

Resources Delivery Plan 2019-20

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1. Overview & Profile

Overview

This Plan sets out key actions to help deliver the Council's priorities (as described in strategic documents such as the Strategic Plan 2017-2022 and Equality Outcomes & Mainstreaming Report 2017-2021) as well as actions to address the performance issues and service priorities identified in our planning process. It outlines the performance indicators we will monitor to measure our success, provides an overview of services and resources, including employees and budgets, and considers the relevant risks.

Progress will be monitored and managed on a regular basis at Resources management team meetings and reported twice yearly to Corporate Services Committee, at mid-year and year end.

Profile

Resources is one of 8 strategic Council areas, providing services to the Council and external clients including Leisure Trust, Valuation Joint Board, Clydebank Property Company, charities and trusts, and Clydebank Municipal Bank. Services cover accountancy, treasury management, procurement, internal audit and fraud, and business support. In addition we also provide direct services to residents of West Dunbartonshire. The following are the main areas of responsibility and service provision within Resources. A structure chart is included at Appendix 1.

Finance

The Finance team is responsible for financial support and management, providing accountancy, treasury and capital planning, cash and bank management, reconciliations, and insurance services.

Corporate Procurement Unit (CPU)

The CPU provides support in leading and facilitating procurement activity to ensure efficient, effective and appropriate procurement processes are implemented. This includes the generation of category, commodity and contract strategies and the development and implementation of key procurement systems and processes, including Purchase to Pay, tendering and contract and supplier management.

Internal Audit & Fraud

The internal audit and fraud team is led by the Chief Internal Auditor, providing internal audit and assurance services. The team also delivers the corporate fraud service for the Council.

Business Support

The business support team is responsible for managing the revenues collection (Council Tax, housing rents, non-domestic rates and miscellaneous invoicing); benefits processing and management; debtor management and creditors functions including corporate purchasing card management. The team also incorporates the Corporate Administrative Service (CAS) consolidating all clerical and administrative support functions across the Council except schools and Health & Social Care Partnership.

2. Performance Review

The Resources management team completed a detailed performance review of 2018/19, looking at:

- current and previous performance;
- how our performance compares with other local authorities (known as benchmarking);
- feedback from service users gathered through our Citizen Panel survey, monthly telephone surveys, internal surveys, and complaints; and
- self-evaluations and external validations.

The performance review highlighted our key achievements in 2018/19 and a number of performance challenges to be addressed in 2019/20.

Key Achievements

Finance

- Completed a number of audited annual Financial Statements within the statutory deadlines, with no qualifications.
- Ongoing development of the Council's Agresso system supporting continuous improvement within Council services and leading to an enhanced service for external users.
- Support for transformation projects within the Council, including a number of ad hoc one-off projects (e.g. raising attainment, early years, district heating).

CPU

- Annual cash revenue savings of £0.335m against a target of £0.332m and Purchase to Pay (P2P) savings of £0.194m against a target of £0.223m.
- Produced the Procurement Annual Report and published on internet.
- Rolled out updated Procurement Guidance for staff and delivered a significant programme of Procurement Awareness training across the Council.
- Developed a Council Wide Pipeline that monitors activity across the category teams.
- Achieved a Procurement and Commercial Improvement Programme (PCIP) external assessment score of 75.5% against a target of 73%.

Internal Audit & Fraud

- Delivered Audit Plan for 2018/19.
- As a result of Corporate Fraud Team activity during 2018/19, actual recoveries for the year is £0.661m against an annual target of £0.225m.

Business Support

- Continued to deliver the debtors review project which reviews billing and payment processes across a range of council services. This has seen the Council implement charging for services in advance where feasible, develop payment plans where payment is large or necessary, and issue e-bills rather than paper bills. Work also continued to support Procurement with the P2P project which has seen a reduction in the level of manual invoices and spend via corporate purchase cards availing the council additional rebate.
- Implemented a range of improvements targeted at managing the level of rent arrears at a time when benefits are changing and reducing due to Welfare Reform. This has involved working closely with Housing and W4U on a pilot to address the underlying factors in rent arrears e.g. affordability, income maximisation, early intervention, etc.
- Met our target for Council Tax collection for 2018/19. The outturn was 95.55%, which was higher than the previous year at 95.4%. The target was met despite a drop in Council Tax Reduction income resulting in higher charges to collect.
- Achieved overall improvement in the level of staff debt through effective interventions. Debt levels for both rent and sundry for staff reduced. The team also increased deductions from payroll by over £21,000. We also maintained a high percentage of staff with arrangements.
- Implemented findings from the self-evaluation processes within Revenues and Benefits and Finance Service Centre.
- Undertook a range of improvement work to support the CAS processes.

Challenges

The challenges identified by the performance review are set out below. These areas will be the focus of improvement activity in 2019/20:

- rent arrears;
- Council Tax collection;
- sundry debt collection;
- sustaining transformation with a reduced complement of resources;
- procurement spent on local small and medium enterprises (SMEs); and
- increasing the percentage of Council spend that is regarded as “on contract”.

Rent Arrears

The amount of rent arrears owed to the Council is an area of concern.

Current tenants' arrears as a percentage of total rent due was 11.61% in 2018/19, above the target of 10.5% set for the year and down slightly on the previous year.

Performance can be explained, in part, by the general economic environment and welfare reform, particularly the benefit cap and the full rollout of Universal Credit (UC) which commenced in November 2018.

UC Full Service rollout, in particular, has impacted negatively on our rent arrears and the rent arrears of all Scottish local authorities that are in UC Full Service. Nevertheless, it is recognised that there are actions which can be taken to reduce the impact of these factors on rent arrears.

Full training and awareness sessions were carried out with relevant services to ensure all teams were fully prepared for the impact of UC. We also learned from the experiences of other local authorities that were already in Full Service to ensure we were prepared.

In 2019/20, we will continue to work with the Department of Work & Pensions (DWP) and internal partners such as Housing and Working4U to ensure the impact of the full rollout of UC on rent arrears is minimised.

In addition, the team will continue to run a rent collection campaign and work with Housing Officers to ensure tenants, and particularly new tenants, have early support in managing their finances, including maintaining rent payments.

Council Tax Collection

The Council collected 95.55% in 2018/19 despite UC Full Service rollout in November 2018 which has had an impact on Council Tax Reduction (CTR) claims being received from citizens.

As with rent collection, council tax collection will also be impacted by UC full roll out and the measures we have taken and continue to take in relation to rent arrears are also relevant here. We have also reviewed our CTR processes to reduce the impact of UC.

Sundry Debt Collection

Due to wider economic factors described above, the Council is has not been able to recover all the money it is owed.

