

# Shared Financial and Assurance Services

Service Plan  
2019/20



**Chorley**  
Council

Working in **Synergy** on shared services

## Corporate Priorities

### Chorley Borough Council

**An Ambitious Council that does more to meet the needs of its residents and the local area**

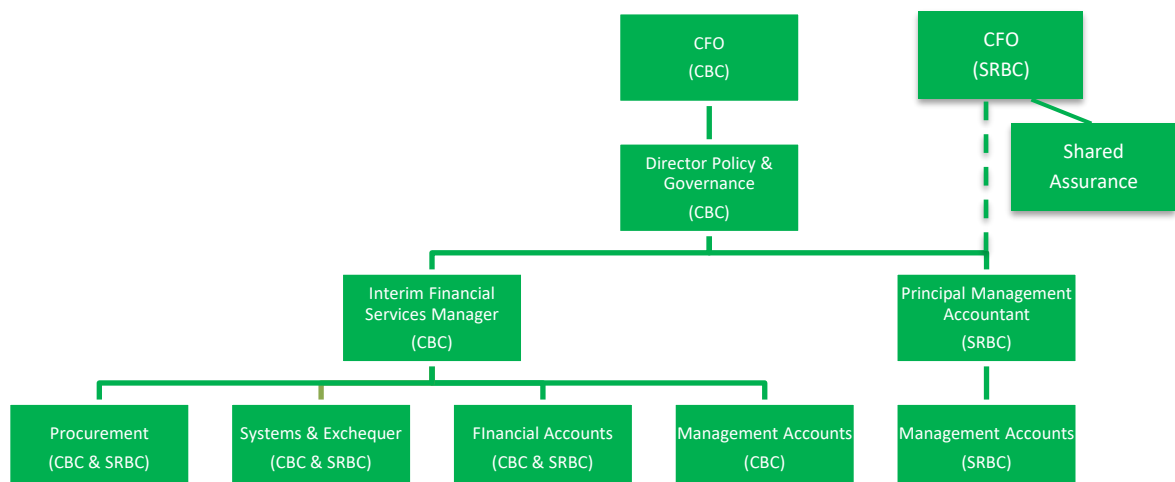
### South Ribble Borough Council

**Excellence and financial sustainability**

## Shared Financial Services - Service priorities for 2019/20

- Provide high quality and best practice financial and procurement services to both councils
- Ensure both councils update and remain compliant with financial and procurement regulatory requirements as well as both of the councils' financial and contracts procedure rules.
- Ensure the team remains focussed, motivated and sufficiently skilled during any period of transition and beyond
- Support the financial planning process
- Undertaking a review of the current shared services arrangements and making recommendations to both councils seeking to identify:
  - where appropriate, cost savings in service delivery
  - areas for improvement and change to improve the efficiency and effectiveness of the functions
  - changes that would ensure the services are best placed to support the expansion of shared services

## Structure Chart



## Shared Assurance Services - Service priorities for 2019/20

- Provide both Councils with a high quality independent, objective assurance & consulting services in order to add value and improve the operations of the Councils;
- Provide assurance to Members, officers and the Councils' stakeholders (partners, Council Tax payers, business etc.) that services are being delivered effectively, efficiently and economically and in a way that adds value to each organisation;
- Support both Councils in the accomplishment of their individual objectives by taking a systematic disciplined approach to evaluating & improving the effectiveness of risk management, control and governance processes within both Councils and support Councils in the achievement of services key objectives and outcomes;
- Develop risk aware cultures at each Council that enables services to make informed decisions, support services in the assessment of the impact of risks and ensure that adequate arrangements are in place to mitigate risks as appropriate;
- Support both Councils in ensuring effective processes and systems are in place to minimise waste, prevent and detect fraud and ensure the achievement of value for money;
- Lead and support both Councils in ensuring processes and procedures are in place to fulfil their Emergency Planning obligations under the Civil Contingency Act;
- Support the development and maintenance of both Councils' Business Continuity arrangements;
- Ensure both Councils have appropriate Insurance coverage for all liabilities;
- Undertaking a review of the current shared assurance services arrangements and make recommendations to both councils seeking to identify:
  - appropriate resources to ensure resilience and capacity in the provision of services;
  - areas for improvement and change to improve the efficiency and effectiveness of the functions;
  - changes that would ensure the services are best placed to support the expansion of shared services.

