

The Highland Council
Resources Committee - 28 May 2014

Agenda Item	9
Report No	RES/ 07/14

Finance Service Plan 2014-15

Report by Director of Finance

Summary

This report introduces the Finance Service Plan, updated for 2014/15 which identifies the enabling actions and key performance results which will deliver 'Working together for the Highlands', the Programme of the Highland Council as revised on 8th May 2014. It also outlines the statutory and core functions of the Service including the Single Outcome Agreement.

1. Background

- 1.1 This service plan outlines the enabling actions and key performance results which will deliver the commitments of the Programme of the Highland Council as detailed in 'Working together for the Highlands' and the Council's Corporate Plan for 2012-17 as updated May 2014. The service plan provide an update for the period 2014-15 and once approved the plan will be a public document and made available on the Council's website.
- 1.2 Included is a brief review of performance over the last reporting period and describes the objectives to be met arising from drivers such as the Council's Programme, Single Outcome Agreement and the Service's statutory and core business.

2. Approach

- 2.1 The service plan (Appendix 1) sets out the functions performed by the service and the resources available in terms of staff and budget for 2014-15. The service plan describes the objectives to be met derived from:
- Working together for the Highlands 2012-17
 - The Single Outcome Agreement
 - Other statutory and core business contained in the Corporate Plan
 - The requirements of external scrutiny by regulators
 - Corporate and Service risks identified which require enhanced management action
- 2.2 For each objective set there are performance measures identified and a description of the actions to ensure delivery.

3. Monitoring and Performance Reporting

- 3.1 Progress against the actions is monitored quarterly through the Quarterly Performance Reviews with the Chief Executive. Service plans provide information on the operation delivery of the Corporate Plan and progress will therefore also be reported to the Council through the Council's Annual Performance Review each autumn.

4. Equalities and Strategic Environmental Assessment

4.1 The Council has a legal duty to consider for all plans, programmes and strategies, the relevance of the Environmental Assessment (Scotland) Act 2005. Following the Strategic Environmental Assessment of the Corporate Plan the Environmental Impacts of the Service Plan have been considered through pre-screening and no further significant likely environmental impacts were identified.

5 Implications

5.1 As a description of current and planned activity there are no resource implications arising from this report.

Recommendation

The Resources Committee is asked to :

(a) Approve the Finance Service Plan updated for 2014-15.

Designation: Director of Finance

Date: 2 May 2014

Author: Caroline Urquhart, Development Officer, Finance 01463 702034



Finance Service Plan

Plana Seribheis an Ionmhais

The Highland Council

Comhairle na Gàidhealtachd

2012 – 2017

Updated for 2014/15

Air ùrachadh airson 2014/15

Contents

Clàr-innse

1.	Purpose of the Plan, time frame and how it will be monitored <i>Adhbhar a' Phlana, frèam-ùine is mar a thèid a sgrùdadh</i>	4
2.	Main functions, structure <i>Prìomh dhreuchdan, structair</i>	5
3.	Resources <i>Stòrasan</i>	7
4.	The Programme of the Highland Council, the Single Outcome Agreement, Statutory and Corporate Governance priorities. <i>Prògram Chomhairle na Gàidhealtachd, Aonta na Buile Singilte, Prìomhachasan Riaghlaidh Reachdail is Corporra</i>	13
5.	Risks <i>Cunnartan</i>	15
6.	Programme Commitments being led by the Finance Service <i>Dealasan Prògraim gan stùireadh le Seirbheis an Ionmhais</i>	16
7.	Service Improvement Priorities 2014/15 <i>Prìomhachasan Leasachaidh Seirbheis 2014/15</i>	20
	Appendix 1 - Structure <i>Pàipear-taice 1 - Structair</i>	23

1. Purpose of the Plan, time frame and how it will be monitored *Adhbhar a' Phlana, Frèam-ùine is mar a thèid a sgrùdadh*

- 1.1 This Service Plan is a strategic document which outlines how we will contribute to the delivery of the commitments of the Programme of the Highland Council for which the Finance Service has either a lead or supporting role. In addition the plan also details key actions required for the delivery and improvement of the statutory and core functions of the Service and corporate governance priorities. The plan covers the period 2012-2017 (updated for 2014/15) and is supported by a series of specific operational and project plans where appropriate.
- 1.2 It presents an overview of the Service's aims, objectives and resources, how the Service intends to contribute to corporate objectives, current Service issues and priorities, and the main risk factors identified in relation to these matters.
- 1.3 The plan is an active document and will be subject to review on an annual basis with reports being submitted to the Resources Committee for consideration. In addition the plan will be monitored on a quarterly basis through the Chief Executive's Quarterly Performance Review of the Service with the Service Director and Senior Managers.
- 1.4 The Service Plan will be formally updated annually taking into account internal and external influences and actions arising from monitoring activity throughout the year including the development of the Scottish Government's requirements surrounding the Single Outcome Agreement.
- 1.5 The plan will be useful to many people including:
- Staff
 - Customers
 - Elected members
 - Other Council Services
 - All partners or potential partners

2. Main functions, structure *Priomh fhreuchdan, structair*

“We will deliver and demonstrate efficient and effective stewardship of the Council’s funds by providing leadership and excellence in relation to financial issues”.

