

Finance News



News and views for
everyone interested
in finance

Issue 59

November/December 2006

Website payments

Customer online payment facility

A pilot online payment facility enabling customers to pay for goods and services by credit card and debit card via the Council's website is now live. The pilot service is for the sale of Park and Ride season tickets by the Passenger Transport Unit.



We are using HSBC Bank's Secure ePayments system to enable us to process the online payments. Data is captured within HSBC's secure infrastructure and we do not hold customer card details on our servers.

The pilot project has been managed within Planning and Transportation with support from Charles House Services, the Communications team and the Treasury team.

The project involved:

- Creating an online booking form specific to the sale of Park and Ride tickets.
- Using an external software supplier to develop the link from our form to the HSBC secure site.
- Obtaining from HSBC a new Merchant Number, which is a unique identifier for this service.
- Setting up an online "store" within the HSBC secure site for management of the card payments by colleagues within P & T.
- End to end testing of the order to income process.
- Documentation of the technical system, preparation of guidance notes for staff handling customer enquiries and development of financial procedures.

Featured inside:

- ★ Leasing Guidance
- ★ News from Cultural Services
- ★ Purchase to Payment process
- ★ Financial Training update
- ★ Prism
- ★ Budget 2007-08
- ★ Finance News survey results

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Website payments

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The service has also been extended to the sale of school and college travel passes. Roll-out of the facility to other areas will depend on business requirements and interested departments should weigh up the benefits and costs of offering this payment channel. The Communications team and Treasury team can provide advice and support throughout the initial investigation stages.

If a Department wishes to proceed, a business case will need to be presented to Louise Metz, Corporate Web Manager, and her colleagues. On approval of the business case, Charles House Services will build the online form.

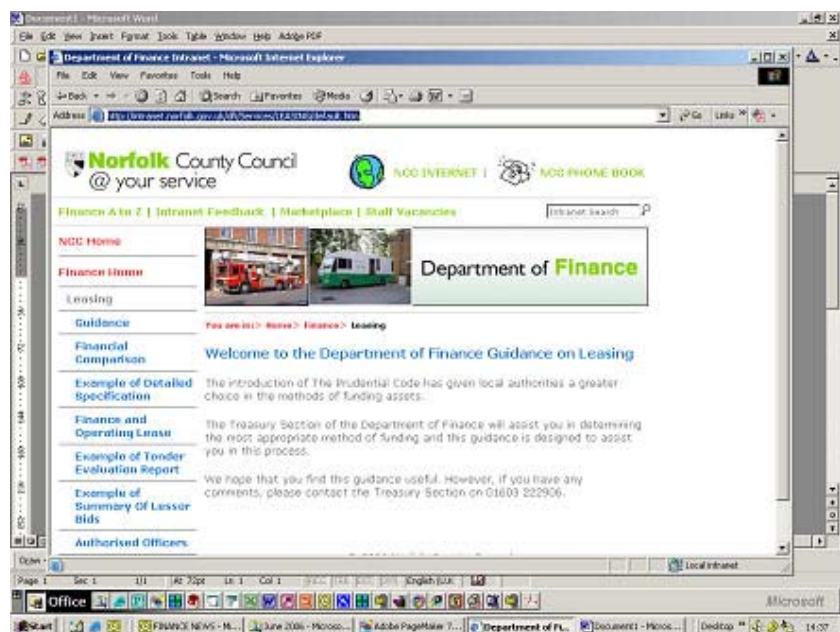
Departments will also need to arrange for their own online store to be set up, appoint an individual to manage the orders and payments, and ensure that associated back office processes are in place. John Newsome will help with these steps. Recurring service charges from HSBC will need to be funded by departments.

For an initial discussion, please contact either Louise Metz, extension 8990 (for website) or John Newsome, extension 8987 (for financials and HSBC liaison).

Leasing Guidance

As an enhancement to the support the Treasury team currently provides on leasing, we are pleased to announce that some comprehensive notes and guidance have been made available on the Intranet. These new pages can be accessed via the Department of Finance home page.

