

Agenda Item	<b>8.b</b>
Report No	<b>RES/44/23</b>

## HIGHLAND COUNCIL

**Committee:** Corporate Resources

**Date:** 7 December 2023

**Report Title:** Resources and Finance Directorate Service Plan

**Report By:** Interim Depute Chief Executive

### 1. Purpose/Executive Summary

- 1.1 This report introduces the Resources and Finance Service Plan for 2023/24. The format and content of the Plan has been updated following approval of the Corporate Plan 2022-27 by Council on 9 March 2023. This Plan sets out the Service's improvement priorities for the year including how this contributes to delivery of the Corporate Plan.

### 2. Recommendations

- 2.1 The Committee is invited to comment on and approve the Service Plan for 2023/24.

### 3. Implications

- 3.1 Resource:  
The Service Plan outlines the revenue budget associated with the Service, along with the high-level organisational structure. The Plan highlights how we are achieving Best Value and transforming the Service to achieve efficiency savings. The resources section at page 3 of the Plan provides a high-level summary of the budget for 2023/24.

Quarterly budget monitoring reports are provided to Committee. Any material change which affects Service Plan delivery will be reported to the Committee to enable informed decisions on any amendments required.

- 3.2 Legal:  
Service Plans set out the planned objectives and measures which together form the framework for annual public performance reporting.

- 3.3 Community (Equality, Poverty and Rural):  
Activities within the Plan are subject to screening for Equality Impact Assessment (EQIA). Screening will take place once the plan is finalised, and the results have been passed to the Council's Equalities Officer as part of the corporate monitoring systems for Equalities Legislation. Screening will also consider any policy, strategy and plans linked to the delivery of the Service Plan and their impact.
- 3.4 Climate Change/Carbon Clever:  
There are no direct implications arising from this report, but all Services have a role in ensuring the Council achieves its net zero targets.
- 3.5 Risk:  
All risks will be identified, managed and regularly reviewed with progress reported to the relevant Committee.

Service risks are recorded in their risk register, monitored quarterly by the Service Management Team and progress reported to this Committee. Corporate risks are recorded in the Corporate Risk Register which is reviewed at least quarterly by the Corporate Management Team (CMT). Updates are reported to every Audit Committee meeting.

- 3.6 Health and Safety (risks arising from changes to plant, equipment, process, or people) – there are no specific health and safety risks directly arising as a consequence of this report.
- 3.7 Gaelic:  
Once approved the Service Plan will have headings and sub-headings translated into Gaelic in keeping with Council policy.

## 4. Background

- 4.1 This Service Plan relates to the key functions, resources and strategic improvements for the Resources and Finance Service. The Plan is structured around seven key sections:

- 1 Service Vision
- 2 Service Resources
- 3 Service Improvement Priorities: Actions and Measures
- 4 Responding to Strategies Through Actions and Measures
- 5 Service Responsibilities on the Corporate Plan
- 6 Risk Register
- 7 Planned Audits, External and Internal Assessments.

The focus of the Plan is on improving Service performance. A copy is provided at **Appendix 1**.

- 4.2. The Service Plan is an active document which will be reviewed and updated annually. Any review will take account of internal and external influences and actions arising from monitoring activity throughout the year. This will also take account of any future amendments to the Corporate Plan.

4.3 Progress against the Service Plan will be monitored on a quarterly basis at which point there will also be an opportunity to provide interim updates to the Plan on an as required basis. This will be reported to Committee as part of an integrated budget monitoring and performance report allowing for ongoing scrutiny of delivery by Members.

Designation: Interim Depute Chief Executive

Date: 24 November 2023

Author: Kate Lackie, Interim Depute Chief Executive;  
Sheila McKandie, Head of Revenues & Business Support;  
Brian Porter; Head of Corporate Finance;  
Elaine Barrie; Head of People;  
Sophie Stuart, Corporate Performance Business Partner

Appendix 1: Resources and Finance Service Plan 2023/24

# Resources and Finance

Service Plan (2022-2027)

(Updated November 2023)

# Service Vision

The Resources and Finance Service will support a high performing Council to positively influence and contribute to the successful delivery of the Council Programme. We will continue to modernise processes, increase efficiency, and seek sustainable improvements in our performance and service provision. We will continuously challenge existing thinking, learn from leading practice, and collaborate with our partners across the public, private and third sectors to improve outcomes and experiences for all.

**People:** We will provide strategic leadership to protect and advance the wellbeing of the Council's workforce by nurturing a listening, engaging and forward-thinking workforce. We will continue to advance employee wellbeing through our corporate Workforce Planning Strategy; blended training; 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, providing rewarding employment opportunities for our school leavers and young people, and offering valuable training opportunities.

