

# INTERNAL AUDIT

## SERVICE PLAN 2004/07

### 1. SERVICE DESCRIPTION AND PURPOSE

- 1.1 Internal audit is an assurance function that primarily provides an independent and objective opinion to the organisation on the degree to which the internal control environment supports and promotes the achievement of the organisations objectives. It objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic, efficient and effective use of resources.

The Local Government Acts and, in particular, the Accounts and Audit Regulations 2003 make this a statutory requirement in local government. The level of service provided is therefore substantially directed towards the financial responsibilities of the Council.

The Council's elected members look to the Chief Finance Officer for assurance that the integrity of the Council's financial and other systems is not compromised. The service undertakes a systematic programme of audits to give that assurance.

The Chief Finance Officer has a statutory responsibility to ensure that all reasonable steps are taken to prevent fraud and financial irregularity.

Chief Officers also look for security and confidence that satisfactory audit reviews give them in the operation of their Services and Departments.

- 1.2 The Service is responsible for reviewing core controls in key financial systems and across all other Council activities in line with the audit plan. Investigate fraud/financial irregularity. Enforce and keep under review financial regulations.
- 1.3 The work of Internal Audit is planned in advance to ensure that there is reasonable coverage of all Council activities. With the resources available it is not possible to cover all activities within one year and with the risk involved the resources to do this could not be justified.
- 1.4 The Internal Audit Service plans, over a four-year period, to review all Council activities, although some key activities are looked at every year. The plan now utilises a risk-based approach providing a more objective view of where Audit resources should be concentrated.
- 1.5 The main areas of audit work are as follows: -
- **Managed Audit** – this work involves reviewing the main financial systems of the Council to ensure that they provide adequate controls to protect against fraud and error. External Audit reviews and places reliance on this work when forming an opinion on the Council's accounts and overall control environment.
  - **Planned Audit work** – over a four year period the Internal Audit section will review all the Council's activities to ensure that they are undertaken with sufficient attention to financial procedures and regulations.

- **Specialist Audit Work** – firstly computer audit recognises that most Council financial transactions rely heavily on computer systems and for that reason it is necessary to understand the controls within those systems to prevent fraud and error. Secondly, contract audit recognises that the Council relies on others to deliver a range of services and it is important that these contracts are properly regulated.
- **Strategic Audit** – this covers work connected with Council strategies, policies, procedures and rules. The Council needs to review its Constitution, Financial Regulations and Procedure rules on a regular basis. Internal Audit is responsible for Financial regulations and some elements of the constitution. Internal Audit also has a role to play within Best Value and Comprehensive Performance Assessment.
- **Management Audit** – the application of the three “E’s” in the pursuit of value for money is inherent in all audit work. However, management reviews and in particular VFM audits are periodically undertaken. They may emanate from specific requests or from the audit plan itself. The reviews involve particular functions or facets of services and some take the form of an investigation, others are specifically value for money audits.
- **Fraud and Corruption** – there are two specific approaches adopted in this arena. Firstly every year a fraud and corruption audit is undertaken as part of the managed audit concept. This ascertains the level of anti-fraud and corruption controls in specific areas. Secondly irregularity (suspected or actual) is investigated.
- **Internal Check** – currently the Internal Audit section undertakes a number of routine duties. In many cases they provide the final check and balance before transactions can proceed. In parts this reflects the difficulty of providing adequate separation of duties within an organisation of our

1.6 The service is involved in partnership projects with the Derbyshire Audit Group and has joint working arrangements with our external auditors. Training and Computer Audit sub groups have been established.

1.7 The service is provided to a range of internal clients and certain external agencies.

Chief Finance Officer	Staff and Members
Chief Executive	District Audit - Managed Audit
Corporate Management Team	EMDA - SRB
Divisional Managers	Indirectly - the Public
Unit Managers	

1.8 The purpose of the Internal Audit Service is to support management in relation to corporate governance, risk assessment and the internal control environment. This is facilitated by providing an efficient service to the Council and our clients which assists effective delivery of our services.

1.9 The ultimate aim of the service is to add value to the Council and provide Members, management, staff and our partners with a quality service.

- 1.10 Internal Audit conforms to all the major requirements of the current CIPFA Code of Practice for Internal Audit 2003.

