



Financial Services

SERVICE PLAN

April 2007 to March 2010

Advanced Draft 08.02.07

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1.0 INTRODUCTION

To meet Halton's most pressing needs, the Borough Council has identified **6 key priorities**, which, as detailed within the Council's Corporate Plan, are: -

- **A Healthy Halton**
- **Halton's Urban Renewal**
- **Halton's Children & Young People**
- **Employment, Learning & Skills in Halton**
- **A Safer Halton**
- **Corporate Effectiveness & Business Efficiency**

The primary purpose of Service Plans is to provide a clear statement on what individual services are planning to achieve and to show how this contributes towards achieving the corporate priorities of the Council. They are an essential tool for making key decisions about future service provision and the level of resources required. Additionally the service plan is designed to enable the public, Elected Members and staff to monitor how well this part of the Council is performing in improving the quality of life for local people.

2.0 SERVICE PROFILE

2.1 Purpose

The main purpose of the Department is to manage the financial affairs of the Council to bring maximum financial benefit wherever possible by ensuring the effective utilisation of existing resources and identifying opportunities to generate additional resources.

In addition, the Department provides the support to enable the Operational Director – Financial Services to carry out his statutory duty (under S151 Local Government Act 1972) of ensuring the proper administration of the Council's financial affairs. This duty exists to protect the Council, Councillors, all staff, and ultimately the Council taxpayer and general public.

The main activities undertaken by the Department are:

Accountancy

Providing a proper record of how the Council has spent its money and to provide a record of the Council's assets and liabilities.

Ensuring that resources are allocated over agreed operational areas and that appropriate cost centres exist to record their transactions.

Ensuring that the Council's capital expenditure is planned and that longer-term finance is raised to meet it.

Ensuring that the Council's revenue expenditure is properly planned over the medium term and that the Council's income is adequate to meet its planned revenue expenditure.

Ensuring that cash flows are monitored on a daily basis, surplus cash maximised and invested successfully with borrowings and interest payments minimised.

Monitoring the revenue budget and capital programme.

Ensuring Councillors, Strategic Directors and their staff have sufficient financial information to make informed decisions of the financial consequences of policy issues.

Providing financial information, including management accounting and costing data, available to support Operational Directors in the control of their budgets and spending.

Ensuring schools receive budget management and financial administration under the terms of the service legal agreement.

Internal Audit

Under the Accounts and Audit Regulations 2003, the Authority is required to undertake an annual review of the system of internal control. The independent assurance gained from the work of Internal Audit forms an integral element of that review.

Providing an independent and objective opinion on the Council's control environment by evaluating its effectiveness in achieving the organisation's objectives.

Examining, evaluating and reporting on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.

Recommending improvements in controls and procedures to help ensure that safe and effective financial systems and procedures operate effectively throughout the Council.

Promoting an anti-fraud and corruption culture and providing assurance over the proper administration of public funds.

Carrying out investigations, within the Council's Anti-Fraud and Anti-Corruption Strategy, into any circumstances, which suggest the possibility of financial irregularity or loss.

Conducting key controls reviews aimed to provide assurance that the systems used to produce the Council's financial statements are well controlled and reliable.

In ensuring the effective utilisation and attraction of the financial resources available to it the Financial Services Department underpins all aspects of the Council's work. Ultimately this results in benefits for all those who live, work or visit the borough.

2.2 Key Messages

The Audit Commission has reported that the Council's finances are well managed. This is reflected in the Corporate Performance Assessment Use of Resources score of 3 out of 4 (performing well). Although the overall score has remained unchanged there were improvements in individual elements. An action plan has been developed to address the issues to continue to make improvements in all aspects of the Department's work. The Council's financial position is stable, on track for spending in line with budget, with balances and reserves at a reasonable level and the Council well on target to hit its Gershon target.

An important part of the Use of Resources assessment looks at how the Council's financial management links to the strategic management of the Council, how it is integrated with strategy and corporate management, supports council priorities and delivers value for money. The Council's financial systems and processes are tested on an annual basis and they are found to be robust and provide reliable information for the Council's financial statements.

The Business Efficiency Board became the Council's audit committee during 2006 and Internal Audit now provides the Board with quarterly updates on the work and performance of Internal Audit.

A Financial Management Standard & Toolkit has been developed by the DfES for schools. The Standard is intended to help schools in evaluating the quality of their financial management and to aid in training staff to become better financial managers. All high schools are expected to have achieved the standard by April 2007 with primary and special schools being phased in over the following two years. All schools must be externally assessed every three years to ensure continued compliance with the standard. The S151 officer has to declare on the S52 statement the number of schools that have / have not achieved the standard. Internal Audit has been accredited by the DfES to undertake external assessments and is working with schools to help them achieve the Standard.

The Code of Practice for Internal Audit in Local Government was recently updated to reflect changes arising from the amendments to the Accounts and Audit Regulations in 2006 and practice relating to corporate governance that further emphasises the importance of internal audit to the management of organisations.