It is hoped that this information will provide additional help to anyone already involved with the leasing of assets, as well as an introduction to anyone who has to consider the funding options available for assets, such as vehicles, for the first time. We would welcome any feedback



Glenn Cossey 01603 228978; Andy Feek 01603 222826; Mandy Kiley 01603 222906

The link below takes you to the leasing information on the DF website:

<http://intranet.norfolk.gov.uk/df/Services/LEASING/default.htm>

News from Cultural Services

Mobile libraries are better than ever!

As two new mobile libraries worth £160,000 head out around Norfolk, residents across the county can now enjoy the use of 20 mobile libraries in total. The majority serve the general public, but other specialised mobile libraries call at schools and centres for the elderly. Each of the new mobile libraries will offer local residents a selection of around 2500 books.

John Gretton, Norfolk County Council's Cabinet member for Cultural Services, said:

"I am delighted that the County Council has been able to invest around £160,000 in these two new mobile libraries for the people of Norfolk. The new mobiles are also much better equipped for staff comfort, and for the first time provide staff with an onboard toilet.

"Mobile libraries provide a very valuable service in a rural county like ours, providing facilities for members of the public, schools, and particularly to elderly members of the community who may otherwise have trouble getting to one of our branch libraries."

Details about Norfolk's mobile libraries service and routes can be found by visiting the website:
www.libraries.norfolk.gov.uk



New arrivals in Norfolk Audit Services

Two new arrivals have joined the NAS team. They are Etienne Swarts and Karen Prior.



Etienne

I have been appointed as Principal Client Manager in NAS. I qualified as a Chartered Accountant in South Africa and moved to the UK 13 years ago. I have worked for PricewaterhouseCoopers, Norwich Union and Beru F1 systems in a variety of financial and operational roles.

Karen

I have been appointed as Client Manager in NAS. I am ACCA qualified and worked for Grant Thornton for the last eight years where I was involved in the preparation of accounts, company audits and provision of national training courses.

Purchase to Payment process summary

Were you aware of Norfolk County Council's best practice purchase to payment process? If not, please read on.

With the introduction of Oracle, NCC's official method of raising purchase orders with suppliers is through i-Procurement, paying suppliers by matching invoices to these purchase orders. The best practice end-to-end process is therefore:

Raise Requisition -> Purchase Order (PO) -> Receipt -> Invoice

1. As a requisitioner, the user raises a requisition via i-Procurement and submits a request for this to be financially approved.
2. If the appropriate supplier is not available, a supplier request form must be completed and sent via the Corporate Procurement Unit (CPU) to the Purchase to Payment team (P2P), requesting that a new supplier be set up with purchase **and** payment site details.

The P2P team will then set up that supplier on Oracle.

- The **purchasing** site allows POs to be created via I-Procurement and sent to that supplier/site
- The **payment** site allows invoices to be entered and paid to that supplier/site

3. An appropriate approver then approves or rejects the requisition. If approved, a purchase order will be generated.

This is done in one of two ways:

- If the requisition was created via a catalogue and a purchase agreement exists, at the point of approval the requisition will automatically generate a PO.

- If the requisition was created via a non-catalogue, **or** a purchase agreement does not exist, then the requisition will fall into the AutoCreate pool, and a buyer will need to intervene to turn the requisition into a PO.

4. If the requisition is rejected, the requisitioner will be notified of this and of the reason for rejection. The requisitioner can amend and re-submit the requisition for re-approval, or create a new requisition and submit this for approval.
5. The PO will then be despatched to the supplier either by XML, email, fax or printed and sent by post.
6. When the goods/services are delivered, the user needs to confirm, on behalf of NCC, that the goods/services provided have been received. To do this the user receipts the requisition in i-Procurement.
7. When an invoice is sent by the supplier:

- If it relates to a PO raised via i-Proc the invoice should be sent directly to the P2P team at Charles House. These invoices are date stamped by P2P to prove the earliest receipt of the invoice within the organisation.

If suppliers send invoices to departments, they are in breach of the terms and conditions as laid out on the PO. Please therefore advise the supplier to send future invoices, quoting PO number, directly to P2P.

- If the invoice does not relate to a PO raised via i-Proc the invoice needs to be sent to the originating department, so as to attach, code and authorise a coding grid. Such invoices must then be batched and sent to P2P Team at Charles House.

These invoices **must be date stamped** to prove the earliest receipt of the invoice with the organisation.