Our statement of purpose

2.1 Finance Service Goals & Values *Amasan & Luachan Seirbheis an Ionmhais*

The Service has agreed the following goals and values:

- **Confident, developed and motivated staff**
- **Recognised excellence in service delivery to our customers**
- **Culture of continuous improvement**
- **Excellent financial resource management founded on first class systems, procedures and processes**

2.2 Main Functions of the Finance Service *Priomh Dhreuchdan Seirbheis an Ionmhais*

Central to the role of the Finance Service is the statutory obligation imposed by the terms of Section 95 of the Local Government (Scotland) Act 1973. Each local authority is bound to make arrangements for the proper administration of its financial affairs and shall ensure that the Proper Officer has responsibility for the administration of those affairs. For The Highland Council, the Director of Finance is the Proper Officer and, as such, has this responsibility. In accordance with this duty, Financial Regulations are compiled and issued, which govern conduct of the Council in financial matters and the Proper Officer has direct jurisdiction over all financial activities taking place in the Council.

The Finance Service currently has 5 distinct sections, each of which has responsibility for a range of functions which they deliver to the Service, the wider Council, external bodies and the Public. Our main activities and functions can be found listed overleaf in section 2.3. The Service employs 648.7FTE staff and has an annual revenue budget of £11.245million. This will be updated to reflect the changes arising from the proposals contained within the report on Finance and Welfare Budgets, which will be presented to Resource Committee in May 2014. **Appendix 1** shows a high level organisational chart for the Finance Service.

Guidance as to how the Service and its officers undertake their roles comes from a variety of professional bodies, such as the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Institute of Revenues Rating and Valuation (IRRV). It is essential that we have regard to and, where necessary, act upon what they produce. There is a current requirement from CIPFA via the Statement of Recommended Practice (SORP) to attach a statement of internal control to the Financial Accounts.

Accounting and Budgeting

(49.93FTE)

- Accountancy
- Financial Monitoring
- Development of revenue and capital budgets
- Treasury management
- Pension Fund investment strategy & management
- Taxation
- Insurance - including Tenants Home Contents and Community Schemes

Business Support

(348.01FTE)

- Purchasing & payment
- Information management
- Management Support
- Facilities management
- Finance systems administration
- Training & development
- Service performance management and planning
- HR administration
- EMA admin

Exchequer and Revenues

(223.16FTE)

- Council tax & non domestic rates
- Scottish Welfare Fund
- Prevention and detection of fraud
- Discretionary Housing Payments
- Income management and corporate debt recovery
- Payroll and pensions administration
- Customer income maximisation and money advice
- Housing benefit
- Welfare Reform
- Payment of creditors

Internal Audit & Risk Management

(11FTE)

- Internal Audit and Scrutiny service
- Risk management

Procurement

(15.6FTE)

- Contracting for goods and services
- Governance, management and improvement of procurement standards and working methods
- Procurement training and development for businesses and staff
- Sustainability and community benefits through procurement work
- Strategic contract management
- Delivery of corporate procurement savings

As part of the Council's restructuring to 5 Service Directorates, the Finance Service is also reducing to 4 sections during 2014. Revenues and Business Support are merging and the remaining Exchequer functions of Payroll, Pensions and Creditors are joining with Accounting & Budgeting to become *Corporate Finance*. Procurement and Internal Audit & Risk Management are unchanged.

3. Resources Stòrasan

3.1 2014/15 Budget Revenue Budget

Financial Year	Net Revenue Budget (£m)
2014/15	11.245

Breakdown of 2014/15 Budget

By Section

	2014/15
Section	Net Budget (£m)
Accounting and Budgeting	2.550
Business Support	5.210
Directorate	(0.487)
Exchequer and Revenues	3.031
Internal Audit and Risk Management	0.391
Procurement	0.550
Total	11.245

By Staff and Other Costs

	2014/15
Cost	Net Budget (£m)
Staff costs	17.278
Other costs	0.962
Total costs	18.240
Income	(6.995)
Net budget	11.245

3.2 The service efficiency savings for 2014/15 are made up from the following measures:

Service section	Savings Proposal	2014/15 £m	2014/15 FTE
Business Support	Efficiency savings across a range of administration budget headings	0.010	0.0
Exchequer & Revenues	Introduction of eBilling to replace paper based system (potential for inclusion in Corporate Improvement Programme)	0.050	0.0
All service	Additional target efficiency savings across the service to be identified.	0.285	8.0
TOTAL		0.345	8.0

3.3 ACCOUNTING & BUDGETING

- 3.3.1. With a revenue budget of £2.550m, the **Head of Accounting & Budgeting**, together with his team of 49.93fte are responsible for a range of financial services to the Council including accountancy provision, financial monitoring, treasury & taxation, the development of budgets and the pension fund investment & strategy.
- 3.3.2. Work will be undertaken this year to progress the procurement and implementation of a new financial information system which is due to be completed by March 2015.
- 3.3.3. In addition, the Council's and Joint Boards Year End Accounts for 2012/13 were successfully completed on time in accordance with International Financial Reporting Standards. A revised Capital Programme was also agreed by the Council using the corporate system of assessment and appraisal.