The Council's financial management system "Agresso" is now able to provide financial information to budget holders within 10 days of the month end. This is a significant improvement on the previous system and work is ongoing to improve it even further. In addition summarised revenue and capital information is provided to Operational Directors quarterly to aid the monitoring of spending against budgets. This information is incorporated in the quarterly performance monitoring reports to Policy and Performance Boards and brought together to report the overall position to Management Team and the Executive Board Sub Committee.

The Council has a major capital programme, although it is expected that spending will slip into next year. As well as the major developments of Mersey Gateway, Widnes Waterfront, Castlefields and 3MG the Council is Wave 6 of the Building Schools for the Future programme, which would provide £60-80m of investment in the borough's secondary schools. Given its scale, the monitoring and management of capital expenditure will be given greater focus to ensure time limited external funding is maximised and spending is in line with the programme.

Over many years the Department has been very successful in managing the Council's cash resources. There has been continual reduction in the cost of borrowing and in addition the return on funds invested has out performed the benchmark. In this way treasury management has made additional resources available to services in Halton. Prudential borrowing has also been used, such as on the acquisition of the new refuse collection fleet, to make significant revenue savings.

The Council's accounts were published within the earlier timescale set by Government. This was a major challenge to the Department and achieved with the co-operation of all Directorates across the Council. The accounts have been given a clean bill of health by the Audit Commission.

A major new statistical return was introduced by Government this year, known as the "Whole of Government Accounts"; its aim is to produce one set of accounts for the whole of the public sector. It was successfully introduced in the year and has been subject to external audit.

The Halton Local Strategic Partnership is about to enter into a Local Area Agreement (LAA) with the Government. It is a three-year agreement that will involve the pooling of a number of existing grant regimes by Government into a single LAA grant. The Council will act as the accountable body for the LAA and this will involve distributing and accounting for funding passed on to other partner organisations. As such, the LAA will have significant impact on the work of the Department in terms of establishing and maintaining robust governance, accounting, monitoring and auditing arrangements.

The provisional financial settlement for 2007/08 is poor. Halton's grant increase is only 2.8 % compared to the national average of 3.8 %. Coupled with increasing spending pressures from new legal duties and alongside increased costs from such things as the waste agenda, the children's agenda, the ageing population and the job evaluation exercise, as well as public expectations for new and improved services, means difficult choices will have to be made to balance the budget given pressures from Government to keep down council tax rises.

The Local Government Bill has been published but there is nothing in it that reforms local government finance. Consequently any reforms as a result of either the Lyons Review or the Comprehensive Spending Review (CSR07) will require further legislation.

The Lyons review into local government finance was extended to also look at form and function and has been further extended to incorporate the implications of recent studies into transport, planning and skills and is now expected to be published in the spring 2007. It may have far reaching implications on such things as council tax, capping and business rates but there is speculation that it will not be a major influence.

CSR07 is expected to be published in July 2007 and will cover the period 2008/09 to 2010/11. The grant settlement will also cover the same 3-year period, which should be an aid to financial planning. The grant is the major source of finance to the Council and the Government will review the grant methodology. The Department will be working closely with Merseyside authorities, SIGOMA and other Unitary authorities with the aim of maximising the grant coming to the Council.

