



## **Financial Services**

# **Annual Service Plan and Improvement Report ASPIR**

**2016-2017**

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## Message from the Executive Director

The professionalism, commitment and dedication of the staff in Financial Services ensure that the Council has sound finances. This provides a foundation for colleagues across the council family to deliver services for the benefit of all those who visit, live, work and study in Glasgow.

The scale of the financial responsibility of the service is significant, with an annual expenditure budget of £2.2 billion, income budget of £0.7 billion, collection of £250 million of Council Tax and £373 million in Non-Domestic Rates and the payment of over £403 million in benefits to our most vulnerable citizens.

The service has overseen a capital programme that in recent years has delivered significant new assets including the Riverside Museum, the Emirates Arena and Sir Chris Hoy Velodrome, new care homes and new and refurbished schools. Going forward, the capital programme of over £455 million is focused on delivering major programmes including the 4Rs for Glasgow, Sighthill Transformational Regeneration Area, Roads and Transport Investment and the Street Lighting Lantern Replacement Programme. The total value of investment will increase further as the City Deal programme progresses.

The Strathclyde Pension Fund saw its assets rise in value to its highest level ever of £16 billion and provided an excellent service to its 200 employers and 215,000 members.

The work of the Assessors and Electoral Registration Office underpins the democratic foundation of the council. In 2015/16 a total of 462,561 electors were registered for Individual Registration, namely where each person is required to register to vote individually, rather than by household as had been the case previously.

In April 2016, the management of Customer and Business Services (CBS) transferred to Financial Services. This change reflects the importance of CBS to the council's financial management and positions the service well to best meet the challenges of Transforming Glasgow. The transfer has increased our staffing complement from around 200 staff to over 2,600.

Looking ahead, the service will continue to support the response of the council and its partners to poverty in the city through the Poverty Leadership Panel and to the ongoing challenges of Welfare Reform.

Financial Services will also play a key role in the Transforming Glasgow programme to support the council family to become more efficient.

The service, through its staff, has delivered consistently for the council and is focussed on how it can best support the ambitions of the City, both in 2016/17 and beyond.

A handwritten signature in black ink, appearing to read "Jim Brown". The signature is written in a cursive, slightly slanted style.

## Section 1

### Resource and Organisation

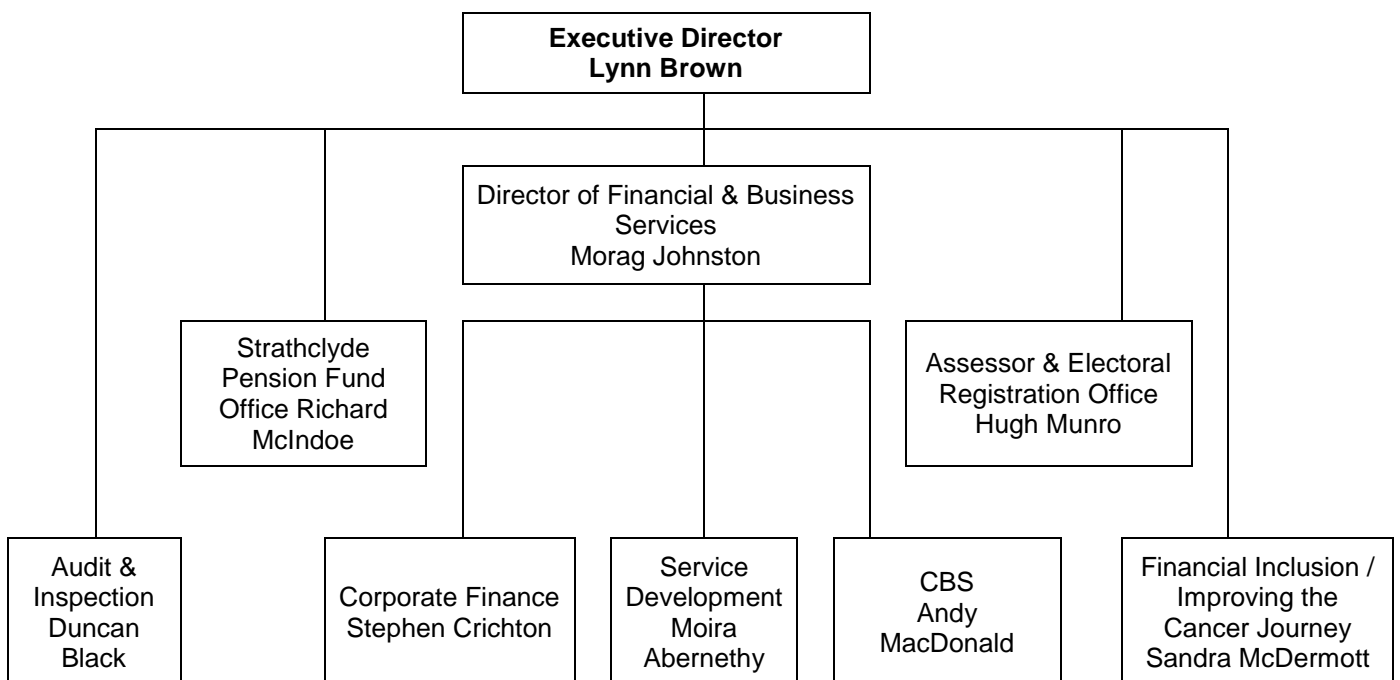
#### 1. Service Structure and Resources

1.1 Financial Services has a key role in ensuring that the financial resources of the council are managed robustly and that the council has a financial strategy to deliver on the commitment of the refreshed Council Strategic Plan 2015-2017 to deliver a balanced revenue budget.

1.2 We are also responsible for all aspects of strategic and operational management of the Strathclyde Pension Fund, Customer and Business Services (CBS), Financial Inclusion/Improving the Cancer Journey and the Assessor and Electoral Registration Office (AERO).

