

Finance and Integrated Service Support Performance Report Q2 2014/15



01 Progress in delivery of strategic outcomes

Financial Stewardship Achievements

- a) Completion of the 2013/14 Audited Accounts with an unqualified Audit Certificate;
- b) Completion of Quarter 1 Financial Monitoring reports as part of the robust scrutiny of Financial Performance including first stage of Financial Discipline work saving £571,000.
- c) Continued reporting to Council on financial prospects for 2015/16 – 2017/18 and development of Financial Strategy.

Challenges and Actions

- a) Continue work on developing budget projections, the impact of the Council Transformation Programme and the financial implications of investment decisions / priorities for 2015/16 – 2017/18;
- b) Prepare Quarter 2 financial monitoring projections for 2014/15 and continue to work with service managers to maintain effective control over expenditure;
- c) Continued Financial support for the Council Transformation programme. Help shape and lead all strands of the programme, continue to revise savings profiles and regularly update on application of the fund; Strengthen financial stewardship in a climate of reducing budgets and increasing service provision

People Strategy Achievements

- a) Development of next people strategy
- b) Successful implementation of the management review and support for the next level of service reviews
- c) Response to Holiday pay legislation and initiation of pay supplement
- d) Review of the organisational change policy and work with unions to agree a way forward
- e) 96 nominations were received for Celebrate Midlothian

Challenges and Actions

- a) Holiday pay legislation affecting services and financial implications
- b) Ongoing service reviews and the support that is needed
- c) Implementation of shared parental leave legislation
- d) Ensuring successful Celebrate Midlothian event in November

Procurement Achievements

- a) Achieved 60% in 2013 Procurement Capability Assessment.
- b) Continued rollout of Purchase to Pay project.

Challenges and Actions

- a) To deliver & demonstrate savings through procurement - Continue to review & monitor performance.
- b) To complete Purchase to Pay Project - Complete tasks in project plan on time.
- c) To deliver a robust contract and supplier management tool - Roll out guidance and training to contract owners, work closely with Scottish Government in developing national online tool.
- d) Maintain and/or increase Procurement Capability Assessment score in 2014

Support Transformational Change

- a) All strands of the current programme are underway. Transformation board continues to monitor, support and challenge each of the key sponsors and leads to ensure the transformational activity is delivered as planned.
- b) ISS (phase 2) underway with a review of staffing structures

Challenge and Actions

- a) Deliver savings and sustainable support services through the Integrated Service Support Project.
- b) Deliver the Business Transformation programme

02. Emerging Challenges

Challenges and Actions

- a) Deliver a balance budget for 2015/16 and sustainable financial strategy for 2016/17 onwards.
- b) The impact of national holiday pay negotiations
- c) Continue with the delivery of ISS project and achieve savings.

Finance and Integrated Service Support PI summary

01.1 Outcomes and Customer Feedback

Priority	Indicator	2013/14	Q2 2013/14	Q1 2014/15	Q2 2014/15				Annual Target 2014/15	Feeder Data	Value
		Value	Value	Value	Value	Status	Note	Short Trend			
01. Provide an efficient complaints service	Number of complaints received (cumulative)	1	1	4	11		Q2 2014/15: Data Only - Cumulative since April				
01. Provide an efficient complaints service	Average time in working days to respond to complaints at stage 1	2	2	0	1		Q2 14/15: On target		5	Number of complaints complete at Stage 1	3
										Number of working days for Stage 1 complaints to be Completed	3
01. Provide an efficient complaints service	Average time in working days to respond to complaints at stage 2	0	0	0	0		Q2 14/15: No complaints		20	Number of complaints complete at Stage 2	0
										Number of working days for Stage 2 complaints to be Completed	0
01. Provide an efficient complaints service	Percentage of complaints at stage 1 complete within 5 working days	100%	100%	100%	100%		Q2 2014/15: On target - 3 complaints complete with within 5 working days		95%	Number of complaints complete at Stage 1	3
										Number of complaints at stage 1 responded to within 5 working days	3
01. Provide an efficient complaints service	Percentage of complaints at stage 2 complete within 20 working days	0%	100%	0%	0%		Q2 2014/15: On Target – no complaints taken to stage 2.		95%	Number of complaints complete at Stage 2	0
										Number of complaints at stage 2 responded to within 20 working days	0

