

# Resources and Finance

Directorate Service Plan (2017-2022)

Plana Seirbheis na Buidhne-stiùiridh (2017-2022)

(Updated May 2021)

(Ùraichte Cèitean 2021)

## Ambitious

## Sustainable

## Connected

| Key Priorities<br>Prìomhachasan  |  | Key Performance Indicators<br>Prìomh Thaisbeanairean Coileanaidh  |
|--|--|---|
| <p><b>Value Our People</b> by nurturing a listening, engaging and forward-thinking workforce. We will deliver ambitious, sustainable and agile services that align with corporate priorities and statutory duties. Our People are our best assets and together we endeavour to embrace diversity and expand the successes and prosperity of the Highlands.</p>                               | <p><b>Advance Employee Wellbeing</b> through our corporate Workforce Planning Strategy, blended training, our professional payroll and pension services, and by promoting a safe, healthy and secure environment. We pride ourselves in retaining and developing our workforce, attracting new talent, offering valuable training opportunities and mitigating risks.</p>                        | <p><b>Reported Quarterly</b></p> <ul style="list-style-type: none"> <li>• <b>Gender pay gap</b></li> <li>• <b>Attendance Management</b></li> <li>• <b>Health &amp; Safety – Reported accident rate</b></li> <li>• <b>Number and Standard of Training Courses completed</b></li> <li>• <b>Employee Retention</b></li> </ul>  |
| <p><b>Innovate Our Services</b> for our diverse stakeholders by being ambitious and connected when modernising processes, increasing efficiency and seeking improved performance in the transformation and recovery of the Council. We will continuously challenge existing thinking, learn from leading practice and collaborate with our partners to improve outcomes and experiences.</p> | <p><b>Social and Economic Empowerment</b> is the focus of our ambitious and high performing services. Our pledge aims to ensure that the right entitlements are paid to the right citizens and businesses at the right time. Enabling active participation, inclusion, and access to financial resources, will promote and nurture prosperity for all of Highland's businesses and citizens.</p> | <p><b>Reported Quarterly</b></p> <ul style="list-style-type: none"> <li>• <b>Council Spend with Highland Small &amp; Medium sized businesses</b></li> <li>• <b>Percentage of Invoices paid within 10 and 30 days</b></li> <li>• <b>Time and quality of responses to citizens' complaints, enquiries and Freedom of Information requests</b></li> <li>• <b>Speed, accuracy and value of welfare support</b></li> <li>• <b>Business Improvement District (BID) Levies Received</b></li> <li>• <b>Digital Transactions - TalentLink</b></li> </ul> |

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| <p><b>Deliver Financial Excellence</b> underpinned with effective financial controls, professionally trained and empowered Business Partners, sound governance, transparent budgeting and monitoring, a corporate strategy for capital expenditure, medium-term financial planning, and via our Commercial and Procurement Shared Service partnership. Our expertise provides an agile financial infrastructure for effective budget management across all Services.</p>   | <p><b>Maximise Revenues</b> for the Council through effective collection and enforcement of the Council's main income streams (Council Tax, Non-Domestic Rates and Sundry Debt Income) and income generation policies and strategies. Council Tax, Non-Domestic Rates and Sundry Debt Income have a gross combined billed amount of £422.4m for 2021/22.</p> | <p><b>Reported Quarterly</b></p> <ul style="list-style-type: none"> <li>• <b>Percentage of Council Tax Received</b></li> <li>• <b>Percentage of Non-Domestic Rates Received</b></li> <li>• <b>Percentage of Sundry Debt Income Received</b></li> </ul> <p><b>Development of:</b></p> <ul style="list-style-type: none"> <li>- <b>Capital Strategy during 2021/22</b></li> <li>- <b>Medium Financial Planning Strategy</b></li> <li>- <b>Key Performance Indicators for Commercial and Procurement Shared Services</b></li> <li>- <b>Enhanced Management Information and Performance Framework</b></li> </ul>  |
| <p><b>Our Ambitious Strategic Leadership</b> approach includes enabling the Transformation Programme, ensuring appropriate controls and governance of key Council resources, delivering Best Value and value for money, and for equipping Executive Chief Officers and budget managers with the skills, knowledge and data to effectively manage budgets, to deliver services in a safe and compliant manner and to protect and advance the wellbeing of the Council's workforce.</p> <p>Led by the Resources &amp; Finance Service, our Corporate Shared Business Support experts have significant breadth and depth of knowledge to inform process redesign and each of the 9 priority projects in the Transformation Programme. One such project, sponsored by the Executive Chief Officer for Resources &amp; Finance is the ambitious Procurement and Contracts Management project where there are identified improvement opportunities</p> |  | <p><b>Reported Annually</b></p> <ul style="list-style-type: none"> <li>• <b>Cost of Corporate Accounting services</b></li> <li>• <b>Cost of Commercial and Procurement Shared services</b></li> <li>• <b>Administration costs for Council Tax</b></li> <li>• <b>Cost of our payroll and pensions services</b></li> <li>• <b>Cost of benefit administration</b></li> <li>• <b>Cost of administering Non-Domestic Rates</b></li> <li>• <b>Cost of our Corporate Shared Business Support services and range of processes supported</b></li> <li>• <b>Unit cost of invoices issued to our creditors</b></li> <li>• <b>Costs and number of insurance claims processed</b></li> <li>• <b>Costs of completing the Council's Annual Accounts</b></li> <li>• <b>Cost of completing Council Tax Annual Billing</b></li> </ul> |

