and confirm methodology to be used for the documentation of standing financial instructions and operating procedures	31/07/18	P Kerr	Agreed methodology established
				• Document scope and range of standing financial instructions and operating procedures to be documented	31/07/18	P Kerr	Scope of work established
				• Prioritise order of standing financial instructions and operating procedures to be documented and establish agreed timescale for documentation of all standing financial instructions and operating procedures	31/08/18	P Kerr	Agreed priority areas plan with timelines
				• Documentation of standing financial instructions and operating procedures per agreed plan	31/03/19	Principal Finance Officer and Team Leaders	Documented procedures

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Service Objective	How Will we measure the impact of our work (PI's)	Where are we now? (Baseline data)	What do we want to achieve? (Targets)	How Will we get there?			
				Key Actions	Dates	Owners	Outcome
Merging of 3 weekly payrolls	Weekly payrolls merged and operational	Operating 3 separate weekly payrolls within the Total system	Operating 1 inclusive weekly payroll within the Total system	• Project plan agreed with Total Mobile	30/7/18	A Hogg	Agreed plan with milestones
				• Project work, testing and Implementation completed	30/9/18	A Hogg	Single weekly payroll operational

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Service Objective	How Will we measure the impact of our work (PI's)	Where are we now? (Baseline data)	What do we want to achieve? (Targets)	How Will we get there?			
				Key Actions	Dates	Owners	Outcome
Budget setting – improvement in process to ensure Rate struck and budgets agreed by prescribed date and with improved engagement with budget holders, SMT and Members throughout the process		2018/19 Budget build streamlined coding structure and introduced costing ledger to provide supplementary analysis, where appropriate Recurrent pressures in meeting reporting deadlines	Clearly understood process with agreed timelines and SMART objectives Timely and accurate contributions from all relevant parties	• Feedback on 2018/19 budget process	31/7/18	M Canning/A Hogg	Clear understanding of good and bad of current process
				• Process and timetable agreed for 2019/20	31/8/18	M Canning/A Hogg	Agreed timelines with SMART objectives
				• Regular co-ordination/liaison with SMT re 'high level' budget build	Ongoing	JJ Tohill	Confirmation that 'high level' budget build is 'in sync' with 'detailed' budget build

			Early presentation of accurate budgetary information for consideration by SMT and Members	<ul style="list-style-type: none"> Early identification of potential budget outturn for discussion by SMT and Members 	30/11/18	JJ Tohill	Greater opportunity for officers and Members to consider issues and options in relation to 2019/20 budget
			Agreed budget struck by 'relevant date' of 15/02/19	<ul style="list-style-type: none"> Accurate and prompt adjustment of draft budget to incorporate additional information and potential alternative service delivery methods and timely reporting of same to SMT and Members 	Ongoing	JJ Tohill	Budget struck by 15/02/19
				<ul style="list-style-type: none"> Budget struck by 15/02/19 	15/02/19	JJ Tohill	

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Service Objective	How Will we measure the impact of our work (PI's)	Where are we now? (Baseline data)	What do we want to achieve? (Targets)	How Will we get there?			
				Key Actions	Dates	Owners	Outcome
Financial reporting improvements	New reports and enquiries developed and existing reports reviewed	Users outside of finance have access to user-defined reports/enquiries but no bespoke reports/enquiries in place.	Bespoke reports/enquiries in place tailored to key users' needs with existing reports/enquiries	Development of bespoke capital report	30/06/18	M Canning	Capital report agreed with Mark Kelso
				Development of bespoke costing ledger reports and enquiries	30/09/18	M Canning	Costing ledger reports and enquiries agreed with key users