#### 1.3 Staffing Structure

1.3.1 Following the transfer of management of CBS to Financial Services in April 2016, the service now employs 2,671 staff and is organised into seven operational areas/divisions as follows:



**Table 1**

The number and percentage of staff that are

Grade(s) Headcount	MALE		FEMALE		WHITE		ETHNIC MINORITY		DISABLED		TOTAL			
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%		
1 to 4	304	11.4%	1,667	62.4%	1,593	59.6%	53	2.0%	71	2.7%	1,971	73.8%		
5 to 7	125	4.7%	453	17%	548	20.5%	7	0.3%	21	0.8%	578	21.6%		
8	13	0.5%	23	0.9%	34	1.3%	0	0%	2	0.1%	36	1.3%		
9 to 14	27	1.0%	19	0.7%	46	1.7%	0	0%	1	0%	46	1.7%		
Non PGS*	12	0.4%	28	1.0%	30	1.1%	1	0%	3	0.1%	40	1.5%		
<b>Totals</b>	<b>481</b>	<b>18%</b>	<b>2,190</b>	<b>82%</b>	<b>2,251</b>	<b>84.3%</b>	<b>61</b>	<b>2.3%</b>	<b>98</b>	<b>3.7%</b>	<b>2,671</b>	<b>100%</b>		
<b>*Non Pay and Grading Structure</b>											<b>Ethnicity Not Declared</b>		<b>359</b>	<b>13.4%</b>

**1.4 Financial Resources**

1.4.1 Financial Services' objective and subjective budgets for 2015/16 and 2016/17 are shown below.

1.4.2 The net budget increase of £5.39m reflects an increase of £53.5m in respect of the transfer in of CBS, offset by budget adjustments elsewhere across the service

2015/16 Budget £000	Subjective Analysis	2016/17 Budget £000
	<b>Expenditure</b>	
£10,204	Employee costs	£61,858
£1,466	Premises costs	£1,946
£1,549	Transport and plant	£1,559
£2,995	Supplies and services	£6,687
£2,875	Third party payments	£2,380
£404,233	Transfer Payments	£406,116
-£213	Transfer to Capital	-
<b>£423,109</b>	<b>Direct Departmental Expenditure</b>	<b>£480,546</b>
£17,296	Central Charges	-£32,221
<b>£440,405</b>	<b>Total Expenditure</b>	<b>£448,326</b>

<b>2015/16 Budget £000</b>	<b>Objective Analysis</b>	<b>2016/17 Budget £000</b>
<b>Expenditure</b>		
£6,433	Finance Strategy and Management	£6,290
£3,582	Financial Inclusion	£3,056
£1,426	Audit and Inspection	£1,331
£2,625	Strathclyde Pension Fund Office	£3,028
£401,348	Benefit Payments	£403,486
£2,075	Assessor and Electoral Registration Office	£2,024
-	Customer and Business Services	£56,219
£5,620	Support Services	£5,112
<b>£423,109</b>	<b>Direct Departmental Expenditure</b>	<b>£480,546</b>
£17,296	Central Charges	-£32,221
<b>£440,405</b>	<b>Total Expenditure</b>	<b>£448,326</b>
<b>Income</b>		
£5,501	Finance Strategy and Management	£6,002
£994	Financial Inclusion	£779
£102	Audit and Inspection	£132
£3,192	Strathclyde Pension Fund Office	£3,817
£323,832	Benefit Payments	£322,999
-	Assessor and Electoral Registration Office	-
-	Customer and Business Services	£2,712
£10,204	Support Services	£9,916
<b>£343,825</b>	<b>Direct Departmental Income</b>	<b>£346,358</b>
<b>£96,580</b>	<b>Net Expenditure</b>	<b>£101,967</b>

## 1.5 Outturn Position 2015/16

The draft unaudited outturn position for Financial Services is showing a £3.2m under spend, primarily achieved by non-filling of vacant posts and Council Tax Reduction expenditure reflecting a lower amount awarded compared to the budget forecast. These underspends are partly offset by an under-recovery in Housing Benefit subsidy due to lower benefit subsidy levels than anticipated as a result of data matching initiatives.

## 1.6 Service Reform Savings Targets 2015/16

1.6.1 Financial Services fully achieved the 2015/16 budgeted savings of £100,000. For consistency of reporting, CBS' service reform savings for 2015/16 are contained within the Chief Executives' ASPIR 2016/17.

**Table 2**

<b>Budget Change Summary: Service Reform</b>		
Non-Essential spend savings	Operational Efficiencies	-£100,000
<b>Net Budget Change (£)</b>		<b>-£100,000</b>

## Section 2

### Strategic Plan Commitments

2.1 The original and refreshed Council Strategic Plans set out the council's priorities, identifying six priority themes to ensure Glasgow has:

- economic growth; and is
- a vibrant city
- a sustainable city
- a city that looks after vulnerable people
- a learning city
- making best use of our resources

2.2 Financial Services continues to play a key role in ensuring that the council meets these objectives as well as ensuring that we can deliver an effective and efficient service to our customers.

#### 2.3 Making Best Use of Our Resources

2.3.1 The Executive Director of Financial Services is the lead officer responsible for delivering on the theme of 'making best use of our resources', and it is the aim of Financial Services to ensure that the council delivers all services within budget and that best use is made of our resources by directing them to the areas of highest priority.

2.3.2 Specific actions identified in the Strategic Plan to deliver against this theme include:

1. Revising our financial strategy and budget process to plan for and anticipate a significant reduction in resources across all of our services and ALEOs
2. Agreeing our approach to service reform by developing a Transformation Strategy for the council family group and with our community planning partners
3. Revising our workforce plan to tightly manage and achieve the right number of staff for our organisation, to ensure they can work flexibly across the organisation and that they are trained and equipped to deliver the high quality services we need
4. Reviewing how our assets, including ICT, data and digital can support our Transformation Programme; and
5. Exploring additional and enhanced opportunities for income maximisation.