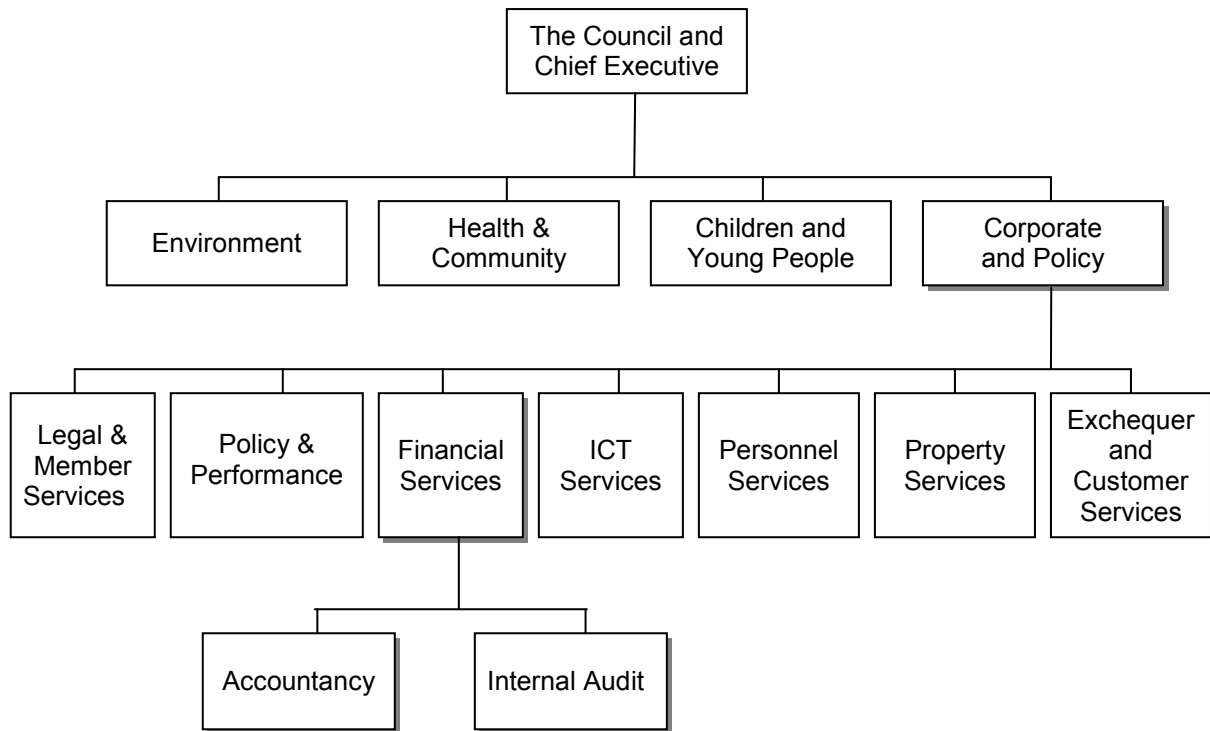
However, the Government have already indicated that public sector spending will be under greater constraint than before with overall increases being limited to 1.9% each year. In addition a number of grants such as Neighbourhood Renewal Fund and Supporting People will either be reducing or withdrawn next year. It is possible that the Council will only receive the minimum grant increase next year meaning that all spending should be under increased scrutiny. The minimum grant increase, known as the "floor", for 2007/08 is 2.7% but there is every expectation this will reduce considerably in future and may even be a cash freeze.

With priority given to education and health there is likely to be less for other services and therefore the prospects for 2008/09 and beyond are expected to be bleak.

Against this background maximising efficiency is going to be critical in generating additional resources. The Government, in response to the Gershon report, set all local authorities a target of achieving efficiency gains of 2.5%, of which more than half had to be cashable savings, in each year for the three years ending 2007/08.

The Council is well on track to achieve this target. CSR07 is expected to set in more challenging targets for the next three years, with cashable savings of 3% each year being identified in the Chancellors Pre-Budget report. However it will become more and more difficult to make these gains without examining radical changes to service delivery.

2.3 Organisation Structure



Staffing

| | F.T.E¹ | Headcount |
|---------------------------------|--------------------------|------------------|
| Managerial | 2 | 2 |
| Professional/ Technical | 22 | 23 |
| Administrative/ Clerical | 13 | 14 |
| Front Line | 0 | 0 |
| Total | 37 | 39 |

¹ Full time equivalent

3.0 AIMS OF THE SERVICE

The Council has identified six key strategic priorities that are detailed within the introduction to this plan. Whilst the majority of Council services will contribute in some way to each of these priorities those that are most relevant to the Financial Services Department, and the Service Aims associated with them are: -

Corporate Priority 6: Corporate Effectiveness & Business Efficiency

Area of Focus 34

Attracting and managing financial resources effectively and maintaining transparency, financial probity and prudence and accountability to our stakeholders.

Departmental Service Aim 1

To maximise, and effectively manage, the financial resources available to the Council and ensure that capital expenditure is planned and is fully funded.

Departmental Service Aim 2

Assist management in delivering services to the community and the overall efficiency and effectiveness of the Council and its performance management systems.

Departmental Service Aim 3

Ensure probity in the Council's financial affairs and to promote an environment and culture, which help deter and identify fraud.

Departmental Service Aim 4

Develop long term financial planning that links with service planning.

4.0 FACTORS AFFECTING THE SERVICE

4.1 External Factors

The table below identifies those external factors that will, or are likely to, impact upon the service during the period of this plan.

| Key Developments | Timeframe | Comment(s) |
|------------------------------------|----------------|---|
| <i>Political</i> | | |
| 1. Regeneration Activity | 2007/10 | Manage funding and cash flows of major developments including Mersey Gateway, Castlefields, EDZ and Ditton FRSP. |
| 2. CPA/ Use of Resources | 2007/10 | An action plan has been developed to help further strengthen the Council's financial management arrangements in line with the good practices set out in the key lines of enquiry for Use of Resources |
| 3. Waste Agenda | 2007/10 | Continue to provide financial advice and information in support of the major procurement to be undertaken in partnership with MWDA. |
| 4. Building Schools for the Future | 2007/10 | Arrangements for supporting the financial aspects and the financial implications of BSF need to be established, as Halton has been included in BSF Wave 6. |
| <i>Economic</i> | | |
| 5. ODPM Efficiency Review | 2005/08 | Government target for all authorities to make annual efficiency gains of 2.5%, of which more than 50% must be cashable. The target is expected to increase to 3% (and all cashable) from 2008/09 |
| 6. Budget Pressures | 2007/10 | Increasing public expectation across all services for improvements and new developments coupled with increasing costs such as pensions, insurance and single status agreement yet at the same time the increase threat of capping from Government to minimise Council Tax increase. |
| 7. Formula Grant (RSG) | 2007/10 | The implications on the Council's grant of the Lyons Report due in early 2007, the 2007 Comprehensive Spending Review, revised grant methodology and updated data incorporated in the 3-year settlement expected in the Autumn 2007. |

