

Corporate Resources

Service Statement
2017 – 18

May 2017

Corporate Resources

Purpose:

To provide a range of effective, efficient, and high quality professional services which support the County Council overall, including Members, managers, staff, services and schools; and a range of external partners including Northumberland Town and Parish Councils, the North East Combined Authority and the Council's external auditors in the delivery of the Council's objectives.

To work in partnership with other public authorities to deliver effective and efficient common back office functions – Internal Audit (with North Tyneside Council); Procurement (with Northumbria NHS Trust and North Cumbria University Hospital NHS Trust).

Primary functions:

Corporate Finance

Pension fund accounting

Democratic Services

Revenues, Benefits and Customer Services

Transactional and Employee Services

Information Services

Registrar

Legal Services

Lord Lieutenancy

Corporate Programmes & External Funding

Audit

Risk Management

Procurement

Service Parameters

Key Service Facts and Figures

Overall:

- Provide a range of professional corporate services across the Council servicing an authority with 67 elected members, 5,000 staff, 180 schools, a gross annual revenue budget of £700 million and a medium term capital plan valued at £1.16 billion over the next 3 years

Corporate Finance:

- Manage investments with an average value over the year of approximately £90 million; generating investment income of approximately £1.5 million per annum for the Council
- Manage a debt portfolio of £947 million; and secure new estimated borrowing of £350 million between 2016 and 2018
- Manage £897 million of loans to over 26 organisations, generating £21 million per annum of income for the Council
- Prepare the annual report and accounts for NCC Pension Fund, valued at £1.2 billion as at 31 March 2017, with 39 participating employers
- Deliver financial, performance and compliance management of 12 grant programmes and projects with a value of £38 million external funding
- Deliver financial, performance and compliance management of 14 grant programmes and projects with a value of £47 million external funding
- Pay and monitor 170 grants to businesses & external organisations
- Validate and process 400 grant and performance returns

Revenues, Benefits and Customer Services

- Bill and collect £170 million in Council Tax for 150,000 domestic properties in Northumberland
- Bill and collect £80 million in non-domestic rates for 12,000 business premises in Northumberland
- The assessment of entitlement to housing and council tax benefit and its payment for 32,000 claimants
- Administer 18,000 Blue Badges
- Assess entitlement to Free School Meals for 6,500 students
- Control £76.5 million sundry debt on behalf of the County Council
- Facilitate 182,000 customer visits to the Customer Service Centres per annum
- Answer 350,000 telephone contacts at the Cramlington Contact Centre
- Assess 4,000 applications for the NETS scheme
- Deliver full recruit to pay for the Council's 12,000 employees (including schools)

- Provide a payroll service for 54 external organisations and 2 pension payrolls
- Process 1,900 vacancies excluding schools
- Distribute 23,000 P60s and 3,400 P45s
- Counter signatory for 440 DBS checks

Transactional and Employee Services:

- Pay 189,000 suppliers invoices, 125,000 housing benefit claims and 97,000 other payments per annum
- Manage 1.7 million incoming transactions through the Council's bank accounts
- Manage schools income and expenditure through their local accounts, process 3,119 local account reimbursements and 2,989 income returns to the General Ledger
- Receive cash from schools 5 days per week prior to passing onto the Cash in Transit contractor
- Deal with 1,145 insurance claims per annum
- Administer the council's pension schemes (LGPS and F&R) including 8,610 active, 6,942 pensioner and 8,636 deferred members

Democratic Services:

- Organise maybe 15 civic events each year and occasional royal visits
- Service 300 committees, 25 site visits and 300 schools appeals each year

Information Services:

- Receive and resolve 31,000 IS service desk calls and continue to manage a reduction
- Support network connections to 400 locations throughout Northumberland
- Support 9,550 IS users of which 4,400 are corporate users and the remainder school based users
- Provide 2,300 hours of classroom IS training as well as online tools
- Provide a superfast broadband capability to over 55,000 properties that would not have received it without our intervention
- Support over 3000 PC's, 1300 Laptops, 390 Chrome Devices, 85 tablets and 2,900 mobile phones
- Scan over 65,000 emails each day for virus and inappropriate content. 35% of these emails never get through to users
- In addition to the online IT courses and learning resources we have provided over 8,000 hours of classroom training to over 5,000 delegates in around 50 different locations across the County. We have also provided over 200 hours of floorwalking / bespoke training.
- Conduct over 1,600 weddings (60% of couples who marry in Northumberland live outside of the area)