2.3.3 Actions 2, 3 and 4 above are addressed separately in the ASPIR for the Chief Executive's Department.

2.3.4 Financial Services' approach to delivering on this theme will be to ensure our key strategies include

- ensuring the council maintains strong financial management underpinned by effective financial controls
- providing advice and guidance on financial matters to Elected Members and Services
- providing assurance that service levels and standards are maintained for local taxation assessment, billing and collection, which significantly support the overall funding of the council

- progressing Financial Inclusion and Tackling Poverty strategies and partnerships in the city, to reduce poverty and promote inclusion
- producing and maintain the Register of Electors which contains details of everyone who is entitled to vote
- reduce the percentage of council spend on support services
- identifying opportunities for improving standards and development whilst monitoring performance to ensure that the strategic aims, council policies and legislative compliance continue to be delivered against Financial Services' activities

## 2.4 Strategic Plan Commitments

2.4.1 Financial Services contributes to the delivery of Strategic Plan Commitments as follows:

**Table 3**

<b>Strategic Council Plan</b>		<b>Strategic Council Plan Commitments</b>
<b>Commitment</b>	<b>Actions</b>	<b>Target 2016/17</b>
<b>Theme 1 Economic Growth</b>	Provide support to the delivery of the £1.13billion <b>City Deal</b> investment programme	Ensure robust financial management in place and regular reporting to committee
<b>Theme 4 Vulnerable People</b>	The Director of Financial and Business Services leads the <b>Corporate Welfare Reform Group</b> . This enables the council and its partners to respond to, and mitigate where possible, the impact of welfare reform.	Council can deal with key emerging issues for our vulnerable citizens, including the impact on employment, housing and homelessness
	Through the <b>Poverty Leadership Panel</b> each individual panel member and their organisation will be provided with the opportunity to contribute to our Poverty Leadership Panel Action Plan and its goals.	March 2017
	Assist clients through <b>Improving the Cancer Journey</b> service. We launched the Improving Cancer Journey to improve the cancer journey for individuals diagnosed with cancer, their families and carers. This ground-breaking service has made Glasgow the first place in the UK where all cancer patients are automatically offered financial, emotional and practical support. Improving the Cancer Journey was noted in the new Cancer Plan for Scotland - The Improving the Cancer Journey experience in Glasgow is an example of how an integrated approach to health and social care can lead to an improvement in quality of life, person-led post-treatment rehabilitation and the ability to self-manage.	Baseline = 932 clients supported 842 holistic needs assessments 90 carers assessments delivered £1.22m financial outcomes



<b>Strategic Council Plan</b>		<b>Strategic Council Plan Commitments</b>
<b>Commitment</b>	<b>Actions</b>	<b>Target 2016/17</b>
	<p>Assist clients through the <b>Financial Inclusion Strategy</b></p> <p>Our Financial Inclusion Strategy sets out how we will ensure that our most vulnerable citizens can access advice and information to prevent them being financially excluded and enable them to fully contribute and participate in the social and economic life of the city. Some specific approaches include:</p> <ul style="list-style-type: none"> <li>• Our Helping Heroes campaign ensures veterans, their families and carers receive local access to a range of services including financial, employability, housing advice and health. We are working to ensure commitment to the Armed Forces Community Covenant</li> <li>• Our MacMillan and Long Term Conditions project provides targeted early intervention and support to ensure that poverty and broader social exclusion are not the consequence of a diagnosis of cancer or other long term health condition. Over the life of the Plan, we will ensure that this service reaches even more people.</li> </ul>	<p>Baseline = 93,553 cases 2015/16 £54.2m financial gains £26.5m increased income</p>
	<p>Tackle poverty and deprivation and provide relevant and affordable services for all our citizens:</p> <ul style="list-style-type: none"> <li>• promote access to <b>affordable credit and savings</b> and use of low cost ethical lenders such as Scotcash and other credit unions</li> <li>• offer <b>early support and advice</b> for vulnerable citizens, their families and carers through continued development of Glasgow's Helping Heroes</li> </ul>	Ongoing
	<p>Through the Poverty Leadership Panel we will engage with public, private and third sector organisations as well as representatives from communities living in poverty to develop and deliver an action plan for change that will link to new <b>Tackling Poverty Strategy</b> which is currently in development</p>	Ongoing
	<p>Our <b>Financial Inclusion Partnership Service User Engagement</b> work group will ensure that the views of citizens experiencing poverty inform the development of financial inclusion advice services in line with the aims of co-operative Glasgow. The Community Activist Panel will also take a key role in service user engagement for the new tackling poverty strategy.</p>	March 2017

Strategic Council Plan		Strategic Council Plan Commitments
Commitment	Actions	Target 2016/17
<b>Theme 5 A Learning City</b>	<p>We will educate students to change behaviours towards non-standard lending through the <b>Future Savers Project</b>. The project continues to flourish and Future Savers Membership currently stands at 3500. Members are also continuing to add to their savings regularly</p> <p>We are delivering a deliver a coherent programme of financial education for 3-18 years in accordance with the Curriculum for Excellence.</p>	First year pupils continue to be provided with £10 donation to open a credit union savings account
<b>Theme 6 Making best use of resources</b>	In line with the priorities set out in the Strategic Plan, <b>continue to deliver on the budget we have set for 2016/17 and setting the strategy for 2017/18.</b>	Ensure robust financial management in place and regular reporting to committee
	<p>Implement the <b>Customer First Programme</b> in line with the strategic business case.</p> <p>Customer First aims to increase capacity for the council by introducing more online services to make it easier, simpler and more convenient for customers to deal with us and, wherever possible, to improve the customer experience we provide.</p> <p>The programme seeks to:</p> <ul style="list-style-type: none"> <li>• reduce all contact by 15% and transferring 30% of what's left to digital services</li> <li>• Provide more online services and information for our customers.</li> <li>• Reduce the amount of contact received by the council which will help to lower our costs to provide services and make better use of our people resources</li> <li>• Redesign our services with the customer in mind by involving them in the design process and testing changes with them.</li> <li>• Encourage citizens and business to use our online services on and make them the preferred way to contact us.</li> </ul> <p>Overall we want to encourage our customers, businesses and visitors to make online channels the preferred method of accessing information and services from the council</p>	The next stage of the programme will continue in 2016/17
	Promote CBS as the 'centre of excellence' for <b>Shared Services</b> and ensure that the strategy encompasses the Glasgow Family to realise effective and efficient back office processes	Ongoing

## 2.5 Single Outcome Agreement (SOA)

- 2.5.1 Glasgow's SOA is an agreement between Glasgow Community Planning Partnership (GCPP) and the Scottish Government which sets out the joint priority outcomes for Glasgow.
- 2.5.2 The three key priorities of Glasgow's SOA for 2013-2017 are **alcohol, youth employability and vulnerable people**. Financial Services is committed to supporting the delivery of these themes.