**Place:** Social and Economic Empowerment is the focus of our ambitious and high performing Revenues and Welfare services. In collaboration with UK and Scottish Governments, CoSLA and professional bodies, we aim to maximise revenue from local taxation, to reduce disadvantage and inequalities, to support our vulnerable residents and, where we have influence and resources, to help mitigate the impacts of the cost-of-living crisis, financial hardships, and disadvantage within our communities.

**Economy:** We will continue to embed appropriate controls, ensure governance of key Council resources and achieve best value to support a sustainable and resilient Council. We equip Executive Chief Officers and budget managers with the skills, knowledge, and data to effectively manage budgets, and to deliver services in a robust and compliant manner. Our focus on maximising income collections due to the Council enables the Council to deliver services for our communities, to support housing development and for economic growth and sustainability.

# Service Resources

## Budget

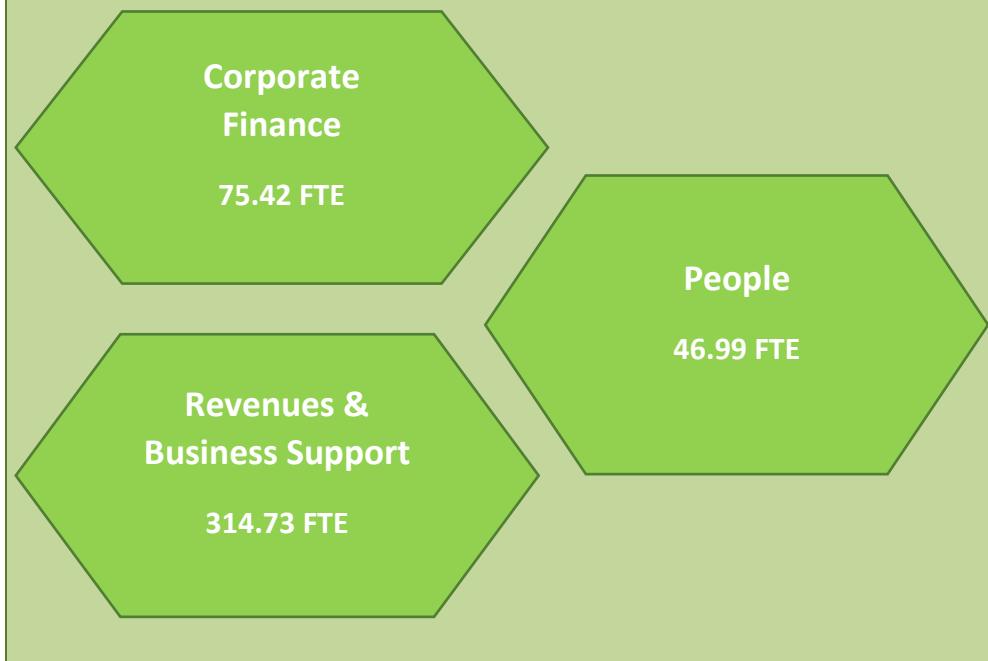
### Revenue Budget

Function	Budget (2023/24)
Corporate Finance	£2.238m
People	£1.397m
Revenues & Business Support	£4.561m
Revenues & Business Support - Welfare	£52.1m

### Budget Savings

Budget Saving	Total Value (2023/24)
Corporate Finance	0.074m
People	0.163m
Revenues & Business Support	1.067m
<b>TOTAL</b>	<b>1.304m</b>

## Staffing



Other Resources:

# Service Improvement Priorities: Measures and Actions

Improvement Priority	Measures of Success	Improvement Actions
<b>Maximising Income Collections Due to the Council</b>		
<p><b>Maximising Income Due to the Council</b>                      – Our focus is to maximise the collection of income due to the Council</p>	<ul style="list-style-type: none"> <li>• CP5.10 – Council Tax – Annual % Received  <b>Target = LGBF Scottish Average</b>                      (2022/23 Performance = 96.71%)</li> <li>• Overall Council Tax Collection Level – 5 Years  <b>Target = Local Target</b>                      (2022/23 Performance = 97.30%)</li> <li>• Cost NDR collection/chargeable property  <b>Target = CIPFA Scottish Average</b>                      (2022/23 Performance = £12.54)</li> <li>• % NDR collected by year end  <b>Target = Local Target</b>                      (2022/23 Performance = 97.86%)</li> <li>• % income sundry debtors collected during yr  <b>Target = Local Target</b>                      (2022/23 Performance = 86.77%)</li> </ul>	<ul style="list-style-type: none"> <li>• Implement a Corporate Revenues Income Maximisation Strategy  <b>Target = Review December 2024</b></li> </ul>

