



Our vision is to have a sustainable population and socially and economically thriving communities with a focus on our quality of life, natural heritage, and Gàidhlig language and culture.

ACCOUNTANCY & EXCHEQUER SERVICES

SERVICE BUSINESS PLAN

For the Period 1 April 2024 to 31 March 2025

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INTRODUCTION

- 1.1. I am pleased to introduce the Service Business Plan for 2024/25 which sets out our outcomes and priorities for the coming year. This is the main annual business planning document for the service. It reflects the Comhairle's key priorities as set out in the Corporate Strategy 2024-2027 and provides an overview of the service's main areas of activity.
- 1.2. The Accountancy and Exchequer Services business unit provides a range of support both internally to the Comhairle and externally to the community and aims to ensure the effective management of the Comhairle's financial resources. The Service also ensures completion of financial and statistical returns to Government bodies, the Chartered Institute of Public Finance and Accountancy (CIPFA), HM Treasury, National Fraud Initiative, etc., and submits claims to regulatory bodies on behalf of Comhairle departments involved in externally funded projects / programmes.
- 1.3. The five services within Accountancy and Exchequer Services help to ensure that the Comhairle operates successfully in an increasingly complex and challenging environment, and although diverse, each service is essential to the running of the council and the delivery of its vision, values and priorities.
- 1.4. **Accountancy** – The service is currently organised around two operational areas covering corporate and revenue activities, as follows:
 - Corporate - Monitoring of the expenditure on the Capital Programme for accounting purposes; monitoring of Capital Budgets; completion of capital and treasury elements of Annual Accounts; ensuring adequate insurance cover for the Comhairle's properties and employees and managing claims process; management of Treasury function which includes banking, cash flows, money market transactions and the portfolio of long-term debt. Co-ordination role with regards to the production of the Annual Accounts and the budget setting and monitoring processes; management and administration of the Financial Management System; and VAT accounting advice.
 - Revenue - Provision of service accountancy to departments and Members including provision of advice and support on a day-to-day basis, budget preparation and monitoring and year end processes leading up to the Annual Accounts. This team not only provides support to specific project teams and working groups as required by services, but also provides support to Trading Operations.
- 1.5. **Customer Services** – The team is comprised of staff from the Faire Service, the Comhairle Reception, Switchboard, Registration and Customer Service team located in Comhairle offices at Sandwick Road, Stornoway. They are complemented by the customer facing staff in the Balivanich, Castlebay and Tarbert area offices.
- 1.6. **Payroll and Business Management** – The service provides a comprehensive and efficient business and resource management service to the Strategy Department, including the coordination of the Department's business planning process and budget preparation and monitoring. The Business Manager is also the departmental representative on a number of corporate groups, for instance, Best Value and Records Management Working Group. The Unit provides a range of services, including Payroll, Pensions, Systems Administration and Corporate Postage. Ensuring employees are paid, pension returns are submitted and systems are updated, along with making sure that they are working effectively.
- 1.7. **Purchase to Pay** – The service is responsible for the payment of all the Comhairle 's suppliers as well as other payments, such as Housing Benefits and grants and includes the management of the Civica system which enables department's to place orders / process payments.

1.8. **Revenue and Benefits** - The service is currently organised around two operational areas, as follows:

- The Revenues area of the service is responsible for the collection of Comhairle income for Council Tax, Non-Domestic Rates and Sundry Debts, ensuring that: that local taxpayers are properly billed and that all debts are properly accounted for; all debts are pursued and recovered; and customers are assisted courteously and efficiently, in paying their debts and in seeking advice on revenues matters.
- The Benefits service are responsible for: receiving, assessing and paying claims for Housing and Council Tax Benefit and the Welfare Fund; providing advice on claiming Housing and Council Tax Benefit; and also giving advice about claiming other related Welfare Benefits including Macmillan.