including cost reductions, more effective supplier relationship management, and making best use of the shared procurement partnership.

Our “can do” culture across the Resources & Finance Service underpins our resourcefulness, innovative approach and our ability to positively influence and contribute to the successful delivery of the Council’s ambitious Health & Prosperity Strategy for Highland while also ensuring ongoing compliance with our statutory duties and sustained commitments to support our workforce and deliver quality services for all of Highland.

A key priority for us is to provide strategic leadership, particularly in relation to our Human Resources role, to ensure the proper and effective implementation of Service Redesign, which is one of nine priority projects within the ambitious Transformation Programme.

- **Cost of completing annual Non-Domestic Rates Billing**
- **Volume and costs of sundry debtor invoices**
- **Contribution to Net Zero Carbon**

## Resources Goireasan

### Budget

The Revenue Budget for the Resources & Finance Service is managed within our Directorate on a monthly basis with actions taken to minimise the risks of budget overspends throughout the year and by the end of the financial year.

Our Service prides itself in continuous improvement and the alignment of our revenue budget with our performance is one such example. This alignment ensures meaningful and transparent information is provided in a combined report through our public reporting process. Elected Members of the Corporate Resources Committee publicly scrutinise our budget management and performance on a quarterly basis and our budget holders monitor budgets on an at least monthly basis.

The Resources & Finance Service has a significant and broad range of statutory duties, including Section 95 responsibilities for the totality of the Council's Revenue Budget of £648m and Capital Budget of £105m for 2021/22.

We are committed to delivering financial excellence and through our ambitious strategic leadership role and innovation, equip

Our talented workforce comprises around 460 full-time equivalents employed within the Resources & Finance Service to lead and deliver a diverse range of universal and targeted services for citizens, businesses, the Council's internal customers (Services) and the Council's vast workforce. Our inclusive approach enables our employees to choose flexible working, part-time and full-time roles, and to increase their annual leave entitlement. We encourage our teams to develop their skills and knowledge through training, work-based learning and by opting for traineeships and apprenticeships. Sharing leading practice and cross-fertilisation of skills and knowledge across our workforce are also encouraged.

The diverse nature of the services and strategic leadership we provide across all Services helps to enable the Council to achieve outcomes; to collaborate with communities, business leaders, the third sector and the public sector; to meet the Council's statutory responsibility to deliver a balanced budget; and collectively to deliver the Council's priorities, and emergency responses, including COVID-19.

Income from Council Tax and Non-Domestic Rates is used to help deliver the Council's vast statutory and non-statutory services including Education, Health & Social Care, management of our road network, affordable homes, the Council's Visitor Management Strategy, waste collections, Welfare services, apprenticeship

Executive Chief Officers and budget holders to effectively manage the Council's revenue and capital budgets.

| Function                              | Budget (2021/22) |
|---------------------------------------|------------------|
| Directorate                           | £0.052m          |
| Corporate Finance                     | £3.324m          |
| Human Resources                       | £2.357m          |
| Revenues, Benefits & Business Support | £12.464m         |
| <b>TOTAL</b>                          | <b>£18.197m</b>  |

A key focus of the work within the service is continuing to ensure corporate adherence to the CIPFA Financial Management Code. The Code is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. It also sets out the standards of financial management for local authorities.

opportunities, the significant Transformation Programme and the Council's ambitious Healthy & Prosperity Strategy 2021/22.