The shared financial services team can be broadly split into four areas. These areas all support the other and staff resources are shared during busier periods, for example during the closure of accounts process. The management accounts teams are split into dedicated teams at CBC and SRBC however whenever possible best practise is shared between these teams.

Service Area	Main Tasks	Service Delivers	Budget FTE*
Procurement	<ul style="list-style-type: none"> <li>• Provide effective support and guidance to ensure that all procurement is in accordance with EU rules, the Councils' Contract Procedure Rules, Best Practice, is market aware and delivers sustained competitiveness and value for money.</li> <li>• Deliver an effective service which maximises efficiency for joint procurement, collaborative working and the establishment of shared services.</li> <li>• Maintenance and promotion of procurement guidance documentation</li> <li>• Training and support.</li> <li>• Provision and maintenance of template procurement documents.</li> <li>• Management and support of the Chest e-procurement portal.</li> <li>• Maintenance and timely publication of a quarterly Contracts Register.</li> </ul>	Advice, training and support Procurement strategy Procurement guidance Template Documents Quarterly updated contracts register e-procurement portal	2.00 Shared Across Both Councils
Financial Systems & Accounts Payable	<ul style="list-style-type: none"> <li>• Support the maintenance, development and upgrade of the finance, debtor, creditor and cash management systems in line with statutory financial regulations.</li> <li>• Ensure that all payments are paid within the performance indicator timescales, adhering to the financial regulations compliance controls to prevent fraudulent payments.</li> <li>• Training and support for financial system users and officers involved in the 'procure to pay' process.</li> </ul>	Improvements to financial systems Timely and accurate payment of invoices Training and support for system users Tax returns to HMRC	7.00 Shared Across Both Councils
Financial Accounts and Treasury Services	<ul style="list-style-type: none"> <li>• Lead on the closure of accounts process.</li> <li>• Reconcile expenditure and income to both councils' bank statements.</li> <li>• Manage both councils' cash flow including transfers to and from money markets, banks and the treasury; and to make recommendations as to the timing of temporary or long-term borrowing, where required.</li> </ul>	Statement of Accounts VAT returns to HMRC Cash management Treasury Management Strategy	3.00 Shared Across Both Councils

Management Accounts	<ul style="list-style-type: none"> <li>• Manage the budget setting process.</li> <li>• Support the councils' transformation programmes.</li> <li>• Support budget holders in managing their business plans and budgets.</li> <li>• Supporting and leading on aspects of the closure of accounts</li> <li>• Supporting the financial appraisal and monitoring Chorley Borough Council's major capital projects</li> </ul>	Balanced budget Medium Term Financial Strategy Quarterly budget monitoring reports Capital Strategy	4.50 (CBC) 5.50 (SRBC)

\*Excludes CFOs, Head of Shared Service and Interim Financial Services Manager

The shared assurance services team can be broadly split into four distinct areas. The Internal Audit Service, Risk Management, Insurance, Emergency Planning and Business Continuity. Risk Management, Insurance and Emergency Planning / Business Continuity currently share resources to support each of the services, however, in the previous financial year, Internal Audit have also supported the Risk Management and Insurance services due to resource capacity issues and staffing matters.

Service Area	Main Tasks	Service Delivers	Budget FTE*
Internal Audit	<ul style="list-style-type: none"> <li>• Provide an independent, objective assurance &amp; consulting activity designed to add value and improve the Councils' operations</li> <li>• Provide an opinion on the Councils' overall internal control, governance and risk framework and activities</li> <li>• Review &amp; improve internal control arrangements</li> <li>• Review key business processes and advise on risk and controls</li> <li>• Advisory &amp; consultancy services on governance &amp; control matters</li> <li>• Work to prevent &amp; detect fraud and ensure the Councils' fraud risks are managed</li> </ul>	Internal Audit Plan & reports Internal Audit Annual Report Reports on outcomes of investigations & irregularities Reports from Consultancy work Project Support Support for the Annual Governance Statement and Action Plan	4.00 Shared across both Councils (In post 2.7)
Risk Management	<ul style="list-style-type: none"> <li>• Review risk management strategies in relation to corporate and service planning, partnership working, project management and procurement</li> <li>• Provide support in relation to compilation of risk registers</li> </ul>	Project Support Risk Management Framework Reviews of Service, Operational & Corporate Risk Registers	3.00 Shared across both