8. A member of the P2P team will then log onto Oracle as an invoice enterer, and record the batch details on the day that they arrive at Charles House. The invoices are then entered progressively according to dates, or urgency. Invoices are entered in two ways:

- **PO invoices received directly at Charles House** are batched, entered and then matched to the PO quoted on the invoice. This is completed via a *Match to PO screen* (which also summarises the status i.e. quantity ordered, quantity received, quantity billed).

This is NCC's best practice and preferred method. By matching in this way the appropriate lines on the invoice are generated with cost code combinations created from PO, and the status of the PO is updated with the quantity and amount billed.

- **Non PO invoices** are entered within the batch (previously logged on Oracle the date the batch was received) with all details manually entered via the invoice and coding grid.

9. All invoices must be 'validated' to ensure that they pass various criteria set by the system. Invoices that pass the validation process are given a "Validated" status, and become scheduled until they are due for payment. The payment due date is always calculated using the *Invoice received date* and the payment terms associated with that supplier.
10. If an invoice fails the validation process, one or more 'Holds' will be applied to the invoice. A hold is created if certain criteria are not met. Invoices cannot be paid until **all** holds have been cleared for that invoice.

11. The following *Matching Holds* (generated by i-Proc invoices) all generate an Oracle Alert, which is an email notification trigger. These emails notify the **requisitioner** that the invoice has been placed on hold, the type of hold, and information such as invoice number, PO number, requisition number, amounts or quantity invoiced per invoice/ PO.

The email alert also provides information and actions required to resolve the hold and who to notify to do so.

- Price - Invoice price exceeds purchase order price
- Quantity ordered - Quantity billed exceeds quantity ordered
- Quantity received - Quantity billed exceeds quantity received

12. *Non matching holds* (generated by non i-Proc invoices) are highlighted on an Invoice on hold report. Individuals will be emailed the key information from this report, and request confirmation that action is required to release the hold and pay the invoice.

13. Batch payment runs or quick cheques are regularly produced to pick up invoices due for payment. For BACS payments (produced first thing every weekday morning) the remittances are sent by email, fax, or printed and posted.

For cheque payments (produced first thing every Tuesday and Friday morning) the remittance is produced as part of the cheque. Payments consolidate if more than one invoice for a supplier is due for payment. 'Pay through' dates are used to pick up and produce payments due at a weekend, or a bank holiday.

14. NCC's preferred payment method is BACS, with remittances being emailed or faxed, rather than printed and posted.

Purchase to Payment process summary

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Roles and Responsibilities

Role	User	Responsibility
Requisitioners	Departmental	<ul style="list-style-type: none"> ● Raise/amend/cancel requisition ● Approve requisitions (in some cases) ● Receipt goods/services ● Investigate/authorise invoice holds ● Request new supplier details (including BACS details) <p>NB: Before ordering construction works you must check that suppliers are CIS registered. If you are not sure please contact Sarah Blyth on (01603) 495796.</p>
Approvers	Departmental	<ul style="list-style-type: none"> ● Approve/reject requisitions
Buyers	Departmental	<ul style="list-style-type: none"> ● AutoCreate orders ● Add lines to/amend orders ● Cancel orders/requisitions ● Close orders (open POs) ● Support-two way with requisitioners, by advice, reports ● Monitor incomplete orders ● Request new supplier details (including BACS details)
Invoice enterers	P2P (some departmental users)	<ul style="list-style-type: none"> ● Enter batch details ● Enter/match invoices to POs ● Enter non PO invoices ● Resolve holds ● Cancel invoices ● Support-two way with requisitioners/buyers, by advice, reports
Supplier Maintenance Users	P2P	<ul style="list-style-type: none"> ● Set up/amend suppliers/sites ● Support-two way with requisitioners/buyers, by advice, reports
Payment Administrators	P2P	<ul style="list-style-type: none"> ● Create batch payment runs (BACS, cheque) ● Create quick payments ● Cancel/re-issue invoice/ payments