**Table 4**

<b>SOA Priorities</b>			
<b>SOA Commitment</b>	<b>Actions</b>	<b>Baseline Performance</b>	<b>Proposed Future Targets 2016/17</b>
Youth Employability	Support youth employability through offering Modern Apprenticeship and Internship programmes:	13 Apprentices 3 Interns 1 Vocational Student	44 MAs 5 Interns 4 Career Ready Interns
Vulnerable People	Work in partnership with Glasgow Life to develop a service enabling digital access to benefits for citizens. Based on the success of this project a partnership and co-location role within Glasgow Life has been created to take forward the co-location of Financial Inclusion Agencies, GCC Council Tax and Benefit Service and 3rd Sector Organisations who support vulnerable citizens	Three Universal Credit Hubs created to provide dedicated digital support Money advice outreach partnerships created in 11 libraries, with 808 customers receiving £0.67m in financial gains Customers can access 625 public PCs across 33 libraries	Sustain/ Improve User access
	Assist clients through Glasgow's Helping Heroes (GHH) (service for Veterans, their families and carers).	Total client base 1,604 £1.138m financial gains Assistance with Housing 710; Employment/Training 973; Health Services 370	Sustain/ Improve Client Gains
	Assist Clients through Veterans Employment - to help veterans secure employment, access training and provide apprenticeship opportunities.	133 vacancies committed 150 First Bus vacancies committed 22 commenced full time employment with First Bus	Sustain/ Improve Client Gains
	Assist clients through Long Term Conditions and Macmillan Service	2,863 people supported	Sustain/ Improve Client Gains

<b>SOA Priorities</b>			
<b>SOA Commitment</b>	<b>Actions</b>	<b>Baseline Performance</b>	<b>Proposed Future Targets 2016/17</b>
	Ensure that grants that support the vulnerable are processed timeously and that processes are enhanced to identify whether other grants or benefits may also be applicable when applications are made	Scottish Welfare Fund Grants – 23,853 Discretionary Housing Payments – 20,934 Free School Meals – 20,570 Clothing Grants – 24,071 Education Maintenance Allowance (EMA) – 3,011	Sustain/ Improve Grant Awards

## **2.6 Transformation and Financial Challenge**

- 2.6.1 The Executive Director of Financial Services leads the Transforming the Council programme. The programme will change how we work across the council family to make us more efficient, make best use of our resources, and transform how we deliver the vital services Glasgow needs. Financial Services will target regular reporting on Transformation through the budget monitoring process, with a focus on the delivery of financial savings and change.
- 2.6.2 A range of Transformation Projects have commenced within Financial Services to deliver financial savings including Customer First, Leaner Enabling Operations (LEO), Fitter Leaner Organisation (FLO), Lean, Working Terms, Procurement, Mobile Working, Enhanced enforcement and Income Maximisation. These projects will build upon the achievements of the Twice as Much and Tomorrows Support Services (TSS) programmes.
- 2.6.3 To help us meet the transformation challenge we will continue to provide more services online, standardise administration processes, create operational administration hubs, reduce and rebalance work over all functional areas and continue to improve processes and bring like work together.
- 2.6.4 CBS has developed a Lean programme in conjunction with the University of Strathclyde which has seen over 500 staff provided with Continuous Improvement training and other staff undertaking formal Six Sigma training. We will start to roll out this training to the rest of the service during 2016-17.
- 2.6.5 Effective communication was recognised as a key tool for the delivery of previous service reforms, ensuring staff were involved and informed of any changes. This approach will again be utilised throughout our Transformation Programme.
- 2.6.6 Financial Services will deliver the transformation programme savings detailed below:

**Table 5**

<b>Budget Change Summary: Transformation</b>				
<b>Ref</b>	<b>Title of Service Change</b>	<b>Reason for Change</b>	<b>Council Strategic Plan Priority/ SOA Theme Link</b>	<b>Financial Impact</b>
				<b>2016/17</b>
16FS15-19 16CE17,20,22, 23,24,42	Leaner Enabling Operations	<b>Transformation</b>	<b>Making Best Use of Resources</b>	-£901,000
16FS20-21 16CE31 16GF36	Fitter Leaner Organisations			-£1,325,000
16FS22 16CE34	Mobile Working			-£112,000
16FS23 16CE36	Working Terms			-£172,000
16FS24	Procurement			-£101,000
16FS25	Expansions of Operations Centres			-£6,000
16FS26	Income Management			-£1,000,000
16CE40	Enhanced Enforcement			-£250,000
16CE18,21,35	Customer First			-£1,000,000
16FS28	Review of NDR Discretionary Relief			-£300,000
16FS30	Review of Cultural Grants			-£208,000
16GF37	Review of Community Assets			-£300,000
<b>Total</b>				<b>-£5,675,000</b>
<b>Net Budget Change (£)</b>				<b>-£5,675,000</b>
<b>Net Budget Change (%)</b>				<b>-6%</b>

## Section 3

### Service Priorities

#### 3.1 Division/Section Priorities

3.1.1 This section outlines the key activities undertaken by the main operational areas within Financial Services, together with priorities for 2016/17.

#### 3.1.2 Assessors and Electoral Registration Office

The Assessors and Electoral Registration Office has responsibility for the valuation of all properties for local taxation purposes. All rateable properties are shown in the Valuation Roll and domestic subjects are contained within the Council Tax List. These documents form the basis for charging Non-Domestic Rates (Valuation Roll) and Council Tax (Council Tax Valuation List).