3.4 BUSINESS SUPPORT

- 3.4.1. As part of the Council's Corporate Improvement Programme, the Business Support review is a significant project for the Council. The section is led by the **Head of Business Support**, who, together with a management team of 7fte have responsibility for 348.01fte staff and an annual revenue budget of £5.210m. BS provides a range of support services to the Council, including HR administration, facilities management, and purchasing & payment support and information management.
- 3.4.2. Savings of £1.59m have been delivered (13%) in the first 2 years to 31 March 2013. Scott Taylor, Civic Officer and Team Leader in Business Support, was awarded the Council's *Employee of the Year 2013*. Business Support was also awarded a Highland Council Quality Award for *Working Together for Efficiency and Service Improvement* in 2013 and were runner-up in the Scottish Chartered Institute of Public Finance & Accountancy's (CiPFA) *Public Finance Team of the Year 2014*.

- 3.4.3. During 2013/14, new ways of working introduced including the implementation of the National Recruitment Portal where customers can submit applications on-line. 96% of job applications are now submitted on-line which also means more than 175,000 paper / printed material is avoided. More than 84% of managers were satisfied (61%) / very satisfied (23%) with the support they receive in relation to recruitment management.
- 3.4.4. New ways of working were also introduced for purchasing and payment transactions in relation to Small Schools. Recent customer feedback is that more than 97% are satisfied (52%) / very satisfied (45%) with the services delivered.
- 3.4.5. Further savings will be delivered and some are predicated on the implementation of new ways of working (including business process redesign) by Services enabled by technical solutions.

3.5 EXCHEQUER & REVENUES

- 3.5.1. In addition to administering Council Tax and Non-domestic rates for the Highland Council, Exchequer & Revenues also manages Housing Benefit, Discretionary Housing Payments, Money Advice and Customer Income Maximisation Services, payment of Creditors, Income Management and recovery of Corporate Debt, Payroll and Pension administration and the Scottish Welfare Fund. **The Head of Exchequer and Revenues**, together with his management team have responsibility for 223.16fte staff based throughout the Highland area. Exchequer & Revenues has an annual revenue budget of £3.031m.
- 3.5.2. The Council Tax Reduction Scheme, replacing Council Tax Benefit was successfully introduced in 2013/14 together with the Scottish Welfare Fund which provides Crisis Grants and Community Care Grant assistance. 2014/15 sees a continuation of both as well as substantially increased work on Discretionary Housing Payments – used as a funding vehicle to mitigate some of the adverse impacts of Under Occupancy rules on tenants of social sector housing.
- 3.5.3 Additional investment in Money Advice provision enhances the services offered to customers at a time of increasing pressures upon the family incomes of those affected by Welfare Reforms. In 2014/15 demands upon the Service will increase further as Universal Credit (which in Scotland is live only in the Inverness Job Centre area) expands both in its scope and complexity.

To increase efficiency and improve customer service, online forms will be introduced incrementally from 2014/15 for a variety of Service requirements. Once implemented, these will improve the quality of data capture at the same time as removing some manual intervention. Opportunities will also be taken to implement electronic billing facilities; if these prove popular they should reduce printing & postage costs.

3.5.4. Housing Benefit Administration

Despite the uncertainties for staff surrounding the forecast demise of Housing Benefit performance for New Claims has declined only slightly to 23days and processing of Change in Circumstances remains at 6 days.

3.5.5. Income and Recovery

Processing times for income management continue at two days following the successful implementation of Business Internet Banking and access to electronic information. Further enhancements and development to the Council's Internet Payment site have led to an increase in Internet payments of 37.1%. A successful software upgrade to the Council's cash receipting system has recently been implemented and "Payee.net" facilities, allowing payment at point of contact, continue to be rolled out to Services.

Sundry debts over 90 days outstanding have reduced from 40.04% to 37.11% while the overall in-year collection figure has increased from 74.44% to 78.71%. Further proactive recovery work has led to increased income of £656k through increased direct deductions from on-going benefit, reduced borrowings and additional Court income.

Work continues on the implementation of a Corporate Arrears Recovery System and it is hoped that it can go live during 2014. .