In 2018/18 the Council achieved an outturn of 57% against a target of 50% for the value of outstanding sundry debt as a percentage of the total that is more than 90 days old from the date of invoice. The target was not met largely on account of general austerity and economic conditions within WDC area. Work is well underway to review processes around billing and payments which has seen the number of invoices reduce from 63,419 in 2017/18 to 29,085 (net of credit notes) in 2018/19. This is largely on account of moving service users on to payment plans. Work is also underway to assess how services invoice, with key principle of billing and payment for services in advance where possible. We believe these improvements should assist the council to improve the collection rate and reduce the outstanding balance over 90 days. A benchmarking

exercise is also being undertaken with 5 other councils to better understand areas for improvements if any.

In 2019/20, we will continue to review ways to manage and reduce sundry debt, including the continued development of the functionality of our finance systems. The debtor improvements project is also focusing on improving invoicing and payment processes across the council.

Sustaining Transformation with a Reduced Complement of Resources

The ongoing transformational changes within the Council require continuous financial support including communication of changes; audit issues regarding changing processes; training and transfer of knowledge of financial aspects to non-financial budget holders; and reconciliations on continuing change of Council structures. This support needs to be identified from existing staffing resources through streamlining and identification of efficiencies in other support areas.

With opportunities being explored as part of the commercialisation workstream, there will be greater demand on the Finance team to be able to cost services accurately.

In order to support transformational changes and maintain the rate of change with reduced resources, in 2019/20 we will:

- engage in benchmarking via the West of Scotland Directors of Finance to compare performance;
- explore new technologies such as Artificial Intelligence and intelligent process automation to streamline processes; and
- engage with Organisational Development to link in with the work being undertaken by Scottish Digital Office to identify synergies with Business Support transformation.

It should be noted that benchmarking activity commenced as planned in 2018/19. Benchmarking partners have been identified and are currently engaged in the process. However, the success of this approach depends on their ongoing willingness to take part.

Procurement Spent on Local SMEs

Meeting quarterly and year end targets for procurement spent on local SMEs depends on whether local SMEs bid for contracts and whether they are the most economically advantageous tenderers.

In relation to the most current data available, quarters 1, 2 and 3 of 2018/19 saw procurement spent on SMEs at 9.5%, 8.8% and 7% respectively, against a target of 11%.

To improve performance on spend with local SMEs in 2019/20, we will continue to:

- invite a minimum of two local suppliers, where available, to participate in all contract opportunities below £50K as set out in the Procurement Awareness Training and guidance;
- hold a *Meet the Buyer* session for SMEs in West Dunbartonshire; and
- constructively challenge the service areas to use lotted contracts, that is, splitting the contract requirements into smaller contracts, where it is Best Value.

Increasing the percentage of Council spend that is regarded as “on contract”

Off contract spend can be defined as the gap between the total procured spend and the spend on contract. On contract spend was 77.2% in 2018/19 against a target of 75%. While the target was met and performance has improved from 72% the previous year, we are focused on improving this significantly to 90% in 2019/20. To achieve this, we will:

- continue to implement the quarterly spend analysis and engage with Strategic Leads to prioritise areas for improved practice to align with Financial Regulations;
- continue to deliver training;
- carry out thorough option appraisals and / or business cases which includes demand management for strategic contracts;
- review terms and conditions for every contract above £0.050m;
- continue to roll out the Contract & Supplier Management Policy;
- actively promote trend monitoring / demand management analysis amongst the service areas to rationalise tender requirements;
- submit an annual summary report on contract scorecard on new contracts to the Performance and Monitoring Review Group to identify areas for improved practice; and
- update the Procurement Financial Regulations to reflect contract variations.

Service Users’ Feedback

The Council has a clear focus on learning from the feedback we receive from our service users. Complaints data, monthly telephone surveys and service user surveys provide invaluable feedback to help us improve our services.

Complaints

Between 1 April and 31 December 2018, Resources received a total of 62 complaints, comprising 55 Stage 1 and 7 Stage 2 complaints. During the same period, 51 complaints were closed, 43 at Stage 1 and 8 at Stage 2.

Of the 43 complaints closed at Stage 1, 22 (51%) met the 5 working days target for resolving complaints, with an average of 11 days for all complaints closed at that stage. Five of the 8 complaints closed at Stage 2 (63%) met the 20 working days target, with an average of 14 days for all complaints closed at Stage 2.

49% of complaints closed at Stage 1 were upheld and 13% of Stage 2 complaints.

The complaints received were categorised as follows:

- citizen expectation not met (quality of service) - 39 complaints, 12 upheld at Stage 1 and 1 at Stage 2;
- citizen expectation not met (timescales) - 17 complaints, 7 upheld at Stage 1;
- Council policy (charges) - 2 complaints;
- Council policy – level of service provision – 1 complaint
- employee behaviour - 2 complaints, both upheld at Stage 1; and
- error in service delivery - 1 complaint.

90% of the complaints received relate to Council Tax and benefits. Nineteen complaints of this type were upheld as a result of delays in processing claimants' applications or change in circumstances. The service received 2,328 Housing Benefit applications and 19,802 changes of circumstances and in that context, the percentage of complaints upheld compared to the volume of work received was 0.09%. To achieve improvement in this area the service reviewed each complaint received and either provided feedback, supported and/or trained staff. We have also introduced a process of triage to review current outstanding applications and ensure they are processed timeously.

Following a complaint about the time it took to process an insurance claim, we have reviewed our procedure and implemented an escalation process to facilitate timely responses in future.

We aim to improve the level of service we provide and reduce the number of complaints received. We will continue to review each complaint and either provide feedback, support and/or training to staff members and emphasise the importance of providing a consistently high level of service.

Telephone Survey

A monthly telephone survey of 100 residents is carried out to gauge satisfaction levels with a range of Council services. Within Resources, this covers Council Tax and Housing Benefit services.

Of the small proportion of respondents who had contacted Council Tax and Housing Benefit services in 2018, satisfaction was down for both services in comparison to the previous year. However, it remains relatively high for both.

	2017	2018
Council Tax service	98%	85%
Housing Benefit service	96%	91%

Surveys of Service Users

Several customer surveys were carried out over the last year.

Internal Audit and Corporate Fraud

The section carried out a survey of internal users, receiving 330 responses from across the Council. Of those:

- 97% said Internal Audit and Corporate Fraud Teams play an important role in helping to protect the public purse;
- 62.4% were aware that Internal Audit conducts audits from the approved Audit Plan and 63% were aware that the service undertakes investigation works;
- 44.2% were aware that Internal Audit provides advice on implementing controls over new or existing processes;
- 42.7% were aware that Internal Audit manages the Public Interest Disclosure (Whistleblowing) hot-line. A campaign has recently been launched on this area of service to raise its awareness;
- 56.7% said that information regarding frauds carried out against the Council should be publicised. Recently, information on the outcome of fraud work has been placed on the intranet / internet, together with a press release.

