

Finance News



Issue 51

May 2005

News and views for
everyone interested
in finance

Financial Management under review

At the Cabinet meeting held on the 31st January 2005, agreement was reached to review and strengthen the Council's financial management and reporting arrangements.

A Financial Management Review Steering Group has been set up to steer the improvements. This is chaired by Bob Summers and has Departmental representation from Debbie Bartlett (Chief Executive's), Paul Fisher (Children's Services), Mike Jackson (Planning and Transportation) and James Rolfe (Adult Services).

Paul Brittain (Department of Finance) also sits on the Group to act as the link with the Financial Management Group, which is responsible for delivering the agreed changes.

Because of the more stringent requirements for the Comprehensive Performance Assessment (CPA) 2005 'Use of Resources' (see article on page 2), the Steering Group is also considering the CPA assessment criteria to ensure that the financial management review picks up all necessary actions to deliver a high score in the revised CPA.



An implementation plan is being drawn up to address the requirements of both the Cabinet paper and the CPA. This will cover many different activities and it is expected that the overall plan will have a timescale of some 18 months or so.

The overall objective is to ensure that the Council and its Chief Officers and budget holders continue to be supported by a well trained, professional financial support service. The review will also seek to raise the profile of financial management with all staff.

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Included in this issue: • CPA 2005 • i-Procurement • Finance Officer's Group
• FIMS news • Budgeting update

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Spotlight on

Comprehensive Performance Assessment 2005 - Raising the bar

The Comprehensive Performance Assessment (CPA) is the method used by the Government to judge the performance of all local authorities. It uses the Audit Commission's CPA work to target support and provides freedom to better performing authorities – amongst other benefits, the better the assessment the less form filling and returns we need to complete!



CPA looks at how well we deliver our services, e.g. education, social care and environmental. It also considers how well the council is run. This includes an assessment of how well the council manages its resources. From the first full CPA in 2002, Norfolk has been rated a 'Good' Council and the way we use our resources, which forms part of the assessment, has been judged since 2003 as Level 4 – the highest achievable.

This year the CPA is changing, resulting in a far more stringent test to reflect the need for continuous improvement and more consistent performance across services. There is also to be a far more rigorous test in future for the 'Use of Resources'.

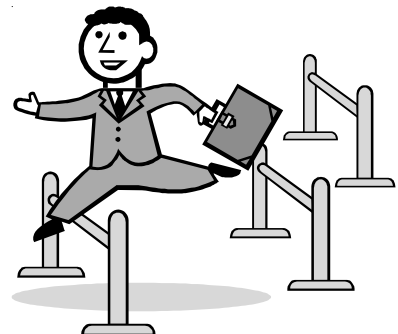
The 2005 assessment of Use of Resources will not only focus on ensuring we have adequate arrangements for managing our resources, i.e. policies and processes in place, it will also require evidence that these procedures are achieving the right results – so attention will be directed at:

- the link between financial planning and service planning to allocate resources
- securing benefits from projects and change programmes
- linking service performance and budget monitoring
- quality of decision making – informed by priorities, risk, whole life costing of options, performance and our medium term financial strategy
- achieving value for money

The Financial Management Review Group (see article on page 1) will be focusing on some of the areas in which we think we can improve.

However CPA 2005 is raising the bar in all aspects of how we manage our resources, from property

management to procurement. We will all need to work together to leap over it!



Susanne Baldwin
Management Accountant

01603 228987

iProcurement

Getting rid of that paper!

The rollout of iProcurement continues apace and by the time you are reading this, just about all users who require access to iProcurement to raise and approve requisitions will have it.

The challenge for all of us now is to let go of our current processes (mainly paper orders) and ensure that all orders go through iProcurement/FIMS.



iProcurement and FIMS have also highlighted many areas where we should have been raising an order but haven't.

Instead we have been telephoning or emailing orders and then just dealing with the invoices. This is a good opportunity to get back to raising official orders and sending them to suppliers through iProcurement.

Why should we do this?

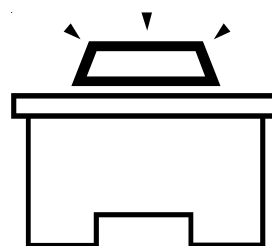
- Contract Standing Orders and Financial Regulations require an order to be raised (with some exceptions) for all requests for goods, services or works
- It ensures that suppliers comply with our terms and conditions as this is stated on our order
- If a supplier cannot quote an order number it may delay or even prevent payment
- It creates a record that other people can see - Finance Officers, other people who can deal with the order in your absence and Procurement Officers trying to analyse spending and identify opportunities.

If you are an approving officer, the question you should now be asking if you are asked to sign a paper order is *"Why isn't this going through iProcurement?"*

Likewise, if you are asked to sign a coding slip on an invoice you should be asking *"Where is the purchase order for this and why did it not go through iProcurement?"*

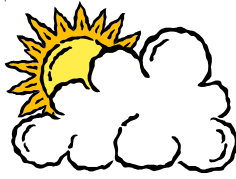
If a purchase order has been put through iProcurement you no longer need to sign a coding slip - the invoice should be sent to Accounts Payable for matching to the purchase order and receipt.