01.2 Making the Best Use of our Resources

Priority	Indicator	2013/14	Q2 2013/14	Q1 2014/15	Q2 2014/15				Annual Target 2014/15	Feeder Data	Value
		Value	Value	Value	Value	Status	Note	Short Trend			
02. Manage budget effectively	Performance against revenue budget	N/A	N/A	£ 9.692 m	N/A		Q2 14/15: Budget information for Q2 will be reported to Council in Q3.				
04. Manage stress and absence	Average number of working days lost due to sickness absence (cumulative)	8.26	6.86	1.62	3.96		Q2 14/15: On Target		8.26	Number of days lost (cumulative)	1,241.57
										Average number of FTE in service (year to date)	313.35

01.3 Corporate Health

Priority	Indicator	2013/14	Q2 2013/14	Q1 2014/15	Q2 2014/15			Annual Target 2014/15	Feeder Data	Value	
		Value	Value	Value	Value	Status	Note				Short Trend
05. Complete all service priorities	% of service priority actions on target / completed, of the total number	90%	100%	100%	100%		Q2 14/15: On Target		Number of divisional & corporate priority actions	19	
										Number of divisional & corporate priority actions on tgt/completed	19
08. Improve PI performance	% of PIs that are on target/ have reached their target.	100%	100%	75%	75%		Q2 14/15: Off Target - People Strategy plan has been consulted on at the Strategic Leadership Group		90%	Number on tgt/ tgt achieved	3
										Number of PI's	4
09. Control risk	% of high risks that have been reviewed in the last quarter	100%	100%	100%	100%		Q2 14/15: On Target		100%	Number of high risks reviewed in the last quarter	1
										Number of high risks	1
06. Process invoices efficiently	% of invoices paid within 30 days of invoice receipt (cumulative)	91.88 %	92.37 %	94.55 %	92.85 %		Q2 14/15: On Target		90%	Number received (cumulative)	1,174
										Number paid within 30 days (cumulative)	1,090

01.4 Improving for the Future







Priority	Indicator	2013/14	Q2 2013/14	Q1 2014/15	Q2 2014/15			Annual Target 2014/15	Feeder Data	Value	
		Value	Value	Value	Value	Status	Note				Short Trend
10. Implement improvement plans	% of internal/external audit/BVR actions on target/ completed, of the total.	74.19 %	62.5%	100%	58.33 %		Q2 14/15: Off Target: Appropriate action being taken to progress outstanding/overdue actions			Number of on tgt/ completed actions	7
										Number of outstanding actions	12







Finance and Integrated Service Support Action report






03. Service Priorities

Code	Priority	Action	Due Date	Icon	Progress	Comment & Planned Improvement Action
FISS.S.1	01. SMP AHC - Staying at home - increased flexibility of local services/support	Develop the financial and resource arrangements required to support the Integration of Health and Social care, developing an action plan and implementing actions in the shadow year	31-Mar-2015		50%	Q2 2014/15: On Target. Work is ongoing to support the Integration of Health and Social Care. The shadow Board is overseeing development of financial arrangements.
FISS.S.2.1	02. SMP SG - Support the local economy through the Midlothian economy recovery plan	Adopt a revised Procurement Strategy which places greater emphasis on social responsibility requirements such as training opportunities, living wage etc , imbeds the Public Sector Procurement portal	31-Mar-2015		35%	Q2 2014/15: On Target Revised Procurement Strategy in development, draft strategy out to consultation November 2014.
FISS.S.2.2		Continue to work with Local service providers to help them secure public sector contracts.	31-Mar-2015		35%	Q2 2014/15: On Target Bi-annual supplier engagement events and drop in surgeries throughout the year to be arranged. Exhibiting at City of Edinburgh supplier engagement event 30 October 2014, invites to be sent to all Midlothian Local Businesses.
FISS.S.3.1	03. SMP IOM - Increased positive destinations for adults and young people	Work with Services to develop service specific workforce plans which increase apprenticeship opportunities and prioritise any eternal recruitment to those leaving learning.	31-Mar-2015		50%	Q2 2014/15: On Target. Internal recruitment is being designed to attract school leavers fitting in with our positive destinations priority