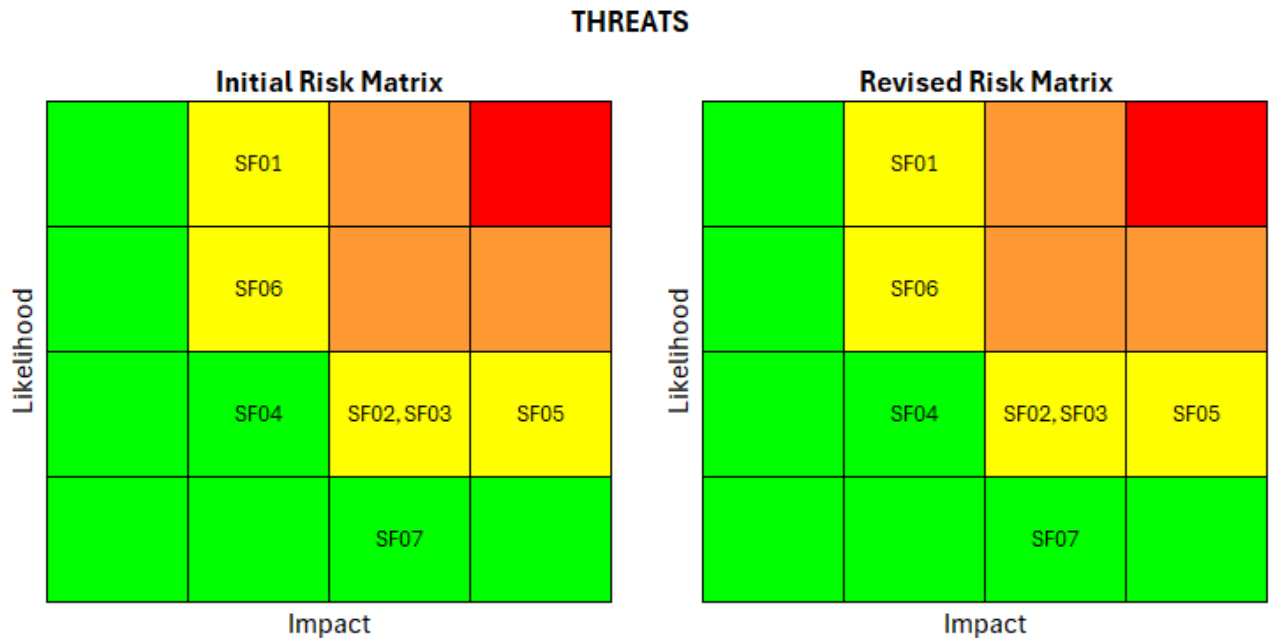
Accountancy and Exchequer Services also include Financial Inclusion staff who assist individuals to claim benefits to which they are entitled but which for some reason they have been unable to access. Similarly, the Macmillan Benefits officer assists cancer sufferers with accessing and maximising the benefits to which they are entitled, and Finance Assessment staff undertake social care financial assessments and billing in respect of residential care recipients.

Norman MacDonald
Chief Financial Officer

KEY AREAS OF RISK FOR THE YEAR AHEAD

- 2.1 The Comhairle currently recognises three levels of risk: Strategic risk aligned to the Comhairle’s Corporate Strategy; Operational risk aligned to Service Business Plans; and Project risk concerned with specific projects.
- 2.2 Operational risks represent threats that may affect the achievement of service business plan actions, and the Service has identified significant risks for the coming year which shall be reviewed periodically.
- 2.3 The Initial Risk Matrix at Figure 1 represents the current risk profile of the Service, and the Revised Risk Matrix represents the target risk profile once risk actions have been successfully implemented. 2.4 contains a list of identified risks, categorised by risk treatment.

Figure 1: Accountancy & Exchequer Services’ Operational Risk Matrices



- 2.4 The Service has identified seven threats which are all within the Comhairle’s Risk Appetite and therefore no further action is being taken to reduce these risks:

Risks retained (acceptable level of risk)

7 risks identified are at an acceptable level and will continue to be monitored.

- SF01 No longer required to deliver a Housing Benefit Service
- SF02 IT systems unavailable
- SF03 Breaching the threshold for VAT partial exemption.
- SF04 Inadequate cover for all Insurance risks
- SF05 Loss of cash resources
- SF06 Loss of expertise and knowledge due to staff turnover
- SF07 Payment made in error - creditors bank details, overpayment of hours/OT, use of procurement card.

- 2.5 Elected Members can view the full risk register in the Comhairle’s performance management system, Interplan, within the Integrated Risk Management (IRM) module.

DELIVERING THE SERVICE BUSINESS PLAN AND ACHIEVING BEST VALUE

Strategic Outcomes

- 3.1 Accountancy and Exchequer Services contribute to the strategic outcomes: *1.1.3 Investment in our buildings and infrastructure maximises effectiveness of available internal and external funding source, 4.1.1 Communities are empowered and continue to be at the heart of our decision making, 4.1.4 Efficient and sustainable services are provided to the community and 4.1.5 Effective governance of the Comhairle is in place* to support the delivery of the Comhairle’s Strategic Priorities.

Best Value

- 3.2 In working towards the four strategic outcomes, the service aims to ensure that there is good governance and effective management of resources, with a focus on improvement, to deliver the best possible outcomes for the public and to make arrangements for the reporting to the public of the outcome of the performance of its functions. Table 1 lists the service outcomes established to support the delivery of the Service Business Plan (SBP) and to achieve Best Value.

Table 1: Service Outcomes

Delivering the SBP and achieving Best Value
<p>Service Outcomes</p> <ul style="list-style-type: none">• Accountancy and Exchequer Services demonstrates the highest standards of integrity.• The service, in partnership, achieve Best Value in the delivery of its services.• The service demonstrates continuous improvement.