The Electoral Registration Office ensures citizens who register have the right to take part in the democratic process. This involves compiling and maintaining a complete and accurate electoral register and postal voter list on an annual basis.

#### 3.1.3 Audit and Inspection

Internal Audit is an independent assurance function established by the council to examine and evaluate financial controls as well as governance arrangements and to contribute advice at an early stage in the implementation of any developments or amendments to processes.

Internal Audit also provides an audit function to most of the council's arms-length external organisations (ALEOs).

The Executive Compliance Unit falls within Audit and Inspection, with the Head of Executive Compliance also having a direct reporting line to the Executive Director of Financial Services (as Section 95 Officer). The unit ensures compliance with Elected Members remuneration legislation and relevant council policies and procedures for chief officers of the extended council family. The unit also undertakes extensive research activities in order to respond to complex Freedom of Information requests

#### 3.1.4 Customer and Business Services (CBS)

CBS transferred into Financial Services from Corporate Services with effect from 1 April 2016. The service comprises the following key functions:

- Finance Services, which includes Accounts Payable, Accounts Receivable, and Revenues and Benefits. Responsibilities include processing payments to suppliers of over £2.75 billion a year, managing the collection of sundry debt, issuing 45,000 invoices per year and collecting 90% of debt within 30 days. Revenues and Benefits manage 302,000 Council Tax records and collect in excess of £250 million in Council Tax each year, administer £400 million of Housing Benefit and Council Tax reduction and billing and collect £330 million from 25,000 Non-Domestic Rates customers
- Customer Services, which includes the Scottish Welfare Fund, Customer Contact Centre and the Service Desk. This team handles over 2 million telephone calls per annum.
- Business Support which provides administrative services in the city centre, in operational areas such as schools and social work offices and also from the Maryhill Hub.

- Employee Services, including payroll, recruitment and training and events. Salary payments for 34,000 employees across the Glasgow family are processed, and over 40,000 employee enquiries are dealt with.
- Customer and Client Services manage all communications across Financial Services and the business transformation programme.

### 3.1.5 Corporate Finance

Corporate Finance activities include preparation of the council's statutory accounts, completion of the council's revenue budget, regular financial monitoring reporting to committee through the year and Treasury Management activities.

The division also provides advice and guidance on any financial management issues raised by Members and Services. Corporate Finance also supports the financial management of the council's significant investment programme, including the Education Estate Strategy, older people and children's residential strategies.

The service manages £2,222 million of expenditure and £739 million of budgeted income and £1,313 million of net expenditure through the council's investment programmes

Corporate Finance also has a key role in supporting the council's transformation programme by providing detailed financial planning advice and support for all of the major development projects within this programme.

### 3.1.6 Financial Inclusion and Improving the Cancer Journey

The team manages the Financial Inclusion Strategy 2015-18 under a new partnership arrangement. The Financial Inclusion Partnership (FIP) is a broad framework to take forward financial inclusion in Glasgow for the three years from 2015.

The new partnership takes account of the new financial inclusion issues which have emerged since the Financial Inclusion Strategy 2011-15 was first implemented and shall contribute to the delivery of the objectives of the Single Outcome Agreement (SOA).

Key responsibilities and priorities include

- developing a programme of financial education, provide targeted support for vulnerable groups and increase access to affordable credit
- developing a Tackling Poverty Strategy for the city and taking forward the actions of the Poverty Leadership Panel
- supporting the key programmes of 'Improving the Cancer Journey', Long Term Conditions and Helping Heroes, and supporting veterans in Glasgow gain employment via the Glasgow Veterans Employment Programme

### 3.1.7 Service Development, Governance and Control

The Service Development, Governance and Control Team was created in April 2016 to provide support across all areas of Financial Services including:

- Support for the delivery of the Transforming Glasgow programme
- Managing and monitoring risk to provide confidence and assurance in the services that we deliver. This involves taking a lead role in a number of areas including information management and security, business continuity, risk management, health and safety and ensuring compliance with and tracking of audit actions identified.

- Day-to-day banking services for the council family including reconciliations, balance monitoring and clearing for 37 bank accounts, equating to £1.5billion of transactions each year
- Monitoring and providing assurance on the integrity of finance systems and the SAP ledger through our ledger control function.
- The priorities for the Team will be to continue to promote a culture of effective management and control, ensuring the principles of strong governance are applied in all areas of service delivery.

### 3.1.8 Strathclyde Pension Fund Office

Glasgow City Council has statutory responsibility for the administration of the Local Government Pension Scheme in the West of Scotland, both on its own behalf and in respect of the other 11 local authorities in the former Strathclyde area, and over 200 other large and small employers.

The main functions are management and investment of scheme funds and administration of scheme benefits. These functions are carried out in accordance with the Local Government Pension Scheme (Scotland) Regulations which are statutory instruments made under the Public Service Pensions Act 2013.

The service manages over £16 billion of investments, collects around £500 million of pension fund contributions each year, and pays out around £500 million of pensions to over 80,000 retired employees.

Glasgow carries out its role as administering authority via:

- the Strathclyde Pension Fund Committee, to which the council has delegated power to discharge all functions relating to its role as administering authority
- the Strathclyde Pension Fund Pension Board which assists the committee with compliance
- the Strathclyde Pension Fund Office (SPFO), a division of the council's Financial Services; and the Strathclyde Pension Fund (the Fund)

## 3.2 Service Priorities

3.2.1 The following represent service priorities not specifically identified as Strategic Plan or SOA commitments, but which are major priorities for the service with an outcome delivery focus for 2016/17.