Purchase to Payment process summary

Dos	Don'ts
Requisitioners/Buyers	
DO receipt goods and services promptly	DON'T forget to monitor the open status of POs
DO respond to email alerts promptly	DON'T leave or ignore receipting of goods. This will create invoice holds and can severely affect payment performance
	DON'T neglect responding to email alerts. Failure to respond severely affects payment performance
Dept Users	
DO date stamp invoices on the date you first receive the invoice	
DO action invoices promptly upon receipt from a supplier	DON'T hold onto invoices. Failure to pass batched invoices promptly severely affects payment performance (because payment terms are calculated from invoice received date)
DO complete coding grids accurately	DON'T complete coding grids without due care. Any mistake or missing detail results in invoice being returned to originating department. This in turn can severely affect payment performance
DO highlight on invoices if a dispute has arisen with a supplier	
DO batch direct debits, standing orders or CHAPS separately	
DO try to use suppliers already set up on Oracle	DON'T request a new supplier if items can be ordered from a supplier already set up on Oracle who provides the same goods.

If you would like further information on any aspect of this process, please contact either

Jenny Browne, Purchase to Payment Manager, on (01603) 495702,

Anton Bull, e-Procurement Manager on (01603) 224429, or

Alan Chappell, Purchase to Payment Functional Support Manager on (01603) 495852.

Alan Chappell

Financial training update

Training Courses

We have run successful Training days in June for Charles House Services and Cultural Services, with three more dates for Cultural Services in July.

Here are some photos of delegates from CHS and Cultural Services taking part, and I think enjoying, one of the budget planning exercises from these days.



Charles House Services



Cultural Services



Financial training update

A reminder for forthcoming dates for CTD based Finance Courses are:

Finance for Non Financial Managers

20th November 2006

29th January 2007

26th March 2007

Financial Training for RBOs

9th November 2006

10th January 2007

9th March 2007

Technical Update

The next Finance Technical Update will be taking place on 24th November from 1.30pm - 4.30pm in the Edwards Room. This is a special half-day event titled '**Working with iProc**' which will teach you how to get the best out of the system. Details can be accessed via:

<http://intranet.norfolk.gov.uk/dfi/FINANCIAL%20TRAINING/news.htm>

Finance for Project Managers

I am planning some training material to be used as part of the Project Management work that CTD's Peter Jackson is developing. I would be grateful for any suggestions/feedback from project managers as to what you would like included in future "Finance for Project Managers" training material.

Department of Finance intranet site

This has been updated to make it easier to use, improve its appearance and include more content. Updating the web-site is, however, an ongoing process so please let me have any ideas for additional content.

Financial Training web page

The Financial Training web page now includes a simple introduction to Codes and Coding, which can be accessed via the link "Be Coding Aware", or via link below.

<http://intranet.norfolk.gov.uk/dfi/FINANCIAL%20TRAINING/Coding.htm>

We have also included a link to the Society of County Treasurer's website "jargon buster" page. This is useful for explaining that odd financial phrase or unravelling the odd acronym .

Please contact me if you wish to discuss your department's financial training needs.

Peter Roe

Financial Training Manager

01603 222813



Prism is an organisation wide project that is introducing a joined up approach to managing and reporting performance and risk information. The project includes new software to help streamline our existing approaches to performance and risk management and provide more easily accessible data across the organisation. It is also about a step change in our approach to planning, performance and risk management.

From a financial point of view we need to be able to demonstrate that we are directing our resources to the areas of most need and that we are delivering value for money by understanding the outcomes and outputs from services compared to how much is spent. Therefore, the budget planning process needs performance and risk information to help identify the priority areas for the organisation and the monitoring process needs financial, performance and risk information, to assess how well services are being managed and whether we are on course both in terms of budget spend and meeting our performance targets for the year.

Councillors and officers alike need to see the 'bigger picture' and Prism will help us do that by:

- Making more efficient and consistent use of performance and risk monitoring information as well as improving access to data across the organisation
- Integrating planning, performance and risk management activities
- Aligning our organisational structures and plans with our strategic objectives, so we can follow through how investing or developing part of a service helps to deliver the council's objectives – this is known as the 'golden thread'.

Each service has several staff with access to Prism. Some people will update data within the system, whilst most senior managers will have access to view the performance and risk reports.

However everyone with access to the Intranet can see published Prism reports.

