

Financial Services Service Delivery Plan 2022-23

Overview of the Service

Financial Services comprises; Accountancy, Treasury, Exchequer, Payroll, Internal Audit, Insurance and Procurement services.

The purpose of the Service is to provide for the proper administration of the Council, and its trading companies, financial affairs and the effective stewardship and accountability of public money. The Service is also responsible for monitoring the overall financial health of the Council and ensuring that there is a stable financial base from which the Council's service delivery can be maximised.

The key functions and responsibilities of each sub-team within Financial Services are:

Accountancy

- Medium Term Financial Strategy (MTFS) – The purpose of this Strategy is to set a robust financial framework for the Council's plans over the next four years which supports the delivery of the Council's priorities within the context of an annual balanced budget. The MTFS is reviewed throughout the financial year and is revised and presented to Finance & Assets Committee in September and January and Full Council, with the budget, every February.
- Annual Revenue Budget – It is a legal requirement for the Council to set a balanced budget prior to the start of the financial year to which it relates. The accountants liaise with all budget managers to identify their budget requirements for the coming year, including for growth items and whether any savings can be identified. Analysis takes place of Government funding and Council Tax and Business Rate forecasts to ensure that spend and income remain in balance.
- Capital Strategy – It is a requirement that the Council publishes its medium/long term capital strategy, alongside the budget and MTFS each February.
- Budget Monitoring – This is carried out on a monthly basis with budget managers / service leads throughout the year, with in addition quarterly reports being presented to the Operational Services and Finance & Assets Committees, showing current expenditure against the budget and a forecast in relation to the anticipated outturn position.
- Annual Financial Report – The Statement of Accounts must be produced in line with statutory requirements and International Financial Reporting Standards and is subject to External Audit opinion.
- Treasury Management – The Council's cashflow is monitored on a daily basis in order to determine the investment or borrowing requirements of the Council. These decisions must be in accordance with the approved Treasury Management Strategy Statement (approved by Council each February), incorporating the minimum revenue provision policy statement and the annual investment strategy.
- Banking – This includes the correct allocation of all income and expenditure detailed on the Council's bank accounts and producing monthly bank reconciliations.

Insurance

- Arranging and administering the Council's insurance requirements and liaising with the insurance provider (currently Zurich) regarding claims.

Exchequer

- Administration of creditor payments, debtor billing, allocation of receipts and Council mortgages.
- Management of taxation issues which are mainly VAT and CIS.

Payroll

- Payment of salaries and expenses to staff, Member's allowances and election payments.
- Management of returns and payments to Government and Pension providers.

Internal Audit

- Internal Audit is an independent (statutory) appraisal function established to review and recommend improvements to the Council's internal control system. In addition to the statutory functions, Internal Audit acts as the Council's lead on fraud and corruption awareness, detection, prevention and investigation. This service also provides advice and assurance on operational risk management and acts as the Council's key contact on the National Fraud Initiative, the Council's Money Laundering Reporting and Bribery Act Compliance.

Procurement

- To ensure that the Council maximises value for money in its purchasing of goods and services, by ensuring that procedures are in place, and followed, that allow appropriate competition to take place between suppliers, thus ensuring prices paid are competitive.

Cost of service

The budgeted net cost of running the Service in 2022-23 is £525,281, this includes staffing costs, contract / service level agreements costs with North Northamptonshire Council for Internal Audit, Cambridgeshire County Council for Procurement, Link Asset Services for treasury advice and Midlands HR for Payroll, supplies and services (but not internal recharges).

Staffing information

These services are provided by 8.1 full time equivalents (FTE) staff as follows; Finance Manager 1.0, Accountancy - 3.0 FTE, Exchequer – 3.3 FTE, Payroll – 0.8 FTE

As detailed under cost of service, a number of services are provided under contract or service level agreement and as such, there are no staff directly employed by East Cambridgeshire District Council.

Forward planning for Councillors

Proposed date of decision	Item	Service Area	Committee
June 2022	2021-22 Outturn Report to Committee	Budget Monitoring	Finance & Assets
July 2022	Internal Audit Annual Report & Opinion 2021-22	Internal Audit	Audit
July 2022	Quarter 1 Budget Monitoring Reports for 2022-23 to Committee	Budget Monitoring	Operational Services
September 2022	Quarter 1 Budget Monitoring Reports for 2022-23 to Committee	Budget Monitoring	Finance & Assets
September 2022	Interim Report for 2023/24 Medium Term Financial Strategy (MTFS)	Annual Budget	Finance & Assets
November 2022	Quarter 2 Budget Monitoring Reports for 2022-23 to Committees	Budget Monitoring	Operational Services and Finance & Assets
November 2022	Approval of the 2021-22 Statement of Accounts	Annual Financial Report	Audit
November 2022	Approval of the 2021-22 Annual Governance Statement	Governance	Audit

January 2023	Quarter 3 Budget Monitoring Reports for 2022-23 to Committees	Budget Monitoring	Operational Services and Finance & Assets
January 2023	Review of draft Revenue Budget, MTFS and Capital Strategy for 2023/24	Annual Budget	Finance & Assets
February 2023	Approve the Treasury Management Strategy for 2023/24	Annual Budget	Full Council
February 2023	Set the Council Tax level for 2023/24	Annual Budget	Full Council
February 2023	Approval of the 2023/24 Revenue Budget, Capital Strategy, MTFS, Reserves and Fees and Charges schedules	Annual Budget	Full Council
March 2023	Approve Internal Audit Charter and Annual Internal Audit Plan for 2023/24	Internal Audit	Audit