| Key Developments | Timeframe | Comment(s) |
|--|-----------|--|
| Social | | |
| 8. Existing / new Partnership arrangements | 2007/10 | These arrangements often result in more complex accounting and governance arrangements being required. |
| Technological | | |
| 9. Development of Agresso | 2007/10 | Developing the range and use of financial information available from the new Agresso system |
| 10. E-Government | 2007/10 | Advice on new controls as business processes change. Particular developments include e-procurement, replacement revenues and benefits system and replacement payroll/ personnel system |
| Legislative | | |
| 11. Children's Act and Associated Guidance | 2007/10 | Introduction of Children's Trust and Pooled budgets. |
| 12. Accounting Developments | 2007/10 | Statements of Recommended Accounting Practice are issued annually, which determine the extent and format of the Council's accounting statements and provide the basis against which they are audited. |
| 13. Auditing Developments | 2007/10 | <p>The amendment to the Accounts and Audit regulations 2006 has introduced a requirement to review the effectiveness of internal audit on an annual basis.</p> <p>The Code of Practice for Internal Audit in Local Government in the UK. has been updated to define the way in which the internal audit service should undertake its functions.</p> <p>Internal Audit has been accredited by the DfES to undertake external assessments at schools relating to the Financial Management Standard in Schools (FMSiS).</p> |

4.2 Service Developments

Under the 2006 CPA the Use of Resources assessment was more stringent and focused on financial management and how this links and supports the strategic management of the Council. The Council scored 3 out of 4 (performing well). There are a few areas for further development and an action plan has been developed to make further improvements in the financial management of the Council.

The department received high levels of satisfaction and positive feedback from a recent client survey. Internal Audit regularly receives high levels of satisfaction following audit reviews. Both the Accountancy and Internal Audit Divisions are members of CIPFA Benchmarking Clubs. The overall cost of Halton's accountancy function is below the average for unitary councils. In terms of Internal Audit, the last benchmarking exercise showed staff costs are 8% below average.

As part of its annual audit the Audit Commission reviews the work of the Internal Audit Division and concluded that "Internal Audit meets statutory requirements and relevant standards" and stated that "coverage has improved year on year over the last two years with coverage of all key systems and other systems on a risk basis."

4.3 Efficiency Improvements

Over many years the Department has been successful in absorbing additional responsibilities without increasing staffing levels. The development of Agresso is a major example of improved efficiency and its continued development will help budget management across the Council. Other examples of improved efficiency include the introduction of pooled budgets such as Adults with Learning Difficulties, the Whole of Government Accounts initiative and the new LAA. However it has to be recognised that given their intangible dominant nature such efficiency gains can be extremely difficult to quantify in financial terms.

Internal Audit are to combine the Financial Management Standards in Schools visits to schools with their usual school audit reviews, which should generate additional income of £10,000 each year. In addition Internal Audit has a wider role in terms of identifying opportunities to improve efficiency through the course of its normal audit work.

4.4 National, Regional & Sub-Regional Focus

The Executive Board Member for Corporate Services is a member of the Executive Committee of SIGOMA – Special Interest Group of Municipal Authorities (outside London), which represents 48 Local Authorities in most of England's urban areas outside the capital. SIGOMA provides a forum for discussion at the highest political level on matters of common concern and provides a means of channelling views to Government and the Local Government Association.

The Department represents the Council on the Merseyside Directors of Finance Group and Cheshire Chief Finance Officers Group. These Groups are valuable ways of sharing information and developing solutions to the emerging financial issues faced by the authority.

The proposed development of the Liverpool City Region would result in new financial relationships and if implemented would require the examination of the Council's existing financial transactions with Cheshire based bodies.

4.5 Equal Opportunities

Halton Council is committed to ensuring equality of opportunity and combating discrimination and victimisation within all aspects of its service delivery, policy development and as an employer. This commitment is reflected in a range of policies, strategies and framework documents that underpin the work of the Council in its day-to-day operation and in the services it delivers.

The Council fully supports the broad principles of social justice and will oppose any form of discrimination and oppression. Council policy will apply to all of those who come into contact with it, i.e. those who presently use directly provided services of services provided on the Council's behalf; potential users of services; other agencies and professional; employees and job applicants; and the general public.

During the course of 2006 – 07 all Council Services conducted Equality Impact Assessments to examine the equality implications of all policies, procedures and practices within their area.