## 2. OPPORTUNITIES AND CHALLENGES

### 2.1 The Corporate Related Challenges are as follows:-

- **Community Planning** – this will create a greater focus on meeting the needs of customers and for our services to demonstrate that they achieve this. Best Value and associated performance management indicators will increase the need to provide audited statistical information that demonstrates that this is being achieved.
  - *Internal Audit will endeavour to meet the needs of its clients by advising on the way in which their services can become more customer-focussed. Ensuring that performance indication is based on like for like comparison.*
- **Corporate Governance** - the application of the Turnbull report to ensure all organisations have sound systems of control.
  - *Internal Audit will continue to embrace the principles of corporate governance in all aspects of their work and will expand on their approach to ensure conformity to non-financial legislation.*
  - *Risk assessments will be applied more rigorously within the audit planning process as we enter an intensive period of change.*
- **Council Finances** – the Council has limited resources. We need to make sure that they are used most effectively and appropriately by having sound systems to manage and monitor council finances. In addition we must ensure that administration is kept to a minimum so that resources are focussed on the delivery of services to the public.
  - *Internal Audit adopts the system based auditing approach and this is applied to the Council's financial systems to ensure their integrity. The Council lacks procedural and instruction manuals, many managers who have been charged with reversing this situation are looking to audit for assistance as audit system notes provide a sound base*
  - *The Service will need to rewrite a significant amount of system documentation during the period that this plan covers.*
  - *The Audit and Accounts Regulations were revised during 2003 and the changes are being implemented.*
- **Audit Commission Code of Audit Practice** – signals central government's continued commitment to securing the highest standards of probity within local government. This also links closely to the role of Internal Audit in helping to monitor the procedures in place within the council to achieve these high standards.

- *The application of an Anti-Fraud and Corruption Strategy and the heightened awareness to fraud including the promotion of the audit service in this role contributes to achieving the standards required within the code. System auditing plays a major role in this process.*
- **E-government** – offers the opportunity and prospect of government funding to change the way we deliver services to our customers using IT. At the same time the targets for achieving e-government are extremely challenging.
  - *The use of technology is at the forefront of improvement in services, however this is not without risk. The service is concentrating on the control aspects of introducing E-Government as it believes that only secure technology should be introduced. Internal Audit is examining ways of applying technology to its own operations and to this end is interested in using a number of interrogation packages such as IDEA.*
- **Risk Management** – we need to look at ways to minimise risk and implement recommendations made by the District Auditor in this area.
  - *The Service now applies a risk approach to prioritising its work, the principles involved in this are akin to risk management in the corporate sense and therefore these will assist in the business risk process.*
  - *The Service intends to use the Derbyshire Audit Group risk assessment methodology from 2004 onwards.*
  - *The level of risk is likely to increase during this period as a result of significant changes in systems, working practices and methods of service delivery.*
- **Other ways of delivering services** – we need to be open to other ways of delivering services if this means lower costs and/or a better service. This does not always have to be outsourcing but could involve closer working/partnerships with other councils so that we can share knowledge and expertise. This also includes considering the implementation of the Procurement Strategy, which sets out approaches to delivering council services including purchasing goods and services.
  - *The challenges of E-Procurement, including the implication of the egan principles and the use of purchasing consortia are being examined.*
  - *The service already works in a form of partnership with the District Audit within the managed audit approach. The service may also look for support from another partner to facilitate the more technical aspects of computer audit.*
  - *South Derbyshire's is an active member of the Derbyshire Audit Group and is involved in a number of joint working arrangements including e-procurement, e-security and automated payments.*
- **Comprehensive Performance Assessment** - the introduction of this assessment to determine the performance of individual authorities is a major shift in emphasis. Whilst embodying much of the best value work on services it aspires to score a council's overall performance.

- *Internal Audit will need to continue their involvement in this process and ensure that improvement plans are integrated into the Councils management and systems infrastructure.*

## 2.2 The **service related challenges** are as follows:-

- **CIPFA Code of Practice for Internal Audit in Local Government** – A new edition of the code was released during 2003 and this is the main governing code for the Service.
  - *The Service meets all the main requirements of the new code (independence, status, objectivity etc) but further work is required on the more detailed elements of the code.*
- **Replacement of Computer Systems** – our computer systems although still functional for our local needs are not capable of meeting the government's E- agenda and therefore there is an urgent need to replace them. The financial suite, including the revenue systems, is the prime requirements for the division.
  - *The service will face a number of daunting tasks involving the documentation of the replacement systems and evaluating the control criteria, this will include the interfacing with other systems and the E-Agenda. The service is advising on the proposed replacement Financial Information system.*
  - *Delays in the implementation of these systems have affected the audit planning process.*
  - *Our existing systems are well proven and relatively sophisticated in the process arena albeit not so accessible in information terms. It is becoming apparent there will be a need for interim/replacement arrangements in certain areas and it will be necessary for these to be assessed.*
- **Service Delivery changes** - represents a significant challenge in that the "E" agenda and the Procurement approach is leading to significant changes in either the Council Services and/or the way these are delivered.
  - *The introduction of new technology and different methods of delivery with all the consequences of integrating these into the overall system is a major project management exercise. Communication improvements embodying call centres, one stop shops, sophisticated switches and piped-in services require implementing and operating in a controlled manner. Internal Audit will need to map these initiatives and ascertain whether management has implemented controls into all aspects of their operation.*
  - *The post implementation review process is a tool for assessing the success of initiatives in the management of change environment. A key element of Corporate Governance is to assess the business risk both during and after implementing such major initiatives as service delivery change. Internal Audit is well placed to assist in this process.*