	<ul style="list-style-type: none"> <li>• Ensure the Risk Management Framework is reviewed, updated and disseminated</li> <li>• Provide support to embed the risk management culture across both Councils</li> <li>• Provide support in regard to the Risk Management system GRACE</li> </ul>	GRACE risk management system administration	Councils (for risk, insurance & ep/bc)
Insurance	<ul style="list-style-type: none"> <li>• Lead on the procurement &amp; renewal of Insurance Services across both portfolios</li> <li>• Manage the Councils' Insurance portfolio for all liabilities, e.g., Public &amp; Employee Liability, Motor, Property etc.</li> <li>• Provide a single point of contact and provide support for all Insurance matters both internally and externally</li> <li>• Co-ordinate the management of information and provide support in regard to the defence of claims</li> </ul>	Appropriate Insurance portfolios Renewal documentation & information Claims data	
Emergency Planning / Business Continuity	<ul style="list-style-type: none"> <li>• Council is a Category 1 responder with statutory duties under the Civil Contingencies Act 2004</li> <li>• Provide support in the event of a Civil Emergency or Major Incident including Flooding, major fires etc.</li> <li>• Maintain the Councils' Emergency Plan, other supporting plans, a duty rota for Strategic Duty Officers</li> <li>• Provide appropriate training &amp; support</li> <li>• Maintain links with the Lancashire Resilience Forum and supporting groups</li> <li>• Ensure services have appropriate business continuity plans for use in the event of a business failure</li> </ul>	Emergency Plans and other supporting plans Attendance at all LRF meetings and events Plan & undertake practice scenarios to test Emergency Plans Maintain, collate & review Business Continuity plans	

## Achievements 2018/19

### Procurement

- New Joint Procurement Policy (SRBC)/ Strategy (CBC) taking account of the 2018 National Procurement Strategy themes, developed and approved at both councils.
- Electronic process for intermediate value Contract Procedure Rule waiver requests developed, tested and implemented at SRBC, providing a full e-audit trail, and searchable database of intermediate value CPR Waivers.
- Agreement and support for a new Contracts Management System discussed and obtained at SRBC Leadership Team and system workflow developed in consultation with the Legal Services Manager and IT Services. Test system constructed on Firmstep and is currently subject to testing and development.
- Full spend analysis of above £10,000 CBC supplier procurement spend for the 2017 calendar year. Findings were reported to CBC SMT. (A similar piece of work was carried out at SRBC and reported in the in 2017/18 Business Plan.)
- Assistance and support provided to both councils to achieve efficiency savings through compliant procurement processes.
- Professional procurement advice and support provided at both councils including significant and detailed level of support provided to major contracts e.g. the CBC Waste Contract renewal and ERDF compliant Digital Office Park build contract.
- Successfully passed three on the spot verification procurement audits by MHCLG (Ministry of Housing Communities & Local Government) including the main Strawberry Fields Digital Office Park construction contract.

### Financial Systems and Exchequer Services

- Implement new procurement card module & procurement card processes
- National Fraud Initiative work in 2018/19
- Implementation of GDPR module ensuring compliance for the Councils' Financial Systems
- Implementation of archiving module enabling the council to archive financial system records
- Civica Financials upgrade to Version 18.5
- Support the implementation of Inphase performance management software at South Ribble Council
- Group training sessions at South Ribble on procurement, invoices and year end process
- Agree the approach to a joint procurement of cash income management module with South Ribble Council
- Managed the cash and chip and pin transactions and controls for the Chorley Council flower show 2018

### Financial and Management Accounts

- Closure of accounts and production of both councils' statutory statement of accounts to the required statutory deadline with no material errors.
- The Treasury Management priority for Chorley Council was to minimise the cost of the borrowing required to finance its ambitious capital programme. Borrowing was



limited to £6m from the Public Works Loan Board and a £1m temporary loan at year-end. This was less than anticipated in the Treasury Strategy for 2018/19 and savings in interest payments were achieved as a consequence.