Service Priorities	Actions	Target 2016/17
<b>Assessors and Electoral Registration Office</b>		
Implementation of Individual Elector Registration (IER).	This will result in additional registration channels being made available to electors. Online and telephone registration are key features of IER, and we will be reviewing our communication channels to enable electors to register according to the channel that best meets their need.	Ongoing
Production of Register and Postal Vote list.	Meet the statutory deadlines for <ul style="list-style-type: none"> <li>• Scottish Parliamentary Election 5 May 2016</li> <li>• Referendum on the UK's membership of the European Union 23 June 2016</li> </ul>	May/June 2016



	Implement the lower voting age of 16 for Scottish Parliament and local government elections from May 2016 onwards.	
2018 Review of UK Parliament Constituencies.	The Review is being carried out simultaneously for the whole of the United Kingdom by the four parliamentary Boundary Commissions	Commence work Autumn 2016.
Preparation for 2017 Non-Domestic Revaluation of circa 25,000 properties.	Analysis of approximately 10,000 rents, costs and turnovers underway, to allow production of Valuation Practice Notes.	Ongoing
Amendments to the Valuation Roll Undertaken within:	0-3 months	90%
	3-6 months	8%
	Over 6 months	2%
New Entries to the Council Tax List Undertaken Within	0-3 months	90%
	3-6 months	8%
	Over 6 months	2%
<b>Customer and Business Services</b>		
Delivery of the Income Management Transformation project	Generate additional income by improving the management of monies owed to the council and deliver efficiencies in process through implementation of a new software solution to better manage and control income across the council family. Maximising opportunities from the implementation of the new Debt Management Partner (DMP) contracts	March 2017
Department for Work and Pensions (DWP) programme of national expansion for Universal Credit (UC) in Glasgow.	A UC Operational Group is responsible for delivering a revised working Delivery Partnership (DP) between the council and the DWP to compliment the national expansion of Universal Credit Live Service.	Ongoing
Delivery of Platinum Services (processes with the highest priority for our clients)	• Committees (Corporate Services) - % of papers to be issued 3 working days before Committee	95%
	• Committees (Corporate Services) - % of minutes to be published within 2 working days of meeting	94%
	• Members Liaison Unit (MLU) - % forwarded to client within 2 working days	95%
	• % of priority minutes that were required and taken for meetings in relation to Child Protection Adult Support and Protection, Multi Agency Public Protection Agency (MAPPA), Fostering and Adoption Panels	98%
	• Recording of Child Protection registrations/de-registrations within 24 hours	98%

	<ul style="list-style-type: none"> <li>Education placing requests responded to within timescales</li> </ul>	95%
	<ul style="list-style-type: none"> <li>Adult Support and Protection outcomes updated on Care First within 24 hours</li> </ul>	95%
	<ul style="list-style-type: none"> <li>Families for Children - % of approval and matching letters sent to applicants/birth parents within 21 days of panel date</li> </ul>	98%
	<ul style="list-style-type: none"> <li>% of Criminal Justice reports lodged with court on due date</li> </ul>	95%
	<ul style="list-style-type: none"> <li>Addiction Prescription processing, printing and cancellation</li> </ul>	100%
	<ul style="list-style-type: none"> <li>Community Payback Orders - Completed Orders</li> </ul>	100%
	<ul style="list-style-type: none"> <li>Accounts Payable paid on time</li> </ul>	90%
	<ul style="list-style-type: none"> <li>Accounts Receivable paid within 30 days (collectable debt)</li> </ul>	85%
	<ul style="list-style-type: none"> <li>Additional Support for Learning (ASL) Placing requests responded to within timescale</li> </ul>	95%
	<ul style="list-style-type: none"> <li>Public Processions (CS) - % of confirmation letters to be sent 7 days before procession</li> </ul>	95%
Revenues and Benefits	Council Tax - Cost of Collection per Dwelling	£11.50
	Council Tax – Income Collection in year of billing	94.8%
	NDR – Cost of Collection per Chargeable Property	£20.00
	NDR - Income Collection in year of billing	97.45%
	Processing Housing Benefit and Council Tax Reduction – New Claims	21 days
	Processing Housing Benefit and Council Tax Reduction – Change in Circumstances	11 days
	Processing Housing Benefit and Council Tax Reduction – Administration Cost per Case	£35.00
<b>Corporate Finance</b>		
LEO Finance	This will see a review of existing professional finances services across the council family to identify opportunities for improved efficiency and increased resilience.	
<b>Service Development, Governance and Control</b>		
Records Management Implementation Plan	Financial Services continues to support the council in its preparation of a Records Management Plan to ensure compliance with The Public Records (Scotland) Act 2011	Ongoing
Delivery of Platinum Services	% Corporate banking reconciliations completed on time	100%

<b>Strathclyde Pension Fund Office</b>		
Review of Responsible Investment Activity	The Strathclyde Pension Fund has reviewed its responsible investment activity and agreed a number of new initiatives to be taken forward in 2016/17 including a review of low carbon investment solutions and exploration of additional opportunities to collaborate with other institutional investors on key issues such as climate change.	March 2017
Expansion of Direct Investment Portfolio	<p>The Strathclyde Pension Fund manages investment assets of approx. £16 billion.</p> <p>The Fund is a signatory to the UN Principles for Responsible Investment and ensures that Environmental, Social and Governance (ESG) considerations are an integral part of its investment strategy</p> <p>The Fund will continue to expand its Direct Investment Portfolio (DIP) which has a focus on investments with a positive local, economic or ESG impact.</p>	March 2017
Pension Board	Review Pension Board arrangements	March 2017
Actuarial Valuation	Preparation for actuarial valuation as at 31st March 2017	March 2017
Investment Strategy	Complete implementation of Alt1 phase of investment strategy; consider next phase; review operation of risk-based framework	March 2017
Responsible Investment	Implement revised responsible investment strategy	March 2017
Local Government Pension Scheme 2015	Complete first iteration of year-end procedures under career average LGPS 2015, including: processing employer data; application of Revaluation Order; and issue of Benefit statements	August 2016
Guaranteed Minimum Pension (GMP) equalisation project.	Progress to Reconciliation and Remediation phase of GMP equalisation project.	March 2017
The Pensions Regulator (TPR) Compliance	Develop plan to secure ongoing compliance with the requirement of the Pensions Regulator (TPR).	March 2017
Digital Communications	<p>Continue implementation of digital communications strategy including:</p> <ul style="list-style-type: none"> <li>• employer self service rollout</li> <li>• further on-boarding of employers to i-connect</li> <li>• review member engagement and customer feedback mechanisms.</li> </ul>	March 2017
Annual Report	Review Annual Report format.	September 2016
Performance Indicators	Annualised Three Year Investment Returns	4.9%
	Retirals – Turnaround Times	80% within 20 days