Code	Priority	Action	Due Date	Icon	Progress	Comment & Planned Improvement Action
FISS.S.4.1	04. SMP IOM - Engagement with local employers	Adopt a revised Procurement Strategy which places greater emphasis on social responsibility requirements such as apprenticeships, and other opportunities for young people leaving learning	31-Mar-2015		35%	Q2 2014/15: On Target Revised Procurement Strategy in development. Draft Community Benefit Guidance completed and awaiting feedback from relevant stakeholders. Draft procurement strategy to be out for consultation November 2014.
FISS.S.5.1	05. Ensure equality of opportunity as an employer	Develop and implement a second people Strategy which will deliver excellent communities through our employees	31-Mar-2015		50%	Q2 2014/15: On Target. Draft People Strategy 2 has been drafted and has been consulted on at the Strategic Leadership Group.
FISS.S.5.2		MiFuture to support Organisational Change	31-Mar-2015		50%	Q2 2014/15: On Target. The Management Review Process continues to be supported through Mi Future.
FISS.S.6.01	06. Ensure sustainable strategy for the delivery of Council Services	Deliver robust corporate governance and scrutiny by ensuring that the internal audit plan encompasses the Councils corporate risks and complete the actions in the 2014/15 plan	31-Mar-2015		40%	Q2 2014/15: On Target. Work from the 2013/14 audit plan is nearing completion and work is also underway for the 2014/15 audit plan.
FISS.S.6.02		Strengthen our Maximising Attendance polices and interventions with an emphasis on early intervention to reduce overall sickness absence. Adopt revised policies and deliver on the actions planned for 2014/15	31-Mar-2015		50%	Q2 2014/15: On Target. Short Term trigger levels were reduced - Managers continue to respond positively to new measures and acting upon them appropriately
FISS.S.6.03		Achieve the targets set out in our procurement Contract Delivery Plan to deliver cashable savings	31-Mar-2015		35%	Q2 2014/15: All contract delivery currently on target against plan. Several one-off tender exercises will continually be identified and are being delivered. All cashable savings will be identified & monitored as and when delivered. Continuing to contribute towards national contract delivery as appropriate.

Code	Priority	Action	Due Date	Icon	Progress	Comment & Planned Improvement Action
FISS.S.6.04	06. Ensure sustainable strategy for the delivery of Council Services	Completion of the unaudited Statutory Accounts for 2013/14 to ensure that we maintain strong financial management and stewardship	31-Mar-2015		100%	Q1 14/15: Complete: Unaudited accounts were completed in June, approved by Council on 24th June and submitted to the Accounts Commission in advance of the statutory deadline of 30th June.
FISS.S.6.05		Completion of the statutory financial audit and achieve an unqualified audit opinion for the Accounts for 2013/14	31-Mar-2015		100%	Q2 2014/15: Complete. Audited Accounts are complete with unqualified Audit Opinion.
FISS.S.6.06		Deliver quarterly financial reports an commentary to Council	31-Mar-2015		50%	Q2 2014/15: On Target: Quarter 1 Monitoring Reports for both General Fund and Housing Revenue Account revenue and capital are complete. This contributes to the Council priority of maintaining robust financial stewardship. The reports give CMT and members a full assessment of the financial health of the Council, highlight performance issues against budget, emerging pressures and an update on the Council's useable reserves strategy.
FISS.S.6.07		Implement a financial strategy for 2015/16 to 2016/17 to support Council setting the 2015/16 Council tax and a balanced budget	31-Mar-2015		50%	Q2 14/15: On Target. An update on the financial strategy was presented to Council on 23rd September 2014.
FISS.S.6.08		Provide a regular and robust assessment of savings arising from BTB programme and costs of the programme activities	31-Mar-2015		50%	Q2 2014/15: On Target: The latest position on Business Transformation Funds utilisation and savings achieved to date against targets was incorporated in the Quarter 1 Financial Monitoring Report. This gives visibility on the value of funds invested in the Transformation programme and the resultant budgetary savings. Investing in Business Transformation approved workstreams contributes to the longer term financial sustainability of the Council.
FISS.S.6.09		Complete the implementation of Purchase to Pay in service areas as set out in the Project Plan for 2014/15	31-Mar-2015		25%	Q2 2014/15: On Target: Implementation in Primary Schools and Travel Team completed. Adult & Social Care implementation ongoing. Commenced implementation in Secondary Schools

