



Financial Services Department

SERVICE PLAN

April 2008 to March 2011

Advanced Draft FEB 2008

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1.0 INTRODUCTION

To meet Halton's most pressing needs, the Borough Council has identified [6 key priorities](#), and a number of associated key Areas of Focus, 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**

Departmental Service Plans form an integral part of the authority's corporate planning framework, as illustrated below.

This framework ensures that the Council's operational activities are complementary to the delivery of its community aspirations and legal and statutory responsibilities.

Departmental Service Plans are primary documents that communicate:

- The existing and future influences that have informed the shaping of service delivery in the medium term.
- The existing and projected resources that are, or may, be required to deliver services.
- Departmental Service Objectives and Key Milestones that are to be delivered over the next three years.
- Those national and local performance indicators for which the department has a responsibility to report.



Such plans, and the Quarterly Service Plan Monitoring Reports that flow from them, are an essential tool in enabling the public, Elected Members, Senior Management, and staff how well Council departments are performing and what progress is being made in relation to improving the quality of life within the borough and service provision for local people, businesses and service users.

The Strategic Priority and associated Areas of Focus that have been most influential in the development of the service plan are

Strategic Corporate Priority 6:

Corporate effectiveness and efficient service delivery

Key Area of Focus 34

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

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, capital programme, and all externally funded expenditure.

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

Internal Audit is an independent appraisal function within the Council. The Internal Audit Division is responsible for:

- a) Providing assurance to management that:
 - Internal control systems (including risk management and governance arrangements) are adequate and functioning efficiently and effectively;
 - The policies and procedures established by management are complied with, are appropriate in current circumstances, and are not wasteful;
 - The accounting records, and associated financial systems, form a reliable basis for the production of the financial statements.
- b) Drawing the attention of management to, and recommending remedial action to address:
 - Deficiencies in the systems of control; and
 - Instances of duplicated functions, wastage and inefficiency.
- c) Providing advice on audit related matters including suspected fraud or corruption.
- d) Providing advice on risk and control issues in regard to systems development.
- e) Providing assurance to the Council's S151 officer on the Council's system of internal control in support of the Council's Annual Governance Statement.

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 Council's finances are well managed, reflected by a record of spending within budget, with balances and reserves at a reasonable level and the Council well on target to hit its Gershon target. This is confirmed by the Audit Commission who, in January 2008, assessed the Council's Use of Resources as "performing well – consistently above minimum standards (scoring 3 out of 4). Despite the bar being raised each year the overall score has remained unchanged for 6 years. Nevertheless an action plan has been developed to address the issues to continue to make improvements in all aspects of the Department's work.

The new Corporate Area Assessment for 2009 will bring changes to the Use of Resources assessment and work will commence to ensure the score is maintained.

The Lyons Review reported during (2007) and concluded that the council tax “was not broken” but was under too much pressure. The review identified a series of recommendations and the Government responded within the Comprehensive Spending Review (CSR07). This covered the period 2008/09 to 2010/11 and was published in October 2007. With priority given to education and health there was less for other services. Real growth for local government was limited to 1% over the period and when PFI was stripped out there will be no real growth in 2009/10 and 2010/11. Coupled with the uncertain economic outlook and the prospect of inflation it looks like difficult times ahead.

The grant settlement also covers the same 3-year period as CSR07, which should be an aid to financial planning. The grant is the major source of finance to the Council and the Government has reviewed the grant distribution methodology. Working closely with SIGOMA, the Merseyside authorities and other Unitary authorities the Government were lobbied to change the methodology to make the distribution fairer.

An area of particular concern related to the so called “double damping” of social services spending which limited the amount of grant coming to many authorities, including Halton. The provisional financial settlement, announced in December 2007, removed this anomaly. As a result Halton’s has received a grant increase slightly above average.

The Council also receives government funding through specific grants. The most important of which is Dedicated Schools Grant, which is ring-fenced for schools and related services. In addition the Council receives other grants, known as Specific Grants, which are made by Government to support specified services.