2.3 The key opportunities are as follows:-

The service will be in a position to assist in the management of change during a period of rapid transformation of Local Government as we know it. Best value, comprehensive performance assessment, corporate governance, code of audit practice, financial procedures and e-government all present opportunities for Internal Audit to add value to the organisation

### 3. KEY TASKS

Ref. No.	Actions	Timescale
Aud 1	Internal Audit Procedures - An Audit Manual has been produced based on the CIPFA model. The audit team requires training to use the manual.	May 2004
Aud 2	Good Corporate Governance - Integrate the implications of the Procurement Strategy into the Financial Regulations	June 2004
Aud 3	Joint Working - Derbyshire Audit Group. Develop both the Computer Audit and Training sub groups	September 2004
Aud 4	Audit Plan - document and evaluate replacement systems. Budgetary Control, Ledger, Debtors, Creditors, Ctax, NNDR, Benefits and all other systems on the Reality X database.	April 2004 - April 2007
Aud 5	Audit Plan - Introduce control check lists for local systems during period of evaluating financial systems as an interim measure.	April 2004 - April 2007
Aud 6	Crime and disorder - Section 17: <ul style="list-style-type: none"> <li>• Audit existing services and policies</li> <li>• Implement action plan</li> </ul>	September 2004 September 2004 (onwards)
Aud 7	Equal Opportunities and Diversity <ul style="list-style-type: none"> <li>• Annual Audit of services and policies in the light of the Race Equality Scheme</li> <li>• Implement the Race Equality Scheme Action plan</li> </ul>	September 2004/05/06 September 2004 (onwards)

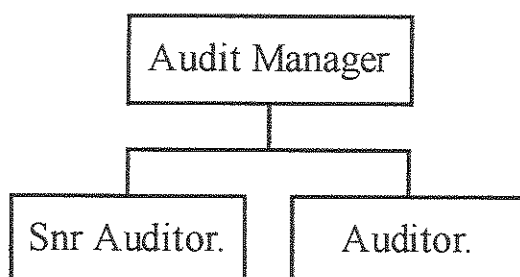
### 4. MANAGING RISKS

Risk	Extent of risk	Likelihood of occurrence (High/Medium/Low)	Proposed Action to minimise the risk
Delays in implementing new computer systems, service delivery changes and working practices	Completion of Audit Plan	high	Revision of plans.

## 5. EMPLOYEE STRUCTURE AND WORK ORGANISATION

- 5.1 The Internal Audit Service is part of the Finance and I.T. Department.
- 5.2 The Service is managed by the Audit Manager and comprises of a team of Auditors
- 5.3 An organisation chart is shown below:

### S.D.D.C Internal Audit Team



#### Development Needs

Service Plan Reference	Key Development Needs
Corporate governance	Business Risk Management awareness
E-Government	Controls over and within E-based systems (procurement, payment etc)
Implementation of the new Systems	Training on the implementation of all new systems. Detailed Training on the workings of all new systems.
Audit Management - Practice	Modern Audit Techniques
Audit Management - Practice	Computer Assisted Audit Techniques
Audit Management - SDDC specific systems	Training on auditing the computer elements of the new systems. Training to enable consistent application of system based auditing on the new systems. Instruction on the integration of the new systems into the overall system environment. Training on System and Process mapping of each application system.

## 6. PERFORMANCE INDICATORS AND TARGETS

### Local Performance Indicators

Local Indicator	Estimate 2003/04	Target 2004/05	Target 2005/06	Target 2006/07
Net total cost of Internal Audit per audit day	£205	£215	£222	£230
External Audit Opinion of the Internal Audit function	Satisfactory	Satisfactory	Satisfactory	Satisfactory
Percentage of the Annual Audit Plan completed in the year	90%	90%	90%	90%
Percentage of agreed audit recommendations implemented	100%	100%	100%	100%

### USEFUL CONTACTS

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# SERVICE PLANS 2004/07 – PROPOSED FORMAT

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## IT DIVISION SERVICE PLAN 2004/07

### 1. SERVICE DESCRIPTION AND PURPOSE

The IT Division has a corporate role providing Information Technology (IT) services to all departments within South Derbyshire District Council.