3.5.6. Payroll

The Service has worked closely with the Corporate Improvement Programme team to develop and test new work practices through the introduction of SharePoint forms.

Following the successful migration of more than 2,600 weekly and fortnightly paid employees to monthly pay, the team will look to further increase efficiency in 2014/15 by testing and rolling out submission of data by bulk electronic timesheets, which will reduce the requirement for manual input.

Changes in Real Time Information (RTI) reporting for HMRC required the Council to change the way election staff were paid. The payroll team provided the platform for paying election staff by creating a dedicated payroll for this purpose removing the need for the Council to invest in a dedicated elections system.

3.5.7. Pensions Administration

Work continues processing pension benefits supporting the policies of the Council and other Scheme employers and a new bespoke Pension Website has proved to be popular. This provides a platform to publish and update information.

The Council's Flexible Retirement Policy continues to be an increasingly popular alternative to full retirement, and staff members continue to work closely with the Council's Additional Voluntary Contribution provider to ensure that Scheme members are aware of the various options available.

The team continues to liaise with scheme employers on auto enrolment compliance, and senior team members are working closely with colleagues nationally to interpret and understand the implications of the new Scheme to be introduced in 2015.

3.5.8. Payment of Creditors

The Creditors team continues to assist and advise the Corporate Improvement Programme Team in the development of new processes for the Purchase to Pay arrangement.

3.5.9. Responses to Economic Downturn and Welfare Challenges

During 2013/14 the Service was heavily involved in making representations about and responding to, the major changes for both customers and the Council arising from Welfare Reforms.

This continues into 2014/15 with participation in national negotiations as to the funding of Local Support Services by the UK Government, representation on COSLA working groups, and presentations on Universal Credit and related topics to national seminars and professional bodies.

The Council also continues to be represented on the Board of a research project looking at improving the Outcomes for Money Advice in Scotland.

During 2013/14 the Customer Income Maximisation Team increased the amount of financial gain to customers to £1.634m. It is anticipated that as the cumulative impact of Welfare Reform continues to expand, the complexity of the Team's casework will likely increase. Synergies from close and effective working with the Money Advice Team have meant that 1,275 Money Advice customer contacts (1,056 contacts 2012/13) involving client debt of £7.079m could be dealt with.

Looking forward another area of concern is the replacement of Disability Living Allowances by Personal Independence Payments. The Government is seeking savings of £600m per annum from this across the UK. It has been estimated by the Scottish Local Government Forum against Poverty that this change alone once fully implemented could mean Highland families lose in aggregate more than £6m.

The Service also continues to collect Business Improvement District levies and administers the Scottish Government's Small Business Bonus Scheme throughout Highland. Since the SBBS scheme was introduced in 2008, the Highland Council has, year on year, achieved the highest take-up in Scotland; work will continue in 2014/15 to further improve performance levels.

3.6 INTERNAL AUDIT AND RISK MANAGEMENT

- 3.6.1. The Section is responsible for delivering a plan of audit work agreed annually by the Audit & Scrutiny Committee. In addition the Section is also responsible for investigating fraud, auditing grant claims, maintaining the Council's Financial Regulations and providing advice to Services on internal control matters and governance. The section is led by the **Head of Internal Audit & Risk Management** who, together with his team of 11fte, has a revenue budget of £0.391m. The Section went through a restructuring exercise during 2013/14 which delivered a financial saving of £0.051m.
- 3.6.2. The work of Internal Audit is summarised within the Head of Internal Audit & Risk Management's Annual Statement on Internal Control which provides an opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control. This opinion is used to inform the Annual Corporate Governance Assurance Statement.
- 3.6.3. From 1st April 2013, a new common set of Public Sector Internal Audit Standards (PSIAS) were introduced, replacing the CIPFA Code of Practice for Internal Audit.

One of the objectives of the PSIAS is to establish the basis for the evaluation of internal audit performance and to drive improvement planning. The extent to which the Section complies with the PSIAS needs to be communicated annually to the Audit & Scrutiny Committee and this will therefore be provided within the Head of Internal Audit & Risk Management's Annual Report which will be presented in June 2014.

- 3.6.4. With regard to risk management, the Head of Internal Audit & Risk Management is responsible for identifying best practice, providing guidance to the Executive Leadership Team, Services and the Corporate Risk Management Group and taking forward risk management initiatives. The Council has a Risk Management Strategy which will be revised during the course of 2014/15.

3.7 PROCUREMENT

- 3.7.1. The Highland Council's procurement section has the remit for procurement work relating to all services and supplies with the exception of care services. This equates to an annual Council spend of approximately £180m per year.
- 3.7.2. The section is focussed on achieving the best results for Highland from the way this sum is spent. This is achieved through influencing Council behaviours with regard to how it identifies, questions, defines, awards, and manages this spend. It is also achieved by assisting businesses, voluntary organisations, and social enterprises to develop their skills and abilities in bidding for Council work, and through making opportunities to participate as visible as possible.
- 3.7.3. The Council is currently undertaking a major review of its approach to procurement and will shortly be re-writing its procurement strategy in light of the forthcoming Procurement Reform Act and Procurement's acknowledged place in achieving Europe 2020 outcomes.