### Other Resources

Our corporate responsibilities extend to the provision of policies and procedures relating to Human Resource Management and Health & Safety for the whole of the Council's workforce of 7,840 full-time equivalents or 10,062 employees.

We will continue to analyse business intelligence to inform decision-making, achieve Best Value and value for money, continuously improve our performance and to achieve innovation across the Resources & Finance Service and the Council as a whole.

## Delivering the Corporate Plan

### A' Lìbhrigeadh a' Phlana Chorporra

|  | Performance Analysis  | Target   | Actions  |
|--|---|--|--|
| <b>% of procurement spend on local enterprises (ECON04)</b>              | 2019/20 47.26%<br>(Scottish Average 28.51%)   | Ensuring performance above the Scottish Average                                | Delivery of Transformation Programme: Procurement and Contracts Management project   |
| <b>Achieve £37.456m budget saving by March 2022</b>                      | Complete - Budget surplus delivered in 2019/20 and anticipated for 2020/21. Balanced budget set for 2021/22 | Residual budget gap of £20.3m for 2022/23 and 2023/24 to be closed             | Ongoing monitoring of 21/22 revenue budget<br>Development of medium-term financial plan                                    |
| <b>Council's financial reserves restored to 2% minimum by March 2022</b> | Complete  | General fund non-earmarked resource 2.7% of revenue budget at 2019/20 year end | Approved 2021/22 budget includes reserves strategy   |
| <b>Maintain proportion of EU Council employees</b>                       | On target   | Maintain current level of EU Council employees                                 | Continue to monitor staff leavers, their reasons and new starts  |
| <b>Maintain recruitment controls and align with budget priorities</b>    | On target   | 100% vacancies approved with funding   | Revise process for recruitment controls to remove time delays in advertising posts which will deliver on budget priorities |

|  | Performance Analysis                        | Target                     | Actions  |
|--|---|----------------------------|--|
| <b>Council tax – Annual % received (CORP7)</b>     | 2019/20 96.29%<br>(Scottish Average 95.76%) | Above the Scottish Average | Continue to promote Council Tax Reduction and implement planned recovery and enforcement actions.  |
| <b>450 staff transitioned to new roles by 2022</b> | 26 as at end 2019/20                        | Not applicable             | Paused transitioning   |
| <b>No. staff undertaking wellbeing workshop</b>    | 458 in 2019/20                              | Not applicable             | Wellbeing workshops have been replaced by alternative Mental Health and Wellbeing provision for staff eg through Employee Assistance Programme |

Added in:

“Council to appoint 300 modern apprenticeships by 2022”,  
 “ICT network refresh across 374 Council sites completed”,  
 “Benefit to customers from the advice given – THC”,



## Successes and Areas for Improvement

### Soirbheasan agus Raointean airson Leasachadh

|  | Successes   | Areas for Improvement  |
|--|---|--|
| <b>Strategic Leadership and Innovation</b> | <ul style="list-style-type: none"> <li>✓ Approval of 2021/22 revenue budget and investment strategy</li> <li>✓ Reprofiting of approved capital plan to reflect revised cost and delivery and incorporation of new projects</li> <li>✓ Providing leadership and governance to the Council's Covid-19 response across services, for citizens and businesses including engagement with staff representatives</li> <li>✓ Successful transition to remote working across all service areas</li> <li>✓ Effective collaboration with the Convention of Scottish Local Authorities (CoSLA) and Scottish Government on national policy development, implementation and review.</li> <li>✓ Developed a Connected 2021 Strategy</li> </ul> | <ul style="list-style-type: none"> <li>★ Critically analyse business intelligence to inform Service-wide improvements and innovation and to support our strategic leadership role across the Council</li> <li>★ Financial governance processes</li> <li>★ Review of options for delivery of an E-invoicing solution</li> <li>★ Further strengthen the resilience of our corporate systems and improve business information and data</li> <li>★ Develop the Procurement Strategy and Annual Performance Report</li> <li>★ Continuously review our performance management framework and introduce new indicators and measures when considered appropriate</li> <li>★ HR/Payroll system re-procurement</li> </ul> |