As a result this department developed an Equalities Action Plan, which is subject to an annual review, that identified a number of low / medium priority areas for action that will be taken during the lifetime of this plan (refer section 6.3).

4.6 Unforeseen Developments

Whilst every effort has been made to identify those developments that may influence or impact upon the service during the life of this plan the possibility exists that unforeseen developments may occur that need to be considered as and when they arise. Such developments will be detailed and commented upon as appropriate in the sections dealing with key developments or emerging issues within the relevant Service Plan Quarterly Monitoring Reports.

In addition to the normal reporting cycle the service may also report 'by exception' to the appropriate Policy and Performance Board when unforeseen developments occur. Where a more immediate decision is required due to the pressing nature of the unforeseen development, this will be referred to Management Team and the Executive Board for attention. The respective Policy and Performance Boards will be kept informed of any developments of this nature.

All reports to the Policy and Performance Boards with the exception of Part II items, are publicly available documents and can be accessed through the Council's website at <http://www2.halton.gov.uk/>

5.0 RESOURCES

5.1 Budget Summary and Service Costs

INFORMATION TO FOLLOW

5.2 Future Staffing Requirements

At this stage there are no indications that the existing staffing levels will require any significant amendment during the lifetime of this plan.

| Year | Managerial | Professional/ Technical | Administrative/ Clerical | Front Line |
|----------------|-------------------|------------------------------------|-------------------------------------|-----------------------|
| 2007/08 | 2 | 22 | 13 | 0 |
| 2008/09 | 2 | 22 | 13 | 0 |

5.3 Future ICT Requirements

There is a high degree of expertise in the use of personal computers in the Department and this will continue to be developed to maximise the use of computing facilities.

The Accountancy Division was one of the first areas of the Council to be successfully integrated into the full "Citrix" environment. It is anticipated that Internal Audit will also move onto "Citrix" in the future, as this will bring significant advantages in terms of mobile and remote working.

The Agresso system provides the Department with a state of the art financial management system that should meet the needs of the Council for the foreseeable future. The system is likely to undergo a major upgrade during 2008/09 as part of Agresso's approach to continuous development and in order to ensure the Council maximises the benefit from its investment in the system.

The Trent integrated human resources and payroll system is due to be implemented over the next 12 months in three phases, which should significantly improve the financial information available for budgeting purposes

5.4 Future Accommodation/Property Requirements

At the present time, there are no foreseeable additional property requirements for Financial Services during the lifetime of this plan.

Should any unforeseen developments arise that necessitate additional requirements, these will be reported either by exception or through the normal quarterly reporting cycle.

6.0 SERVICE PERFORMANCE

Plans are no use if they do not produce real results. We need to set targets and measure our performance to know if we are achieving the improvements intended. Various types of indicator are used here to do this:

- Objectives and Key Milestones. These show the major events in the work of the Department that are planned to take place during 2007–10, such as the launch of new initiatives, production of key plans and strategies and progress on major projects†
- Performance Indicator Targets. These show performance on indicators that are prescribed by central Government as part of their drive to ensure that councils deliver best value in serving their local communities.
- Local Performance Indicators. These show performance on indicators that the Department or the Council has adopted locally themselves and those adopted from national and other sources.
- Local Public Service Agreement Targets. Such targets are the result of an agreement between the local authority and the Government. This agreement sets out the authority's commitment to deliver specific improvements in performance and the Governments commitment to reward these improvements. **THIS SECTION OF THE PLAN WILL BE REVISED IN LIGHT OF THE LOCAL AREA AGREEMENT THAT IS PRESENTLY UNDERGOING DEVELOPMENT**
- National Floor Targets. These are targets that set a minimum standard for disadvantaged groups or areas or a narrowing of the gap between such areas and the rest of the country.

† Against each key objective the overall initial and residual risk assessment (before and after the risk control measures have been identified) is shown. The risk mapping exercise scores the potential impact on the key objective (severity) and the likelihood (probability) of the risks happening to arrive at a number. This is represented by a number with the associated level of assessed risk.

| Risk Score | Overall Level of Risk |
|------------|-----------------------|
| 1 – 4 | LOW |
| 5 – 10 | MEDIUM |
| 11 – 16 | HIGH |

The following tables identify the service objectives and national / local performance indicators, each of which has been referenced to the Corporate Priority to which it relates.