## Social and Economic Empowerment

**Social and Economic Empowerment – Our pledge is to pay the right entitlements to the right residents and businesses at the right time while also maximising entitlements for Highlands’s residents**

- Benefits Admin Costs – Gross cost per case  
**Target = Local Target**  
(2022/23 Performance = £30.76)
- CP1.02 Avg days to process Housing Benefit & Council Tax Reductions – New Claims  
**Target = CIPFA Quartile 1 ranking**  
(2022/23 Performance – 11 Days)
- CP1.02 Avg days to process Housing Benefit & Council Tax Reductions – Changes of Circumstances  
**Target = Remain CIPFA Quartile 1 ranking**  
(2022/23 Performance – 1.9 Days)



## Financial

To support the Council in effective management of its finances, ensuring financial sustainability, and ensuring Council resources are used efficiently and effectively for delivery of Council programme priorities.

- Creditors – unit cost/creditor invoice paid  
**Target = CIPFA Scottish Average**  
(2022/23 Performance = £2.31)
- Cost of Accounting - % Net Rev Budget + HRA  
**Target = Local Target (3yr rolling average)**  
(2022/23 Performance = 0.21%)
- Review and develop budget management good practice across the Council, through review of policies, financial management practices, and good governance.  
**Target = Review March 2025.**
- Support the Council in achieving and sustaining a financially sustainable position, through review of budget setting assumptions, consideration of fiscal flexibilities and opportunities, and providing financial support and challenge to support services in transforming service delivery and the costs of service delivery.  
**Target = March 2027 (with annual reviews March of each year as part of budget setting)**
- Develop and implement a multi-year financial planning approach for revenue and capital budgets.  
**Target = March 2024**
- Support the Council develop and agree its capital investment programme, and

ensure this is affordable, prudent and sustainable.

**Target = September 2024**

- Review and revise accounting and business processes to ensure the Council's lease arrangements comply with Accounting Standards (IFRS 16) for the 2024/25 financial accounts.

**Target = April 2024**

- Provide the appropriate review, scrutiny and financial diligence to allow the Council to fulfil its obligations as Accountable Body to Governments for the Inverness and Cromarty Firth Green Freeport.

**Target = Review arrangements June 2024.**

## Joint Procurement Strategy

Through the recently agreed procurement strategy the Council will deliver the following improvement actions to support:

The delivery of Community Benefits;  
Sustainable Procurement activity;  
Delivery of Efficiency Savings;  
Achieving Contract Compliance.

- % of contracts with community benefits clause included  
**Target = >95%**
  - % of contact with carbon reduction clause included  
**Target = >75%**
  - % Contract Spend which is covered by collaborative contracts (excluding frameworks)  
**Target = >10%**
  - % Contract Spend which is covered by spend on Category A\* or Category B\* frameworks  
**Target = >10%**
  - % Spend with local SME businesses  
**Target = >30%**
  - % of contracts with fair work practices (includes living wage) included  
**Target = >95%**
  - Efficiency savings – cashable (% of Addressable Spend)  
**Target = >0.5%**
- Progress key actions within the Procurement & Community Wealth Building Thematic (Net Zero Strategy)  
**Target = Review March 2024**
  - Review of Delegated Procurement Training (and reissue)  
**Target = Review March 2024**
  - Development of Supplier Relationship Management Model (Identification and Progress of Pilots)  
**Target = Review March 2024**
  - Implementation / Roll-out of Contract Module within Technology One  
**Target = Review March 2024**

- % Spend covered by contract (Total including collaborative contract & framework spend)  
**Target = >80%**
- Cost Procurement Sectn % Net Rev Budget  
**Target = Local Target (3yr rolling average)**  
(2022/23 Performance = 0.091%)
- CP2.11 - % of procurement spend on local enterprises  
**Target = LGBF Quartile 1**

## Pensions

We will continue to provide financial advice and administrative support to the Highland Council Pension Fund, to support improvement in service delivery to pension scheme members, and ongoing ensure ongoing stewardship and performance management of the Pension Fund's investments.