With ever 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 pay and grading review, 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.

Against this background maximising efficiency is going to be critical in generating additional resources. CSR07 has set a more challenging target of 3% cashable savings in each of the next three years. It will become progressively more and more difficult to achieve these gains without changing the way the Council does its business. With this in mind the Council has brought in KPMG as its efficiency partner to undertake a review and identify suitable opportunities for efficiency improvements to enable the Council to do more for the same or less money. In addition the council has established an Invest to Save Fund and a number of energy efficiency schemes have already been approved.

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 the Borough's high schools achieved the standard by April 2007. Primary and special schools are to be assessed against the Standard over 2008/2009 and 2009/2010. Internal Audit has been accredited by the DfES to undertake external assessments and is working with schools to help them achieve the Standard.

In 2008, the Council will be required to produce its first Annual Governance Statement that will declare the degree to which it meets the new CIPFA/SOLACE Governance Framework. The Framework is intended to be followed as best practice for developing and maintaining a local code of governance and for discharging accountability for the proper conduct of public business. The work of Internal Audit in reviewing the Council's control environment will form part of the assurance framework that underpins the Annual Governance Statement.

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 outperformed the benchmark. In this way treasury management has made additional resources available to services in Halton. The recent fluctuations in the money market, known as the "credit crunch", have made the investment of cash more volatile. 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 continue to be published within the timescales set by Government. As the reporting requirements get ever more complex this continues to be a major challenge to the Department and is 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 the Area Based Grant 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.

2.3 Organisation Structure

STRUCTURE CHART TO BE INSERTED

3.0 FACTORS AFFECTING THE SERVICE

3.1 External Factors

| Key Developments | Timeframe | Comment(s) |
|--|-----------|---|
| Political | | |
| 1. Regeneration Activity | 2008/11 | Manage funding and cash flows of major developments including Mersey Gateway, Castlefields, Widnes Waterfront and 3MG |
| 2. CPA/ Use of Resources | 2008/11 | New CAA Test |
| 3. Waste Agenda | 2008/11 | 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 | 2008/11 | 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. |
| Economic | | |
| 5. Efficiency Review | 2008/11 | Target increased to 3% cashable savings. |
| 6. Budget Pressures | 2008/11 | Increasing public expectation across all services for improvements and new developments coupled with increasing costs yet at the same time the increase threat of capping from Government to minimise Council Tax increase. |
| 7. Formula Grant (RSG) | 2008/11 | Continue to work with our partners to lobby for fairer distribution. |
| Social | | |
| 8. Existing / new Partnership arrangements | 2008/11 | These arrangements often result in more complex accounting and governance arrangements being required. |

| <i>Technological</i> | | |
|---|----------------|---|
| 9. Development of Agresso | 2008/11 | Developing the range and use of financial information available from the Agresso system, including a major upgrade of the software to bring about improved functionality. |
| 10. E-Government | 2008/11 | Advice on new controls as business processes change. Particular developments include e-procurement, continued implementation of Trent, and developments in revenues and benefits to reflect Business Improvement Districts and the implementation of Local Housing Allowance. |
| 11. Implementation of new audit management system | 2008/9 | Internal Audit is planning to implement a new audit management system in 2008/9. This will provide electronic working papers, which will result in improved efficiency in delivering the audit service. |

| <i>Legislative</i> | | |
|--|----------------|--|
| 12. Children's Act and Associated Guidance | 2008/11 | Introduction of Children's Trust and Pooled budgets. |
| 13. Accounting Developments | 2008/11 | 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. |
| 14. Annual Governance Statement | 2008/11 | In 2008, the Council will be required to produce its first Annual Governance Statement that will declare the degree to which it meets the new CIPFA/SOLACE Governance Framework. The work of Internal Audit in reviewing the Council's control environment will form part of the assurance framework that underpins the Annual Governance Statement. |

13. Protecting our environment

Awareness of Climate Change is growing and the Council is committed to taking a lead and setting an example in tackling the associated problems. A corporate Climate Change Action Plan is being prepared, but each department can make its own contribution.