- For South Ribble BC, the Treasury Management priority was to increase the average interest on cash balances invested temporarily in the second half of the year. Cash flow forecasts identified when cash could be invested in term deposits rather than being held in liquid accounts, and sums were placed with suitable counterparties in accordance with the approved Investment Strategy for 2018/19. As a result, interest earned exceeded for target for the year.
- Completion of base budget reviews achieving budgetary savings for both councils
- Produced Fees and Charges report for CBC as well as a review of some of CBC's fees and charges leading to additional £100k income.
- Providing key financial support to both council's transformation programme including support for major capital projects
- Providing the financial support for the City Deal arrangements between South Ribble, Lancashire County Council and Preston City Council.
- Development & implementation of on-line establishment variation control process (SRBC)
- Corporate reporting – introduction of projected outturn forecasts in quarterly budget monitoring reports (SRBC)
- Supported the successful application for the Lancashire Business Rates 75% Pilot bid
- Review and refresh of financial procedure rules (SRBC)
- Created a new Capital Strategy report for both council's outlining the ambition of both council's future capital expenditure
- Provided financial support and evaluation of tenders in the successful tender of Chorley Council's waste contract resulting in a £1m+ saving

### Internal Audit

- Retention of the ISO 9001 Quality Standard for Internal Audit
- Continued achievement of compliance with Public Sector Internal Audit Standards
- Support for the Annual Governance Statement & continuing action plan
- Achievement of audit plans
- Further embedding the Risk Based Audit Approach
- Improvements in service delivery and processes

### Risk Management

- Further embedding the GRACE Risk Management System
- Undertaken a review of risk registers at both Council's and provided an action plan
- Undertaken further training for Project Leads at South Ribble Council, the same training to be provided at Chorley if required
- Further embedding of the risk management framework at both Councils



## Insurance

- Renewal of Insurance policies Long Term Agreement going into the 3<sup>rd</sup> year of 3 plus 2
- Negotiated favourable rates in respect of extension of the Long Term Agreement
- Ensured risk assessments and relevant documents are submitted in regard to Events in order to ensure appropriate cover is in place

## Emergency Planning / Business Continuity

- Maintained and updated relevant plans throughout the year
- Worked as part of the South Cluster Group in regard to the Local Authority Security Review Group and provided reports to each Council's Management Teams in regard to the identification of vulnerable areas, that could be subject to potential terrorist attacks
- Reviewed and updated the rota in regard to the strategic duty officers at South Ribble
- Provided training for strategic duty officers as and when required
- Taken part in LRF events
- Participated in the Strategic LRF / Brexit group
- Compiled risk registers relating to the impact of a no deal Brexit on Local Authority's

## Shared Financial Services Service Priorities 2019/20

The following service priorities outline what the service hopes to deliver in 2019/20 over and above 'business as usual' outcomes

### Procurement

Project / task	Lead Officer(s)	Start Date	Finish Date	Actions	Outcomes and success measures
Develop a procurement training programme on the councils' e-learning platform	Janet Hinds	Aug 2019	Dec 2019	<ul style="list-style-type: none"> <li>Research and training on e-learning platform</li> <li>Identify resource and appoint external support if required</li> <li>Consult with colleagues and identify key requirements</li> <li>Draft and build training on e-platform</li> <li>Consult and test</li> </ul>	Procurement training available and ready to implement on e-platform
Develop and implement a Social Value Policy By April 2020	Janet Hinds	Sep 2019	Apr 2020	<ul style="list-style-type: none"> <li>Research best practice</li> <li>Consult and draft outline policy</li> <li>Seek feedback and refine</li> <li>Submit for approval</li> </ul>	Social Value Policy developed and implemented
Subject to resources including IT priorities and staff availability, develop and implement a simple contract management system, building on work already started at SRBC, and yet to commence at CBC	Janet Hinds	Apr 2019	SRBC: July 2019  CBC: Apr 2020	<ul style="list-style-type: none"> <li>Complete testing and development of system currently under construction at SRBC with IT and Legal Services</li> <li>Seek Leadership Team approval</li> <li>Refine as required</li> <li>Roll out and implement</li> <li>Consult/ support Legal Services and other colleagues to replicate system at CBC, adapting and refining as required.</li> </ul>	Contracts Management System in place and ready to roll-out across the Council.