The survey highlighted that the outcome of audit work is not always clearly and effectively communicated by managers to all staff involved in the audit process. To address this, a standard wording will be included within each Audit Report from April 2019.

Business Support - Revenues and Benefits

A survey was issued to all our Registered Social Landlords to assess the quality of service provided and our ability to answer queries. 87.5% of respondents (9 responses) were satisfied with the level of support received. They were also satisfied with the introduction of the Landlord Portal that enabled them to access key claimant information without contacting the section. No specific areas of improvement were identified following this survey.

Business Support - Corporate Debt Service

A random sample of service recipients was surveyed. Of the 70 responses received:

- 100% stated the Corporate Debt staff identified themselves, explained clearly the reason for the call, and treated them in a respectable and professional manner; and
- 98.59% provided clear detail on what options were available to the responder in repaying their debt.

No specific areas of improvement were identified from the survey.

Business Support - Finance Service Centre

Covering accounts receivable and accounts payable functions, the team carried out an internal survey of service users. Of the 117 responses received:

- 84% were able to access the appropriate officer at the first point of contact;
- 97% stated their enquiry was handled in a professional manner, e.g. staff member gave a contact name and responded professionally at all times;
- 91% stated their enquiry was resolved to their satisfaction;
- 86% were satisfied with the time it took to resolve their enquiry;
- 91% highlighted that where a follow-up call was required, this took place within notified timescales;
- 88% find Finance Service Centre online forms easy to use and helpful in providing information and instructions;
- 94% highlighted that staff have specialist knowledge to fully answer their enquiry; and
- 82% could easily find information about the Finance Service Centre on the intranet.

The results of the survey were shared and reviewed by the team and some key improvements identified. These included reviewing webpages in consultation with the Council's communications team and reviewing online forms to ensure they are easy to understand and include help text.

Business Support - Corporate Administrative Support

The team issued internal surveys targeted at the client service areas. Of the 183 responses received:

- 84% rate the current level of support provided by CAS as satisfactory or better;
- 93% rate the quality of work provided by CAS as satisfactory or better; and
- 87% rate the response to any requests for additional/special/ad hoc support as satisfactory or better.

Several key improvements were identified including:

- discussing proposed process changes with services prior to implementation;
- developing an approach to assess any new requests, including their impact on the service/Council and priority vis-à-vis other planned tasks, and ensuring there is clear agreement and communication with affected services; and
- ensuring appropriate communications with affected stakeholders are in place and the core design principles are understood well by all staff and communicated to services.

An action plan addressing the feedback from all Business Support user surveys was implemented in 2018.

Finance – Accountancy Services

Accountancy services issued an internal survey targeted at client services. A total of 29 responses were received from a variety of services (with the exception of staff in Educational Services and HSCP):

- Over 90% of respondents rated the services provided, the helpfulness and courtesy of accountancy staff, and the knowledge of accountancy staff as good or very good;
- 86% rated the communication and guidance given by accountancy staff when requesting information from services as good or very good, while the support provided by staff to help services to complete these requests was lower at 69%; and
- 48% of respondents rated the timescales given to services to provide requested information as good or very good, increasing to 89% for those who rated it as fair, good or very good.

Actions identified included meeting with Strategic Leads to identify areas for additional support (e.g. guidance and training) which may be beneficial to clients; a calendar of Accountancy events which require information from services (such as Scottish Government returns, Financial Statements); and discussion regarding deadlines for ad hoc enquiries.

Finance - Municipal Bank

The Municipal Bank issued a customer survey in August 2018 and received 36 responses. All responses received were very positive of the customer service provided. Suggestions for enhancing the service were considered and a number of them have now been introduced, including streamlining the process for requesting cheques.

Continuous Improvement

Self-Evaluation Programme

In 2016 the Council agreed a three year self-evaluation programme using a checklist approach implemented through an online survey. All Council services that are not subject to a similar external evaluation participate in this.

In the first year of the programme, two self-evaluations were completed within Internal Audit, Fraud & ICT Security, and Revenues & Benefits. The improvement actions arising from these self-evaluations have now been fully implemented and follow up surveys have been carried out to determine their impact.

In the second year, two further self-evaluations were carried out. The improvement plans for the Finance Service Centre (FSC) and the CPU were implemented over the previous year. A follow up survey has been carried out within the FSC, with the CPU follow up due later in 2019.

The last two self-evaluations within Resources were carried out within Corporate Administration Services and Finance Services, both completing in early 2019. Improvement plans will be implemented over 2019.

Benchmarking Programme

The Council has a three year programme to ensure that all services benchmark their performance in relation to service delivery, cost and user satisfaction. Within Resources, this is carried out via the Local Government Benchmarking Programme (LGBF), and local benchmarking groups.

Local Government Benchmarking Framework (LGBF)

All 32 councils in Scotland measure a common set of performance indicators called the Local Government Benchmarking Framework. It comprises service delivery, cost, and satisfaction indicators covering all major council service areas, including education, housing, social work, and leisure.

Using the same indicators across all councils allows us to compare our performance so that we can identify best practice, learn from each other, and improve what we do.

The most recent comparative data for all councils was published in February 2019 and relates to the period 2017/18. The indicators for Resources are set out in the table at Appendix 5 and cover cost of support services, Council Tax collection and income, rent arrears, payment of invoices, and procurement spent on local SMEs. In summary, year on year performance has improved for five of the six PIs, resulting in a higher ranking for four.

In 2019/20, we will focus our improvement activity on rent arrears, Council Tax collection, increasing on contract procurement spend and procurement spent on local SMEs. These issues have been covered in more detail in the Challenges section of this Plan and actions to address them included in the action plan at Appendix 2.

Local Benchmarking Groups

Finance

Following a request to other Chief Financial Officers through the Strategic Lead - Resources, a benchmarking template covering cost, staffing, service delivery, and customer satisfaction was sent to 3 other local authorities. The benchmarking process will be completed during 2019/20.

CPU

Twelve local authorities provided responses to a benchmarking request from West Dunbartonshire Council. Officers are currently reviewing the data and engaging with participants to allow like for like comparisons. Part of this process will explore opportunities to collaborate on procedures, processes, guidance and templates. This work will be delivered in 2019/20.

Business Support

Business Support is currently undertaking a detailed benchmarking exercise with East Dunbartonshire, Inverclyde, North Ayrshire, Renfrewshire, and South Lanarkshire councils. This will focus on Housing Benefits, Council Tax Reduction, Council Tax Collection, Accounts Payable and Account Receivable. This work will be completed in 2019/20.

Quality Standards

Quality standards help to define what users of our services can expect to receive, and remind both the organisation and our employees of the challenges and obligations they face in delivering best value services.