The IT Division is responsible for:

#### **Co-ordinating the use of IT and guiding the Council towards the corporate achievement of e-Government Targets**

- Prepare the Council IEG (Implementing e-Government) statement
- Maintain the Council IT Strategy
- Co-ordinate key IT projects, so enabling the Council to provide a standardised approach and to deliver against national e-Government targets.

#### **Support and Maintain Council IT systems**

- Council-wide IT systems
  - File and Print Server
  - Web site (not content)
  - e-Mail
  - IT Security
  - National Land & Property Gazeteer (NLPG)
- Service specific IT systems
  - In-house developed IT systems
  - 20 Package solutions
  - Interfaces between IT systems
- Advise on and implement replacement IT systems as required
- Advise on and implement Software Upgrades to existing systems as required
- Provide an IT help desk to resolve user IT incidents on a daily basis. On average 18 calls a day

#### **Maintain and Support Council Computer Infrastructure**

- IT Infrastructure
  - 17 servers
  - 300 PC's
  - Other PC peripherals
  - Manage UNIX server supplier
  - Telecommunications Link to depot
- Upgrade hardware as required

## Telecoms Links

- Telecommunication links for the council.
  - Manage telecoms supplier
  - 300 phones
  - 20 faxes
  - 150 Mobile Phones

The IT Division has for some years worked in partnership with Derbyshire Dales for development and support of some existing systems developed in partnership between the two councils. This working relationship will continue as both councils are moving to the same solutions for revenues and benefits and financial management systems.

The e-Government agenda involves partnership working with other Councils and private sector organisations. Currently the IT Division is an active member of the Derbyshire IEG group, The Derbyshire Partnership and The Derbyshire Consortium

After the submission of the latest IEG 3 statement the Council will potentially be awarded around £200,000 of Government Finance in 2004/5.

Services are provided to a range of internal and external customers:

- All officers and managers within South Derbyshire District Council
- Members in South Derbyshire District Council
- Other councils such as Derbyshire Dales and Derbyshire County Council
- Derbyshire IEG group
- Derbyshire Partnerships
- Derbyshire Consortium

## 2. OPPORTUNITIES AND CHALLENGES

### Challenges

**e-Government** - The government has set targets for electronic service delivery by the end of 2005 (BVPI 157). The IT division has produced the third IEG statement, which identifies the present position of the Council and how we will move forward to deliver e-Government.

**Making the best use of resources** – The IT division has a major part to play in assisting departments change the way that they work to the benefit of our customers (this will be done through the Customer First project). This together with the use of new technology will enable the Council to move forward towards more effective use of resources.

**Working in partnership** – The Council can no longer develop IT services and systems in isolation. IT solutions are being developed via The Derbyshire Partnership and The Derbyshire Consortium which will generate results that would not have been possible if the Council had worked alone. Examples of current and future partnership working projects are Customer First (Customer Relationship Management), A to Z of services and eForms.

**Delivering better services** – IT plays an essential role in looking at how we can harness the power of technology to deliver better services for residents. Technology rapidly moves forward, subsequently the IT Division needs to ensure that it is applied correctly, efficiently and that the maximum business benefit is achieved. The IT Division needs to develop the skills required to respond to changes in technology.

### The Service related challenges are as follows:

**Internet/Intranet** – Continued development of the Internet/Intranet web sites incorporating Content Management software. This will make it easier for divisions to keep information about their division up to date. New and existing systems will be web enabled if appropriate.

**Audit Commission** - Implement external audit recommendations to document IT Security and review the IT strategy.

**Managing the Culture Change/Business Process Re-engineering** – essentially this emphasises the fact that IT will be at the heart of many of the changes that take place within the Council over the next few years. e-Government presents many challenges to local councils and opportunities to change the way they deliver services to the benefit of local residents. IT has a key role in championing this change and providing the training and support needed for staff and indeed residents to embrace this change. The Customer First project will lead this change process and it will encompass the complete organisation.

**Replacement of Legacy systems** – The Council currently relies upon internally written IT systems. These legacy systems will be replaced over the next 3 years. As systems change the interfaces between them remain critical to the operation of the Council. The IT Division will have to make sure that when systems change this has a minimal effect to the working of the Council. The IT Division will have to adapt to supporting packaged software instead of internally written bespoke systems.