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|   | <ul style="list-style-type: none"> <li>✓ Launched an Executive Development Model (Employee Review &amp; Development) for Senior Leaders</li> </ul>   |   |
|   | <b>Successes</b>   | <b>Areas for Improvement</b>  |
| <b>Delivering Financial Excellence and Maximising Revenue for the Council</b> | <ul style="list-style-type: none"> <li>✓ Unqualified audit sign off of 2019/20 annual accounts</li> <li>✓ Provision of budget update report to every meeting of the Highland Council during 2020/21</li> <li>✓ Successfully issued annual council tax bills to more than 120,000 households for the collection of £133.6m</li> <li>✓ Successfully issued annual non-domestic rates bills to more than 19,000 ratepayers for the collection of £144m</li> <li>✓ Increased collection of sundry debt income</li> </ul> | <ul style="list-style-type: none"> <li>★ Support budget holders and senior managers to ensure alignment of budget to planned spend with appropriate profiling</li> <li>★ Review and update financial regulations</li> <li>★ Review internal recharge scope and methodology</li> <li>★ Attract more commercial funding, grants and working in partnerships to allow for growth of Learning &amp; Development provision</li> <li>★ Improve the apprenticeship offer within the council</li> </ul> |
| <b>Valuing our People and Advancing Employee Wellbeing</b>                    | <ul style="list-style-type: none"> <li>✓ Completion of 2020 actuarial valuation of Highland Pension fund- with 0.5% reduction in employer contribution rate for Highland Council from 2021/22 onwards</li> <li>✓ Introduced Employee Assistance Programme</li> <li>✓ Fire Risk Assessment (FRA) progressed, all schools now have had at least one FRA</li> </ul>   | <ul style="list-style-type: none"> <li>★ Workplace Health &amp; Safety</li> <li>★ Management of violence and aggression incidents (Customer Relationship Management)</li> <li>★ Establish links with community partners to promote Learning &amp; Development opportunities</li> <li>★ Renew Learning Management System</li> </ul>  |

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|   | <ul style="list-style-type: none"> <li>✓ Accident rate reduced from 219 to 209</li> <li>✓ Conducted staff wellbeing survey and held a range of staff engagement sessions</li> <li>✓ Reduce staff absence through focused support</li> </ul>  | <ul style="list-style-type: none"> <li>★ Revise Learning &amp; Development Strategy</li> <li>★ Improve Learning &amp; Development provision</li> <li>★ Holiday Back Pay Implementation</li> </ul>   |
|   | <p><b>Successes</b></p>  | <p><b>Areas for Improvement</b></p>   |
| <p><b>Social and Economic Empowerment</b></p> | <ul style="list-style-type: none"> <li>✓ High performing speed of welfare admin</li> <li>✓ Maximised quality food supplies</li> <li>✓ Collaborated with communities/citizens to supply food</li> <li>✓ Successfully delivered welfare services</li> <li>✓ Supported substantially more citizens to secure welfare entitlements and access debt management through our Welfare Team and our contract with Citizens Advice</li> <li>✓ Granted the highest number of awards in Scotland for relief from non-domestic rates for small businesses</li> <li>✓ With our partners, designed a well-received and informative Money Worries leaflet</li> <li>✓ Effective implementation of relief schemes for Non-Domestic Rates</li> <li>✓ Effectively collaborated to help develop and deliver national financial support schemes for businesses and citizens</li> </ul> | <ul style="list-style-type: none"> <li>★ Undertake a further review of the Scottish Welfare Fund</li> <li>★ Review arrangements for the assessment of educational financial entitlements</li> <li>★ In partnership with the Scottish Government and their delivery partners, explore opportunities to further alleviate food insecurities</li> <li>★ Implement online facilities to enable citizens and businesses to access online local taxation billing and benefit information</li> </ul> |