Legal Services:

- Act in relation to over 10 major property disposals attracting capital receipts of £3.5 million
- Act in the sale of more than 50 Right to Buy properties to sitting tenants
- Deal with around 40 Section 106 Agreements
- Process around 15 Members Code of Conduct Complaints each year

Summary of Service Resources at 1 April 2016

	Number of FTE posts	Staffing Expenditure £'000	Non Staffing Expenditure £'000	Income £'000	Capital Investment £'000
Corporate Finance	33.37	1,703	305	(597)	0
Pension Fund Accounting	3.00	128	9	(137)	0
Corporate Programmes and External Funding	14.72	695	318	(800)	1,579
Democratic Services	16.16	564	1,944	(253)	0
Information Services	113.52	4,554	4,751	(2,711)	8,276
Legal Services	38.43	1,606	799	(504)	0
Coroners	3.14	137	377	0	0
Customer Services	128.86	2,862	662	(768)	0
Registrars	19.90	659	143	(991)	0
Revenues & Benefits	140.78	4,278	90,091	(91,950)	0
Transactional Services	83.75	2,381	367	(1,453)	0
Audit	7.61	307	409	(40)	0
Procurement	36.99	1,691	762	(1,424)	7,263
	640.23	21,565	100,937	101,628	17,118

Other Corporate Areas					
Strategic Finance & Projects	15.51	664	77	(93)	0
Precepts	0	0	15,383	(88)	0
Treasury Management	0	0	388	(26,118)	160,950
Capital Financing	0	0	37,130	(606)	0
NDC and Corporate & Democratic Core	5.20	12,285	230	(4,384)	0
Corporate Grants	0	0	0	(280,815)	0
Finance General	0	0	26,289	(3,027)	0
	20.71	12,949	79,497	(315,131)	160,950
Total for Corporate Resources	660.94	34,514	180,434	(416,759)	178,068

External Validation

Inspections

- External Auditors have given the Statement of Accounts a clean bill of health for a number of years
- Each key financial system is subject to an annual inspection by Internal Audit which, in turn, informs the assurance placed on the Council's systems by its external auditors. During 2016-17 five final audit reports were issued with assurance levels as follows:

Audit	Assurance
Debtors (ICT) System Review	Significant
Benefits - External Audit Review of Claim	No amendments
Cash and Bank	Significant
Creditors	Significant
Travel - Senior Officers and Members	Significant

- The findings of the Peer Review in November 2014 advised that the Council's finances are sound and regarded as well managed.
- Rural Payments Agency has validated the Council's LEADER Accountable Body system and attestation report resulting in continued delegated authority being given for the programme.
- PSN – The annual Public Sector Network compliance statement was submitted to the Cabinet Office in August 2016. The submission followed an independent IT health check which this only highlighted a small number of issues to be rectified. The Cabinet Office issued our compliance certificate in September 2016.
- PCI - Payment Card Industry require us to undertake a quarterly review of our network infrastructure and submit a return to World Pay. This is to ensure our security standards and network controls meet the rigorous requirements of PCI Security Standards Council. Without this certification we would not be allowed to process card payments.
- LGA open schemas – In response to the LGA request for access to Open data we now provide open schemas for Planning, entertainment licencing and public conveniences.
- ISO 9001 – quality accreditation for Democratic Services renewed in April 2016. Next assessment is due in May 2017
- The Benefits Service is subject to intensive annual audits and the Housing Benefit Subsidy claim is subject to External Audit sign off via the Department of Work and Pensions. No significant qualification has ever been made to the claim.
- The General Register Office issues a monthly inspection sheet on the timeliness of registrations. A full audit by General Register Office is completed every 18 months.