Commitments towards our Vision



Financial Services - Service Delivery Plan 2022-2023

Performance Measure	Link to Corporate Plan Priority	Target and reporting timescale (i.e. 6 monthly or annually)	Baseline from previous year / output from previous year	Owner and co-owners
To ensure the objective assurance of the Council's activities are paramount.	Sound Financial Management	Ensure that the Annual Internal Audit Plan adds value to the organisation	100%	Internal Audit
		Consult with Corporate Management Team to assist in the preparation of the annual Internal Audit Plan before gaining approval from Audit Committee		
To ensure the long term financial sustainability of the Council		To deliver the agreed Internal Audit Plan by 31 st March 2023	Completed and presented to Council in February 2022	Ian Smith - Finance Manager
		Produce a Medium Term Financial Strategy (MTFS) with balanced budgets for two years, i.e. the budget year and the subsequent year, with a trajectory which will allow the Council to remain financially secure		
		Regularly review high level corporate risks, including public sector funding and major income streams such as Council Tax and Business Rates for 2022/23 and 2023/24 including: <ul style="list-style-type: none"> the Government's Fair Funding review for local government East Cambs. Trading Company's financial health and potential financial transactions between it and the Council 		
To effectively monitor and report identified fraud		Produce the detailed budget for 2023-24 to a time frame that allows the Council to set a legal budget	Completed and presented to Council in February 2022	Ian Smith - Finance Manager
		To be presented to the Full Council meeting in February 2023		
		Produce quarterly budget monitoring reports to Committees, (both revenue and capital) and an Outturn report at yearend	Quarterly	Anne Wareham – Senior Accountant John Steel - Management Accountant
		Quarterly reports to hit Committee deadlines		
		Work with partners to provide a co-ordinated approach to tackling fraud (in accordance with the Cambridgeshire Anti-Fraud Network priorities)	Work with the Cambridgeshire Anti-Fraud Network, within their agreed business plan, to facilitate a co-ordinated approach to tackling fraud	Internal Audit ARP Fraud Team
		As required - On-going		

Performance Measure	Link to Corporate Plan Priority	Target and reporting timescale (i.e. 6 monthly or annually)	Baseline from previous year / output from previous year	Owner and co-owners
To ensure the continued efficiency of Financial Services		Raise awareness of fraud and corruption across the organisation Review of Counter Fraud procedures, hot line and poster campaign	Raised the awareness of fraud and corruption of new employees, as part of the staff induction training days run bi-annually by the Council Dedicated fraud reporting mailbox for members of the public to report any concerns set up and managed / reviewed by Internal Audit Participation in International Fraud Awareness Week	Internal Audit
		Pay 99% of undisputed invoices within 30 days	97.27% achieved for the first ten months of 2021/22	Eleanor Fretwell - Senior Accountancy Assistant
		Average time taken to collect income in relation to external invoices (this indicator does not include Council Tax and Business Rates). Target to be below 25 days	Average collection time in the first ten months of 2021/22 was 19.51 days	Eleanor Fretwell - Senior Accountancy Assistant
		Review the operation of the Payroll Service, to ensure that this is working efficiently and best advantage is being achieved from the use of self-service and workflow functionality within the system		Lorraine Kratz – Payroll Officer
		Pay 99.8% of staff the correct amount and on time	99.9% achieved in the first 10 months of 2021/22	Lorraine Kratz – Payroll Officer
		Improve the process for the production of the Statement of Accounts Prepare the draft Statement of Accounts for 2021/22 by the end of July 2022 and ensure that a further version is approved by Audit Committee and published on the Council website as soon as the external audit is completed	The 2020/21 draft Statement of Accounts was published in line with the end of July requirement and the audited version was approved by Committee in November and published on the Council's website in December 2021	Anne Wareham – Senior Accountant
		To deal with 98% of insurance claims within a fortnight of being notified.	100% of claims were passed onto Zurich for resolution within a fortnight in the first 10 months of 2021/22	John Steel – Management Accountant

Performance Measure	Link to Corporate Plan Priority	Target and reporting timescale (i.e. 6 monthly or annually)	Baseline from previous year / output from previous year	Owner and co-owners
To maintain an effective and well-maintained service		<p>Support the continued development of members of the Financial Services Team to ensure that they are given personal and professional career development opportunities</p> <p>To provide training to staff in line with their personal training and development plan as detailed in their appraisal document (90% of training needs to be met)</p>		Ian Smith - Finance Manager
Ensure that the Council's corporate risks are managed effectively and mitigations are put in place to reduce impact.	Sound Financial Management	<p>To regularly review higher level corporate risks, including:</p> <p>Public Sector Funding Loss of major income streams</p>	These risks are picked up when preparing the MTFS and budget. See section on ensuring the long term financial stability of the Council	Ian Smith - Finance Manager
Undertake activities which help to mitigate / adapt to climate change	Cleaner, Greener East Cambridgeshire	To contribute to the implementation of the Council's Climate and Environment Action Plan		Cross-council activity