- Pensions – cost per member  
**Target = CIPFA Scottish Avg**  
(2022/23 Performance = £30.62)

- Implement a new pension scheme members self-serve portal to provide a much-improved user experience, increased member engagement and with the aim to reduce the administrative effort.  
**Target = September 2024**
- Implement the revised Pensions staffing structure as agreed by Pensions Committee in February 2023 to increase resilience and capacity, and improve performance.  
**Target = March 2024**
- Conclude the triennial Pension Fund Actuarial Valuation at 31/3/2023 for decision by the Pensions Committee in Q1 2024.  
**Target = March 2024**

## People

To attract talent, support and develop our workforce, our People Strategy has five strands: Workforce Planning Strategy – recruiting, retaining and re-shaping our current workforce; Talent Management Strategy; Employee Engagement Strategy; Employee Wellbeing Strategy; and Learning and Development Strategy.

- Accident Injury Rate  
**Target = (3 yr rolling average)**  
(2022/23 Performance = 151, target of 161)
- Sickness THC – Non Teachers – Avg working days lost  
**Target = (LGBF Quartile 1 & Local Target)**  
(2022/23 Performance = 9.24, quartile to be determined)
- Sickness Days Lost per Employee  
**Target = 3 yr rolling average**  
(2022/23 Performance = 8.58)
- Payroll – cost/payslip produced  
**Target = Local Target – 3 yr rolling average**  
(2022/23 Performance = £2.38)
- Women managers in top 2% of earners  
**Target = Local Target – 3 yr rolling average**  
(2022/23 Performance = 46.6%)
- Payroll – cost/payslip produced  
**Target = Local Target – 3 yr rolling average**  
(2022/23 Performance = £2.38)

- Support, monitor and report on completion rates of ERDs, Induction Training and Mandatory Courses  
**Target = Review increase quarterly**

## People and Finance Systems Programme

The Council will replace its existing separate Financial and Human Resources/Payroll systems with a new integrated Enterprise Resource Planning system solution, to support business processes, improve business intelligence and use of data to support Council performance, and to deliver administrative efficiencies.

- Replacement of the current financial system with the new 'CiA' system by 1 April 2024.  
**Target = April 2024**
- Implement a new pensions payroll module within the existing pensions ICT system, to give a holistic approach to pension systems and data and support administrative and efficiency improvements.  
**Target = December 2024**
- Implement a new software solution to support the management of leases and the implementation of the new IFRS 16 accounting rules changes.  
**Target = February 2024**

## Efficiencies and Improvements in Service Delivery

In our Revenues & Business Support section we will make the best use of technologies to automate processes, digitise, and broaden access to our services.

- Aligned with the Digital Strategy we will collaborate with the ICT & Digital Transformation team to implement our Revenues & Business Support Development Plan. Implementation will deliver efficiencies, maximise incomes due to the Council, and support our Welfare services to broaden access for our customers. All improvements will align with the MyCouncil Programme.

**Target = Review March 2024**



## Responding to Strategies

Corporate Strategy	Corporate Indicators	Target
<b>Corporate Business Intelligence</b>	Service Complaints – responded to within 5 days (Financial Quarter) Q4 22/23 – 90%	80% or more responded to within the timescale
	Service Complaints - Investigation – responded to within 20 days (Financial Quarter) Q4 22/23 0% - (1 case)	80% or more responded to within the time scale
	Service FOI Legislative requirement (20 days) (Financial Quarter) Q4 22/23 – 82%	90% or more responded to within the time scale
<b>People Strategy</b>	Service Absence rate (Financial Quarter) Q4 22/23 – 2.48	Keep below Highland Council average
	% of staff ERDs completed (annual)	Quarterly action in place until FY Performance Indicator is developed with People Services
<b>Sustainable Business Travel Strategy</b>	Reduce Business Travel Mileage	Target to be determined by each service for miles travelled by Grey Fleet & Car Club
	Reduce Carbon Emissions from Business Travel	Currently tracked, reduction based on reduction of miles