			updated as required.	<ul style="list-style-type: none"> Review of reports and enquiries available via portal 	31/12/18	M Canning	Reports reviewed and updated where necessary
				<ul style="list-style-type: none"> Development of bespoke payroll reports and enquiries 	30/09/18	A Hogg	Costing ledger reports and enquiries agreed with key users
			Researched and reviewed potential alternative technologies and suppliers	<ul style="list-style-type: none"> Research potential suppliers of financial accounting application to public and private entities 	31/08/18	JJ Tohill	Modern functional financial accounting application which satisfies Council's needs implemented and operational
			Developed appropriate strategy for financial accounting transaction processing and reporting	<ul style="list-style-type: none"> Research pros and cons of alternative technologies to potentially deploy in connection with replacement financial accounting application 	31/08/18	JJ Tohill	
				<ul style="list-style-type: none"> Prepare appropriate technical specification 	31/08/18	P Kerr	
				<ul style="list-style-type: none"> Consider and evaluate alternative methods of procurement, i.e. tender versus framework and potential for collaboration with other district councils 	31/08/18	JJ Tohill	
			Prepared appropriate specification for replacement financial accounting application	<ul style="list-style-type: none"> Initiate procurement 	31/08/18	P Kerr	
				<ul style="list-style-type: none"> Evaluate proposals 	30/11/18	JJ Tohill	
			Procure replacement financial accounting application	<ul style="list-style-type: none"> Make recommendation to Council in relation to award of contract and agree implementation and testing timetable with SMART objectives 	31/12/18	JJ Tohill	
			Formulate agreed implementation and testing timetable with SMART objectives				

			for migration to new financial reporting application Implement, commission, test and migrate to new financial accounting application				
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Service Objective	How Will we measure the impact of our work (PI's)	Where are we now? (Baseline data)	What do we want to achieve? (Targets)	How Will we get there?			
				Key Actions	Dates	Owners	Outcome
Procurement – review of policies, guidance and templates to ensure aligned with e-ordering	Policies, guidance and templates reviewed and updated where required	Policies, guidance and templates drawn up based on manual ordering system	Policies, guidance and templates aligned with e-ordering	• Review of the procurement policy, guidance and templates	30/09/18	L Ferguson	Procurement policy, guidance and templates aligned with e-ordering
				• Review of the contract register policy, guidance and templates	31/12/18	L Ferguson	Contract register policy, guidance and templates aligned with e-ordering

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Service Objective	How Will we measure the impact of our work (PI's)	Where are we now? (Baseline data)	What do we want to achieve? (Targets)	How Will we get there?			
				Key Actions	Dates	Owners	Outcome
Banking services and associated arrangements – retender banking service and cash collection service	Retender banking service and cash collection service	Cash collection service continues on legacy arrangements Banking services continues on previously tendered terms but need to retender	Cash collection and banking services procured compliantly, awarded and operational	• Seek quotations for cash collection service, evaluate and award contract	30/06/18	L Ferguson	Cash collection service procured compliantly, awarded and operational
				• Seek quotations for banking service, evaluate and award contract	31/08/18	P Kerr	Banking service procured compliantly, awarded and operational

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Service Objective	How Will we measure the impact of our work (PI's)	Where are we now? (Baseline data)	What do we want to achieve? (Targets)	How Will we get there?			
				Key Actions	Dates	Owners	Outcome
Property valuation – tender property valuation service	Tender property valuation service	Property valuation service commissioned by Framework for fixed asset valuation purposes	Property valuation services procured compliantly, awarded and operational	• Seek tender for property service, evaluate and award contract	30/10/18	T Scullion/P Kerr	Property valuation service procured compliantly, awarded and operational

		Occasional property valuation services procured from LPS – legacy council arrangements					
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3.0 IMPROVING OUR SERVICE AND MANAGING PERFORMANCE

3.1 Annual Improvement Objectives and Associated Programs

The Council has set a number of annual improvement objectives and associated programs (projects and activities) for 2018/19 which aim to bring about improvement. The improvement objectives and key improvement programs, set out Council's contribution to the sustainable Community Plan for the District; against which we can monitor and report progress.

Each Council department provides resources to assist with the improvement activities contained within each improvement project (individual service improvement contribution activity linked to corporate improvement programs can be found in 3.2 of the service plan). The annual improvement objectives also align to the Council's main corporate planning document (Corporate Plan 2015 - 2019), which contains the council's strategic direction and main priorities.