Consideration will be given throughout the life of the Service Plan to ways in which support can be given to the action plan and to identify and implement opportunities to reduce any contribution to Climate Change and to promote best practice in the reduction of carbon emissions.

The Council joined the Local Authority Carbon Management Programme in the early part of 2007/08. The programme will guide the Council through a systematic analysis of its carbon footprint, outline opportunities to help manage carbon emissions, develop Action Plans for realising carbon and financial savings; and embed carbon management into the authority's day-to-day business.

As part of the programme the Council has developed a Carbon Management Strategy and Implementation to reduce energy bills and carbon emissions over the next five years. Through the Strategy and Implementation Plan, Council services will need to encourage closer examination of their policies around procurement, transport and the use of renewable energy.

3.2 Service Developments

Under the 2007 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 also showed staffing costs to be below average when compared to other unitary authorities.

Internal Audit has continued to work in partnership with the Audit Commission to ensure an efficient and effective use of the overall audit resource. In the Annual Governance report from the 2006/7 audit, the Audit Commission commented *'We work closely with Internal Audit and place assurance upon their work where we can. As last year, their work has once again provided us with assurance on the reliability of internal control procedures within material financial information systems'*.

3.3 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 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 is to combine the Financial Management Standards in Schools assessments with its 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.

The implementation of a new audit management IT system will radically change internal audit working practices leading to a more efficient audit process. It is intended that the new software will be implemented and developed during 2008/9.

3.4 National Regional and 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.

3.5 Equality and Diversity

Halton Council is committed to ensuring equality of opportunity 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 that it delivers.

This commitment is encapsulated in the equal opportunities policy that the Council has adopted. The policy sets out the Council's approach to promoting equal opportunities; valuing diversity and encouraging fairness and justice; and providing equal chances for everyone in Halton to work, learn and live free from discrimination and victimisation. The Council will combat discrimination throughout the organisation and will use its position of influence in the Borough, wherever possible, to help to identify and overcome discriminatory barriers that may exist.

Each year Departments undertake Equality Impact Assessments to examine the equality implications of all of their policies, procedures and practices. As a result an Equality Action Plan is developed to identify those issues that demand attention. This forms a contribution to the overall Corporate Equalities Plan.

As a result of such assessments any high priority actions that have been identified, that fall within the life of this plan, are detailed in section 5.

3.6 Unforeseen Developments

Whilst every effort has been made to identify those significant 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 any 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/>

4.0 Resources

4.1 Budget Summary and Service Costs

| | Annual Budget £'000 |
|--|------------------------------------|
| Expenditure | |
| Employees | 1,454 |
| Premises | 82 |
| Supplies and Services | 95 |
| Transport | 51 |
| Support Services | 222 |
| Total Expenditure | 1,904 |
| Income | |
| Support Services | -1,765 |
| SLA to Schools | -140 |
| Total Income | -1,905 |
| Net Departmental Revenue Budget | -1 |

4.2 Human Resource Requirements

| Year | Divisional Staffing Levels¹ | | |
|------------------|---|--------------|--------------|
| | Accountancy | Audit | Total |
| 2007 / 08 | 26 | 11 | 37 |
| 2008 / 09 | 26 | 11 | 37 |

It is not anticipated at the time of writing this plan that staffing levels within the department will be subject to change to the period to 2011.

¹ Full time equivalent

4.3 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.

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 system implementation is set to continue over the next 12 months, which should significantly improve the financial information available for budgeting purposes.

Internal Audit is in the process of replacing its audit management system. This will lead to the use of electronic working papers and facilitate more efficient and flexible working arrangements.

4.4 Accommodation and 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.

5.0 Service Performance

As detailed in the introduction to this plan, the primary purpose of the Service Plan 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 and / or its statutory responsibilities. The service utilises a variety of measures and targets to enable performance against the service plan to be tracked, monitored, and reported. Details of these measures and targets are given below.