Anton Bull 01603 495806
Purchasing Process Manager



Here is the weather forecast FOG

Now I have your attention I'd like to expand a bit on FOG. I'll try not to cloud the issue or mystify you unduly. Perhaps I'll even be able to bring a little ray of sunshine into the Finance News (who said 'for a change'?).



Put quite simply FOG stands for Finance Officers Group. If however you have any other printable suggestions I'd be pleased to have a note of them and I'll try to get them published in a future exciting issue of Finance News (could be worth waiting for). The prize for the person giving, what is judged by the editorial staff to be, the best suggestion will be invited to a future meeting of FOG to see first hand what really goes on. Unfortunately we can't afford a second prize.

So who are members of FOG and what does it do? In essence membership of the group is made up of the senior Accountancy/Finance/Systems staff from the Department of Finance (DF) and service departments. The group was set up about 5 years ago as the forum where exciting technical accounting issues could be discussed at a professional but also practical level.

The meetings are usually chaired by Harvey Bullen, Corporate Revenue Manager in DF. This is particularly useful as in his role, as well as having many years experience of dealing with practical issues on accounting and budgeting, Harvey works closely with the Director of Finance on high level issues and

also has contact with senior Members of the Council. This enables him to attend FOG meetings and impart that knowledge and thinking into the discussions as well as being able to appreciate the practicalities of situations.

The range of issues discussed varies from meeting to meeting generally depending on the time of year, and the way the wind is blowing....sorry drifting back to weather mode. The old chestnuts which appear annually are budgeting and year end closedown issues.

More recently issues relating to the FIMS project, such as account code rationalisation, have been on the agenda. Even more recently the treatment of Imprest Account balances in the final accounts as a result of an issue raised by the External Auditors, have been trashed about. I bet you thought it would be boring and dull!!!

The meetings are useful in that they bring together staff from both the Corporate teams in DF and Service Departments and enable everyone to put forward, discuss and agree solutions to technical issues in a practical way.

The meetings are designed to recognise that what on the face of it seems a simple issue to Corporate staff, may have practical implications for Departmental staff. Generally the discussions are amicable, after all we are dull, grey accountants.....perhaps that's where the FOG came from?.

Finally if there are accounting issues which arise during the course of your work that you feel you would like some clarification on, track down your Departmental FOG member listed and raise the issue with them. They will probably already know the answer, but if not they can bring it to FOG.



HARVEY BULLEN

The Departmental FOG members are:

Department of Finance:	Steve Aspin Harvey Bullen Robert Greengrass Alan Lincoln Paul Mason Stephanie Mullarney Chris Upton
Cultural Services:	Susan Bancroft
Education:	Bruce Connors Tony Howard (FIMS project)
Social Services:	John Marjoram Peter Cowap
P&T:	Graham Jermy John Thomson
Chief Executives:	Kelly Keel Neil Leeds
Trading Standards:	Michelle Brasier
NPS:	Glen Reynolds
Fire Service:	Allison Watts
e-Services:	Tim Spooner

Bye for now, and in the words of Crowded House....*Always Take The Weather With You.*

Alan Lincoln 01603 224374
Corporate Accountant



Introducing . . .



John Holland has joined the Strategic Funding and Technical team as the Principal Financial Projects Manager. He was previously at Norwich Union where he worked on various projects including the merger with

CGU and efficiency programmes within the Pensions Operations area.

John is a certified accountant (FCCA) and has also passed the Prince2 Foundation Level exam. His main tasks will be to work on the department's various projects including CPA and Gershon together with monitoring progress of existing ventures such as the Forum.

Outside of work, John's interests include cycling, walking, travelling, reading, listening to music, and he is also a keen follower of sports especially football and cricket. He has recently retired from managing and playing football after successfully leading his team to County and League honours.



Many of John's activities have taken a back seat as he is the proud father of a 19 month old son, Thomas, and finds most of his time and energy is used keeping him entertained.

John can be contacted on 01603 222807.

If you need this newsletter in large print, audio, Braille, alternative format or in a different language, please contact the Department of Finance on 01603 223488 (minicom 223833) and we will do our best to help.



FIMS and friends – working together

The FIMS system – Oracle Financials – which we've been learning to use over the last several months, is the first of a group of Oracle IT applications (making up the Oracle e-Business Suite) that NCC is implementing.

The new HR and payroll system (IHRIS) is also part of this group, and ISSIS, which contains user information covering both Adult Social Services and Children's Services, will use the Oracle database software in time.

Shared system environments and data like this give us great opportunities for improvement and integration – but also mean that we have to work more closely together across the organisation, so that we don't trip each other up!