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|  | ✓ Provided written and oral evidence to UK and Scottish Parliaments |  |
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Improvement Actions for 2021/22  
Gnìomhan Leasachaidh airson 2020/21

| Improvement Actions | How we will measure success |
|---------------------|-----------------------------|
|---------------------|-----------------------------|

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|---|--|---|
| <p><b>Strategic Leadership and Innovation</b></p> | <ul style="list-style-type: none"> <li>★ Critically analyse business intelligence</li> <li>★ Further enhance financial governance</li> <li>★ Review options for an E-invoicing solution</li> <li>★ Provide resilient corporate systems</li> <li>★ Develop Procurement Strategy/Annual Performance Report</li> <li>★ Performance management framework review</li> <li>★ Develop the Senior Leadership Structure</li> <li>★ Develop a Leadership Development Programme</li> <li>★ IOSH Training for Leaders</li> <li>★ Implement a Talent Management Strategy</li> <li>★ New or improved Workforce Data system</li> <li>★ Develop a People Strategy</li> </ul> | <ul style="list-style-type: none"> <li>• Evidence-based decision making</li> <li>• Governance Board outcomes</li> <li>• E-invoicing project plan</li> <li>• Stability of system performance</li> <li>• Strategy/Report agreed</li> <li>• Evidence of review/new measures</li> <li>• Structure implemented</li> <li>• Programme implemented</li> <li>• IOSH accreditation gain</li> <li>• Strategy development complete</li> <li>• Improved reporting on equalities</li> <li>• Strategy implemented</li> </ul> |
| <p><b>Social and Economic Empowerment</b></p>     | <ul style="list-style-type: none"> <li>★ Further review the Scottish Welfare Fund</li> <li>★ Review educational financial entitlements</li> <li>★ Further alleviate food insecurities</li> <li>★ Implement online local taxation facilities</li> <li>★ Fully consolidate Living Wage</li> </ul>  | <ul style="list-style-type: none"> <li>• Comparisons with Scottish averages</li> <li>• Recommendations agreed</li> <li>• Partnership outcomes</li> <li>• Online facilities available</li> <li>• Revised lower pay grades</li> </ul>   |

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|-----------------------------------|---|
| <p><b>Improvement Actions</b></p> | <p><b>How we will measure success</b></p> |
|-----------------------------------|---|



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|--|---|--|
| <p><b>Delivering Financial Excellence and Maximising Revenue for the Council</b></p> | <ul style="list-style-type: none"> <li>★ Supporting budget holders and senior managers to ensure alignment of budget to planned spend with appropriate profiling, identifying areas of improvement in financial governance processes</li> <li>★ Review and update financial regulations and finance training for budget holders and Members</li> <li>★ Review internal recharge scope and methodology</li> <li>★ Attract more revenue and partnership working to grow Learning &amp; Development provision</li> <li>★ Improve the apprenticeship offer</li> </ul> | <ul style="list-style-type: none"> <li>• Periodic review of spend against individual budget lines. Improved financial performance reporting</li> <li>• Reduced time spent by senior officers on financial governance with no impact on quality or overall financial position</li> <li>• Revised financial regulations published.</li> <li>• Findings implemented</li> <li>• % more revenue</li> <li>• Higher % of take up of apprenticeships</li> <li>• More % offset against apprenticeship levy</li> </ul> |
| <p><b>Valuing our People and Advancing Employee Wellbeing</b></p>                    | <ul style="list-style-type: none"> <li>★ Workplace Health &amp; Safety</li> <li>★ Raise awareness of incident reporting/near misses</li> <li>★ Update OHS&amp;W guidance</li> <li>★ Improve uptake of training provision</li> <li>★ Improve attendance of all training offered</li> <li>★ Support staff for New Ways of Working</li> <li>★ Strategy Review, including exit interviews</li> <li>★ Implementing actions from Workforce Planning</li> <li>★ Formal Flexible Working Arrangements</li> </ul>  | <ul style="list-style-type: none"> <li>• Management system implemented</li> <li>• Improved data and reporting</li> <li>• Policy and guidance implemented</li> <li>• % attendance improvement</li> <li>• % attainment</li> <li>• % satisfaction feedback</li> <li>• Implementation of Strategy Review</li> <li>• Workforce Planning introduced</li> <li>• Arrangements Agreed</li> </ul>  |