	Retirals – Customer Satisfaction	90%
	Member Data - Completeness	>98%
<b>Financial Services</b>		
Attendance Management	Days lost through sickness absence	tbc

### 3.3 Staff Development Priorities

#### 3.3.1 Staff Survey

Financial Services achieved a response rate of 86% to the 2015 Staff Survey. All staff were invited to attend the Delivering for Financial Services event where the Director of Financial and Business Services presented the findings of the survey and the leadership team facilitated table discussions on the issues raised.

The staff focus group is currently analysing the findings from the survey and outcomes from the discussions and will deliver an action plan to respond to the findings of the survey.

#### 3.3.2 Training and Development

Each division within Financial Services prepares its own specific learning and development strategy that meets the needs of its workforce and fits with the overall Financial Services Learning and Development Strategy.

Financial Services is also committed to offering professional training opportunities. There are currently six trainees being supported towards the Chartered Institute of Public Finance and Accountancy professional qualification in Internal Audit and Corporate Finance. Within Assessors and the Electoral Registration Office, there are three trainees working towards the Royal Institute of Chartered Surveyors professional qualification. Within the Strathclyde Pension Fund Office there are three trainees working towards a professional qualification with the Institute of Payroll Professionals.

Continuous Improvement training will continue to be rolled out across CBS providing staff with skills to identify opportunities to improve business processes. Lean training has also been provided through a programme in conjunction with University of Strathclyde.

Employee Voice is used within CBS to generate ideas from our staff which can be evaluated and feedback is provided through the system. There are plans to roll this out across the rest of financial services during 2016-17.

#### 3.3.3 Performance Coaching

Financial Services continues to support the council's Performance Coaching programme and ensures compliance throughout the service.

This focuses on developing an individual's abilities and building a good working relationship with their line manager. There are regular performance coaching meetings throughout the year that consist of standard 1-2-1 meetings, setting personal objectives and performance reviews.

#### 3.3.4 Attendance Management

For 2015/16 Financial Services achieved an attendance management performance of 5.9 days lost through sickness absence, an improvement on the 6.2 days achieved in 2014/15. Whilst this exceeds the service's target of 5.5 days absence per employee, it is

lower than the target of 7.4 days set by GCC and the 8.1 days achieved by GCC in 2015/16.

In striving to achieve our targets we continue to work closely with Corporate Human Resources to promote the Corporate Attendance Management Action Plan, which is being implemented to support managers in applying the council Absence Management Policy.

We continue to promote engagement with the council's occupational health provider; People Asset Management, enabling effective management of health issues in the workplace.

#### 3.3.5 Staff Health Initiatives

We continue to promote activities that encourage staff to become more active and make healthy lifestyle changes. We provide support and advice where possible and recognise achievement through our 'Teamtalk' magazine.

Our staff focus group have recognised wellbeing activities as an important method of boosting staff morale and this will be reflected in the action plan they are producing in response to the 2015 staff survey.

#### 3.3.6 Work-Life Balance Provision

We recognise the benefits that these arrangements can have for our staff and towards the improvement of service delivery. We consider every request balanced against the needs of the service. Approximately 31% of staff work flexible hours under this provision.

## Section 4

### Benchmarking, Inspection and Equalities

#### 4.1 Benchmarking

##### 4.1.1 The Local Government Benchmarking Framework (LGBF)

The LGBF, supported by the Improvement Service, is designed to help councils share best practice across a number of key performance areas. Glasgow was the lead authority in our 'Family Group' for the work on Council Tax, and discussions are ongoing around potential activities for review in 2016/17.

##### 4.1.2 Internal Audit Benchmarking

Internal Audit took part in a benchmarking exercise with the Core Cities Chief Internal Auditors' Group. The findings from this exercise will form the basis of discussions at future meetings of the group to help identify good practice and consider ways of increasing effectiveness.

Internal Audit is also an active member of the Scottish Local Authorities Chief Internal Auditors' Group, with a view to continually sharing best practice.

#### 4.2 Inspection

4.2.1 Audit Scotland carried out an assessment of Internal Audit as part of their 2015/16 external audit plan. They have confirmed that they will continue to place formal reliance on the work of Internal Audit:

4.2.2 Strathclyde Pension Fund is extensively reviewed by both Audit Scotland and Internal Audit. Audit Scotland issue and deliver an audit plan for the Fund which includes review of internal controls, governance and ultimately certification of the Fund's Annual Report and Financial Statements.

Assurance work undertaken within the Strathclyde Pension Fund in 2015/16 as part of the agreed audit plan included the following reviews of arrangement for:

- dealing with early leavers from the Fund
- monitoring the performance of its property portfolio management agents.
- training and qualifications within the Strathclyde Pension Fund.
- managing its ICT assets
- the payment of death grants over which it has discretion on who to pay

#### 4.3 Equalities

4.3.1 Financial Services continues to support the council's Equality Outcomes 2013-2017 as agreed by the Executive Committee on 18th April 2013.

4.3.2 Equality and Diversity Champions have been appointed to promote equality and diversity issues, awareness and events throughout the service.

4.3.3 Bullying and harassment issues will be specifically addressed within our action plan in response to the findings of the Staff Survey 2015.

#### 4.4 Equality Impact Assessments (EQIA) and Health Impact Assessments (HIA)

4.4.1 An EQIA is currently being undertaken for Improving the Cancer Journey in conjunction with NHS and GCC Corporate Policy.