6.1.1 Key Service Objectives

| | |
|------------------------------|---|
| Corporate Priority: 6 | Corporate Effectiveness & Business Efficiency |
| <i>Key Area Of Focus: 34</i> | <i>Attracting and Managing financial resources effectively and maintaining transparency, financial probity and prudence and accountability to our stakeholders.</i> |

| | | | | | | |
|---------------------------------|--|--------|----------------------------|--|--------------------------|--|
| Service Objective: FS O1 | Set the Revenue Budget, Capital Programme and recommend Council Tax | | | | | |
| Key Milestone(s) (07/08) | <ul style="list-style-type: none"> • Report Medium Term Financial Forecast to Executive Board November 2007 • Report to Council in March 2008. | | | | | |
| Key Milestone(s) (08/09) | <ul style="list-style-type: none"> • Report Medium Term Financial Forecast to Executive Board November 2008 • Report to Council in March 2009. | | | | | |
| Key Milestone(s) (09/10) | <ul style="list-style-type: none"> • Report Medium Term Financial Forecast to Executive Board November 2009 • Report to Council in March 2010. | | | | | |
| Risk Assessment | Initial | Medium | Responsible Officer | Operational Director Financial Services | Linked Indicators | |
| | Residual | Medium | | | | |

| | | | | | | |
|---------------------------------|---|--------|----------------------------|------------------------------|--------------------------|--|
| Service Objective: FS O2 | To take steps to maximise the Council's share of the Formula Grant (RSG) | | | | | |
| Key Milestone(s) (07/08) | <ul style="list-style-type: none"> • Join with Merseyside authorities and SIGOMA to lobby for appropriate methodology changes. - August 2007 • Check with relevant data to DCLG. – September 2007 • Analyse provisional settlement. - November 2007 • Lobby MP's and DCLG following provisional settlement. – December 2007 | | | | | |
| Key Milestone(s) (08/09) | Not applicable | | | | | |
| Key Milestone(s) (09/10) | Not applicable | | | | | |
| Risk Assessment | Initial | Medium | Responsible Officer | Group Accountant Planning | Linked Indicators | |
| | Residual | Medium | | | | |

| | |
|------------------------------|--|
| Corporate Priority: 6 | Corporate Effectiveness & Business Efficiency |
| <i>Key Area Of Focus: 34</i> | <i>Attracting and Managing financial resources effectively and maintaining transparency, financial probity and prudence and accountability to our stakeholders</i> |

| | | | | | | |
|---------------------------------|--|-----|----------------------------|------------------|--------------------------|--|
| Service Objective: FS O3 | To effect financial prudence by assisting managers to control their budgets by monitoring spending and providing financial reports. | | | | | |
| Key Milestone(s) (07/08) | <ul style="list-style-type: none"> • Provide monthly financial reports to budget holders within 8 days of month-end (currently 10 days) (Chief Acc) • Provide quarterly financial monitoring reports to Operational Directors for inclusion in Service Performance Monitoring Reports (Group Accountant) • Provide monitoring reports on the overall budget to the Executive Board Sub Committee twice a year (Chief Accountant) | | | | | |
| Key Milestone(s) (08/09) | <ul style="list-style-type: none"> • Provide monthly financial reports to budget holders within 8 days of month-end (currently 10 days) (Chief Acc) • Provide quarterly financial monitoring reports to Operational Directors for inclusion in Service Performance Monitoring Reports (Group Accountant) • Provide monitoring reports on the overall budget to the Executive Board Sub Committee twice a year (Chief Accountant) | | | | | |
| Key Milestone(s) (09/10) | <ul style="list-style-type: none"> • Provide monthly financial reports to budget holders within 8 days of month-end (currently 10 days) (Chief Acc) • Provide quarterly financial monitoring reports to Operational Directors for inclusion in Service Performance Monitoring Reports (Group Accountant) • Provide monitoring reports on the overall budget to the Executive Board Sub Committee twice a year (Chief Accountant) | | | | | |
| Risk Assessment | Initial | Low | Responsible Officer | Chief Accountant | Linked Indicators | |
| | Residual | Low | | | | |

| | |
|------------------------------|--|
| Corporate Priority: 6 | Corporate Effectiveness & Business Efficiency |
| <i>Key Area Of Focus: 34</i> | <i>Attracting and Managing financial resources effectively and maintaining transparency, financial probity and prudence and accountability to our stakeholders</i> |

| | | | | | |
|---------------------------------|--|-----|----------------------------|------------------------|--------------------------|
| Service Objective: FS O4 | To summarise and report the efficiency gains in response to Gershon review | | | | |
| Key Milestone(s) (07/08) | <ul style="list-style-type: none"> • Submit the 2007/08 Annual Efficiency Statement (Forward Look) by June 2007 and report to the Business Efficiency Board • Submit the 2006/07 Annual Efficiency Statement (Backward Look) by July 2007 and report to the Business Efficiency Board • Submit the 2007/08 Half Year Review by November 2007 and report to the Business Efficiency Board | | | | |
| Key Milestone(s) (08/09) | <ul style="list-style-type: none"> • Submit the 2008/09 Annual Efficiency Statement (Forward Look) by June 2008 and report to the Business Efficiency Board • Submit the 2007/08 Annual Efficiency Statement (Backward Look) by July 2008 and report to the Business Efficiency Board • Submit the 2008/09 Half Year Review by November 2008 and report to the Business Efficiency Board | | | | |
| Key Milestone(s) (09/10) | <ul style="list-style-type: none"> • Submit the 2009/10 Annual Efficiency Statement (Forward Look) by June 2009 and report to the Business Efficiency Board • Submit the 2008/09 Annual Efficiency Statement (Backward Look) by July 2009 and report to the Business Efficiency Board • Submit the 2009/10 Half Year Review by November 2009 and report to the Business Efficiency Board | | | | |
| Risk Assessment | Initial | Low | Responsible Officer | Chief Internal Auditor | Linked Indicators |
| | Residual | Low | | | |