MEASURES AND ACTIONS

- 4.1 The Accounts Commission’s [Best Value in Scotland](#) Report (2023) highlights “the pressures and spending constraints facing councils - increasing demand for services and a real-terms reduction in funding. In this context it is more critical than ever that councils secure and demonstrate Best Value.” The performance measures for the Service are detailed in Tables 2-5.
- 4.2 The Corporate Strategy was reviewed in 2023 to ensure that it continues to state and communicate the ambition, aspirations and commitments of the Comhairle. The overarching aim and ambition of the Corporate Strategy 2024-2027 is to retain and increase the population of the Outer Hebrides. It takes account of national priorities and local needs but does not include actions to achieve its strategic outcomes as these have been developed by the Corporate Management Team and included in the appropriate SBP for monitoring and reporting to ensure that the Comhairle’s mission is achieved. The actions for the Service are detailed in Tables 6.

How we will measure our performance

- 4.3 The tables below are grouped by Strategic Priority and include the Corporate Strategy ‘Measures of Success’ Strategic Outcome KPIs that the service contributes to, the Local Government Benchmarking Framework (LGBF) SPIs that the service have prioritised for improvement, and the LPIs chosen by the service to strengthen its focus on improvement.
- 4.4 Each performance measure includes the baseline year and data, the target for 2024/25, and the aspirational target for 2030.

Strategic Priority 1.1 Strengthen the local economy.

Strategic Outcome: 1.1.3 Investment in our buildings and infrastructure maximises effectiveness of available internal and external funding source

Table 2: Performance Measures

Measure (KPI title)	Baseline 2013-18	Outturn 2018-23	Budget 2023-28	Service
1.1.3.CS04 - Capital projects expenditure (excluding community projects funded through capital grants).	£75.5m	£92.6m	£37m	Accountancy
1.1.3.CS05 - Number of capital projects completed / underway / started.	97	153	36	Accountancy
1.1.3.CS06 - Percentage completion of capital projects budget spent.	83%	84%	N/A	Accountancy
1.1.3.CS07 - Percentage of capital projects completed that are within budget.	93%	*	*	Accountancy

* Removed from business plan, as performance against budget is presented periodically to the Policy and Resources Committee in the Capital Monitoring Reports.

Strategic Priority 4.1 Deliver Community Leadership.

Strategic Outcome: 4.1.1 Communities are empowered and continue to be at the heart of our decision making.

Table 3: Performance Measures

Measure (KPI title)	Baseline	Target 2024/25	Target 2030	Service
4.1.1. AFR029: Sundry Debts - Percentage collected in year.	2010/11 82%	87%	89%	Revenues and Benefits

Strategic Outcome: 4.1.4 Efficient and sustainable services are provided to the community.

Table 4: Performance Measures

Measure (KPI title)	Baseline	Target 2024/25	Target 2030	Service
4.1.4.CS09 - AFR036: Benefits administration – average processing times for new Housing Benefit and Council Tax Reduction claims.	2019/20 30.49 Days	25 Days	23 Days	Revenues and Benefits
4.1.4.CS10 – AFR037 (A): Housing Benefit and Council Tax Reduction – accuracy of processing.	2019/20 100%	100%	100%	Revenues and Benefits
4.1.4.CS11 - Scottish Welfare Fund – Initial Processing Times (Working Days) for Crisis Grants Same working day.	2019/20 1.04	SG Target 2 Days	SG Target 2 Days	Revenues and Benefits
4.1.4.CS12 - Scottish Welfare Fund – Initial Processing Times (Working Days) for Community Care Grants, within 15 working days.	2019/20 82%	90%	90%	Revenues and Benefits
4.1.4. AFR017 (LGBF: CORP8): Percentage of invoices sampled that were paid within 30 days.	2021/22 90%	92%	92%	Payroll and Business Management
4.1.4. AFR026 (LGBF: CORP4): The cost per dwelling of collecting Council Tax.	2021/22 £20	£18	£20	Revenues and Benefits