- **Objectives and Key Milestones.** These show the major events in the work of the Department that are planned to take place during 2008–11, such as the launch of new initiatives progress on major projects or the delivery of business critical activity. Objectives and Milestones are clearly linked to the appropriate Key Areas of Focus in the Corporate Plan 2006-11.
- **National Performance Indicators.** This is a national set of 198 indicators that have been prescribed by Central Government that are intended to measure the extent to which authorities are operating effectively and efficiently and are delivering upon both national and local priorities.
- **Local Performance Indicators.** These are indicators that have been developed by the Council and any relevant non-statutory indicators that have been adopted from national or other sources.
- **Local Area Agreement Targets.** The Local Area Agreement (LAA) is a three-year agreement based on Halton's Community Strategy. The second round LAA commenced on 1st April 2008, and included within it are improvement targets for the Borough of Halton to which both the Council, and its partners will contribute.

The LAA contains 86 key targets addressing all of the priority issues identified in both the Community Strategy, and the Council's Corporate Plan. Of the 86 key targets, 34 are mandatory and also included are the 12 LPSA targets to which the Council signed up.

Many of the objectives contained within the current service plans are designed to support the achievement of LAA targets. A full version of Halton's LAA can be viewed on the Halton Strategic Partnership Website at [http://www.haltonpartnership.net/site/images/stories//laa_final\(march 2007\).pdf](http://www.haltonpartnership.net/site/images/stories//laa_final(march%202007).pdf)

Progress against the achievement of LAA targets is reported to all stakeholders at regular intervals. Following the establishment of the LAA, plans are being formulated to ensure that in future years the LAA and the Council's service plans are completely aligned.

5.1 Service Objectives

(NB Other than by exception those service objectives and/or Key Milestones shown in *italics* will only be reported at Quarter 2 (half-year) and Quarter 4 (year-end).)

| | | | | | | |
|---------------------------------|--|--------|----------------------------|----------------------|--------------------------|------|
| Corporate Priority: 6 | Corporate Effectiveness and Business Efficiency | | | | | |
| Key Area Of Focus: 34 | <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) (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 | | | | | |
| Key Milestone(s) (10 - 11) | <ul style="list-style-type: none"> • Report Medium Term Financial Forecast to Executive Board November 2010. • Report to Council in March 2011 | | | | | |
| Risk Assessment | Initial | Medium | Responsible Officer | Operational Director | Linked Indicators | FSLI |
| | Residual | Medium | | | | |

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

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|---------------------------------|--|-----|----------------------------|------------------|--------------------------|--|
| Service Objective: FS O2 | To effect financial prudence by assisting managers to control their budgets by monitoring spending and providing timely and accurate financial reports | | | | | |
| Key Milestone(s) (08 - 09) | <ul style="list-style-type: none"> • Provide monthly financial reports to budget holders within 8 days of month end (CA – Chief Accountant). • Provide quarterly financial monitoring reports to Operational Directors for inclusion in Performance Monitoring Reports (GA – Group Accountant). • Provide quarterly monitoring reports on the overall budget to Executive Board Sub Committee. (CA) | | | | | |
| Key Milestone(s) (09 - 10) | <ul style="list-style-type: none"> • Provide monthly financial reports to budget holders within 8 days of month end (CA). • Provide quarterly financial monitoring reports to Operational Directors for inclusion in Performance Monitoring Reports (GA). • Provide quarterly monitoring reports on the overall budget to Executive Board Sub Committee. (CA) | | | | | |
| Key Milestone(s) (10 - 11) | <ul style="list-style-type: none"> • Provide monthly financial reports to budget holders within 8 days of month end (CA). • Provide quarterly financial monitoring reports to Operational Directors for inclusion in Performance Monitoring Reports (GA). • Provide quarterly monitoring reports on the overall budget to Executive Board Sub Committee. (CA) | | | | | |
| Risk Assessment | Initial | Low | Responsible Officer | Chief Accountant | Linked Indicators | |
| | Residual | Low | | | | |