Quality standards for Resources are set out in Appendix 3. These will be monitored and managed by the Resources management team on a regular basis and reported annually to Corporate Services Committee.

2018/19 was a pilot year for the use of quality standards within this service area and following the pilot, the effectiveness/meaningfulness of each has been reviewed and a revised set has been agreed for 2019/20.

3. Strategic Assessment

The Resources management team completed a detailed strategic assessment to determine the major influences on service delivery and priorities in 2019/20 and beyond. This covered a review of the financial context, local and national political priorities, new legislation and technology, and Council policies among others. The following factors were identified as significant:

Key Factors

Financial Challenges

The entire public sector is facing significant financial challenges. The Council is predicting cumulative funding gaps in 2020/21 and 2021/22 of £9.816m and £16.930m respectively. This means that action has to be taken to balance our budget and protect services for residents.

This will undoubtedly mean that within the Resources service area, available funding will be reduced and we will need to change how we do our jobs, where we work, and reduce the number of people employed.

To deliver the Council's objectives and meet those financial challenges, the Resources management team will implement the actions set out in the action plan in Appendix 2 under strong financial governance and sustainable budget management.

Structural Review

As new approaches are implemented around modernised ways of working then processes will become more efficient. This is likely to result in a reduction in workload in a number of service areas.

In 2019/20, management will continue to work closely with staff to seek to ensure that the workforce resource required is employed in a manner that recognises future developments and change. In order to support this, we will:

- continue to improve our *Be the Best Conversations* with our staff and that training, competency and succession planning are discussed regularly;
- continue to improve the sharing of knowledge and experience within our teams; and
- plan, develop, consult and roll out a Communication Plan for every service area.

Resource Services Support for Key Council Transformational Projects

As the Council continues to transform services to the public, the need for expertise and input is paramount. Without this, there is the potential for projections of future costs and

income to be inaccurate which could materially affect the Council's ongoing financial position. To address this, we will continue to develop the staff within our services to ensure they have the appropriate training and knowledge.

Financial Knowledge Base in Wider Council

There is a need to develop the financial knowledge base of relevant staff throughout the Council to enable them to competently fulfil the financial aspects of their roles without over reliance on Finance staff. This will improve efficiency, allowing Finance staff to focus on other priorities, as well as build resilience across the Council. To address this, we will continue to identify financial knowledge gaps and develop and implement appropriate financial guidance notes and training sessions for Council staff.

Automation of Financial Processes and Information Provision

Finance staff are employed in a number of manual financial processes and information provision, such as journal entries (correcting errors), reconciling service commitment accounting systems to the general ledger, and updating transactional spreadsheets for information purposes. These manual processes divert attention from other priorities. In 2019/20, we will seek to maximise automation, allowing staff to re-focus on key areas which will assist services in competently monitoring their financial positions for ongoing development projects. In particular, we will seek to automate: Value Added Tax (VAT) to reduce manual intervention and help us meet the HMRC future requirements; Treasury Management authorisations; and the preparation of external statutory returns including Financial Statements. We will also simplify the VAT guidance to ensure staff are applying the accurate VAT to spend and avoid fines and penalties from HMRC.

Impact of Welfare Reform

The full Universal Credit rollout that commenced in November 2018 has had a detrimental impact of the level of rent arrears, Council Tax collections and overall level of debt across West Dunbartonshire Council area. It is likely that this will continue into 2019/20 and beyond. The impact of welfare reform on these areas is covered in detail in the Challenges section of this Plan, together with actions that we will implement in 2019/20 to mitigate this.

Increased Corporate Debt

Due to wider economic factors described above, the Council is finding it more difficult to collect all the money it is owed, resulting in increased levels of debt across a range of debt types. Sundry debt, one type of corporate debt, has already been highlighted as an issue in the Challenges section of this Plan.

We will continue to review processes to address this where it is within our control and in 2019/20 we will:

- review ways of decreasing corporate debt through continued improvements to debt collection processes (sundry, NDR, Council Tax and rent);
- ensure any debt owed by WDC staff is collected effectively and efficiently via payroll in line with Council's policies and procedures;
- improve rent collection rates by working closely with Housing and W4U and continue to assess the effectiveness of the Housing pilot and address issues timeously; maximise write off former tenant debt; maximise use of Discretionary Housing Payments;
- continue to develop the Agresso debtors functionality and associated processes, including the continuation of the wider implementation of payment plans in line with the billing and payment review project; implement direct debit payments; continue to promote emailing of invoices and reminders; and implement EDMS and workflow for Debtors and NDR.

Procurement and Commercial Improvement Programme (PCIP)

An external assessment of procurement takes place every two years. Based on our most recent assessment in October 2018, we achieved a PCIP score of 75.52%, exceeding the target of 73% and up significantly from our previous score of 64% in 2016.

Covering leadership and governance, development and tender, contract, and purchasing processes, the assessment highlighted a number of areas that will be the focus of improvement activity in the coming year:

- Commercial Acumen;
- Evaluation Criteria;
- Contract & Supplier Management;
- Contractual Obligations & Additional Benefits;
- Contract Compliance; and
- Lessons Learned.

We have developed a PCIP Improvement plan to address the issues raised and we will implement this in 2019/20 and beyond.

Commodity Strategies

A Commodity Strategy is a specific sourcing strategy for a category or group of works, supplies or services. The Commodity Strategy facilitates the management of the supply base, avoids and / or proactively solves potential problems and is the basis of future processes for the commodity involved. This is a significant piece of work for the CPU.

The Commodity Strategies to be completed in 2019/20 are:

- Environmental Services - Waste;
- Construction;
- Highway Maintenance, Equipment & Materials;

- Mental Health, Learning Disabilities and Addictions;
- Information and communications technology (ICT); and
- Security.

Financial Regulations

The Financial Regulations set out the policies and context within which the Council manages its business. They clarify responsibilities and provide a structure for decision-making. The Financial Regulations ensure that the Council complies with statutory powers and duties, as well as reflecting best practices.

The Financial Regulations will be updated in 2019 to reflect key changes in legislation, policy and procedure.

Code of Good Governance

We will continue to ensure the Council complies with the Code of Good Governance and report this to Audit Committee and embed within the Annual Governance Statement.

Action Plan

The challenges and issues identified in the performance review and strategic assessment sections have informed Resources priorities for 2019/20. The management team has developed an action plan to address them (Appendix 2), supported by a range of performance indicators to enable progress to be monitored and reported to stakeholders. Progress will be monitored and managed on a regular basis and reported twice yearly to Corporate Services Committee, at mid-year and year end.