To ensure that we do work properly together, using our new systems as effectively and efficiently as possible to support the Council's services and meet its business requirements, an overarching body, the Oracle Management Board (OMB) has been set up.

The OMB is chaired by Paul Adams (Director of Corporate Resources and Cultural Services).

Paul Brittain (Head of Financial Management) represents the finance community.

Jane Waring (Head of Corporate Procurement Unit) represents the procurement side.

Jo Quarterman
FIMS Business Manager
01603 223950

FIMS Help? It's 5800!

FIMS helpdesk calls are now (from 1st May) being handled by the CHS Service Desk.



This follows a gradual reduction in calls as we have all become more familiar with FIMS. Calls will be dealt with in the same way – forwarded via the Service Desk to the person best able to answer them.

You just have to dial 5800 instead of 5850 and say that it is a FIMS call.

But don't worry if you dial the old number by mistake to start with – calls will go through to 5800 until the end of the month, and after that there will be a message reminding you of where to ring.

Emails to the FIMS helpdesk will be autoforwarded to the CHS Service Desk mailbox until the end of May.

Introducing . . .

Louise Mijatovic has joined the Corporate Procurement Unit as the System Support Assistant.



Her main tasks will be to support the Oracle iProcurement system by loading and maintaining catalogues. She will also enter and maintain contracts on Oracle and provide a high quality support service.

Louise can be contacted on 01603 (49)5859.

Budgeting Update

Over the last few months, implementation of Budget Preparation within FIMS has been gathering speed. In March and April nearly 60 people were trained in the use of the new system, and the remainder will be trained within the next two weeks.

The training was generally very well received, although one or two users took great delight in breaking the spreadsheets in as many ways as they could! As the training formed part of the testing programme, this wasn't really a problem and all the glitches identified during the training have now been fixed.

In addition to fixing the problems, some suggestions for improvement have been incorporated into the spreadsheet.

The one that will be obvious to users is the inclusion of an additional tab that provides summary totals for each cost centre -

something that will make the spreadsheet easier to use with a range of cost centres. Selecting the CC Summary tab will automatically update the summary, and display the latest figures.

Report formats have been agreed with departments, and the FIMS team will begin developing these in May (as for some reason year-end takes priority at the moment!). We are also working with departments to finalise the processes, so that the system will run as smoothly as possible.

Users should be able to start processing virements in the 2006-07 budget from early May. Once inflation has been added to the budget (probably around July), budget preparation will begin in earnest.

Paul Mason 01603 224427
Financial Services Manager

Cost Centre	Sum of Pre Adjustment Total	Sum of Post Adjustment Total
KF0000	5,329,260	5,381,410
KF0100	158,300	174,300
KF0120	70,610	90,110
KF0121	106,810	106,960
KF0122	243,610	243,610
KF0123	86,900	87,900
KF0130	-112,320	-112,320
KF0131	233,390	249,890
KF0135	158,000	158,000
KF0140	1,460,470	1,460,470
KF0141	263,630	263,630
KF0142	54,170	54,170
KF0144	421,400	421,400
KF0145	94,740	94,740
KF0147	379,240	379,240
KF0148	-340	-340
KF0149	23,430	23,430
KF0300	1,404,770	1,404,770
KF0520	396,300	396,300
KF0590	223,630	223,630
KF0800	624,780	624,780
KF9900	142,640	142,640
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Financial Management under review

One of the key changes agreed by the Cabinet is a strengthening of the professional reporting lines between all finance staff and the Director of Finance. The implementation plan will identify ways in which enhanced two way support can be delivered.

Other key elements of the programme will address the need to invest in developing the skills of our finance teams and compliance with professional standards.

The Cabinet report made a commitment to implement forthwith a more rigorous monthly budget monitoring process which not only reviews what has happened, but also looks forward to identify any financial difficulties lying ahead and actions which can be taken to manage them.

It has also been agreed that there will be a representative from the Department of Finance at the monthly departmental monitoring meetings. This again reflects the close professional link between us all and is intended to support both Chief Officers and the Director of Finance to effectively exercise their respective roles.

The nominated representatives for each department are as follows:

Adult Services: Anna Allison

Chief Executive: Steve Aspin

Children's Services: Paul Brittain

Cultural Services: Harvey Bullen

E Services: Suzanne Sowter

Fire: John Holland

Planning and Transportation: Paul Mason

Regular progress reports will be made through 'Finance News' on the work to review financial management arrangements.

If you have any comments or questions on the review itself or on the contents of this article, please speak with your Financial Management Group member or contact me direct.

Paul Brittain

Head of Financial Management

01603 228977

This newsletter is also available on the intranet.

If you have any interesting articles or news items that could be included in future issues please let us know.

If you (or a colleague) would like more copies or you no longer wish to receive this newsletter, please contact Angie Yeomans 01603 223488 or email: angie.yeomans@norfolk.gov.uk