Support financial systems team in updating creditors system to accurately report local and/ or regional spend.	Janet Hinds	Jul 2019	Mar 2020	Provide support as required to the systems team.	Systems team have sufficient information and support to update creditors system.
Recruit a graduate trainee to provide additional resources and succession planning	Janet Hinds	Sep 2019	Mar 2020	<p>Create a new graduate trainee role</p> <p>Create JD and have it evaluated</p> <p>Advertise, interview and recruit</p> <p>Create training plan and sign up the graduate to appropriate college course</p>	<p>Additional capacity</p> <p>Succession planning</p>

## Financial Accounts and Treasury Services

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Ensure compliance with updated International Financial Reporting Standards (IFRS)	Michael Jackson	Aug 2019	Dec 2019	Review all leases including leases embedded in contracts	A full register of all leases including embedded leases
	James Thomson			Make necessary adjustments in statement of accounts	Adjustments carried out in the finance ledger
					Compliant statement of accounts
Renew Bank Contract and Merchant Acquiring Services Contract	Michael Jackson	Apr 2019	Oct 2019	Review and agree approach to renewal	Renewed contracts
	James Thomson			Procure professional advice	Potential savings to both councils
Investigate the use of Civica Bank Module for SRBC (already implemented at CBC) to provide faster and more accurate bank reconciliations	Michael Jackson	Aug 2019	Dec 2019	Review bank reconciliation processes at SRBC	Review of bank reconciliation processes at SRBC
	James Thomson			Liaise with SRBC ICT service to assess the efficiency of implementing the new module	A new bank reconciliation module with a training programme to relevant officers
				If it provides VFM and an approach can be agreed with ICT services, implement module	Faster and more accurate bank reconciliations

## Financial Systems & Exchequer Services

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Making Tax Digital Phase 1 Phase 2	Richard Birchall  Michael Jackson	Jun 2019	Oct 2019  Oct 2020	Mandatory changes in reporting to the HMRC electronically.  Initially involves looking at options in the market with the treasury management team. From there the use of Civica modules will be explored  Communication with other councils in Lancashire with regard to different approaches	Compliant with phase 1 requirements to report payments made to creditors to HMRC electronically  Financial system is more easily interrogated for supplier payments
Improve payroll file integration with finance system	Richard Birchall	Apr 2019	Dec 2019	In conjunction with payroll configure the salaries, overtime, on call etc data so the process can be automatically imported into the ledger	Automatic integration of payroll files into the ledger
Strawberry Fields Digital Hub Income Software integration with finance system and debtors system	Richard Birchall	Apr 2019	Aug 2019	Liaise with Civica team to integrate new tenancy system at Strawberry Fields to Civica Financials and Debtors  Test System and fix problems  Implement integrated system	Strawberry Fields Digital Hub income system integrated with Debtors and GL  Positive feedback from Digital hub Management and Debtors team
PA-DSS Icon upgrade	Richard Birchall	Jun 2019	Oct 2019	Testing and implementation of ICON version 17.5 and mandatory 3D Secure v2 upgrade	Upgrade ensures financial system is PA-DSS compliant (a part of PCI-DSS)
Civica Financials upgrade to V19 or V19.5 if available	Richard Birchall	May 2019	Feb 2020	Upgrade the test financial system.  Test core functionality.  Upgrade the live financial system.	Eliminating the possibility of corrupt data  Eliminating the possibility of introducing system bugs in the new version
Roll out of Civica Financials Web Client	Richard Birchall	Jun 2019	Sep 2019	Train relevant staff to use the web client version of Civica Financials	100% of staff at both councils using web client

				Provide online learning resources and FAQs Phase out old system	
Project Starting: Tender process for new PCI-DSS compliant payment system	Richard Birchall	Sep 2019	Jul 2020	Agree procurement approach and desired outcomes  Stakeholder mapping and engagement with key service managers  Agree timetable and resources	Detailed business plan
Changes to car lease scheme within SharePoint	Richard Birchall	Apr 2019	Dec 2019	Gain feedback from the finance team and staff as to how improvements can be made  Draw up process map of lease car administration  Identify improvements and create new SharePoint processes  Provide on-line support for users	Improved workflow that mitigates the risk of cars not being insured  More lease car queries dealt with by the user rather than finance
Update creditors systems to analyse local and SME spend	Stuart Roberts	Jul 2019	Mar 2020	Update creditor system to allow the flagging of local businesses and SMEs  Agree a definition with procurement for local and SME  Update existing creditors system  Write reports that extract the data	Updated creditor system  Spend analysis reports
Make amendments to purchase order and invoice authorisers	Stuart Roberts	Jul 2019	Mar 2020	Review current list  Report to senior management teams potential improvements that could be made  With agreement implement changes alongside training for those that require it	A more effective spread of authorisers at various levels of both organisations  Improvement in the time taken to approve and process invoices  Improved PIs for SFS