Measure (KPI title)	Baseline	Target 2024/25	Target 2030	Service
4.1.4. AFR008: Percentage of financial transactions paid on time to employees and members.	2014/15 100%	95%	95%	Payroll and Business Management
4.1.4. AFR023: Non Domestic Rates (NDR) - Percentage collected in year.	2014/15 96.24%	98%	97%	Revenues and Benefits
4.1.4. AFR027: The cost of collecting Non Domestic Rates (NDR) per chargeable property.	2019/20 £59.83	£58	£58	Revenues and Benefits
4.1.4. AFR028: Sundry Debts: cost per invoice.	2019/20 £15.90	£15	£15	Revenues and Benefits
4.1.4. AFR030: Housing Benefit and Council Tax Reduction: YTD average number of days taken to process a change in circumstances.	2014/15 7 Days	DWP Target 10 Days	10 Days	Revenues and Benefits
4.1.4. AFR041: Annual accounts completed on time and number of qualifications zero.	2014/15 100%	100%	100%	Accountancy
4.1.4. AFR051: Cost of Payroll Service per transaction.	2014/15 £10.07	£11	£10.50	Payroll and Business Management
4.1.4. AFR052: Cost of processing Creditors invoices (£ per inv.).	2014/15 £2.57	£3	£2.55	Payroll and Business Management
4.1.4. AFR054: Comhairle budget set in line with timetable.	2014/15 100%	100%	100%	Accountancy
4.1.4. AFR065: Percentage of Registration entries without corrections (Jan-Dec).	2017/18 92%	94%	94%	Customer Services
4.1.4. AFR094: Average time taken to complete a financial assessment (Days).	2017/18 34 Days	30	30	Revenues and Benefits

Strategic Outcome: 4.1.5 Effective governance of the Comhairle is in place.

Table 5: Performance Measures

Measure (KPI title)	Baseline	Target 2024/25	Target 2030	Service
4.1.5.CS01 - AFR050: Percentage of income due from council tax received by the end of the year.	2019/20 96.2%	96%	96.5%	Revenues and Benefits
4.1.5.CS02 - AFR006 (LGBF: CORP1): Support services as a % of total gross expenditure.	2019/20 5.8%	5%	4%	Accountancy
4.1.5.CS03 - Irrecoverable debts written off in financial year (£,000). (Trend)	2020/21 £109k	N/A	N/A	Accountancy
4.1.5.CS07 - Total useable reserves as a % of council annual budgeted revenue. (Trend)	2019/20 22.3%	N/A	N/A	Accountancy
4.1.5.CS08 - Uncommitted General Fund Balance as a % of council annual budgeted net revenue. (Trend)	2019/20 3.2%	N/A	N/A	Accountancy
4.1.5.CS09 - Ratio of financing costs to net revenue stream - General Fund. (Trend)	2019/20 8.43%	N/A	N/A	Accountancy
4.1.5.CS10 - Actual outturn as a % of budgeted expenditure. (Trend)	2019/20 97.81%	N/A	N/A	Accountancy

What actions we will take

- 4.5 The SBP strengthens the links with the Corporate Strategy and the LOIP. The actions take into consideration the key areas of focus identified at section two whilst focusing on progressing the strategic outcomes.

Strategic Priority: 4.1 Deliver Community Leadership.

Strategic Outcome: 4.1.4 Efficient and sustainable services are provided to the community.

Table 6: SBP Actions

Action	Service
4.1.4.3 Co-ordinate the production of the Comhairle's budget in line with the timetable	Accountancy
4.1.4.4 Produce Annual Accounts by the statutory deadline with no qualifications	Accountancy
4.1.4.19 Implement and monitor the 2023-28 Capital Programme.	Accountancy
4.1.4.20 Implementation and development of cloud-based version of Civica Financials	Accountancy
4.1.4.21 Implementation and development of cloud-based version of Capita Revenue and Benefits	Revenue and Benefits
4.1.4.22 Implementation and development of cloud-based version of Zellis HR / Payroll System	Payroll and Business Management
4.1.4.23 Implementation and development of the Creditors and Purchasing modules of the cloud-based version of Civica Financials.	Purchase to Pay
4.1.4.24 Review and develop the Customer Service Strategy for implementation within the Comhairle term, including the implementation of new IT solutions.	Customer Services

RESOURCING THE PLAN

- 5.1 The funding and staffing resources identified to implement our SBP is summarised in Tables 7 and 8 as per the budget approved by Comhairle in February 2024 and the annual budget setting salary estimates exercise.

Revenue Budget 2024/25

- 5.2 Accountancy and Exchequer Services has a Net Revenue Budget of £4.4m, which is allocated across the service within the sections detailed in Table 7.

Table 7: Net Revenue Budget by Service Profile 2024/25

Detail	£	%
Accountancy & Exchequer Services	2,799,466	64%
Finance Strategy & Other Corporate Services	1,179,525	27%
Requisitions	389,340	9%
Total	4,368,331	100%

Capital Budget 2024/25

5.3 There is no Capital Budget for Accountancy and Exchequer Services.

Service Employees

5.4 Accountancy and Exchequer Services has 67.2 FTE employees working across the service within the sections listed in Table 8. We support these employees to deliver their duties through a range of policies including personal appraisal and a robust training framework.

Table 8: FTE Employees

Service Profile	Number of FTE employees
Accountancy	13.2
Customer Services	20.0
Payroll and Business Management	10.6
Purchase to Pay	3.5
Revenue and Benefits	19.9
Total	67.2