**Replacement of UNIX sever (for running legacy systems)** – The contract for the Councils UNIX server runs out in April 2005. All systems currently running on the UNIX server have to be migrated to a different solution.

**Interfaces** – The IT Division need to ensure that interfaces between Council IT systems work correctly and to schedule as defined by the respective service divisions.

**National Land & Property Gazetteer** – The continued cleansing of council property based data. This is part of an important national project, where all councils are expected to contribute to a national property database.

**Council Infrastructure** – Many of the challenges and opportunities outlined here will place increasing demands on the Councils network, which essentially manages the flow of information between systems and to the end user. We will need to make sure that the network is capable of supporting existing and new systems. A software and hardware audit was carried out in November 2003. The findings of the audit need to be reviewed and relevant actions put in place so enabling a workable and reliable IT platform to be in place for the Council. The key servers need to be kept up to date to support the increasing demands that users place upon them and to keep up with continuously advancing technology.

**Telecoms** – The Council's existing telecommunications contract ends in March 2004. Tenders have been received for the implementation of a new telecoms system. The process of replacing the Council's most critical communication channel needs to be effectively managed. This project will lead to the Council having a technological cost effective and modern solution.

## **Opportunities**

Many of the above challenges should be viewed as key opportunities. They provide a major opportunity to move the Council's IT services forward.

**Improve Service** - The division will investigate how services are provided to internal and external customers and the methods and systems used to provide that level of service.

**Training and development** - For individual members of staff carrying out the work, it will also provide them with the opportunity to gain new skills

**Best Value** – Provides a key opportunity to look at the way we deliver services within IT Services at present and compare this to how other bodies approach this service provision.

## **Future budget pressures over the next 3 years**

**Next steps for IEG** – The situation around IEG funding after 2005 needs to be determined. The IEG process will have delivered solutions that will need to be supported and advanced. Sufficient funds need to be available to make sure these initiatives are continued.

**Partnership working** – Projects that have been initially funded by The Derbyshire Partnership and The Derbyshire Consortium need to be supported and advanced. Sufficient funds need to be available to make sure these initiatives are continued.

**Council IT infrastructure** - Funding to provide a minimum standard infrastructure (e.g. desktop environment and servers) needs to be available so the Council can make use of the latest technologies.

### 3. KEY TASKS

Ref. No.	Actions	Timescale
	<b>Derbyshire Partnership projects</b>	
IT 1	eProcurement	
IT 2	A to Z	Sep 03 onwards
IT 3	Customer Relationship Management	Sep 03 onwards
IT 4	Geographical Information System	Jan 04 onwards
IT 5	eForms	Sep 03 onwards
	<b>South Derbyshire District Council</b>	
IT 6	Web Site (e.g. Review, Content Management)	Jan 04 onwards
IT 7	NLPG/NLIS integration	Apr 04
IT 8	Financial Management Systems (Agresso)	Jan 04 onwards
IT 9	Revenue and Benefits System (Pericles)	Jan 04 onwards
IT 10	Document Image Processing	Jan 04 onwards
IT 11	Telecoms system	Mar 04 latest
IT 12	Planning and Building Control	May 04
IT 13	Land Charges	May 04
IT 14	ePayments	Jan 04 onwards
IT 15	Planning portal	Dec 03 onwards
IT 16	Year End	Mar / Apr each year
IT 17	Freedom of Information and Data Protection	Jan 05
	<b>IT</b>	
IT 18	UNIX server replacement	By Apr 2005
IT 19	Mobile phones – move to cheaper contract	Jan 04 onwards
IT 20	PC Audit – next steps, review infrastructure	Jan 04 onwards
IT 21	IT security	Jan 04 onwards
IT 22	IT standards manual	Jul 04
IT 23	Review IT strategy	Mar 04
IT 24	Review Business continuity strategy	Jul 04 onwards
SD 1	<b>Crime and disorder - Section 17:</b> <ul style="list-style-type: none"> <li>• Audit existing services and policies</li> <li>• Implement action plan</li> </ul>	September 2004 September 2004 (onwards)
SD 2	<b>Equal Opportunities and Diversity</b> <ul style="list-style-type: none"> <li>• Annual Audit of services and policies in the light of the Race Equality Scheme</li> <li>• Implement the Race Equality Scheme Action plan</li> </ul>	September 2004/05/06 September 2004 (onwards)