4. **The Programme of the Highland Council, Single Outcome Agreement, Statutory and Corporate Governance priorities.**
Prògram Chomhairle na Gàidhealtachd, Aonta na Buile Singilte, Prìomhachasan Riaghlaidh Reachdail is Corporra

4.1 “Working together for the Highlands”, the Programme of the Highland Council sets out seven main themes which focus on working together, these are:

- *Working together for the economy*
- *Working together for our children and young people*
- *Working together for caring communities*
- *Working together for better infrastructure*
- *Working together for better housing*
- *Working together to empower our communities*
- *Working together for strong and safe communities*

There are also three cross-cutting commitments:

- **The Council will commit to the principle of equal respect for the Gaelic and English languages, whilst also recognising the diversity of indigenous language and dialects within the Highland area in relation to the economy;**
- **The Council will maintain its commitment to Scotland’s Climate Change Declaration in relation to the economy;**
- **The Council will implement the Fairer Highland Plan including the general and specific duties of the Equality Act (2010), ensuring that people are treated fairly and with respect in relation to the economy**

The Finance Service has a lead or supporting role in delivering a number of these commitments. Performance information regarding what we will do in 2014/15 to improve service delivery and contribute to the delivery of these commitments is provided in section 7, with an outline of the achievements to date listed in section 5.

4.2 In the current financial environment the Public Sector expects on-going reductions in funding. As a consequence, efficiency improvements in reviewing service priorities will be critical to the Council’s longer term financial planning.

The Finance Service will be responding to these priorities in five ways, by:

1. Developing more efficient ways of working within the Finance Service e.g. through maximising the use of technology available
2. Exploring opportunities presented by shared services;
3. Supporting the Council in the monitoring and reporting of efficiency savings, and in particular, the publication of an Annual Efficiency Statement;
4. Supporting the Council in achieving the objectives of the Corporate Improvement Programme.

5. Seeking to draw in to the Highlands any resources by way of grant, subsidy or other income that might be forthcoming from Government or other funding sources.

Flowing from the Concordat between Scottish and Local Government is the Single Outcome Agreement. The SOA requires the Council to ensure that's its financial plans are aligned with both the Council's and the Government priorities.

4.3 The Highland Single Outcome Agreement

The third [Single Outcome Agreement](#) (SOA3) which was approved by the Council in June 2013 reflects the 6 national priorities and 16 national outcomes. The Finance Service will provide support to the Council in its delivery of outcomes. The Finance Service will support the Council in its delivery of these outcomes through providing financial support and expertise in the development and monitoring of proposals, ensuring the best use of financial resources, and supporting an assessment of financial options for service delivery. The first full performance report against SOA3 will be published in September 2015.

4.4 Employee Survey

Suirbhidh Luchd-obrach

The sixth Employee Survey was completed in September 2012 with results reported to the Finance, Housing & Resources Committee on 10 April 2013

The report also includes some details for the recently formed Business Support section, located within the Finance Service. This was the first time the Council had been able to report results specific to Business Support.

Updates against the improvement Actions will be reported to the Resources Committee in May 2014.

4.5 Highland Economic Forum

In response to the economic downturn, the Council has implemented a *Highland Economic Forum Strategy and Action Plan* to assist Highland businesses and individuals deal with the changed economic circumstances. This plan supports the Council's Programme to create sustainable communities with more balanced population growth and economic development across the Highlands and to build a fairer and healthier Highlands.

5. Risks

Cunnartan

At present the Corporate Risk Register is under review and once finalised and submitted to Audit & Scrutiny Committee on 19th June 2014 the Service Plan will require amendment to ensure that all Corporate and Service risks are managed through the plan. In addition all identified risks are monitored through Quarterly Performance Review (QPR) meetings and performance is managed through the electronic performance and risk management system (PRMS).

6. Programme Commitments being led by the Finance Service *Dealasan Prògramm gan stùireadh le Seirbheis an Ionmhais*

6.1 Working together for the economy *Ag obair còmhla airson an eaconamaidh*

Service I.D.	1.1
Programme Commitment	The Council will continue to be transparent in awarding contracts, and fair and efficient in settling our bills.
Council Programme Ref.	1.5
Lead Officer	Head of Procurement and Head of Business Support
Resource	Procurement and Business Support Teams
Key Performance Results (Actions & Indicators)	<ul style="list-style-type: none"> 90% of invoices paid within 30 calendar days of receipt 60% of invoices paid within 10 calendar days of receipt Total direct spend with Highland businesses to increase by 5% by 2017 Total direct spend with Highland Small Medium businesses to increase by 5%
Risk	N/A