6.1.2 Other Service Objectives

| | |
|------------------------------|--|
| Corporate Priority: 6 | Corporate Effectiveness & Business Efficiency |
| <i>Key Area Of Focus: 34</i> | <i>Attracting and Managing financial resources effectively and maintaining transparency, financial probity and prudence and accountability to our stakeholders</i> |

| | | | |
|---------------------------------|--|--------------------------|--|
| Service Objective: FS O5 | Provide for public accountability by reporting the Council's stewardship of public funds and its financial performance in the use of resources by preparing the final accounts as required by statute and in accordance with latest accounting standards. | | |
| Key Milestone(s) (07/08) | <ul style="list-style-type: none"> • Complete the draft Abstract of Accounts and report to the Business Efficiency Board by 30th June 2007 • Publish the Abstract of Accounts by 30th September 2007 | | |
| Key Milestone(s) (08/09) | <ul style="list-style-type: none"> • Complete the draft Abstract of Accounts and report to the Business Efficiency Board by 30th June 2008 • Publish the Abstract of Accounts by 30th September 2008 | | |
| Key Milestone(s) (09/10) | <ul style="list-style-type: none"> • Complete the draft Abstract of Accounts and report to the Business Efficiency Board by 30th June 2009 • Publish the Abstract of Accounts by 30th September 2009 | | |
| Responsible Officer | Chief Accountant | Linked Indicators | |

| | | | |
|---------------------------------|---|--------------------------|--|
| Service Objective: FS O6 | Make best use of cash resources available to the Council, and fulfil statutory requirement by setting and monitoring Treasury Management Policy | | |
| Key Milestone(s) (07/08) | <ul style="list-style-type: none"> • Establish Treasury Management policy and report to the Executive Board Sub Committee by April 2007 • Monitoring reports to the Executive Board Sub Committee on a quarterly basis | | |
| Key Milestone(s) (08/09) | <ul style="list-style-type: none"> • Establish Treasury Management policy and report to the Executive Board Sub Committee by April 2008 • Monitoring reports to the Executive Board Sub Committee on a quarterly basis | | |
| Key Milestone(s) (09/10) | <ul style="list-style-type: none"> • Establish Treasury Management policy and report to the Executive Board Sub Committee by April 2009 • Monitoring reports to the Executive Board Sub Committee on a quarterly basis | | |
| Responsible Officer | Operational Director | Linked Indicators | |

| | |
|------------------------------|--|
| Corporate Priority: 6 | Corporate Effectiveness & Business Efficiency |
| <i>Key Area Of Focus: 34</i> | <i>Attracting and Managing financial resources effectively and maintaining transparency, financial probity and prudence and accountability to our stakeholders</i> |

| | | | |
|---------------------------------|--|--------------------------|--|
| Service Objective: FS O7 | Ensure that capital programme is affordable, prudent and sustainable by setting and monitoring Prudential Borrowing Indicators | | |
| Key Milestone(s) (07/08) | <ul style="list-style-type: none"> • Report Prudential Indicators to Council in March 2007 • Monitoring report to the Executive Board Sub Committee on a quarterly basis | | |
| Key Milestone(s) (08/09) | <ul style="list-style-type: none"> • Report Prudential Indicators to Council in March 2008 • Monitoring report to the Executive Board Sub Committee on a quarterly basis | | |
| Key Milestone(s) (09/10) | <ul style="list-style-type: none"> • Report Prudential Indicators to Council in March 2009 • Monitoring report to the Executive Board Sub Committee on a quarterly basis | | |
| Responsible Officer | Operational Director | Linked Indicators | |

| | | | |
|---------------------------------|--|--------------------------|--|
| Service Objective: FS O8 | To provide an independent and objective opinion on the Council's risk management processes, control systems, accounting records and governance arrangements. | | |
| Key Milestone(s) (07/08) | <ul style="list-style-type: none"> • Report Audit Plan to Business Efficiency Board May 2007 • Report progress to the Business Efficiency Board on a quarterly basis | | |
| Key Milestone(s) (08/09) | <ul style="list-style-type: none"> • Report Audit Plan to Business Efficiency Board May 2008 • Report progress to the Business Efficiency Board on a quarterly basis | | |
| Key Milestone(s) (09/10) | <ul style="list-style-type: none"> • Report Audit Plan to Business Efficiency Board May 2009 • Report progress to the Business Efficiency Board on a quarterly basis | | |
| Responsible Officer | Chief Internal Auditor | Linked Indicators | |