## Management Accounts (Chorley Borough Council)

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Business Rates	James Thomson	Apr 2019	Draft Budget Jan 2020  Final Budget Feb 2020	Model the impact of potential changes to business rates retention in 2020/21.  Brief Senior Officers and Members outlining assumptions made.  Include in draft and final budget 2019/20.	Up-to-date, accurate and agreed business rates information included in MTFS.
Review Financial Procedure Rules (FPR)	James Thomson	Jul 2019	Jul 2019	FPRs have been reviewed at SRBC and they need updating for CBC.	Report to Full Council with updated FPRs.
Support the Chorley Council Transformation Programme	James Thomson	Apr 2019	Mar 2020	Provide budget management and strategic finance support  Implement new monitoring processes for projects becoming operational in 2019/20	Up-to-date capital and revenue information for project managers and SMT  Financially assessed business plans  Financial presence and support to all transformation project board meetings  Up-to-date MTFS monitored throughout the year
Support the implementation of the Senior Management Review	Dave Bond	Sep 2019	Dec 2019	Liaise with service managers to adjust budgets  Liaise with HR to amend payroll records  Refresh the chart of accounts and budget monitoring and budget setting working papers	Up-to-date staffing structure in finance and HR systems  Up-to-date authorisation levels for purchasing system



## Management Accounts (South Ribble Borough Council)

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Review of Constitution	Jane Blundell	June 2019	Dec 2019	Provide revised document for discussion and approval by the leadership team and Council.	Delegated authority to officers for approval of revised phasing and spend on capital projects within approved Capital Programme  Revised governance arrangements for approval of My Neighbourhood Forum projects
Revise monthly budget monitoring reporting	Jane Blundell  James McNulty	May 2019	Sep 2019	Further development of budget monitoring reports  Development of revised month-end processes  Set up regular budget meetings with capital project leads  Review and support financial reporting requirements in Inphase	Reduce monthly processing to allow for greater analysis and value added  Up-to-date capital and revenue information for project managers and Leadership  Improved budget forecasting and phasing of capital projects
Support the delivery of the Corporate Plan Projects	Jane Blundell  James McNulty	Apr 2019	Mar 2020	Provide budget management and strategic finance support  Support use of Performance Management System	Up-to-date capital and revenue information for project leads and Leadership Team  Finance support/attendance at project meetings  Up-to-date MTFS monitored throughout the year

## Management Accounts (Joint)

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Review Fees & Charges	Dave Bond  James McNulty	Jul 2019	Jan 2020	The 2019/20 review at both councils provides an opportunity to share benchmarking information and pool resources to complete an identical project  Review, benchmark and model the impact of potential changes to fees and charges.  Approve changes with senior management teams and brief members for approval.	Review of all current fees and charges  Reports to Exe Cabinets Jan 2020  Updated fees and charges register
Create monthly staffing costs reports	Dave Bond  James McNulty	Jul 2019	Dec 2020	Agree requirements of the report  Agree format of the report  Test the new format with budget managers  Implement final version of report	Identical processes for generating reports  Identical reports for both councils  Positive feedback from service managers
Change cost centre and detail code hierarchy	Dave Bond  James McNulty	Jun 2019	Sep 2020	Review current cost centre structure including cost centre managers/budget holders  Review and amend detail code hierarchy  Change cost centre hierarchy to match revised council staffing structures	Cost centre hierarchy matches both council's structures  More efficient processing of purchase orders and invoices  Better analysis of income and expenditure totals directly from the system
Investigate the procurement of a new finance system and HR system	Jane Blundell  James Thomson	Aug 2019	Mar 2020	Define what is required from a new system  Procure advisors to soft market test the possibilities for both councils  Report to respective senior teams	Alignment of processes at both councils  Possible sharing of systems with other councils

				Resource project if the plan is to changes systems Create project and procurement plan	
Investigate the possible procurement of a joint valuations contract	Jane Blundell  James Thomson	Aug 2019	Jan 2020	Review current requirements with Property and Insurance services  Write draft specification and evaluation criteria  Advise senior management teams on preferred approach  Post tender on Chest and approve supplier via EMD	Joint year-end valuations contract  Possible joint valuations contract for insurance purposes

## Shared Assurance Services - Service Priorities 2019/20

The following service priorities outline what the service hopes to deliver in 2019/20, the service is subject to an ongoing review, the business improvement plan will require re-visiting pending the outcome of the review.