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

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|---------------------------------|---|-----|----------------------------|------------------|--------------------------|--|
| Service Objective: FS O4 | Provide for public accountability by reporting the Councils 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 the latest accounting standards. | | | | | |
| 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. | | | | | |
| Key Milestone(s) (10 / 11) | <ul style="list-style-type: none"> • Complete the Draft Abstract of Accounts and report to the Business Efficiency Board by 30th June 2010. • Publish the Abstract of Accounts by 30th September 2010. | | | | | |
| Risk Assessment | Initial | N/A | Responsible Officer | Chief Accountant | Linked Indicators | |
| | Residual | N/A | | | | |

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|---------------------------------|--|-----|----------------------------|----------------------|--------------------------|--|
| Service Objective: FS O5 | Make best use of cash resources available to the Council and meet its statutory responsibility by setting, implementing and monitoring the Treasury Management Policy | | | | | |
| 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. • Provide 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. • Provide monitoring reports to the Executive Board Sub-Committee on a quarterly basis. | | | | | |
| Key Milestone(s) (10 / 11) | <ul style="list-style-type: none"> • Establish treasury Management Policy and report to the Executive Board Sub-Committee by April 2010. • Provide monitoring reports to the Executive Board Sub-Committee on a quarterly basis. | | | | | |
| Risk Assessment | Initial | N/A | Responsible Officer | Operational Director | Linked Indicators | |
| | Residual | N/A | | | | |

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

| | | | | | | |
|-----------------------------------|--|-----|----------------------------|----------------------|--------------------------|--|
| Service Objective: FS O6 | Ensure that the Capital Programme is affordable, prudent, and sustainable by setting and monitoring prudential borrowing indicators. | | | | | |
| <i>Key Milestone(s) (08 / 09)</i> | <ul style="list-style-type: none"> • Report prudential indicators to Council in March 2008. • Provide monitoring reports to the Executive Board Sub-Committee on a quarterly basis | | | | | |
| <i>Key Milestone(s) (09 /10)</i> | <ul style="list-style-type: none"> • Report prudential indicators to Council in March 2009. • Provide monitoring reports to the Executive Board Sub-Committee on a quarterly basis | | | | | |
| <i>Key Milestone(s) (10 / 11)</i> | <ul style="list-style-type: none"> • Report prudential indicators to Council in March 2010. • Provide monitoring reports to the Executive Board Sub-Committee on a quarterly basis | | | | | |
| Risk Assessment | Initial | N/A | Responsible Officer | Operational Director | Linked Indicators | |
| | Residual | N/A | | | | |

| | | | | | | |
|-----------------------------------|--|-----|----------------------------|------------------------|--------------------------|---------------|
| Corporate Priority: 6 | Corporate Effectiveness and Business Efficiency | | | | | |
| Key Area Of Focus: 34 | <i>Attracting and Managing financial resources effectively and maintaining transparency, financial probity and prudence and accountability to our stakeholders.</i> | | | | | |
| Service Objective: FS 07 | Provide an independent and objective opinion of the Council's control environment by evaluating its effectiveness in achieving the Council's objectives. | | | | | |
| <i>Key Milestone(s) (08 / 09)</i> | <ul style="list-style-type: none"> • Obtain approval from the Business Efficiency Board for the Internal Audit Plan for 2008/9 June 2008. • Carry out sufficient audit work across the whole of the organisation to ensure that a confident, evidence based audit opinion can be provided on the Council's control environment. A commentary on the audit work undertaken will be provided in quarterly progress reports to Business Efficiency Board. • Provide an overall opinion on the Council's system of internal control in the Internal Audit Annual Report (2007/8) to the Business Efficiency Board June 2008. | | | | | |
| <i>Key Milestone(s) (09 /10)</i> | <ul style="list-style-type: none"> • Obtain approval from the Business Efficiency Board for the Internal Audit Plan for 2009/10 June 2009. • Carry out sufficient audit work across the whole of the organisation to ensure that a confident, evidence based audit opinion can be provided on the Council's control environment. A commentary on the audit work undertaken will be provided in quarterly progress reports to Business Efficiency Board. • Provide an overall opinion on the Council's system of internal control in the Internal Audit Annual Report (2008/9) to the Business Efficiency Board June 2009. | | | | | |
| <i>Key Milestone(s) (10 / 11)</i> | <ul style="list-style-type: none"> • Obtain approval from the Business Efficiency Board for the Internal Audit Plan for 2010/11 June 2010. • Carry out sufficient audit work across the whole of the organisation to ensure that a confident, evidence based audit opinion can be provided on the Council's control environment. A commentary on the audit work undertaken will be provided in quarterly progress reports to Business Efficiency Board. • Provide an overall opinion on the Council's system of internal control in the Internal Audit Annual Report (2009/10) to the Business Efficiency Board June 2010. | | | | | |
| Risk Assessment | Initial | N/A | Responsible Officer | Chief Internal Auditor | Linked Indicators | FSLI6, FSLI 7 |
| | Residual | N/A | | | | |