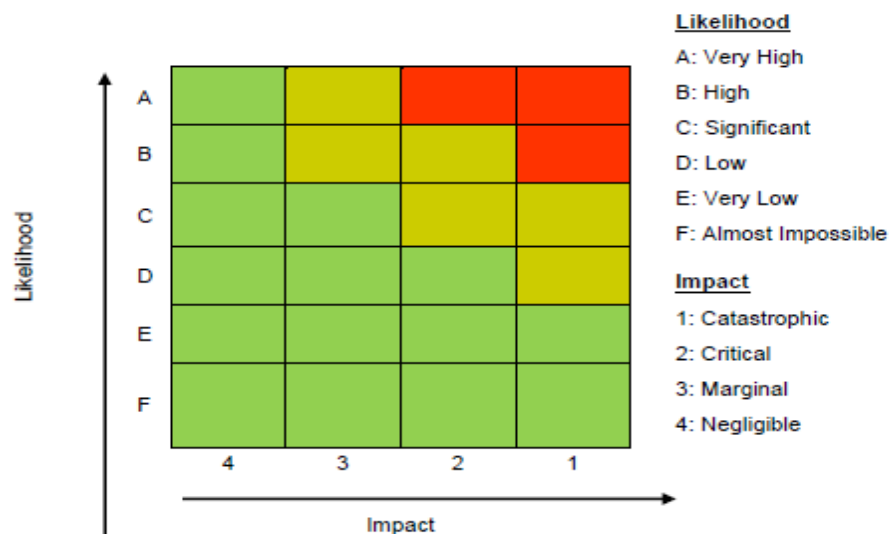
# Service Responsibilities on the Corporate Plan

Strategic Priority Outcome	Commitment	Measures and Actions
<b>A Fair and Caring Highland:</b> Working together to improve quality of life and opportunities for Highland people.	<b>CP1.02 Tackle Child Poverty</b>	Avg days to decide Housing Benefit & Council Tax Reductions – Changes of Circumstances
		Avg days to decide Housing Benefit & Council Tax Reductions – New Claims
	<b>CP1.03 Secure positive destinations including Modern Apprenticeships</b>	No. newly enrolled and upskilled via THC Modern Apprenticeships per year
<b>Resilient and Sustainable Communities:</b> Helping our communities to be prosperous, sustainable and resilient, making a positive difference to the lives of people.	<b>CP2.11 Work with partners to develop a community wealth building strategy</b>	% of procurement spend on local enterprises
<b>A Resilient and Sustainable Council:</b> Work with partners to address service delivery challenges with a positive approach to change	<b>CP5.01 Grow and retain our own talent within the council</b>	ERDs being completed
		Finance element of new HR system [OneCouncil] implemented
		Identify and agree Corporate Training priorities: achieve compliance with training
		Identify and agree Corporate Training priorities: improve ERD recording
		Identify and agree Corporate Training priorities: Managers mandatory
		% of indicators in OHS Strategy with green rating
		Sickness Days Lost per Employee

Strategic Priority Outcome	Commitment	Measures and Actions
	CP5.10 Broaden the Council's income base through taxation and delivering more commercial services	Council Tax – Annual % received

# Risk Register

Risk No.	Risk Rating	Risk Name
CR1	A1	Financial Sustainability
CR6	C2	Workforce Planning
CR26	C2	Managing Long-Term Absence
CR29	D2	Lack of Occupational Health Provider
CR32	B2	Delivery of new Enterprise Resource Planning (ERP) System



The Performance and Risk Management System (PRMS) contains all identified Service risks and any corporate risks that the Service owns and is used to monitor mitigating actions quarterly.

## Service Statutory Performance Indicator (SPI) Set

SPI Category	Indicator
Corporate	Council Tax – Annual % Received [CP5.10 CORP07]
Corporate	Overall Council Tax collection level – 5 years
Corporate	Cost NDR collection / chargeable property
Corporate	% NDR collected by year end
Corporate	% income sundry debtors collected during yr
Corporate	Creditors – unit cost/creditor invoice paid
Corporate	Cost of Accounting - % Net Rev Budget + HRA
Corporate	Cost Procurement Sectn % Net Rev Budget
Corporate	% of procurement spend on local enterprises [CP2.11 ECON04]
Corporate	Benefits Admin costs – Gross cost per case
Corporate	Sickness THC – Non Teachers – Avg working days lost [CORP06b]
Corporate	Pensions – cost per member
Corporate	Payroll – cost/payslip produced
Corporate	Women managers in top 2% of earners
Corporate	Sickness Days lost per Employee [CP5.01]
Corporate	Avg days to process Housing Benefit & Council Tax Reductions – New Claims
Corporate	Avg days to process Housing Benefit & Council Tax Reductions – Changes of Circumstances

The Statutory Performance Indicator Set is currently being reviewed.

## Planned Audits, External and Internal Assessments

Title of Assessment	Brief Description	Timeframe
Internal Audit	Cheque control arrangements	In Planning
Internal Audit	Review of payroll control environment	Fieldwork in progress
Internal Audit	HC – Annual Governance Statement 2022-23	Complete June 2023
Internal Audit	Workforce planning arrangements	In Planning
Internal Audit	Review of Health and Safety arrangements	In Planning
Internal Audit	Procurement arrangements and governance	Planning complete