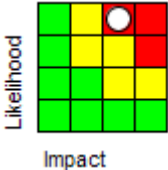
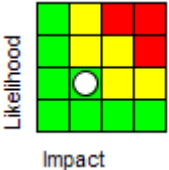
4. Risks

The Council has identified risks at both a strategic and service level. Strategic risks represent the potential for the Council to take advantage of opportunities or fail to meet stated strategic objectives and those that require strategic leadership. Service risks relate to service delivery and represent the potential for impact on individual services, or the experience of those who work within the services, i.e. employees, partners, contractors and volunteers or service users and clients in receipt of the services provided.

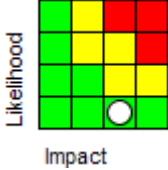
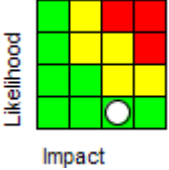
The Resources management team has lead responsibility for one of the Council's strategic risks: failure to deliver strong financial governance and sustainable budget management. In addition, the management team identified service specific risks for 2019/20. Both strategic and service specific risks are detailed below.

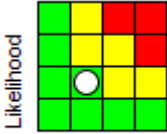
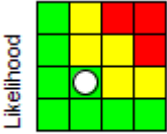
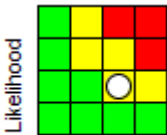
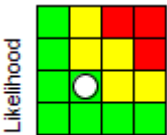








Actions to mitigate these risks are set out in Appendix 2 or in Resources operational plans, with the aim of improving or maintaining the current position (i.e. the current risk score).

Strategic Risk

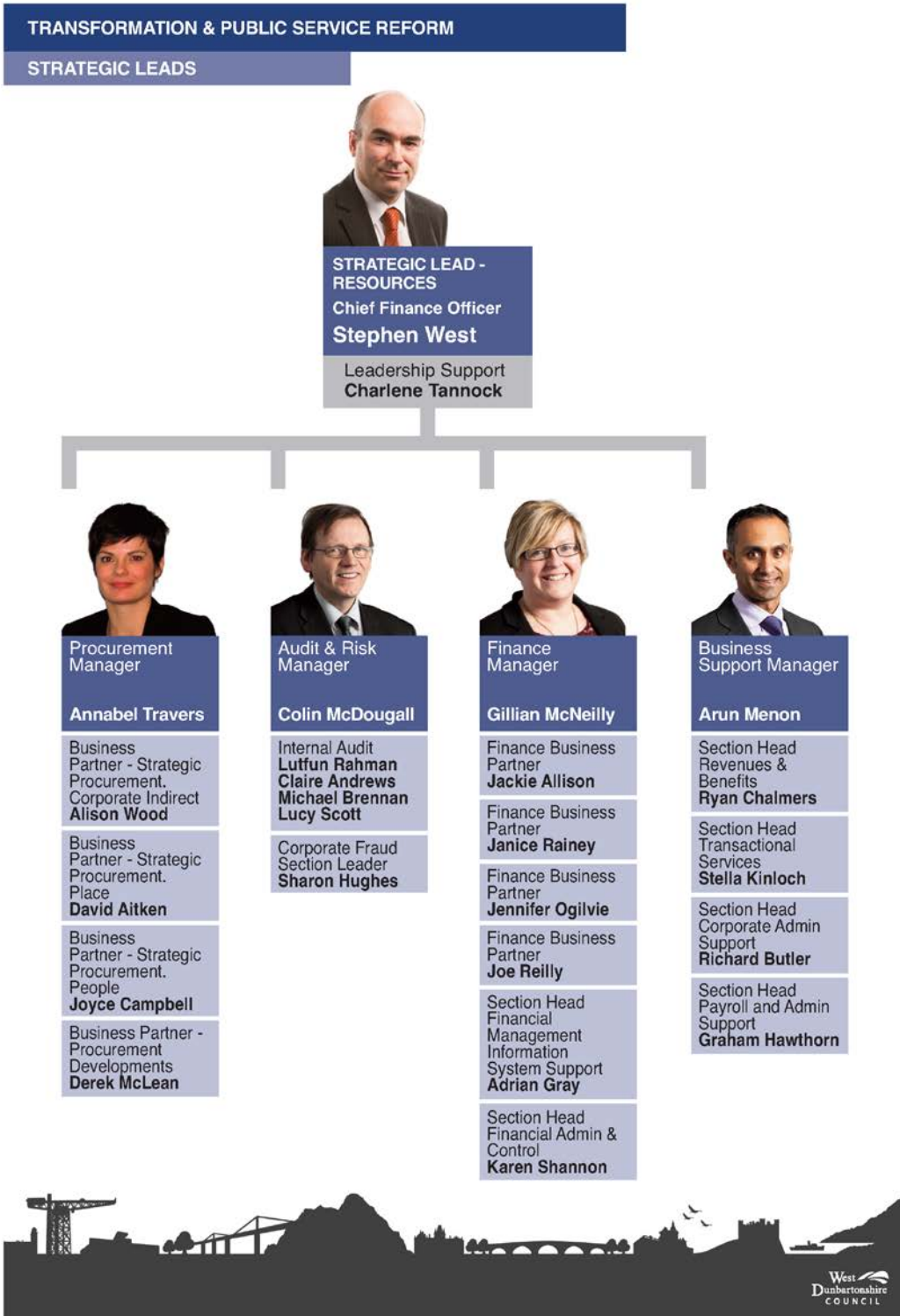
Risk	Description	Current Risk Score	Target Risk Score
Significant financial funding reductions from the Scottish Government	The Council is faced with significant ongoing funding reductions from the Scottish Government. Austerity is expected to continue for a number of years into the future and likely to result in funding reductions. This coincides with a period where costs are expected to rise in relation to Social Care due to aging population and capped powers to raise funds through Council Tax.		

Service Risks

Risk	Description	Current Risk Score	Target Risk Score
Failure to provide assurance of the system of financial controls	Either Internal Audit or External Audit is unable to provide assurances on the Council's financial control environment		

Risk	Description	Current Risk Score	Target Risk Score
Debt is not recovered efficiently or effectively, with inherent risk of financial loss	The processes deployed in collection of monies owed to the council are inefficient and ineffective resulting in money not collected on time or having to be written off	 Likelihood Impact	 Likelihood Impact
Increase in the level of rent arrears due to the level of Welfare Reform changes and general state of economy	Council sees an increase in its level of rent arrears due to lower disposable income and national changes to the national benefits regime and the ongoing economic position	 Likelihood Impact	 Likelihood Impact
National delays in implementing Welfare Reform changes; ineffective ICT systems or processes e.g. with the DWP affecting delivery of Welfare Reform changes	Issues with system supporting delivery of Welfare Reform changes affects service delivery	 Likelihood Impact	 Likelihood Impact
Failure to meet statutory deadlines for external returns (including HMRC) and financial statements	Finance Services failing to meet statutory deadlines resulting in lost revenue or penalty costs	 Likelihood Impact	 Likelihood Impact
Financial projections are significantly incorrect	Financial projections for both capital and revenue are significantly incorrect for various reasons – included unexpected costs – resulting in insufficient reserves being held	 Likelihood Impact	 Likelihood Impact
Non-compliance with procurement legislation	It is recognised that there is a proportion of the Council's overall spend that is not on contract and there is therefore a risk of challenge to the Council.	 Likelihood Impact	 Likelihood Impact