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

| Ref ² | Description | Corp. Plan Priority | Halton 2006/7 Actual | 2006/07 Quartiles ³ (All England) | | | Halton 2007/8 Target | Halton 2007/8 Actual | Halton Targets | | |
|----------------------|--|---------------------|----------------------|---|--------|--------|----------------------|----------------------|---------------------|-------|-------|
| | | | | Top | Middle | Bottom | | | 08/09 | 09/10 | 10/11 |
| Corporate | | | | | | | | | | | |
| <u>FSLI 1</u> | Receive an unqualified audit opinion on the accounts. | CP 6 AOF 34 | Yes | | | | Yes | Yes | Yes | Yes | Yes |
| FSLI 2 | Receive positive comment (annually) from the External Auditor relating to the financial standing of the Council and the systems of internal financial control. | CP 6 AOF 34 | Yes | | | | Yes | Yes | Yes | Yes | Yes |
| FSLI 3 | Receive positive comment (annually) from the External Auditor concerning reliability of internal audit work. | CP 6 AOF 34 | Yes | | | | Yes | Yes | Yes | Yes | Yes |
| FSLI 4 | Maintain the Use of Resources scores achieved in CPA last year. | CP 6 AOF 34 | 3 out of 4 | | | | 3 out of 4 | 3 out of 4 | Maintain 3 out of 4 | | |

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

³ No quartile data is available for local performance indicators

| Ref ⁴ | Description | Corp. Plan Priority | Halton 2006/7 Actual | 2006/07 Quartiles ⁵ (All England) | | | Halton 2007/8 Target | Halton 2007/8 Actual | Halton Targets | | |
|------------------------------|---|---------------------|----------------------|--|--------|--------|----------------------|----------------------|----------------|------------|------------|
| | | | | Top | Middle | Bottom | | | 08/09 | 09/10 | 10/11 |
| Cost & Efficiency | | | | | | | | | | | |
| NI 179 | Value of cashable efficiency gains | CP6 AOF 34 | New PI from 2008 | | | | New PI from 2008 | New PI from 2008 | TBA | TBA | TBA |
| FSLI 5 | Achieve investment returns for the year higher than benchmark | CP6 AOF 34 | 4.80% | | | | | TBA | TBA | TBA | TBA |
| Quality | | | | | | | | | | | |
| FSLI 6 | Undertake the external assessment for 75% of the Council's schools undergoing the Financial Management Standard in Schools (FMSiS) accreditation process. | CP6 AOF 34 | N/A | | | | N/A | N/A | 75 % | 75 % | 75 % |
| FSLI 7 | Maintain the number of (% of all) schools buying back financial services. | CP6 AOF 32 | 48 (100%) | | | | 48 (100%) | 48 (100%) | 48 (100%) | 48 (100%) | 48 (100%) |

⁴ Key Indicators are identified by an **underlined reference in bold type**.

