

CONSUMER FOCUS FINANCE AND OPERATIONS

Director Finance and Operations: Graham Clark

1 ACCOMPLISHMENTS SINCE LAST BOARD MEETING

1.1 Finance

- Year end closed, many historical issues cleared up during process,
- Audit field work completed with unqualified National Audit Office report, confirming True and Fair view (subject to A&R review and final close processes)
- Technical issues surrounding upload of Fixed Asset register to COA (accounting system) module, partially resolved, work continues with the support of COA, testing taking place on those elements already resolved
- April 2010 period closed as per plan, May is complete but not reconciled and will form the basis of the management accounting reporting in June
- GPC review under taken and reduction in number of cards and a change to who has them has been completed. The new cards will be issued during June.
- COA annual database maintenance carried out. A new Finance server has been built and the updated version of COA is currently being tested in the new test environment. Once active in live the new Finance server should improve stability and performance.

1.2 HR

- 2 x policy consultation processes completed. Feedback/decisions incorporated into policy and published in staff handbook. Last group due to complete 9th July and publish shortly after.
- In June we delivered just over double the amount of training courses than we did in the previous month, courses were mainly around performance appraisals and the process.
- Performance appraisal process developed and consulted on. Training delivered to managers across all nations and appraisee training scheduled throughout May. NI planned for one full day including appraiser and appraisee.
- Worked closely with Cabinet Office, Treasury and Xafinity to provide solution for employees who are being made redundant in light of the Judicial Review and the impact on the Civil Service Compensation Scheme.
- Managed two/three potential grievances and one grievance that went through to appeal stage.
- 2 x new HR Managers started. Working to transfer knowledge to individuals and build up relationships with client group.
- Work underway on building the HRPro system – data being migrated currently.
- Provided advice and guidance in relation to potential redundancy situation.
- Continued to build upon Line Manager briefing notes and issuing routinely for managers on a variety of issues.
- Workshop style sessions being held on revised HR policy and process. Flexi-time workshop delivered to Scotland – planned for across the organisation.
- Competency working group established – first meeting planned 3rd August

1.3 IT

- IT Service Desk in May – 509 incoming requests, 495 completed, 191 pending
- Service availability in May – 99.946% overall availability during operational hours
- Finance system work – Rebuild client side application server, database maintenance work and refresh of test environment from live completed. Proper test environment now available and overall finance system performance has greatly improved.
- IT weekly and monthly preventative maintenance tasks now implemented
- HR system server has been built and software installed. 3rd party configuration work and data import under way
- A review of BT line rental and usage tariffs have resulted in a predicted annual saving of £6k
- New IT policies and procedures have been for final consultation and a recommendation is on its way to SMT requesting formal acceptance.
- IT team annual appraisals have been completed

1.4 Property and Procurement

- Belgrave House transferred back to HMRC on 23 June at nil cost.
- St David's House surrendered at £90k (no VAT) saving £47k on costs of remaining term.
- Benchmarking, Records Management, ePIMS, and Procurement trackers handed over to Business Support and NSMC.(2 temp staff leaving).
- Accent dispute still in negotiation. Court case avoided.

2 CHALLENGES RUNNING UP TO NEXT BOARD MEETING

2.1 Finance

- Create new organisational structure in COA (accounting system)
- Phasing and input into COA system of detailed budgets (this was delayed due to post election cuts and re organisation)
- Management Accounting information to be issued without budget comparisons and in the "old" structure for April and May 2010.
- Finance Manager will be off sick during September/October/November, suitable support arrangements need to be put in place to cover the work load and system expertise
- Additional demands on department caused by the budget cuts and the reduction in days of the prompt payment target, coinciding with the holiday period, will be difficult to support at current resourcing levels
- Write new expenses policy
- Set up management accounting detailed reports for financial year 2010
- Complete returns for Scottish Government funding projects
- Implement electronic authorisation of invoices (so there is no need to hand sign an invoice to authorise payment) – this will be the pre cursor to a campaign to promote the pre use of PO's and the Goods Receipting of services and goods when they are complete, so that invoices can be sent directly to Cardiff and we drive to the organisation to handling paper copies of invoices only once.
- Upgrade to v6 patch 4 of COA software (currently V6 patch 2) – this resolves many bugs and issues with the system

2.2 HR

- Continue knowledge transfer / relationship build for two HR Managers. Induct new HR Manager when she takes up post 5th July. Will need integrating and visibility, particularly in relation to point of contact for London.
- Complete project in relation to policy consultation.
- Monitor implementation of revised policies and review where appropriate and as agreed.
- Roll out workshop style training of HR policy / process. Starting with flexi-time.
- Developing and implementing full equality & diversity audit of the organisation.
- Benchmarking E&D – gender, pay gap etc.
- Monitoring the changing situation in relation to pensions and the civil service compensation scheme.
- Provide employees with advice and support in relation to the above, in a moving environment.
- Provide support, advice, guidance on potential of redundancy and all the implications they involve.

2.3 IT

- Knowledge Base risk identified – Current 2 year software lease expires in December, no budget provision has been made by the Energy team (or IT) to renew it. This system holds all the knowledge relating to energy and postal issues and is used internally by the EHU and externally by stakeholders such as Consumer Direct and Citizens Advice Bureaux as well as by consumers themselves. Costs and possible alternative solutions need to be investigated.
- Potential medium to long term IT savings identified by changing wide area network service provider and telecoms provider. Initial estimates indicate potential savings of £25k in year 1 and £60k in years 2 and 3. More detailed planning and investigation to be done over the next few weeks prior to any procurement activity starting. Ideally changes would coincide with London and Cardiff office moves.
- Mobile phone costs have already been reduced by £3k per quarter by reviewing Vodafone tariffs. A second phase review is now underway to identify opportunities to cut costs by reducing the number of connections across the organisation. We currently have 102 mobile phones and 26 mobile data dongles.

2.4 Property & Procurement

- Bournemouth - negotiating a letting on part rent plus rates and service charge.
- Decision on Artillery House move currently still on hold at BIS
- Meeting OGC to gain support for lowest cost solution re Cardiff.
- 60% saving on stationary costs agreed with Banner (£20k)
- £27k savings to date on travel
- Second round of Procurement training at Glasgow. (NB Paul Howe leaves in a few weeks time.)

2.5 Legal

- We met with the claimants for court facilitated mediation on 16th June. The result on the day was good with a positive resolution. We are now working over the next four weeks turning principles into detail. I am waiting for the final bill from our solicitor but the over cost is less than the provision set aside in the 2009-10 accounts.