Appendix 1: Structure Chart



Appendix 2: Action Plan

P	A strong local economy and improved job opportunities
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Ob	A growing economy
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PI	2017/18	2018/19		2019/20	Assigned To
	Value	Value	Target	Target	
% of procurement spent on local small/medium enterprises	11.18%	Not available until mid June 2019	11%	12%	Annabel Travers

Action	Start Date	Due Date	Assigned To
Implement actions to improve procurement spent on local small and medium enterprises	01-Apr-2019	31-Mar-2020	Annabel Travers

Ob	Increased employment and training opportunities
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PI	2017/18	2018/19		2019/20	Assigned To
	Value	Value	Target	Target	
Percentage of social benefits contracted against total contracts tendered (Above £50k)	New for 2018/19	15%	100%	100%	Annabel Travers

P	Supported individuals, families and carers living independently and with dignity
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Ob	More affordable and suitable housing options
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PI	2017/18	2018/19		2019/20	Assigned To
	Value	Value	Target	Target	
DP BA2a SPI - The time for processing applications for new Housing Benefits and Council Tax Reduction claims from the date of receipt of the application to the day on which the claim is decided	26.33	25.79	26	25	Ryan Chalmers
DP BA2b SPI - The time for processing applications for notifications of changes of circumstances for	3.46	4.99	5	5	Ryan Chalmers

PI	2017/18	2018/19		2019/20	Assigned To
	Value	Value	Target	Target	
Housing Benefits and Council Tax Reduction from the date of receipt of the application to the day on which the claim is decided					

Action	Start Date	Due Date	Assigned To
Manage impact of legislative changes associated with Welfare reform	01-Apr-2019	31-Mar-2020	Ryan Chalmers

P	Meaningful engagement with active, empowered and informed citizens who feel safe and engaged
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Ob	Fully consulted and involved citizens who are able to make full use of the Community Empowerment Act
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Action	Start Date	Due Date	Assigned To
Implement appropriate levels of service satisfaction surveys	01-Apr-2019	31-Mar-2020	Stephen West
Review all complaints received to ensure any lessons available are learned and service improvements implemented	01-Apr-2019	31-Mar-2020	Stephen West

P	Open, accountable and accessible local government
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Ob	Strong financial governance and sustainable budget management (Service Objective)
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PI	2017/18	2018/19		2019/20	Assigned To
	Value	Value	Target	Target	
Amount of free reserves as a percentage of the prudential reserve target - HRA	100%	100%	100%	100%	Gillian McNeilly
Amount of free reserves as a percentage of the prudential reserve target - General services	105%	105%	100%	100%	Gillian McNeilly
Value of outstanding sundry debt as a percentage of total that is more than 90 days old from date of invoice	53.15%	57.12%	50%	55%	Ryan Chalmers
Annual Cash Savings target achieved	£435,565.00	£334,728.00	£332,000.00	£332,000.00	Ann Duncan; Derek McLean; Annabel Travers
Rent collected as a % of total rent due	100.41%	98.61%	100.4%	98%	Ryan Chalmers
Percentage variance to budget projected	-0.06%	-0.11%	0%	0%	Gillian McNeilly
Percentage of external returns submitted on time	100%	99%	100%	100%	Gillian McNeilly

PI	2017/18	2018/19		2019/20	Assigned To
	Value	Value	Target	Target	
Percentage of Audit Plan completed	57%	88%	95%	100%	Colin McDougall
Percentage of corporate fraud savings target achieved	167%	294%	100%	100%	Colin McDougall
Percentage of P2P savings target achieved	100%	87.2%	100%	100%	Annabel Travers
Percentage of spend on contract	72%	77.2%	75%	90%	Annabel Travers
Support services as a % of total gross expenditure	4.37%	Not available until mid June 2019	3.5%	4%	Jackie Allison
Cost of collecting council tax per dwelling £	£8.17	£5.46	£8.00	£5.00	Ryan Chalmers
Current tenants' arrears as a percentage of total rent due %	11.57%	11.61%	10.5%	11%	Ryan Chalmers
Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year	8.83%	9.49%	8.4%	9%	Ryan Chalmers

Action	Start Date	Due Date	Assigned To
Review and update long term finance strategy	01-Apr-2019	31-Mar-2020	Stephen West
Provide timely and accurate budgetary control reporting for Council and associated bodies	01-Apr-2019	31-Mar-2020	Gillian McNeilly
Report agreed savings options and management adjustments through the budgetary control process	01-Apr-2019	31-Mar-2020	Gillian McNeilly
Provide timely and accurate financial statements for the Council and associated bodies	01-Apr-2019	31-Mar-2020	Gillian McNeilly
Deliver Internal Audit and Corporate Fraud Plan for 2019/20	01-Apr-2019	31-Mar-2020	Colin McDougall
Continue to improve and deliver the Assurance Statement to support the Annual Governance Statement	01-Apr-2019	30-Jun-2019	Colin McDougall
Submit draft Annual Governance Statement to the Audit Committee	01-Apr-2019	30-Jun-2019	Colin McDougall
Ensure continuing Council compliance with the Code of Good Governance	01-Apr-2019	30-Jun-2019	Colin McDougall
Review ways of decreasing corporate debt	01-Apr-2019	31-Mar-2020	Ryan Chalmers
Continue to review ways to improve rent collection	01-Apr-2019	31-Mar-2020	Ryan Chalmers
Implement service improvements as part of the billing and payment review	01-Apr-2019	31-Mar-2020	Stella Kinloch
Implement actions to improve spend on contract	01-Apr-2019	31-Mar-2020	Annabel Travers
Update the Council's Financial Regulations to reflect key changes in legislation, policy and procedures	01-Apr-2019	31-Mar-2020	Annabel Travers

P	Efficient and effective frontline services that improve the everyday lives of residents
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Ob	A committed and skilled workforce
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Action	Start Date	Due Date	Assigned To
Continue to review and adapt financial guidance and training in line with service needs	01-Apr-2019	31-Mar-2020	Gillian McNeilly