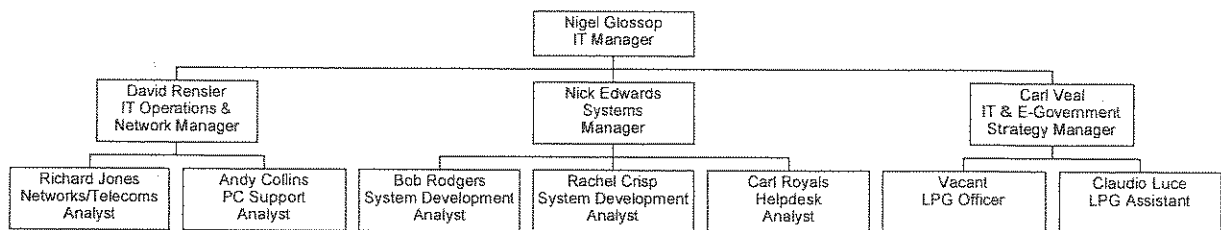
**4. MANAGING RISKS**

Risk	Extent of risk	Likelihood of occurrence (High/Medium/Low)	Proposed Action to minimise the risk
Computer System unavailability e.g. Server breakdown, Computer room damaged	IT systems unavailable.	Low	IT Business Continuity Plan Maintenance Agreements.
Move from legacy systems	Continued reliance on UNIX. If this needs to be extended further than 31 March 05 then the contract needs to be negotiated.	Medium	Define a project plan for switching to different platform. Determine if systems can run on a different platform.
IT security – such as Hacking or viruses	IT Systems unavailable.	Low	Maintain IT Security procedures. Monthly review.
Freedom of Information Act	Act comes into place Jan 2005. Risk of litigation.	Low	Update current Freedom of Information Act document. Place relevant documentation on web site
New Telecoms system	No phone lines available.	Low	Incorporate in Telecoms project plan

## 5. EMPLOYEE STRUCTURE AND WORK ORGANISATION

The IT Division forms part of the Finance and IT Department within South Derbyshire District Council.

### Employee structure



### Development Needs

Service Plan Reference	Key Development Needs
IT 1 – IT 24	Gain and enhance knowledge of new system languages i.e. SQL and Oracle.
IT 1 – IT 24	Awareness of new technologies e.g. call centres
IT 11	Telecommunications training for new system
IT 4	GIS training
IT 20	Windows 2000 Administration & Core Technologies
IT 20	Citrix Admin (already completed)
IT 20	Basic Network infrastructure training



## 6. PERFORMANCE INDICATORS AND TARGETS

### Best Value Performance Indicators

Best Value Indicators	Estimate 2003/04	Target 2004/05	Target 2005/06	Target 2006/07
BVPI 157 Electronic Service Delivery	43%	86%	100%	100%

The BVPI157 indicator is linked with the Implementing Electronic Government statement. Please see the latest statement on our web site for more information.

### Local Performance Indicators

An annual IT satisfaction survey is carried out around May each year. This provides input for the performance indicators below.

Local Indicator	Estimate 2003/04	Target 2004/05	Target 2005/06	Target 2006/07
1 Overall Service Rating	72%	75%	75%	75%
2 Network Availability (excluding maintenance)	95%	96%	97%	98%
3. Deliver IT Projects on time and in budget	70%	75%	80%	80%

## 7. USEFUL CONTACTS

Name	Job Title	Telephone	e-mail
Nigel Glossop	IT Manager	01283 595703	Nigel.Glossop@South-derbys.gov.uk
David Rensler	IT Operations and Network Manager	01283 595785	David.Rensler@South-derbys.gov.uk
Nick Edwards	Systems Manager	01283 595704	Nick.Edwards@South-derbys.gov.uk
Carl Veal	IT & E-Government Strategy Manager	01283 595889	Carl.Veal@South-derbys.gov.uk

## **CUSTOMER SERVICES DIVISION SERVICE PLAN 2004/07**

### **1. SERVICE DESCRIPTION AND PURPOSE**

- 1.1 The Division has a corporate role, having both internal and external customers and provides printing, secretarial, administrative and customer services to all departments within South Derbyshire District Council. The Division is managed by the Customer Services Manager.

The Customer Services mission statement is as follows:

To be a forward thinking, flexible and pro-active service providing high quality, value for money services for the benefit of both internal and external customers.