The Council will focus on the following improvement objectives for 2018 to 2019:

- (i) To assist in the growth of the local economy by increasing the number of visitors to our district.
- (ii) To help manage our waste and environment by reducing the amount of waste going to landfill.
- (iii) To improve the accessibility of our services by increasing the number available online.
- (iv) To support people to adopt healthier lifestyles by increasing usage of Council Recreational facilities

We utilise outcome based accountability methodology to manage our performance. This tells us the impact our services are having on communities. Further detailed information relating to Council's improvement objectives, associated activities, outcome indicators, projects and targets is available at www.midulstercouncil.org/Council/Performance (*Mid Ulster Council's Improvement Plan 2017/18 – 2018/19*) or by contacting the Democratic Services Team on 03000 132132.

3.2 Service Contribution to the Corporate Improvement Objectives/Projects

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Improvement Plan Objective	Service Objective	How Will we measure the impact of our work (PI's)	Where are we now? (Baseline data)	What do we want to achieve? (Targets)	How Will we get there?			
					Key Actions	Dates	Owners	Outcome
3.0 To improve the accessibility of our services by increasing the number available online	To continue to lead and facilitate Council's advancement of CIP 3	Progress towards CIP 3 targets and milestones	See CIP 3 baseline (2018/19)	See CIP 3 milestones and targets (2018/19)	<ul style="list-style-type: none"> See CIP 3 milestones and targets (2018/19) 	Ongoing	JJ Tohill	Improved accessibility of services by increased number available online

3.3 RISK MANAGEMENT OF SERVICE

The purpose of risk management is to manage the barriers which prevents the Council from achieving its objectives. This section of the service plan includes space for the Service to input their key risks (in summary form), which have been identified during the business planning process. The Council uses risk management to maximize opportunities and minimize risks. This improves its ability to deliver priorities and improve outcomes. This is why the Council deems it important to link business planning and risk management. Risk Management aims to:

- Help the Council achieve its overall aims and objectives
- Manage the significant risks the Council faces to an acceptable level
- Assist with the decision making process
- Implement the most effective measures to avoid, reduce and control those risks
- Balance risk with opportunity
- Manage risk and internal controls in the most effective way.

This table illustrates the risks identified to deliver the Services business in 2018/19.

Risk Ref Number	Description of Risk	Risk Rating	Mitigation Activity
1.	Fraud, bribery or theft occurring within the Finance & Procurement services	8	<p>Revised job roles and introduction of multi-disciplinary working will enhance existing control environment</p> <p>Introduction of newly acquired fixed asset accounting software will improve controls relating to accounting for capitalised assets</p>
2.	Legacy financial procedures	9	Legacy procedures will be replaced with formally documented Mid Ulster District Council procedures on introduction of multi-disciplinary working
3.	Procurement policies not being followed	9	Review and update of Procurement and Contract Register policies and procedures
4.	Inadequacy of insurance cover	5	Continued monitoring and review of adequacy of existing insurance covers and being alert to implications of Brexit on non-UK insurers
5.	Staff resourcing difficulties	9	<p>Introduction of multi-disciplinary working and recruitment of staff in line with previously agreed structure will eliminate staff resourcing issues.</p> <p>Introduction of formal PDP process and enhancement of team meeting agenda to specifically consider impact of multi-disciplinary working.</p>

6.	Financial failure of banking services provider	7	Take advice from recently appointed Treasury Management adviser (Arlingclose) and effect recommendations in development of counter party list appropriate to Council's risk appetite
7.	Failure to replace financial accounting application with appropriate application	7	Research potential alternatives, develop appropriate service specification and undertake compliant procurement in accordance with predetermined timeline with SMART objectives
8.	Failure to maintain adequate cash balances	7	Further develop existing cash flow projection methodology and link to anticipated capital plan outturn to obtain Council approval to draw down loans in time to maintain liquidity

Rating	Descriptor
16 - 25	Extreme Risk (immediate action required)
10 - 15	High Risk (urgent action required)
7 - 9	Moderate Risk (action required)
1 – 6	Low Risk (keep under review)