⁵ No quartile data is available for local performance indicators

| Ref ⁶ | Description | Corp. Plan Priority | Halton 2006/7 Actual | 2006/07 Quartiles ⁷ (All England) | | | Halton 2007/8 Target | Halton 2007/8 Actual | Halton Targets | | |
|-------------------------|--|---------------------|----------------------|--|--------|--------|----------------------|----------------------|----------------|-------|-------|
| | | | | Top | Middle | Bottom | | | 08/09 | 09/10 | 10/11 |
| Service Delivery | | | | | | | | | | | |
| FSLI 8 | Issue 75% of draft audit reports within 15 working days of completing the audit fieldwork. | CP6 AOF 34 | 80 % | | | | 75 % | TBA | 75% | 75% | 75% |

⁶ Key Indicators are identified by an **underlined reference in bold type**.

⁷ No quartile data is available for local performance indicators

5.3 Risk Management

Risk Management, which forms a key element of the strategic management and performance management processes of the Council, is a business discipline that is used to effectively manage potential opportunities and threats to the organisation in achieving its objectives.

Risk assessments are the process by which departments identify those issues that are, or may be, likely to impede the delivery of service objectives. Such risks are categorised and rated in terms of both their probability, i.e. the extent to which they are likely to happen, and their severity i.e. the potential extent of their impact should they occur.

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. Such numbers are then translated into a Low, Medium or High category.

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

Following such assessments a series of risk treatment measures are identified that will mitigate against such risks having an adverse impact upon the delivery of the departmental objectives.

Mitigation measures for those risks that were initially assessed as high have been included as an Appendix within this plan. As such their implementation will be monitored through the Quarterly Departmental Service Plan Monitoring Report process.

5.4 Equality Action Plan

As a result of undertaking a departmental Equality Impact Assessment no high priority actions have been identified for the service for the period 2008 - 09.

5.5 Local Area Agreement Targets

2008 LAA is presently under development – any relevant information to be inserted once agreement has been finalised.

6.0 Performance Reporting

As detailed in the introduction to this plan, the primary purpose of the Service Plan 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 and or delivering it's statutory responsibilities.

It is imperative that the Council and interested members of the public can keep track of how the Council and its Departments are progressing against objectives and targets, and that mechanisms are in place to enable councillors and managers to see whether the service is performing as planned.

As a result Departmental progress will be monitored through:

- **The day to day monitoring by Strategic Directors through their regular interaction with Operational Directors;**
- **Provision of Quarterly progress reports to Corporate and Directorate Management Teams;**
- **The inclusion of Quarterly Service Plan Monitoring reports as a standard item on the agenda of all the Council's Policy and Performance Boards.**
- **Publication of Quarterly Service Plan monitoring reports on the Councils intranet site.**

In demonstrating it's commitment to exploiting the potential of Information and Communications Technology to improve the accessibility of its services and related information an extensive range of documentation, including this plan and it's associated quarterly monitoring reports, are available via the Council's website at

<http://www2.halton.gov.uk/content/councilanddemocracy/council/plansandstrategies>

Additionally information and assistance can be accessed through any of the Council's Halton Direct Link facilities (HDL) or the Council's libraries.

7.0 Statutory and Non-statutory Plans

Internal Audit Plan

Appendix 1

Halton Corporate Plan (2006 – 2011) – Council Priorities and Key Areas of Focus.

A Healthy Halton

| | |
|---|---|
| 1 | Improving the future health prospects of Halton residents, particularly children, through the encouragement of an improved dietary intake and the availability of nutritionally balanced meals within schools and other Council establishments. |
| 2 | Improving the future health prospects of Halton residents through encouraging and providing the opportunities to access and participate in physically active lifestyles. |
| 3 | Delivering programmes of education to improve the health of Halton residents. |
| 4 | Helping people to manage the effects of ill health, disability and disadvantage. |
| 5 | Actively managing the environmental factors that are detrimental to good health. |
| 6 | Providing services and facilities to maintain the independence and well-being of vulnerable people within our community. |
| 7 | Providing services and facilities to maintain existing good health and well-being. |