### Internal Audit

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Use of IDEA for key financial audits & other data analytics across both Council's services	Janice Bamber	May 2019	Jul 31 <sup>st</sup> 2019	Produce a business case to identify cost / benefit of upgrading licences Arrange a presentation to both Senior Management Teams Identify other services where IDEA can be beneficial Identify costs, IT requirements and training needs to implement and use going forward Implement use of IDEA for auditing key financial systems	Improved testing of key financial systems Identification of trend analyses Able to audit complete systems and controls inbuilt within computer systems to provide assurance Widespread data analytics tool Officers within key services able to analyse data Move towards continuous auditing
Investigate the cost / benefit of an Audit Management system	Janice Bamber	Jul 2019	Mar 2020	Identify audit management systems available and their uses Identify audit requirements of the system, e.g. risk assessments of auditable areas, use for planning, working papers input to system and reports produced Time recording and reporting for producing monitoring reports	Improved planning and management toll Reduction of time taken to compile working papers and reports (a lot of process automated) Improved agile working Robust risk assessment processes for planning Improved reporting to Governance Committee

Improve and further embed Risk Based Auditing	Janice Bamber	Apr 2019	Mar 2020	Review risk based audit processes in line with best practice Review working papers, reports, action plans and challenge in line with best practice Review & challenge current way reports are written and challenge in line with best practice Review & challenge current Management Action implementation and monitoring process	Improved working papers & reporting which will add value to the organisation Ensure processes are in line with best practice
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### **Risk Management, Emergency Planning & Insurance**

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
<b>Risk Management</b> Further embed risk management framework, processes & systems at both Councils on a corporate, service, operational and project level	Janice Bamber	Jun 2019	Mar 2020	Review existing risk management framework and ensure fit for purpose Review current processes for managing risk management and ensure best practice is employed Design a process for ensuring risk management is embedded throughout both Councils Provide training on risk management at appropriate levels	Improved Risk Management framework Improved process for managing, embedding and reporting risk Improved capabilities for staff through training
<b>Emergency Planning</b> Produce Town Centre Evacuation Plan for Chorley	Janice Bamber / Kerry Maguire	Jun 2019	Mar 2020	Work with relevant officers at Chorley to produce a robust town evacuation plan Document & produce plan Ensure all staff are made aware and receive relevant training to action plan Undertake a table top exercise to test plan	Robust evacuation response for Chorley Town Centre
Review and maintain all Emergency Plans and procedures on an ongoing basis	Janice Bamber / Kerry Maguire	Jun 2019	Mar 2020	Review and maintain all emergency plans on an ongoing basis Provide updates where necessary Ensure staff are made aware & provide relevant training where required	Robust plans and relevant officers trained

<b>Insurance</b> Explore the procurement options for future Insurance policies to ensure robust procurement is undertaken and all options considered	Janice Bamber / Kerry Maguire	Jun 2019	Dec 2020	Explore and identify advantages & disadvantages of various procurement routes including LGA Mutual, CCS & YPO Frameworks, Competitive tendering process	Robust procurement procedures Understanding of all options and the advantages / disadvantages in order to make informed decisions
Review & update processes for claims administration	Janice Bamber / Kerry Maguire	Jun 2019	Mar 2020	Review current processes & identify if any / all parts of the processes can be delivered differently Provide options papers to Senior Management Teams at both Councils Ensure processes are robust	Improved processes Release of capacity within Insurance team to undertake more proactive work

### Shared Assurance Service

Project / task	Lead Officer(s)	Start Date	Finish date	Actions	Outcomes and success measures
Undertake a review of Shared Assurance Services	Tim Povall / Gary Hall / Rebecca Huddleston / Janice Bamber	Apr 2019	Aug 2019	Review Shared Assurance function, scope & provide options in regard to continued delivery of the service and how it is delivered	Effective Shared Assurance Service