## Section 5

### Past Performance

- 5.1 The service reports its operational performance to the Operational Delivery Scrutiny Committee under the theme Making Best Use of Our Resources led by Lynn Brown, Executive Director of Financial Services as theme lead. The service is also required to report on its performance annually as part of this report so that members and others have oversight of how it has delivered on its statutory duties and previous year's commitments.
- 5.2 The detail of performance indicators for 2015/16 is summarised as follows, with the detail provided below

Performance to Target 2015/16	Number	%
Green	17	71%
Amber	3	13%
Red	-	-
Unavailable at this Time	4	17%
<b>Total Indicators</b>	<b>24</b>	

**Table 7**

Indicator/ Outcome/ Strategy	Milestone/ Target 2015/16	Year End Actual 2014/15	Year End Actual 2015/16	Performance Note	RAG
<b>Council Strategic Plan Priorities</b>					
<b>Making Best Use of Resources</b> CBS - Implement the Customer First programme in line with the strategic business case.	Deliver MyGlasgow App integration for all remaining	New 2015/16 measure		<ul style="list-style-type: none"> <li>MyGlasgow App integration for 19 categories. This means that there is no manual input required when requests are raised using the MyGlasgow App and that customer receive notifications</li> </ul>	<div style="background-color: #4CAF50; color: white; padding: 2px 5px; border-radius: 50%; display: inline-block;">G</div>

Indicator/ Outcome/ Strategy	Milestone/ Target 2015/16	Year End Actual 2014/15	Year End Actual 2015/16	Performance Note	RAG
	categories			<p>on the progress of their request. This was launched in Jan 2016</p> <ul style="list-style-type: none"> <li>• Glasgow City Council website was fully redesigned with extensive customer experience testing carried out and a substantial reduction and re-writing of content completed. This was launch in Jan 2016</li> <li>• future stages of programme planned with Stage 1 funding agreed at end of March.</li> </ul>	
<p><b>Making Best Use of Resources</b></p> <p>CBS - Deliver a management development programme to enable our managers to lead, develop and motivate our staff to achieve the goals of Tomorrow's Support Services.</p>		New 2015/16 Measure.		<ul style="list-style-type: none"> <li>• Last of 3 Management Development workshops are nearing completion "Developing and Motivating People".</li> <li>• Programme included 272 managers across our business from first line grade 5 managers up to and including grade 8</li> <li>• Feedback from the participants has been positive and has been underpinned with performance coaching and objective setting which specifically incorporates an expectation to evidence the learning from the programme.</li> </ul>	<b>G</b>
<b>Strategic Priorities</b> (those areas outwith Council Strategic Plan and SOA reporting; of strategic significance)					
<b>COUNCIL TAX</b>					
Cost of collection per dwelling	£12.30	£11.16	tbc		tbc



Indicator/ Outcome/ Strategy	Milestone/ Target 2015/16	Year End Actual 2014/15	Year End Actual 2015/16	Performance Note	RAG
Income collection during year of billing	94.7%	94.6%	94.75%		G
<b>NON DOMESTIC RATES</b>					
Cost of collection per chargeable property	£29.00	£15.42	tbc		tbc
Income collection during the year of billing	97.2%	97.2%	97.43%		G
<b>HOUSING BENEFIT AND COUNCIL TAX REDUCTION</b>					
New Claims	21 days	21 days	21 days		G
Change in circumstances	11 days	13 days	9 days		G
Administration cost per case	£38.00	£34.26	tbc		tbc
<b>CBS DELIVERY OF PLATINUM SERVICES</b>					
Committee Services - Percentage of committee reports issued on time	100%	100%	100%		G
Committee Services - Percentage of committee minutes issued on time.	95%	98%	100%	The target is set at 95% to reflect delays that can be caused by the requirement for sign off and confirmation of specific technical detail where required	G
CBS - Establish and operate an internal Customer Board		New 2015/16 Measure		The customer board has now prioritised platinum services and is continuing to explore opportunities to generate income for GCC through delivery of CBS services	G

Indicator/ Outcome/ Strategy	Milestone/ Target 2015/16	Year End Actual 2014/15	Year End Actual 2015/16	Performance Note	RAG
CBS - Establish and operate an internal Governance Board.		New 2015/16 Measure		The Governance Board was established with 4 weekly meetings to review Audit/Risk/Incident/Information Management/BCP/Health & Safety processes within CBS. This will be further developed with CBS integrated into FS	G
<b>AMENDMENTS TO THE VALUATION ROLL UNDERTAKEN WITHIN</b>					
0-3 months	96%	98%	98%		G
3-6 months	2%	2%	2%		G
Over 6 months	2%	0%	0%		G
<b>NEW ENTRIES TO COUNCIL TAX LIST UNDERTAKEN WITHIN</b>					
0-3 months	93%	94%	94%		G
3-6 months	5%	3%	3%		G
Over 6 months	2%	3%	3%	This reflects the requirement to reallocate staff to undertake the 2017 NDR Revaluation	A
<b>STRATHCLYDE PENSION FUND OFFICE</b>					
Annualised three year investment returns	4.9%	11.9%	7.4%		G

Indicator/ Outcome/ Strategy	Milestone/ Target 2015/16	Year End Actual 2014/15	Year End Actual 2015/16	Performance Note	RAG
Retirals – turnaround times	80% within 20 days	65.9% within 10 days	75.9% within 20 days	Performance behind target from start of year as a result of new LGPS 2015 scheme. Improving trend and projected to achieve target early in 16/17.	A
Retirals – customer satisfaction	90%	88.1%	87.2%	Slight underperformance consistent with slightly extended processing times.	A
Member data – completeness	> 98%	98.1%	98.24%		G
<b>FINANCIAL SERVICES SICKNESS ABSENCE</b>					
Days lost through sickness absence	5.5 days	6.2 days	5.9 days	An improvement on the 6.2 days achieved in 2014/15. Whilst this exceeds the service's target of 5.5 days absence per employee, it is lower than the target of 7.4 days set by GCC and the 8.1 days achieved by GCC in 2015/16.	A