

Finance News

 **Norfolk** County Council

Issue 47

September 2004

News and views for
everyone interested
in finance

FIMS ahoy!

With October 4th Go-Live only a month away (you can see the countdown on our intranet site) we are keen to make sure that people are kept up to date with what is going on and things they need to know. *Please also find a FIMS countdown calendar inserted inside.*

Training is now underway, end-to-end testing is nearing completion, transition plans are being finalised and we will soon be preparing FIMS for the live user environment. You can find out more about this by turning to pages 2 and 3 of this newsletter.

To ensure that you are as up to date as possible for October 4 we will also be sending out a 'FIMS Special' to all Finance News readers about two weeks before the big day.

This will include:

- ◆ A transition plan showing what will be happening (and when) as we move from NORBAS to FIMS
- ◆ Details of the user support arrangements that will be in place
- ◆ Information about the reports that the new system will produce
- ◆ A 'first aid kit for FIMS Users' explaining what to do if....



The system and processes have undergone extensive review and testing prior to implementation.

However, should we experience any teething troubles during 'go-live' a combination of functional experts, change agents, FIMS trainers and IT staff will be available to respond to user queries throughout October and beyond.

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FIMS latest

It's training time!

FIMS training is now well underway, with sessions in Caister, King's Lynn, Dereham and at various sites in Norwich.

With such large numbers of people to be trained, County Hall accommodation has been supplemented by two training buses, completely kitted out and air-conditioned, sited in the forecourt.

You can find out more about training on the FIMS website, http://intranet.norfolk.gov.uk/new_fims/Content/training.htm.



Jens Gemmell, the FIMS Training Manager

This has been updated and now includes:

- ◆ Many more courses for you to try out on the e-learning software, OnDemand. New courses will be added week by week;
- ◆ The FIMS Course Catalogue listing all the courses;
- ◆ A list by department showing who is attending which course and when;
- ◆ A list of courses showing all those attending any particular session.

If you have any questions about training please contact your change agent:

Lisa Mathieson	Ed	(22)4425
Katherine Attwell	Ed	(22)3397
Bev Woods	SS	(22)3442
Gerry Baker	Finance	(22)3824
Graham Tennant	P&T	(22)8904
Howard Collins	CEX	(22)8899
Paul Mason	Corp	(22)4427
Jenny Browne	CHS	(22)5702
John Child	NPS	(22)8971
Marina Simmonds	Fire	819744
Robert Testro	CS	(22)3484

Question, question, question . . .

Q: How and when will users be advised of their passwords, please?

A: Users will be informed by email of their initial sign ons and passwords before October 4, but at this stage we can't say exactly when.

FIMS latest

From Norbas to FIMS - data on the move

One of the very important jobs to be completed before Go-Live is moving the massive amount of data currently held in Norbas to FIMS.

The first part of this exercise will be to build the new general ledger structure in FIMS and then to migrate the old year balance sheet, this year's budgets and actuals to the new structure, and reconcile them.

The trade suppliers list has been re-built to meet the needs of Purchasing and I-Procurement. All the other people and organisations that we pay through AP have been set up in FIMS if they met the set criteria. Our last challenge is to migrate the existing customers and the outstanding items on their accounts into the new system.

As a part of refining our customer data we will also be identifying people or organisations who have more than one account with us and combining this into a single record.

For example, County Farm tenants who currently have separate accounts for rent and water charges will in future have a single customer record.

Similarly we shall be combining those Social Services customers with a common reference (the ISSIS number) onto a single customer record where all their records will be held. In future as individual customers notify us that they have received more than one statement we shall be in a position to combine their accounts onto a single record.

Detailed instructions and guidance on what to do when will be issued within the next few weeks.

We have rigorously tested the hardware and software and are convinced that it all works as it should. However, being cautious types, we have the option of reverting to Norbas as our insurance policy should something unexpectedly go wrong.

New on the website . . .

More is being added to the FIMS website all the time and it now includes:

- ◆ Updated mood models showing the new standard processes, including Cash management and NOML (general ledger)
- ◆ Much more information on training (see *It's training time!* opposite)
- ◆ FIMS Roadshow pictures
- ◆ AP consolidation briefing paper

You can find the site on: http://intranet.norfolk.gov.uk/new_fims/

If you have any comments or if you can suggest any improvements please contact Angie Yeomans on 01603 223488.