- 1.2 The Division is currently responsible for:

#### **Central Administrative Services**

- Word processing support
- Secretarial support for individuals and for corporate meetings
- Administration support
- Post opening, logging and distribution
- Purchasing of corporate stationery etc and invoicing
- Customer complaints procedure
- Sickness Absence reporting telephone line
- Request and dispatch of recruitment packs
- Monitoring and recording racial incidents
- Main reception and switchboard
- Postroom
- Hot line support for environmental services

#### **Customer Relationship Management - Customer First**

- Developing a customer relationship management strategy called "Customer First" to include a centralised reception service and central telephone call handling system

#### **Printing Services**

- Including design and finishing, collation and distribution for both internal and external customers.

### **1.4 Nature and Level of Service**

The Division provides a support function to all Departments within South Derbyshire District Council with a focus on customer service to both internal and external customers. Service level agreements are in place with all departments to ensure that a consistent service is delivered. The agreements are regularly monitored to check that we have the balance right between centrally

administered services and divisionally located services. This will also aid continuous improvement. The cost of the activities are recharged to departments utilising the service.

The Customer Services team within the division have adopted a "customer first" approach with the intention to work with other Divisions to cascade this approach throughout the whole organisation.

## 1.5 Partnership working

We are now an active member of the Derbyshire Partnership, that has secured government funding for the E-Government strategy. This strategy includes the implementation of a Customer Relationship Management (CRM) system and so far, government funding of £850k has been allocated to the Partnership for this purpose. We are the lead Authority on CRM within the Partnership and are actively involved in the project.

## 1.6 Customers

The services of the Division are provided to a wide range of internal and external customers, using the "Customer First" approach:

- All officers and managers within South Derbyshire District Council
- Members in South Derbyshire District Council
- Citizens Advice Bureau
- Neighbourhood Watch
- Swadlincote Leisure Centre
- Voluntary Organisations such as Swadlincote Writers Group and Peoples Express
- Inland Revenue
- Benefits Agency
- Audit Commission
- Other Councils such as Derbyshire Dales and Derbyshire County Council
- General public, both in person and via electronic means
- Derbyshire IEG partnerships

## 2. OPPORTUNITIES AND CHALLENGES

### 2.1 Challenges

- A key challenge for the Division over the next three years will be the set-up, implementation and maintenance of the Customer Relationship Management system. Government legislation and guidance for the way in which this is utilised will have a significant impact on the Customer Services Division.
- Managing the implementation of a CRM strategy and Customer First approach will in itself prove to be challenging and will involve cultural and organisational changes.
- Use of electronic systems, the implementation of a call handling centre and central reception will involve some job re-evaluation and will effect the demand for central secretarial/administration services. There is a key

challenge to reduce wherever possible unnecessary administrative tasks which will be assisted with the introduction of this new technology.

- The implementation of a CRM system will bring the need for business process re-engineering to ensure full integration with our computer systems and a review of the way our services are delivered.
- As IT develops the requirements for printing reduce. There is pressure on the printing trading account to break-even. We need to explore ways of addressing this issue.
- There may be a period of unease within the work force as the change process gains momentum. Morale could become low and stress levels could rise causing higher than normal sickness/absence rates. The change process needs to be managed sensitively with a high level of communication to all concerned.
- Telephone calls and personal visits to the Council offices can sometimes result in customer dissatisfaction due to mis-directed and unanswered telephone calls and unavailability of staff to deal with the enquiry.
- The current complaints procedure is inconsistent and does not collate all of the complaints received by South Derbyshire District Council.
- We do not currently monitor or record the number of racial incidents, which means that we cannot pinpoint any potential problems or areas for improvement.

## 2.2 Opportunities

- Business process re-engineering, job re-evaluation and reviewing our service delivery will enable us to identify areas for improvement and opportunities to develop our relationship with our customers.
- The provision of a centralised reception and call handling centre will provide the customer with easier access to our services. It is our aim to answer 80% of all enquiries at the first point of contact.
- The organisational and cultural changes brought about by the Customer First approach will focus our activities on the customer and assist us to understand their needs and expectations.
- The centralisation of front-line services will bring all divisions together and provide a more joined up way of working and promote a higher level of communication throughout the organisation.
- The Customer First approach will provide a more stimulating and rewarding role for the staff concerned giving a higher degree of job satisfaction. There will also be opportunities for staff development and team work.

- Any change in an organisations culture can cause unease, but the long term benefits will be numerous and beneficial to the organisation as a whole.
- An opportunity exists to improve the current complaints procedure to provide more informative reports to enable service improvements.
- Monitoring of racial incidents also provides an opportunity to prevent potential problems and make service improvements.