Code	Priority	Action	Due Date	Icon	Progress	Comment & Planned Improvement Action
FISS.S.6.10	06. Ensure sustainable strategy for the delivery of Council Services	Complete the implementation of Total Document Management Project in service areas as set out in the Project Plan for 2014/15	31-Mar-2015		0%	Q2 2014/15: On Target: HR data migration progressed and current network arrangement to be removed early October. Development of Purchase to Pay integration ongoing. Project Board have approved next steps to focus on Incoming Mail, Council Policies and Procedures and Executive Officer Support(Timescales to be aligned with outcome from ISS review)
FISS.S.6.11		Introduce the Council's Managed Print Service	31-Mar-2015		0%	Q2 2014/15: Off Target: Installation of new devices & removal of old estate completed in Fairfield House . Midlothian House Ground Floor , Midlothian House 3rd Floor. Delivery of new devices has been completed in a number of satellite sites including Cherry Road, Library HQ Initial stakeholder meetings & future state proposals have been designed for a number of sites including secondary schools , leisure centres and satellite locations. Progress on the roll out of the devices has been more challenging that initially anticipated. The Project Team and Xerox and working closely to overcome the challenges to improve delivery going forward.
FISS.S.6.12		Provide Finance and Human Resource support to the Business Transformation Programme to ensure that targets are met and savings are delivered	31-Mar-2015		50%	Q2 2014/15: On Target New management structure in place on 1st July 2014 to support the delivery of council wide transformation programme. Alignment of accountants to support each strand and resources being scoped for support from HR/Mi Future

Finance and Integrated Service Support PI Report



03. Service Priorities

PI Code	Priority	PI	2013/14	Q2 2013/14	Q1 2014/15	Q2 2014/15				Annual Target 2014/15	Benchmark
			Value	Value	Value	Value	Status	Short Trend	Note		
FISS.S.5.1a	05. Ensure equality of opportunity as an employer	Percentage of actions in the second People Strategy plan that are completed or on target	100%	50%	0%				Q2 14/15: Draft People Strategy 2 has been drafted and has been consulted on at the Strategic leadership Group	100%	
FISS.S.6.3a	06. Ensure sustainable strategy for the delivery of Council Services	Percentage of actions in the Contract Delivery Plan that are completed or on target	N/A	N/A	N/A	100%			Q2 14/15: On Target	1%	
FISS.S.6.9a		Percentage of actions in the Purchase to Pay project plan that are completed or on target	N/A	N/A	N/A	100%			Q2 14/15: On Target	100%	
FISS.S.6.10a		Percentage of actions in the Total Document Management project plan that are completed or on target	N/A	N/A	N/A	100%			Q2 14/15: On Target	100%	

04. Local Government Benchmarking Framework

PI Code	Priority	PI	2013/14	Q2 2013/14	Q1 2014/15	Q2 2014/15				Annual Target 2014/15	Benchmark
			Value	Value	Value	Value	Status	Short Trend	Note		
CORP01		Central Support services as a % of Total Gross expenditure	1.81%	N/A	N/A	N/A			14/15: Annual measure, data will be available in Q4		2012/13 Rank 7 TOP Quartile
CORP02		Corporate and democratic core costs per 1,000 population	N/A	N/A	N/A				14/15: Annual measure, data will be available in Q4		2012/13 Rank 28 Bottom Quartile
CORP03b		The Percentage of council employees in top 5% of earners that are women	54.7%	N/A	46.5%	45.8%			Q2 14/15: Data only indicator		2012/13 Rank 23 Third Quartile
CORP06		Sickness Absence Days per Employee (All employees)	8.73	4.27	2.56	4.42			14/15: Off Target. Slight increase compared with same period last year, it is anticipated that this will even out throughout the year, most likely as a result of recent changes to the Management Structure.		2012/13 Rank 7 TOP Quartile
CORP06aiii		Average days lost per employee (Teachers) (CUMULATIVE)	5.25	N/A	1.51	1.95			Q2 2014/15: Absence reduction for teachers has been sustained year on year - slight increases now and again.		
CORP06biii		Average days lost per employee (All other local government employees except Teachers) (CUMULATIVE)	10.05	N/A	2.96	5.33					
CORP08		Percentage of invoices sampled and paid within 30 days	93.4%	97.0%	95.1%	94.1%			Q2 2014/15 : Off Target : (% total value of invoices paid within 30 days is 95.39%). Slightly below target, service areas to continue to work to ensure invoices paid within 30 days	95.0%	2012/13 Rank 9 Second Quartile