Spending Review 2004 and the Gershon Report

Chances are you'll have seen recent national news coverage on both these items, and the two go very much hand in hand.

The latest spending review covers government assumptions for three years starting 2005/06, assumptions which eventually feed down to local authorities like ours in the form of central government grant. And it's the level of grant which plays a large part in deciding the level of our budget and the size of our council tax increase.

Closely linked is a report by Sir Peter Gershon seeking efficiency savings nationally for local and police authorities of some £6.45 billion, or 2.5% for each of the three years.



The Government's spending review shows increases in Formula Spending Shares (FSS) for the country as a whole. FSS is the Government's way of dividing up or distributing grants towards the cost of services provided by authorities.

In 2005/06 FSS will increase by 5.8%, followed by 5.5% and 5.1% for the next two years. The actual grants the Government provides, in the form of Revenue Support Grant, Business Rates and other grants, will go up by 5.4%, 5.5% and 5.1% over that period. On the face of it these appear quite healthy increases for local authorities, but of course it's never quite that simple.

Authorities will generally have to spend at a higher level than their FSS (last year our budget was 5.8% higher than FSS). The labour-intensive nature of local government services means that local government related inflation (approximately 4-6% nationally) is well above the general inflation level.

The Spending Review assumes that what it calls "locally financed resources" will increase,

over the next three years, by 6.7%, 5.5% and 5.1% respectively. But next years 6.7% is considerably more than any assumption likely to be made by the Government for capping purposes so this implies that local authorities will have to find significant sums from other means, which presumably include the savings indicated in the Gershon Report.

Concern about the level of these savings has been widespread. Whilst the Local

Government Association recognises the importance of the review agenda, it has expressed concerns that the requirements on efficiency should not mask an inadequate funding base for local authorities. The LGA has estimated that nationally there is a funding gap of £1bn in grant support for the 2005/6 budgets if council tax increases are to be held at levels acceptable to the Government.

LGA Chairman Sir Sandy Bruce-Lockhart has said in response to the Spending Review:

"I am concerned that the Government's spending plans are not matched by increased grant to councils. This will inevitably result in council tax increases. Local councils will be pulled in a variety of directions as a result of today's announcement. We welcome the spending plans into areas such as neighbourhood renewal and housing. But local authorities, within these spending plans, cannot fund public services and keep council tax down.

"Eventually something will have to give. The government must back its own spending plans with matching funding grants to local councils and seriously address the long term balance of funding between central and local government or it will be local people who suffer".

Sarah Wood, Director of Economic and Environment Policy at the LGA has said that savings required are incompatible with low council tax increases and the retention of services. Quoted in the Local Government Chronicle she said:

“The Government wants Council Tax increases in low single figures and 2.5% efficiency savings. But it doesn’t want cuts, and bluntly, that’s not deliverable”

Helen Kilpatrick, Director for Resources and County Treasurer at West Sussex County Council, spoke for local government at the LGA Spending Review Conference in July.

She said:

“I think there must be some question about deliverability of these savings in certain areas to the timescale that is envisaged”.

So we have a challenging time ahead as we approach the budgets for 2005/6 and beyond. Bob Summers, the Director of Finance will advise Cabinet on the implications for budget planning in September.

Peter Roe 01603 222813
Technical Manager
Strategic Funding & Technical Section

Phil Barber 01603 222871
Technical Assistant
Strategic Funding & Technical Section

Ringling the changes

Hi there!
Have you heard the news?



Both Social Services and Planning and Transportation have new people heading up their finance sections following the respective retirements of Jacqui Lomas and Mel Edwards.

Social Services finance is now headed by Janice Dane (formerly the Chief Internal Auditor). Janice is a Norfolk born Chartered Accountant and has been in local government for the last 13 years.

Planning and Transportation finance will be headed by Phil Ballard. Phil has also come from NAS (Norfolk Audit Services) but is currently seconded to the FIMS project. He will start his new job once FIMS has gone live. Phil has lived in Norfolk for 25 years and is a member of CIPFA.