Customer perception

A review of the legal service was carried out in late 2014 by the Head of Legal and Democratic Services at Durham County Council. The review which was on the whole a positive one of the service, included a customer satisfaction survey which showed that of those surveyed 78% were either very satisfied or fairly satisfied with the service they received with 94% responding that they had direct access to a suitable lawyer.

Socitm Better Connected - Every year Socitm undertake an independent review of all Local Authority websites. The main purpose is to identify best practice and help councils in improving the quality of the online experience for the millions of people who now visit council websites for obtaining information and receiving services. They rate authorities between one and four stars. This year Northumberland's website was awarded three stars.

Six monthly satisfaction surveys of IS service desk users. Every six months the Customer Support manager sends a customer satisfaction survey to 500 users of the service desk

A recent survey of customers who attended Information Centres across the County resulted in a satisfaction rating of 94%.

Benchmarking

Measure	NCC	Group Median
Total cost of Corporate Finance per £k of Gross Revenue Turnover (£)	3.36	4.39
Staff cost of Corporate Finance per £k of Gross Revenue Turnover (£)	2.34	3.47
Total FTE of Corporate Finance staff per £m of Gross Revenue Turnover (£)	4.88	7.54
Average cost of borrowing (£)	3.09	Data not available yet
Average rate of return on investments (%)	1.95	0.82
ICT spend per user (£)	1,594	2,048
Number of users supported per ICT staff member	66.1	42.9
Percentage of total revenue budget spent on ICT	1.7	1.9
ICT spend per head of population (£)	30.1	28.1
Support cost per workstation (£)	53	98
Average cost per connection to network (£)	223	154
Percentage IS operational incidents resolved within SLA	92	92
Percentage IS operational incidents resolved within 4 hours	78	70
Cost per hour of providing legal work (£)	60	
Net cost of legal services per 1,000 population (£)		
Cost per payslip (£)	3.58	3.95
Speed of processing benefits claims (days)	16.4	22.1
Council Tax collection rate (%)	97.8	96.9
Business Rates collection rate (%)	98.1	98.0
Cost per invoice raised (£)		
Cost per invoice paid (£)	0.83	2.64

Invoices paid on time (%)	96	93
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Corporate Finance and legal services measures are provided through the Chartered Institute of Public Finance and Accountancy (CIPFA)

IS measures are provided through the Society of Chief Information Technology Management (SOCITM)

Priorities for 2017-18

Priority Area	Key Milestones
1. Produce a schedule of savings proposals in excess of the £30 million identified in the 2018-20 Medium Term Financial Plan	June 2017
2. Support the exploration of Back Office Shared Services with Newcastle City Council	Initial report in June 2017
3. Complete the channel shift programme	Ongoing
4. iNorthumberland Phase 2 – Procurement and delivery of Superfast Extension programme to bring total number of properties capable of obtaining superfast broadband to 93% Gain-Share - Procurement of further connectivity to take us to 95% coverage utilising gain-share from BT following exceptionally high take up and relating contract clawback (repayment) to the Council.	December 2017 December 2017
5. Re-location of primary and secondary Data Centre	September 2017
6. Support for new ways of working Inc .VDi/Cloud Services/desktop refresh/mobile computing (Total): Replace of desktop and laptops with new devices including Chrome Books Implement Vdi	August 2017 August 2017
7. Total Mobile	August 2017
8. Implement the Hyperion module for budget preparation and monitoring and initially run in parallel with current process	Ongoing through 2017
9. Explore collaborative working arrangements with	Ongoing through 2017