## Shared Financial Services - Performance Measures – 2019/20

Ref	Performance Measure	Target
SFS 01	% variation between the forecast outturn at month 6 and the actual outturn at month 12	Less than 5%
SFS 02	15 Working days from period end closure to the distribution of financial reports	100%
SFS 03	Year end statutory accounts to contain no material errors and have an unqualified audit opinion	
SFS 04	Compliance with The Prudential Code	100%
SFS 05	Statutory Grant Claims and Returns to be submitted on time	100%
SFS 07	Supplier Payment within 30 days	99%
<del>SFS 08</del>	<del>Supplier Payment within 10 days</del>	<del>83%</del>
SFS 09	% of supplier payments by electronic means	97%
SFS 10	% of remittances to suppliers by electronic means	95%
SFS 11	% of Financial Systems availability	99.5%

The 10 day supplier payment target will be removed as this target has never been achieved at CBC or SRBC. The requirement for reporting payment days comes from a number of sources:

- The prompt payment code that both CBC and SRBC signed up to required payment within 30 days and to monitor the performance of this
- The Public Contracts Regulations require local authorities to publish their 30 day payment performance annually along with any late payment interest due, or paid, on any late payments
- The government's faster payment initiative about five years ago required all public sector organisations to agree to aim for a 10 day payment target and all central government departments had to publish their 10 day and 30 day payment performance. This has since reduced to 5 day and 30 day

A request to other Lancashire District Councils was made as to payment targets, of the six that responded only Preston has a 10 day target and this is only achievable as Preston Council sets up all creditors as direct debits.

It is now the view of SFS that the 10 day target should be removed as a performance target and replaced with a commitment to monitor the speed at which the council makes payments to local and SME businesses. This is included in the Financial Systems and Exchequer Service's service plan for 2019/20.

The 15 working day management accounts target will not apply in April and May due to the demands placed on the management accounts team in closing the accounts and generating the statement of accounts.



## Shared Assurance Services - Performance Measures – 2019/20

Ref	Performance Measure	Target
SAS 01	Planned Internal Audit Time	90%
SAS 02	Audit Plan Completed	85%
SAS 03	Management Actions Agreed	95%

## Shared Financial Services Risk Review

Risk	RAG Status	Status/Actions
Review of shared services and in particular SFS diverts staff time away from delivering service plan	Red	Shared services review will involve staff consultation and engagement taking time away from day to day activities and project work
There is a lack of skills within the team to deliver the shared services plan	Yellow	The current staff in SFS have the necessary skills to deliver the service plan or will buy in external expertise to deliver it e.g. Civica support or procurement support for bank contract  There is an inherent risk that there is insufficient succession planning such that some skills may be lost if a restructure is completed
There is a lack of capacity within the team to deliver the shared services plan	Yellow	There is a high demand on the SFS, especially procurement and the financial system team. Any unforeseen demands on these teams, such as new corporate projects, may impact on these services in particular.
Services external to SFS do not have the capacity to help implement the SFS service plan	Yellow	The main demand will be on both councils' ICT services. SFS must ensure its projects are built into both councils' ICT programmes.

## Shared Financial Services Skills Review

Additional Skills Identified	Project/Action	Required by whom	Required by date
Commercial/investment appraisal skills	In-house and external training	Management accounts	31/03/20

## Shared Assurance Services Risk Review

Risk	RAG Status	Status/Actions
Review of shared assurance services diverts staff time away from delivering service plan	Red	Shared services review will involve staff consultation and engagement taking time away from day to day activities and project work
There is a lack of skills within the team to deliver the shared assurance services plan		The current staff within Shared Assurance have significant skills to deliver the business improvement plan, however, there are some specific skills required that will either have to be bought in to support implementation or training provided to enable the delivery  There is a current risk in regard to the right levels of skills being in place due to long term sickness of one postholder and due to the service carrying vacancies at present
There is a lack of capacity within the team to deliver the shared services plan	Yellow	There are currently resource issues within Shared Assurance Services which has reduced capacity within the teams and there is currently insufficient capacity to deliver all improvements within the plan
The business improvements planned do not deliver the required or outlined benefits	Yellow	Further investigation in regard to business outcomes and cost / benefits needs to be undertaken in order to determine the validity of the proposed business improvements.

## Shared Assurance Services Skills Review

Additional Skills Identified	Project/Action	Required by whom	Required by date
IDEA Software training	External Training	Internal Audit & other services to be determined	31/03/20