Adrian Thompson has been promoted to Chief Internal Auditor. Adrian is a member of CIPFA and has been with NAS for some years. One of his first tasks will be to appoint a new management team following Phil’s move and his own promotion.

Mike Webb, the Head of Audit and Scrutiny, said “I am really pleased and proud of Janice, Phil and Adrian. I have worked with them all for many years and they deserve their promotions. Their success shows that working in internal audit, in common with the commercial sector, can be the route to the top!”

Mike also said “I would like to introduce Graham Allison, a CIPFA accountant, who will be working for NAS as a temporary Principal Client Manager over the next 6 months. Graham has worked in internal audit in East Anglia for many years in both the public and private sectors. Most recently, Graham was working at Suffolk County Council, implementing their risk management policy and strategy.”

Phil Ballard

If you would like this newsletter in large print, audio, Braille, alternative format or in a different language, please contact the helpline, 01603 223488.



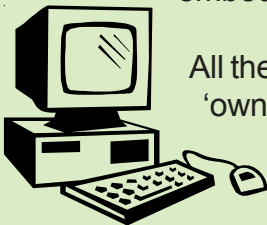
What could stop you doing your job?

Fire? Flood? Major accident?
Loss of premises? Or loss of
power, IT, communications, fuel
crisis?

The reality is there doesn't have to be a major incident to effectively halt service delivery. For example, a loss of power over a relatively short space of time can, as experienced recently, have significant effects.

The Business Continuity Team have produced contingency plans for each team, each Department, and a Corporate plan for County Hall, to act as guides to continuing service delivery in any crisis.

This is what all the hard work completing the Business Impact Analysis was for. Now all the information has been analysed and embedded within each plan.



All the plans are effectively 'owned' by each team and all staff should make sure that they are familiar with them.

The best way to become familiar with the plan is to use it – as an aide memoire, or (for instance) a handy telephone book that holds contacts/suppliers details. Better a dog-eared plan than one that is in pristine condition – which equals never used! All plans will also be available on a CD to ensure that a copy is available off site.



We will ask you regularly to check your existing plans to ensure that they still reflect your service adequately. This way we can ensure up to date information is reflected in all plans.

Now the plan for County Hall is almost complete, our next step is to look at our other premises outside the main building, and we will begin to make progress on this as soon as we can. We also plan to hold exercises for each Department to make sure that roles and responsibilities are clear.

Please direct any questions / comments to Diane.Mortimer@norfolk.gov.uk
01603 224404

VAT Information Courses

Following the success of the two courses held earlier in the summer, another two half day courses have been scheduled. The additional courses will be held on the 20th and 21st September 2004, starting at 9.30am. Each course will last approximately 3 hours, and will be hosted by Bob Batterham and Sue Catton from the Finance Department.

If you or any of your colleagues would like to attend a session, please contact Julia Read (Ext. 2995) or Alison Gilbert (Ext. 2658), or email them on: julia.read@norfolk.gov.uk
alison.gilbert@norfolk.gov.uk



FIMS Countdown Calendar

Please keep close to hand to
check on NORBAS processing
deadlines as we approach
FIMS Go-Live

September

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
29	30 BANK HOLIDAY	31 AP: All invoices to have terms B1 from today (previously advised by e-mail)	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20 AP & AR: Parallel Maintenance Starts	21 AP & AR: Deadline for data to be with CHS AR: last date for write-offs by 17:00	22	23	24 GL: Final Batch Journals with DF Systems Team by 10:00 AR: Last standard billing run	25
26	27 AP: Last receipt of urgent payments by CHS 17:00 AR: Last Trojan run	28 AP: Last receipt of interface files AR: Last billing to departments by 17:00 AR: Last cash entry (received 27 Sept.)	29 AP: Last direct data entry by departments 17:00 AR: All unidentified and unapplied cash to be cleared	30 GL: Automatic postings from REF closed 17:00 GL: On-line journals closed 17:00 AP pay all outstanding suppliers payments made	1 Norbas System unavailable for transition. Re-opens as read only 4 October for FIMS Go-Live	

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