Enabling actions		Completion Date
1.1.1	Continue to monitor invoice payment performance.	March 2017
1.1.2	Reports drawn from Procurement Hub annually and passed to CEO.	March 2017
1.1.3	Supplier development events run annually with improvement plans to follow.	March 2017
1.1.4	Adoption of fully corporate approach to procurement, and of national, sectoral, and local joint working on procurement is in development. This is likely to be a long term project over the period of the procurement strategy to 2015.	April 2015
1.1.5	Assessment of sustainability/community benefits aspects in procurement takes place annually via Resources Committee	March 2017

Service I.D.	1.2
Programme Commitment	Working with the Scottish Government, the Council will continue to support and provide the Small Business Bonus Scheme.
Council Programme Ref.	1.7
Lead Officer	Head of Exchequer and Revenues
Resource	Existing resource within the NDR team.
Key Performance Results (Actions & Indicators)	<ul style="list-style-type: none"> No of businesses in receipt of Small Business Bonus Scheme Target uplift of 2.5% per annum. At least maintain current levels of performance
Risk	N/A

Enabling actions		Completion Date
1.2.1.	As per standard operating procedures, continue to mailshot customers with potential entitlement.	March 2017

Service I.D.	1.3
Programme Commitment	The Council will review Council procedures, including procurement, to ensure that contracts are drawn up so as to maximise the opportunities for local businesses.
Council Programme Ref.	1.13
Lead Officer	Head of Procurement
Resource	Procurement Team
Key Performance Results (Actions & Indicators)	<ul style="list-style-type: none"> Total direct spend with Highland businesses to increase by 5% by 2017 Total direct spend with Highland Small Medium businesses to increase by 5% Implement the first stage improvements to procurement procedures by September 2014
Risk	N/A

Enabling actions		Completion Date
1.3.1	Annual supplier/business development events	March 2017
1.3.2	Simplification and standardisation of approach across all Services	September 2014
1.3.3	Development of risk based approach to lotting of contracts	September 2014

Service I.D.	1.4
Programme Commitment	Continue to monitor national developments in use of pensions funds for local investment.
Council Programme Ref.	1.14
Lead Officer	Director of Finance / Head of Accounting & Budgeting
Resource	Corporate Budgeting, Taxation and Treasury Team
Key Performance Results (Actions & Indicators)	<ul style="list-style-type: none"> Report to Investment Sub Committee Continue to monitor national developments in use of pension funds for local developments
Risk	N/A

Enabling actions		Completion Date
1.4.1	Report to Investment Sub Committee	completed

Service I.D.	1.5
Programme Commitment	The Council will work with both Scottish and UK Governments to contribute to local taxation options.
Council Programme Ref.	1.30
Lead Officer	Director of Finance / Head of Exchequer and Revenues
Resource	Director of Finance / Head of Exchequer and Revenues
Key Performance Results (Actions & Indicators)	Evidence of participation
Risk	N/A

Enabling actions		Completion Date
1.5.1	Positively contribute to consultations/consideration by professional bodies and COSLA in relation to (a) Council Tax Reduction Scheme and (b) Options for future system of Local Taxation and associated reliefs.	March 2017

Service I.D.	1.6	
Programme Commitment	We will investigate new opportunities for non-domestic rate incentives for town centres/specified streets or localities where support is needed to help to reverse localised economic decline	
Council Programme Ref.	1.31	
Lead Officer	Head of Exchequer and Revenues	
Resource	Existing NDR resource working in conjunction with Development & Infrastructure Service	
Key Performance Results (Actions & Indicators)	<ul style="list-style-type: none"> Council consideration of proposals and costing implications (incl. Report to Resources Committee) 	
Risk	N/A	
Enabling actions		Completion Date
1.6.1	Enabling regulations	2015/16, following receipt of Regulations and Scheme Guidance.

Service I.D.	1.7	
Programme Commitment	We will explore all opportunities to promote wider application of the living wage across Highland	
Council Programme Ref.	1.32	
Lead Officer	Head of Procurement	
Resource	Head of Procurement	
Key Performance Results (Actions & Indicators)	<ul style="list-style-type: none"> Increase in the number of Highland employers certifying use of ethical employment practices Explore opportunities to promote the living wage in procurement processes. 	
Risk	N/A	
Enabling actions		Completion Date
1.7.1	The Council's approach to supplier selection will be amended to give credit to those employers using ethical employment practices such as payment of the living wage and avoidance of zero hours contracts.	March 2017