Halton's Urban Renewal

| | |
|----|---|
| 8 | Exploiting the benefits of inward investment opportunities by creating a physical environment that is both attractive and responsive to the needs of existing and potential business. |
| 9 | Maintaining and developing local transport networks that meet the needs of resident's, businesses and visitors to Halton. |
| 10 | Revitalising the economy by sustaining and developing an environment that compliments the core brand values of existing and potential investors. |
| 11 | Maintaining levels of affordable housing provision within Halton that provides for quality and choice and meets the needs and aspirations of existing and potential residents. |
| 12 | Providing opportunities for recreation and fostering conservation by developing attractive and accessible parks and open spaces. |

Children & Young People in Halton

| | |
|----|---|
| 13 | Improving the educational attainment of pupils in Halton, by providing effective teaching and school support |
| 14 | To improve outcomes for looked after children by increasing educational attainment, health, stability and support during transition to adulthood. |
| 15 | To deliver effective services to children and families by making best use of available resources |
| 16 | To provide transport facilities that meets the needs of children & young people in Halton accessing education and training. |
| 17 | Provide an effective transition for young people from school to employment, through opportunities for work related learning, and post 16 education, voluntary and community work. |
| 18 | To reduce the conception rate amongst women under 18 by providing awareness, education and relevant support |
| 19 | To ensure a safe environment for children where they are supported and protected from abuse and neglect |

Employment, Learning & Skills in Halton

| | |
|----|--|
| 20 | To increase self-confidence and social inclusion by providing opportunities to adults to engage in basic skills learning. |
| 21 | To improve access to employment by providing opportunities to enhance employability skills and knowledge |
| 22 | Working with employers to identify and secure opportunities for the unemployed. |
| 23 | To provide transport facilities that meets the needs of those people in Halton accessing employment and training. |
| 24 | To sustain current employment levels by providing practical and financial advice and assistance to those from disadvantaged groups |
| 25 | To increase employment opportunities and business start ups in Halton, by developing an enterprise culture |

A Safer Halton

| | |
|----|---|
| 26 | Actively encouraging socially responsible behaviour by engaging with Halton's young people and by providing opportunities for them to access and take part in affordable leisure time activities. |
| 27 | Reducing the physical effects of anti-social and criminal behaviour |
| 28 | Providing and maintaining a highways and footpath network that is safe, accessible, and meets the needs and expectations of those living, working or visiting in Halton. |
| 29 | Improving the quality of community life by enhancing the visual amenity of Halton's neighbourhoods. |
| 30 | Improving the social and physical well-being of those groups most at risk within the community |

Corporate Effectiveness & Efficient Service Delivery

| | |
|----|---|
| 31 | Working with partners and the community, to ensure that our priorities, objectives, and targets are evidence based, regularly monitored and reviewed, and that there are plausible delivery plans to improve the quality of life in Halton, and to narrow the gap between the most disadvantaged neighbourhoods and the rest of Halton. |
| 32 | Building on our customer focus by improving communication, involving more service users in the design and delivery of services, and ensuring equality of access. |
| 33 | Ensuring that we are properly structured organised and fit for purpose and that decision makers are supported through the provision of timely and accurate advice and information. |
| 34 | Attracting and managing financial resources effectively and maintaining transparency, financial probity and prudence and accountability to our stakeholders |
| 35 | Implementing and further developing procurement arrangements that will reduce the cost to the Council of acquiring its goods and services. |
| 36 | Ensuring that the Council's land and property portfolio is managed efficiently |
| 37 | Ensuring that Council buildings are safe and accessible, meet the needs of service users and the organisation, and comply with legislative requirements |
| 38 | Exploiting the potential of ICT to meet the present and future business requirements of the Council, and ensure that customer access is improved by means of electronic service delivery. |
| 39 | Ensuring that human resources are managed and deployed to their best effect and improving the relevance, availability and use of HR information |
| 40 | Ensuring that the Council has the right people with the right skills and who are informed and motivated and provided with opportunities for personal development and engagement. |