Ob	A continuously improving Council delivering best value
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PI	2017/18	2018/19		2019/20	Assigned To
	Value	Value	Target	Target	
Percentage of C&SM scorecards submitted against the total number due	New for 2018/19	5.3%	100%	100%	Annabel Travers
Number of customer feedback processes undertaken and evaluated	4	10	10	3	Stephen West
Percentage of income due from council tax received by the end of the year %	95.41%	95.55%	95.5%	95.6%	Ryan Chalmers
Number of invoices paid within 30 calendar days of receipt as a percentage of all invoices paid	95.27%	98.28%	95%	96%	Elaine Chisholm; Stella Kinloch

Action	Start Date	Due Date	Assigned To
Review Finance service structure in line with agreed management adjustments	01-Apr-2019	30-Sep-2019	Gillian McNeilly
Review Procurement service structure in line with agreed management adjustments	01-Apr-2019	31-Mar-2020	Annabel Travers
Review Business Support service structure in line with agreed management adjustments	01-Apr-2019	31-Mar-2020	Arun Menon
Review Audit & Fraud service structure in line with agreed management adjustments	01-Apr-2019	31-Mar-2020	Colin McDougall
Review Accounts Payable Service and supporting improvements within Agresso	01-Apr-2019	31-Mar-2020	Stella Kinloch
Continue the development of Agresso reporting functionality to maximise automation for annual National Returns (e.g. LFR / WGA/ POBE / Financial Statements)	01-Apr-2019	31-Mar-2020	Gillian McNeilly
Develop Finance leadership, governance and controls across the Council	01-Apr-2019	31-Mar-2020	Gillian McNeilly
Develop procurement leadership, governance and controls across the Council	01-Apr-2019	31-Mar-2020	Annabel Travers
Implement action plan arising from the Procurement and Commercial Improvement Programme assessment	01-Apr-2019	31-Mar-2020	Annabel Travers
Use benchmarking data to evaluate service delivery and performance within Business Support	01-Apr-2019	31-Mar-2020	Arun Menon
Use benchmarking data to evaluate service delivery and performance within Finance Services	01-Apr-2019	31-Mar-2020	Gillian McNeilly

Action	Start Date	Due Date	Assigned To
Use benchmarking data to evaluate service delivery and performance within Corporate Procurement Unit	01-Apr-2019	31-Mar-2020	Annabel Travers
Use benchmarking data to evaluate service delivery and performance within Internal Audit & Fraud	01-Apr-2019	31-Mar-2020	Colin McDougall
Review and increase speed of procurement processes	01-Apr-2019	31-Mar-2020	Annabel Travers
Complete a range of commodity strategies	01-Apr-2019	31-Mar-2020	Annabel Travers

Appendix 3: Quality Standards

West Dunbartonshire Council has a Good Governance Code based on guidance from CIPFA (Chartered Institute of Public Finance & Accountancy). It sets out a range of principles which the Council should adhere to, and details the behaviours and actions which demonstrate good governance in practice. The Council's compliance with this Code is reviewed each year and a supporting action plan is developed to improve compliance.

As part of the Good Governance Code, we must consider our approach to quality standards. Quality standards help to define what service users can expect to receive, and remind both the organisation and our employees of the challenges and obligations they face in delivering best value services.

The quality standards for Resources are set out below. They will be monitored and managed regularly by the management team and reported annually to the relevant service committee, together with this delivery plan.

Service	Quality Standards	How are they measured?
CPU	We will procure in line with the EU Directives and Scottish Government procurement legislation	New QS – Percentage of contracts that are facilitated by CPU that are delivered by the planned due date.
	We will procure in line with the sustainable procurement duty for regulated procurements	RES/19-20/029 Implement actions to improve procurement spend on local small and medium enterprises; RES/PRO/099 Percentage of social benefits contracted against contracts awarded
	We will procure in line with the community benefits requirements for regulated procurements	RES/PRO/099 Percentage of social benefits contracted against contracts awarded
Audit	We will issue draft audit reports within 21 calendar days of fieldwork completion	RES/IAF/006 Percentage of draft audit reports issued within 21 days of fieldwork completion
	We will issue final audit reports within 14 calendar days of agreement of action plan	RES/IAF/007 Percentage of final audit reports issued within 14 days of agreement of action plan
	We will seek feedback on the audit experience within 7 calendar days of issue of final audit report and use this to improve our service	RES/IAF/011 Percentage of audit feedback questionnaires issued within 7 calendar days of issue of final audit report
	We will comply with the Public Sector Audit Standards	RES/IAF/008 Level of full compliance with the Public Sector Internal Audit Standards
Finance	We will meet all corporate budgetary control reports deadlines	RES/FIN/097 Percentage of budgetary control reports completed by due dates
	We will sign off all reconciliations by the end of	RES/FIN/096 Percentage of

Service	Quality Standards	How are they measured?
	the following period	reconciliations signed off by the end of the following period
	We will have no errors within the VAT returns submitted to HMRC	RES/FIN/090 Number of errors within VAT returns submitted to HMRC
	We will deal with new insurance claims within 5 working days (including acknowledge claimant, send to claims handling company, update system, and forward to service for report if required)	RES/FIN/094 Percentage of new insurance claims dealt with within 5 working days
	We will issue a weekly treasury summary within 5 working days of week end	RES/FIN/092 Percentage of weekly cash summaries issued within 5 working days of week end
Business Support	We will process new claims for Housing Benefit and Council Tax reduction within 25 days of receipt	CS/FI/LPI001 Time for processing new claims for Housing Benefit and Council Tax reduction
	We will process change in circumstances notifications for Housing Benefit and Council Tax reductions within 5 days of receipt	CS/FI/LPI002 Time for processing change in circumstances notifications for Housing Benefit and Council Tax reduction
	We will aim to pay all of creditor invoices within 30 calendar days of receipt but as a minimum we will pay 96% within 30 days	SCORP08 Number of Invoices Paid within 30 Calendar Days of Receipt as a percentage of all Invoices Paid
	We will seek to minimise officer error on new Housing Benefit applications – target error rate less than 0.048%	New QS - % officer error on new Housing Benefit applications
	We will seek to minimise officer error on Housing Benefit change of circumstances– target error rate less than 0.048%	New QS - % officer error on Housing Benefit change of circumstances

Appendix 4: Resources

Financial

The 2019/20 net revenue budget for Resources is £6.303m. A breakdown by service area is given below. We will make the best use of the resources available to deliver on key priority areas and secure external/match funding where this is possible.