### 3. KEY TASKS

Ref. No.	Actions	Timescale
CS1	<p><b>Implement Customer Relationship Management System using a phased approach</b></p> <ul style="list-style-type: none"> <li>• Environmental Health; Planning; Land charges; General FAQ's</li> <li>• Direct Services</li> <li>• Revenues and benefits</li> <li>• Central Reception</li> <li>• Housing</li> <li>• Review implementation</li> <li>• Progress integration of CRM system with back office systems</li> <li>• CRM systems fully integrated</li> </ul>	<p>March 2004</p> <p>May 2004</p> <p>July 2004</p> <p>September 2004</p> <p>July 2004</p> <p>January 2005</p> <p>June 2005</p> <p>December 2007</p>
CS2	<p><b>Review complaints procedure</b></p> <p><b>Monitor of customer complaints</b></p>	<p>On-going</p> <p>Report on quarterly</p>
CS3	<p><b>Write business plan for print room</b></p> <ul style="list-style-type: none"> <li>• Financial break even</li> <li>• Financial profit</li> </ul>	<p>March 2004</p> <p>March 2005</p> <p>March 2006</p>
CS4	<p><b>Crime and disorder - Section 17:</b></p> <ul style="list-style-type: none"> <li>• Audit existing services and policies</li> <li>• Implement action plan</li> </ul>	<p>September 2004</p> <p>September 2004 (onwards)</p>
CS5	<p><b>Equal Opportunities and Diversity</b></p> <ul style="list-style-type: none"> <li>• Annual Audit of services and policies in the light of the Race Equality Scheme</li> <li>• Implement the Race Equality Scheme Action plan</li> </ul>	<p>September 2004/05/06</p> <p>September 2004 (onwards)</p>
CS6	<p><b>Review Corporate Image</b></p> <ul style="list-style-type: none"> <li>• Style and use of logo and strapline</li> <li>• Corporate colours</li> </ul>	<p>March 2004</p>

	<ul style="list-style-type: none"> <li>• Visual communications</li> <li>• Corporate identity, design and layout</li> </ul>	<p>June 2004</p> <p>June 2004</p>
CS7	Review Support services including postroom, handling of post, distribution of post and verification framework	<p>January 2004</p> <p>Ongoing</p>

#### 4. MANAGING RISKS

Risk	Extent of risk	Likelihood of occurrence (High/Medium/Low)	Proposed Action to minimise the risk
Losing staff due to insecurity, low morale, work pressure	High	Medium	Frequent communication/ updates. Regular staff meetings, 1-1's. Appoint team leader to provide support. Thorough training needs analysis and training programme.
Organisational resistance to change	High	High	Strong leadership and clear vision. Involve all stakeholders in plans. Frequent communications focusing on benefits.
Insufficient resource to refurbish central reception.  Possibility of call centre facilities not being available within specified time frame.	High	Low	Preparation of plan to consider alternative location

Change in legislation may cause changes to process and procedures and generate the need for additional tasks	Medium	Medium	Ensure we have a multi-skilled team of people who are able to work across a broad range of services. Also appoint team of bank staff for "peaks"
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## 5. EMPLOYEE STRUCTURE AND WORK ORGANISATION

### Employee structure

See attached organisation chart

### Development Needs

Service Plan Reference	Key Development Needs
CS1	<ul style="list-style-type: none"> <li>• CRM software training</li> <li>• Customer Service Training</li> <li>• Team building</li> <li>• Service specific training</li> </ul>
CS5	<ul style="list-style-type: none"> <li>• Internal course on recruitment practice in respect to equal opportunities and diversity</li> <li>• Equality diversity training and guidance</li> </ul>

## 6. PERFORMANCE INDICATORS AND TARGETS

### Best Value Performance Indicators

Best Value Indicators	Estimate 2003/04	Target 2004/05	Target 2005/06	Target 2006/07
BVPI 174 The number of racial incidents recorded by the authority per 100,000 of population	A system to record racial incidents is being established.  Targets will then be set.			
BVPI 175 The percentage of racial incidents that resulted in further action	No data available	100%	100%	100%



## Local Performance Indicators

Please use the following table

Local Indicator	Estimate 2003/04	Target 2004/05	Target 2005/06	Target 2006/07
Number of enquiries handled at first point of contact	25%	60%	70%	80%
Abandoned telephone calls	10%	8%	6%	5%
Minimum % of calls answered within 20 seconds	50%	60%	70%	80%
Print Room	80%	90%	95%	100%
Deliver all print requests on time				
Make a profit on print room services	70%	80%	90%	100%

## 7. USEFUL CONTACTS

Any questions or queries on any aspect of the Division's services should be directed to:

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**Customer Services Division  
As at 2 September 2003**