6.2. Working together for our children and young people

Ag obair còmhla are cloinn agus ar n-òigridh

Service I.D.	2.1	
Programme Commitment	The Council will ensure that all bidders for significant council contracts must provide targeted plans to recruit young unemployed people in the Highlands.	
Council Programme Ref.	2.27	
Lead Officer	Head of Procurement	
Resource	Procurement Team and Service Project Teams	
Key Performance Results (Actions & Indicators)	<ul style="list-style-type: none"> Establish criteria to ensure that all bidders for significant council contracts provide targeted plans to recruit young unemployed people in the Highlands All Services will examine the potential for procurement 	

	contracts to offer opportunities for recruiting young people.	
Risk	N/A	
Enabling actions		Completion Date
2.1.1	Project teams and sponsors to review employability aspects of procurement projects in the Capital Plan and Five Year Tendering Plan	September 2014
2.1.2	Standard sets of supplier selection and award criteria and terms and conditions to be established to support this	September 2014

6.3. Working together for caring communities

Ag obair còmhla airson coimhearsnachdan cùramach

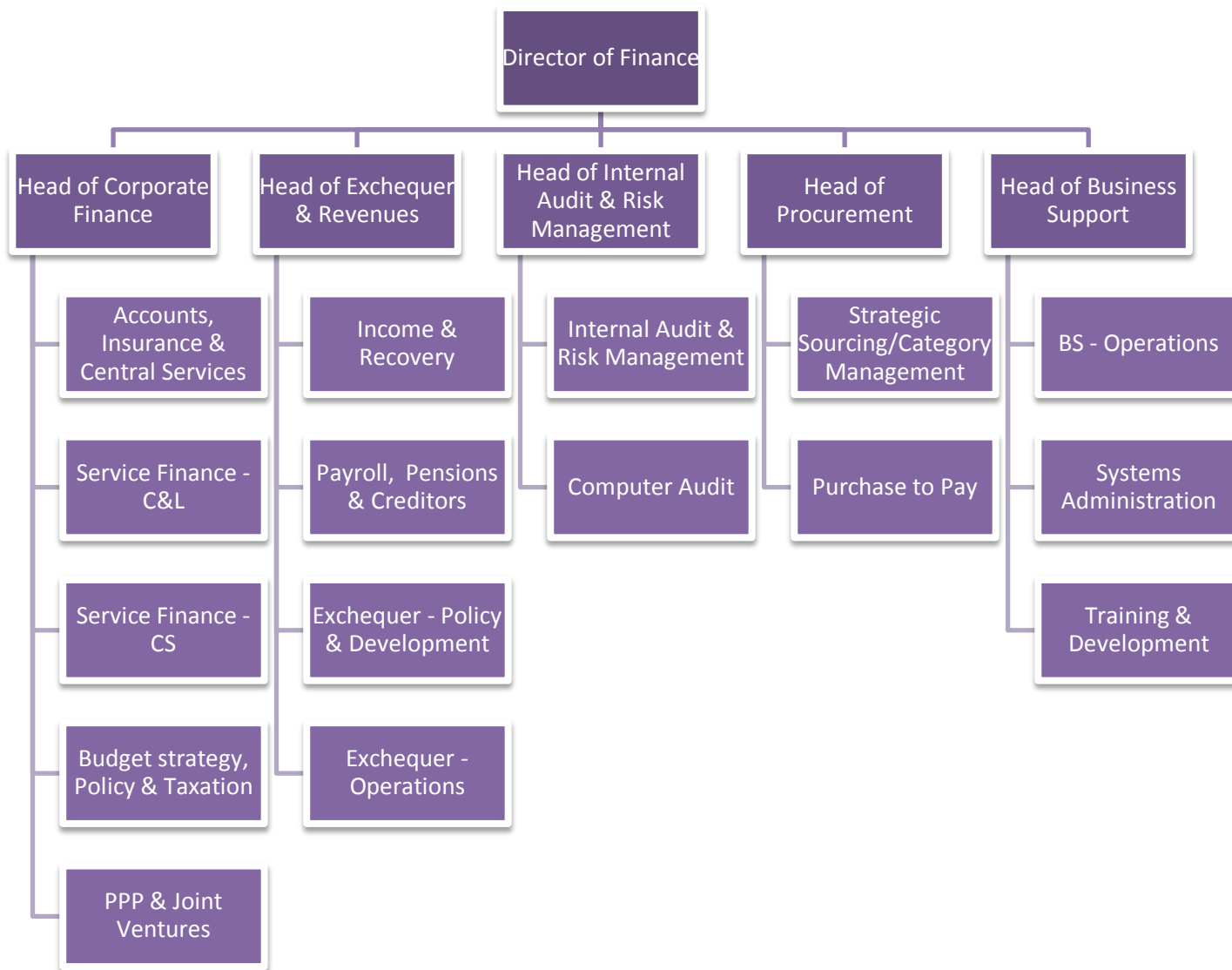
Service I.D.	3.1	
Programme Commitment	The Council will work to alleviate poverty by encouraging benefit uptake and supporting a range of advice services.	
Council Programme Ref.	3.2	
Lead Officer	Head of Exchequer and Revenues	
Resource	Customer Income Maximisation/Money Advice Teams	
Key Performance Results (Actions & Indicators)	<ul style="list-style-type: none"> • Increase in number of customers reached by the Council's money advice and welfare rights • Increase in financial benefit to customers from the advice given by the Council. 	
Risk	N/A	
Enabling actions		Completion Date
3.1.1	Maintain accreditation to the Scottish National Standards	March 2017