CP All Member Briefing Book					
18/10/2006					
Adult Social Services Review Panel Key Performance Indicators					
Adult Social Services Priority frontline service issues: - Waiting times for assessment - Intensive homecare - Unit costs - User reviews and careplans Cabinet Members: - Christian Mowle Chief Officer: - Harold Bodmer, Director of Adult Social Services	ASDD - Monthly Information				
		Actual 05/06	Target 06/07	Actual Sep 06	Target Sep 06
	People aged 65+ with intensive home support (per 1,000 of all 65+)	8.84	8.91	7.10	8.91
	Equipment delivered within 7 working days	87.00	86.00	?	86.00
	Adult social service users receiving Direct Payments (per 100,000 of all 18+)	124.00	150.00	135.60	132.53
	Percentage of people receiving a statement of their needs(AO/D39)	96.10	99.00	61.45	49.46
	Percentage of clients receiving a review (AO/D40)	80.50	80.00	38.32	40.06
	ASDD - Quarterly Information				
		Actual 05/06	Target 06/07	Q1 Result	Q1 Target
	People aged 65+ helped to live at home (per 1,000 of all 65+)	92.10	93.00	76.40	93.00
	ASDD - Annual Information				
		Actual 05/06	Target 06/07	Comments	
	Assessments for adult social services completed within acceptable waiting times	80.10	85.00	Annual data - 0607 data will be available in Apr 07	
	Acceptable time taken for care packages	87.30	90.00	Annual data - 0607 data will be available in Apr 06	

Above is an example of a performance scorecard



The first of these is being published this month and provides a corporate performance and risk report. For the first time it will mean that everyone will be able to look at our performance against our key targets within the corporate improvement plan and view the most up to date version of the corporate risk register.

To reflect how well the Council is performing, each of the indicators within the Corporate Improvement Plan is allocated a performance symbol. The symbol shows how well the indicator is performing against its target.



Performance is on target or better than target



Performance is within tolerance



Performance is worse than tolerance set for the indicator



There is insufficient information to assess performance



There is insufficient information and no target

For more information please contact your departmental Prism representative shown at <http://intranet.norfolk.gov.uk/cex/Policy/perfman/ProjectOrg.htm> or contact the Prism team at prism@norfolk.gov.uk

FIMS training programme until end of 2006



Please note that courses may be cancelled if there is insufficient take up.

November

GL02:	GL Input, Posting, Reporting	1 November 2006 - Carrow House
AR02:	AR Invoice Processing	15 November 2006 - County Hall
GL02:	GL Input, Posting, Reporting	17 November 2006 - Carrow House
GL02:	GL Input, Posting, Reporting	28 November 2006 - Carrow House
AR02:	AR Invoice Processing	29 November 2006 - County Hall

December

AR02:	AR Invoice Processing	5 December 2006 - County Hall
GL02:	GL Input, Posting, Reporting	8 December 2006 - Carrow House
AR02:	AR Invoice Processing	18 December 2006 - County Hall
GL02:	GL Input, Posting, Reporting	19 December 2006 - Carrow House

Finance News Survey

A few months ago we ran a survey to find out what you think about Finance News. As in the previous survey, the results were encouraging, with most people finding the articles pitched at about the right level, and three-quarters either reading Finance News thoroughly or concentrating on particular articles.

One of the questions that the editorial board has often discussed is whether Finance News should now become essentially an online publication, with hard copies only for readers without access to the Intranet. However, the survey showed that respondents want us to remain *as is* at present. Nearly all those who replied had access to the Intranet, but over three-quarters said that they would prefer to receive their copies by post in future.

Reasons included finding a paper copy easier to read, and handy to pick up during a lunch break or similar.

One respondent said that he spent too much time at the computer screen already, so he wouldn't read Finance News if it was only available in this format!

There were also some useful suggestions for future articles, some of which we have incorporated since the survey. Thank you to everyone who responded – your answers and comments will help us to provide you with useful and relevant information.

Doris Piper
01603 638133



Budget 2007-08

The 2007-08 budget preparation guidance information has recently been issued to Chief Officers, Financial Management Group (FMG) and the Finance Officer Group (FOG). If you are involved in budget preparation and have not seen a copy of the guidance you should initially contact your departmental FOG representative, or refer to the DF intranet site where the guidance is posted by following the link below.

<http://intranet.norfolk.gov.uk/dfi/A-Z/Accounts%20information/2007/budplan0708.doc>

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.



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