Service Area	Gross Expenditure 2019/20 (£)	Gross Income 2019/20 (£)	Net Expenditure 2019/20 (£)
Finance	1.594m	0.195m	1.399m
CPU	1.066m	0.451m	0.615m
Audit & Fraud	0.442m	0.235m	0.207m
Business Support	53.071m	51.403m	1.668m
CAS	2.414m	0	2.414m
Total	58.587m	52.284m	6.303m

Employees

Absence in 2018/19

The monthly absence statistics for Resources are shown below with the Council average for the same periods in 2018/19 shown for comparison:

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Resources	0.54	0.47	0.61	0.70	0.65	0.86	1.11	1.02	1.07	1.09	1.09	1.05
COUNCIL WIDE TOTAL	0.83	0.92	0.84	0.69	0.80	0.93	1.00	1.20	1.23	1.18	1.10	1.07

Employee Numbers

The headcount and full time equivalent staff in each service area (as of 1 April 2019) is as follows:

	Headcount	Full Time Equivalent
Audit & Fraud	11	9.41
Business Support	221	187.93
Finance	48	41.53
CPU	23	21.57
Resources Total	303	260.45

Annual Workforce Plan

Workforce planning is integrated within the strategic planning process, highlighting the key workforce related activities for the year and reflecting the longer term strategic aims of the services. Each Strategic Lead is responsible for the annual review of requirements for their respective service areas to ensure that any key actions are identified at an early stage. The workforce plan is set out below:













1. Addressing the gap between current workforce supply and predicted future demand				
Strategy	Planned service review to address gap taking cognisance of opportunities to realise savings through voluntary turnover			
Expected Outcome	Gap is addressed, whilst: <ul style="list-style-type: none"> Protecting critical roles (and avoiding associated turnover) Ensuring service priorities are met Avoiding or minimising risk of voluntary or compulsory redundancy 			
Actions	Person(s) Responsible	Resources Needed	Complete By	Measurement of outcome
Review current structures and scope alternatives to resource future demand while achieving agreed management adjustments	S West	Workforce	2019/20	Achievement of management adjustments for 19/20
Continue to review the structure of the procurement team to ensure service priorities are achieved.	A Travers	Workforce	Ongoing	PIs detailed and monitored through Pentana.
Continue the programme of peer mentoring and on the job training within procurement team	A Travers	Workforce	Ongoing	% team attended leadership training.
Build on the Central Admin Support model and streamline business processes where feasible - this includes what and how systems are used; how many locations CAS is provisioned from and regular interaction with the service areas to measure progress	A Menon	Workforce	Ongoing	Achievement of savings, Streamlined, more efficient processes
Continue to review the FIMS and capital roles especially around the development and maintenance of Agresso and year end capital and asset accounting to avoid single person dependency	G McNeilly	Funding to resource future development	Ongoing	Identified key knowledge has been transferred to other staff members through learning

				sessions and detailed guidance notes
2. Addressing the gap between current and required additional workforce capabilities				
Strategy	Development and implementation of associated training plans to enable capabilities to be developed within existing workforce			
Expected Outcome	Gap is addressed, whilst: <ul style="list-style-type: none"> • Ensuring value for money in terms of training solutions • Minimising requirement to recruit for new capabilities (and thereby avoiding or minimising risk of voluntary or compulsory redundancy) • Ensuring service priorities are met as a result of application of those new capabilities 			
Actions	Person(s) Responsible	Resources Needed	Complete By	Measurement of outcome
Review current and future staffing requirements and changes to working practices to identify training needs following implementation of legislative changes relating to Welfare Reform	A Menon	Workforce	Ongoing	PIs in Pentana around processing Housing Benefits New Claim and Change of Circumstance, level of Rent Arrears, and Recovery of Debt
Develop and implement mentoring and training within procurement team	A Travers	Workforce	Ongoing	Actual % trained vs 100% target
Undertake a skills analysis to identify training needs to address the gap in capabilities identified in the workforce plan: <ul style="list-style-type: none"> • Commercialisation • Contracting • Quality Improvement • Development of technology solutions 	Service Managers	HR/OD	Ongoing	Training needs identified and included in training plan
Ensure service managers develop a training plan to address gaps identified from their service Digital Skills Assessment	All Managers	Workforce/ budget	Sept 2019	Training needs identified and included in training plan
Discuss training needs identified with OD to identify cost effective solutions	S West	OD	June 2019	Evaluation and Update
Review and implement training to support Self Serve initiatives	All Managers	Workforce	Ongoing	Increased level of self service which enables

				delivery of savings or absorb additional workload. This is also measurable via the level of skills in Achieve form – a key tool for self service.
3. Improve integration across teams within the Strategic Lead Area				
Strategy	Undertake an OD diagnostic exercise to establish synergies between teams and development of resulting new ways of working, which may in turn inform any required service review			
Expected Outcome	Service priorities are delivered in a more seamless, holistic and efficient way			
Actions	Person(s) Responsible	Resources Needed	Complete By	Measurement of outcome
Undertake diagnostic exercise to establish where services interact and could improve with integration	S West	OD/HR/Service Managers	Sept 2019	Areas for improvement through integration identified.
4. Improve resilience across teams within the Strategic Lead Area				
Strategy	Develop and implement training plan in relation to critical roles			
Expected Outcome	Improved resilience across teams and retention of knowledge and skills associated with critical roles			
Actions	Person(s) Responsible	Resources Needed	Complete By	Measurement of outcome
Ensure appropriate processes are documented to enable smooth transition in areas of specialism	S West	Service Managers	Ongoing	Review 6 monthly
Support implementation of Employee Wellbeing Strategy including providing representation on Employee Wellbeing Group where needed.	S West	HR/Service Managers	Ongoing	Lower absence rates.

Appendix 5: Benchmarking Data

Local Government Benchmarking Framework (LGBF)

Description	2016/17 Value & Rank*	2017/18 Value & Rank*	Scotland	2017/18 Vs 2016/17 Performance	Change in Rank
Support services as a % of Total Gross expenditure (CORP01)	4.03% 8	4.37% 15	4.47%		 Down 7 places
The cost per dwelling of collecting Council Tax (CORP04)	£10.44 22	£8.17 20	£7.35		 Up 2 places
Percentage of income due from Council Tax received by the end of the year (CORP07)	95.21% 24	95.41% 25	96%		 Down 1 place
Percentage of invoices sampled that were paid within 30 days (CORP08)	94.09% 16	95.27% 11	93.19%		 Up 5 places
Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year (HSN1B)	10.15% 26 (of 26 LAs)	8.83% 21 (of 26 LAs)	6.75%		 Up 5 places
% of procurement spent on local small/medium enterprises (ECON04)	9.10% 32	11.18% 31	27.40%		 Up 1 place

*Rank based on 32 local authorities unless stated otherwise

In considering the data, it is vital to understand that the details of the calculations can vary across the 32 Councils and until detailed benchmarking is undertaken to ensure that all councils are using the same methodology for calculating these PIs, a meaningful comparison is not feasible. WDC has commenced work on a detailed benchmarking exercise with 5 West of Scotland Councils which will allow us to understand real differences in PIs.