Service I.D.	3.2	
Programme Commitment	Continue to lobby for measures to mitigate the negative effects of welfare reform.	
Council Programme Ref.	3.14	
Lead Officer	Head of Exchequer and Revenues	
Resource	Welfare Reform Working Group, professional contacts, local MPs, COSLA and Scottish Government	
Key Performance Results (Actions & Indicators)	<ul style="list-style-type: none"> • Satisfactory arrangements for Local Support Services • Modifications to initial DWP proposals for implementation of UC and other WR measures 	
Risk	N/A	
Enabling actions		Completion Date
3.2.1	Continued participation in national discussions on WR and Money Advice issues	March 2017

7. Service Improvement Priorities 2014/15
Prìomhachasan Leasachaidh Seirbheis 2014/15

Service Section	Service Improvement Priority	Target Date
Accounting & Budgeting	Progress the implementation of a new Financial Information System	March 2015
Business Support	Working with Services, complete Service Descriptions	June 2014
	Working with Services, finalise performance indicators and effectively report.	June 2014
	Working with Services and the Corporate Improvement Programme, continue to deliver efficiencies.	March 2015
Exchequer & Revenues	Contribute to a permanent scheme for Council Tax reduction	March 2015
	Contribute towards National Thinking on local support services for Universal Credit, building on local partnership agreement in Highland for Inverness Job Centre etc.	March 2015
	Contribute to the design and implementation of a permanent scheme for the Scottish Welfare Fund	March 2015
	Introduce Online Exchequer forms subject to CIP timetable	September 2014
	Rationalise the number of payrolls. (Dependent on on-going Trade Union negotiation led by Chief Executive Service).	November 2014
	Continue to implement work flow processes in Pensions.	September 2014
	Implement Corporate Arrears Recovery Systems (CARS).	September 2014
Internal Audit & Risk Management	Review and revise the Council's approach to Risk Management, including the Risk Management Strategy; the process on identifying, addressing, monitoring and reporting risks; the role and membership of the Corporate Risk Management Group and the performance of Risk Management reviews	March 2015
	Undertake an assessment of the extent to which Internal Audit complies with the requirements of the new Public Sector Internal Audit Standards (PSIAS) and report the results to the Audit & Scrutiny Committee. Provide an annual assessment report thereafter.	June 2014
	Implement the requirements of the Public Sector Internal Audit Standards, including the requirement	March 2015

Service Section	Service Improvement Priority	Target Date
	for external assessment.	
	Identify and implement the improvement measures arising from the review of the PSIAS, including the requirement for external quality assessments.	December 2014
	Consider the approach to the performance of scrutiny reviews by the Scrutiny Working Group	September 2014
	Progress the Service's approach to Health & Safety, including the development of a Service-specific Health & Safety Policy, a Health & Safety Manual and establishing a Finance Health & Safety Group.	March 2015
	Consider the approach to assurance mapping in terms of the Statement on Internal Control.	March 2015
	Consider the approach to assurance mapping in terms of the Statement on Internal Control.	March 2015
Procurement	Standard and agreed approach to sustainable procurement	June 2014
	Council wide adoption of Scottish Standard PQQ	June 2014
	Single approach to scoring submissions	June 2014
	Define "Community Benefit"	June 2014
	Standardise debrief	June 2014
	Single repository for holding and managing PQQ information	November 2014
	Develop proposals for long-term joined Projects of capital works year revenue & 10 year capital budget provides greater opportunity	November 2014
	Common approach to aggregation and lotting	November 2014
	Training needs analysis	November 2014
	Standard approach to price/quality ratio	November 2014
	Member/officer working group on sustainable procurement	November 2014
	Member/officer working group on sustainable procurement	November 2014
Directorate	Maintain ICT Business Continuity Plans in accordance with the requirement of the Civil Contingencies Act 2004	March 2017



To request this information in an alternative format e.g. large print, Braille, audio tape, or suitable language, please contact:
Airson am fiosrachadh seo fhaighinn ann an cruth eile m.e. clò mòr, clò nan dall, teip chlaistinneach, no cànan freagarrach, cuiribh fios gu:

**Development Officer
Business Support
Finance Service
Council Headquarters
Glenurquhart Road
INVERNESS
IV3 5NX**

**Telephone: 01463 702034
E-mail: business.support@highland.gov.uk**

**The Highland Council website link:
<http://www.highland.gov.uk/yourcouncil/finance/>**