other LGPS funds.	
10. Promote the aims and objectives of the Armed Forces Covenant across all services and input into local and regional Action Plan.	April - September 2017
Seek MOD ERS Gold Award	May 2017
11. Implement induction programme for the new Council in 2017. Ensure that new and returning members receive adequate and timely support.	March/April 2017
Assist in PDP and training package for all members.	May 2017- December 2017
12. Supporting Children Services colleagues in ensuring that Child Care proceedings are concluded within the required 26 week duration period pursuant to the Family Justice Review	Ongoing comparison of proceedings length with required 26 week limit
13. Continue to support Children Services colleagues in responding to the Ofsted inspection including facilitation of training with senior management to improve the timeliness and quality of court evidence	October 2017
14. Support Public Protection colleagues with implementation of the Anti-Social Behaviour Crime and Policy Act 2014 to include precedent drafting, advice and training	To be determined in conjunction with the client department
15. Work with Border to Coast Pool partner funds to establish legal structure for the £32 billion asset pool, manage NCC Pension Fund's £1 billion asset transition	April 2018
16. Expand the provision of programme and grant management support within the Council and develop a funding network and grants register	June 2018
17. Maximise the External Funding opportunities which the Council accesses especially within the 2014-20 European Structural Funds Programme.	On-going throughout 2016
18. Implement mystery shopper for customer service during 2017	December 2017
19. Investigate Pensions Administration Shared Services with South Tyneside Council	December 2017

20. Manage the Guaranteed Minimum Pension (GMP) reconciliation process with HMRC before December 2018	December 2018
21. Consolidate Customer Services and libraries during 2017 to ensure best use of resources in co-located areas	December 2017
22. Determine options for a revised CTS scheme for 2018/19	June 2017

Performance Framework

Measure	Outturn				Target
	2013/14	2014/15	2015/16	2016/17	2017-18
Proportion of Council spend covered by contracts	Not known	Baseline	Establish targets once baselined		
Proportion of local spend	Not known	Baseline		+10%	
Percentage of customers who subscribe to superfast broadband via the cabinets in the NCC intervention zone	n/a	17	25	25	
Percentage of high seriousness IS incidents resolved within 4 hours	89	91	92	93	
Average percentage availability of all systems	98.91	99.99	100	100	
Average period of time between receipt of full instructions from the client department to issue of associated documentation	n/a	56 days	16 days		
Percentage of adoption cases completed within the prescribed timescale					
Number of red risks that have remained red on the register for 6 months	75	34	23	24	
Proportion of Audit Plan completed			100	100	
Minutes completed within 7 days (%)	96	100	100	100	100
Percentage of Council Tax collected in-year	97.5%	97.7%	97.8%	97.9%	98.0
Percentage of National Non Domestic Rates (NNDR) collected in-year	97.3%	97.4%	97.6%	97.8%	98.0

Arrears of Council Tax collected (£ Millions)	£4.3m	£4.4m	£4.4m	£4.4m	
Average time for new claims to benefit (days)	16.7	15.1	16.22	15.53	16
Average time for changes of circumstance (days)	5.4	3.9	4.35	5.39	5.0
Average time taken to process Housing Benefit/Council	6.3	4.7	5.11	6.0	
Savings achieved by the Corporate Fraud Team	NA	£1.12m	£1.99m	£2.512m	
Percentage of answered calls to the Contact Centre within 20 seconds	73.7%	62.4%	80%	80%	
Complaints answered within the specified timescale	NA	57.5%	100%	100%	
Percentage of non-Contact Centre telephone calls answered within 10 seconds	NA	NA	NA	90%	
Satisfied customers accessing the Council via Customer Services	NA	NA	NA	92.5%	
Increase in online transactions	NA	NA	NA	20%	
BVPI 8 payment of supplier invoices within 30 days of receipt of the invoice (%)	97.1		97.5		97.5
Cost per invoice paid (CIPFA Benchmark) (£)	0.81		0.85		0.85
Proportion of AP payments made by electronic means (%)	95.1		95		95
Percentage of Public Liability Insurance claims responded to within 5 working days of receipt	95.5%		100%		100
Weighted Payroll cost per employee (CIPFA Benchmark)(%)	24.55		25.00		26.00
Overpayments made to employees as a percentage of the number paid (%)	0.04		0.05		0.05
Proportion of all payroll payments made by electronic means including Pensioners %	99.8		99.5		99
LGPS Admin cost per member (including Payroll)	24.00		26.00		27.00

Percentage of registrations on time	92.7%		93%	94%	
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