6.2 Performance Indicators and Targets (Statutory & Local Indicators):

| Ref ² | Description | Corp. Plan Priority | Halton 2005/6 Actual | 2005/06 Quartiles ³ (All England) | | | Halton 2006/7 Target | Halton 2006/7 Actual | Halton Targets | | |
|------------------------------|--|---------------------|----------------------|--|--------|--------|----------------------|----------------------|----------------|-------|-------|
| | | | | Top | Middle | Bottom | | | 07/08 | 08/09 | 09/10 |
| Service Delivery | | | | | | | | | | | |
| FSLI 6 / SA 3 | Issue 75% of draft audit reports within 15 working days of completing the audit fieldwork. | CP6 | 77% | | | | 75% | | 75% | 75% | 75% |
| Quality | | | | | | | | | | | |
| FSLI 7 | Maintain a high degree of user satisfaction survey in Internal Audit ^{NB} | CP6 | 100% | | | | 90% | | 90% | 90% | 90% |
| FSLI 8 | Maintain the number of schools buying back financial services. | CP6 | 48 | | | | 48 | | 48 | 48 | 48 |
| Fair Access | | | | | | | | | | | |
| | | | | | | | | | | | |
| Cost & Efficiency | | | | | | | | | | | |
| FSLI 5 / SA 1 | Achieve investment returns for the year higher than benchmark | CP6 | 4.87% | | | | | | | | |

² Key Indicators are identified by an **underlined reference in bold type**.

³ No quartile data is available for local performance indicators

| Ref ² | Description | Corp. Plan Priority | Halton 2005/6 Actual | 2005/06 Quartiles ³ (All England) | | | Halton 2006/7 Target | Halton 2006/7 Actual | Halton Targets | | |
|------------------|-------------|---------------------|----------------------|---|--------|--------|----------------------|----------------------|----------------|-------|-------|
| | | | | Top | Middle | Bottom | | | 07/08 | 08/09 | 09/10 |

Corporate

| | | | | | | | | | | | |
|---------------|--|------|-----|--|--|--|-----|--|---------------------|-----|-----|
| FSLI 1 / SA 4 | Receive an unqualified audit opinion on the accounts. | CP 6 | Yes | | | | Yes | | Yes | Yes | Yes |
| FSLI 2 / SA 4 | Receive positive comments from the District Auditor relating to the financial standing of the Council and the systems of internal financial control. | CP 6 | Yes | | | | Yes | | Yes | Yes | Yes |
| FSLI 3 / SA 4 | Complete at least 90% of the Audit Plan | CP 6 | 93% | | | | 90% | | 90% | 90% | 90% |
| FSLI 4 / SA 5 | Maintain the scores achieved in CPA last year. | CP 6 | | | | | | | Maintain 3 out of 4 | | |

6.3 Equality Action Plan

Text to be inserted

6.4 Local Public Service Agreement

THIS SECTION OF THE PLAN WILL BE REVISED IN LIGHT OF THE LOCAL AREA AGREEMENT THAT IS PRESENTLY UNDERGOING DEVELOPMENT

6.5 National Floor Targets

There are presently no National Floor Targets that are directly relevant to the service

7.0 PERFORMANCE REPORTING

One of the main purposes of having a Service Plan is to enable the Council and interested members of the public to keep track of how the Council and its Departments are doing and to help councilors and managers see whether the service is performing as planned and achieving its targets.

Progress will be monitored through:

- **Day to day monitoring by Strategic Directors through their regular interaction with Operational Directors;**
- **Quarterly progress reports to the Management Team;**
- **The inclusion of quarterly service plan monitoring reports as a standard item on the agenda of all the Council's Policy and Performance Boards.**

Policy and Performance Board agenda are public documents and can be accessed free using Internet access at any library where assistance with the technology is available if needed.

8.0 STATUTORY & NON-STATUTORY PLANS

The following plans and strategy documents are relevant to this service plan:

[Community Strategy](#)
[Halton BVPP 2006/07](#)

Risk Assessment for Key Service Objectives Initially assessed as 'High' Risk

| Key Objective Ref | Initial Risks identified* |
|--------------------------|----------------------------------|
| | |

*Risk treatment measures associated with the risks identified can be found in the departmental risk register. A commentary will be included in the quarterly service plan monitoring report to indicate the progress

Equality Action Plan

The Department carried out an Equality Impact Assessment during 2006 and a number of actions that needed to be taken were identified. Those yet to be completed that are considered to be high priority are detailed in the table below.

| Strategy/Policy/Service | Impact Assessment (High/Low/None) | Action(s) Proposed | Timetable | | | Officer Responsible |
|-------------------------|-----------------------------------|--------------------|-----------|---------|---------|---------------------|
| | | | 2007/08 | 2008/09 | 2009/10 | |
| | | | | | | |