



**Causeway
Coast & Glens
Borough Council**

FINANCE

BUSINESS PLAN

2021/22

SECTION 1

Summary Narrative

The finance department has a current FTE headcount of 24.4, with 5 fully qualified chartered accountants, overseeing net operating expenditure of £82.1M¹ and an average organizational headcount of 609.²

The organizational structure has 7 departments headed by either a director or head of finance, reporting into a CEO. Annual budgets are aligned to departments supported by Finance Business Partners, that report on monthly basis.

Developments are taking place to replace the current accounts and payroll system, with a greater emphasis to add value in forward planning indicators that support decision, reduce costs and add value.

Purpose of this plan

- Build steps to achieve a strategic goals and Vision
- Give a clear sense of what the service is for and the challenges it faces.
- Show how it is supporting Council's priorities.
- Show how it is contributing to the efficiency drive and transformation of service delivery.
- Show how it is aligning its resources to meet the challenges ahead.
- Help us to hold ourselves to account and ensure we deliver for Council and its residents.
- Bring key information together in one place about the service, which Members, staff and stakeholders can understand.

Vision for the service area

Be "Best in Class" through the creation of a high value added, skilled, innovative and efficient finance department providing accurate, relevant, timely, forward looking financial information, and ensures timely and accurate payment of staff, councilors and creditors. Provide decision making information and relevant support to decision makers, that will create value and reduce risk, while keeping strong governance and controls in place. Engage internal and external stakeholders to deliver a customer focused service.

Strategic Themes / Functions

1. Development of strong financial governance and budgetary control. (**Finance/Accounting**)
2. Development of efficient processes to enable the payment of Council's suppliers within agreed terms. (**Accounts Payable**)
3. Manage and coordinate Council's debt maximizing the cash flow available to Council at all times. (**Accounts Receivable**)

¹ As per CIES 2019/20 Draft Annual Accounts, page 29

² As per draft 2019/20 Draft Annual Accounts, note 7b, page 56

4. Ensuring the accurate, timely payment of Council's staff through efficient processes. **(Payroll)**
5. Development of efficient procurement systems enabling Council to achieve maximum value for money on expenditure whilst maintaining a strong governance framework. **(Procurement)**
6. Development of forward looking financial indicators and reports that will provide information for decision making purpose ahead of events. **(Finance/Accounting)**
7. Build strong relationships with our key partners through transparent engagement, clear and user friendly financial reporting, and open dialogue. **(Finance/Accounting)**

Strategic Aims of the Service

1. Support the decision-making process across Council by way of providing accurate, timely relevant financial information that is both historical and forward looking.
2. Full review of business processes maximising efficiency.
3. Ensure that the financial system, processes and controls are fit for purpose providing a strong framework of governance.
4. Maximise digital capability of Council ICT systems allowing for efficient financial workflow across the Borough.

SECTION 2 - SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Hardworking dedicated qualified and experienced accountants at senior levels. • Agile and flexible staff open to change and taking on responsibilities. • New account and budget reports developed providing greater insight and decision-making information. • Business partnering roles developing that support budget holders to review of financial information. • Defined roles and specialisms within finance department allowing staff to concentrate on areas of specified responsibilities. • Finance and Finance Committee (council members) active interest to review and govern financial affairs. 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Varied processes and administrative detail inherited from legacy bodies • Inefficient paper based and reliant processes • Finance staff not centralised • Staff require training in new specialist roles • Bottom heavy transactional and paper based processing • Transactional focused on historical data and controls • Forward looking information not yet at best practice levels
<p>Opportunities</p> <ul style="list-style-type: none"> • Collaborative working with other departments /councils/public bodies. • Rationalisation of processes utilising best practice. • Creation of specialist roles within department allowing focus on key areas. • Change that allows development and upskilling of staff with training within new specialist roles. • Greater opportunity for interdepartmental working through business partner relationships. • Interim structural change in hierarchy supports change process to support leadership, develop processes and enhance efficiencies. • A new finance system presents opportunity to enhance processes and efficiencies across business. • Forward looking financial information and indicators that supports Council's decision making confidence. 	<p>Threats</p> <ul style="list-style-type: none"> • Long serving staff – threat of loss of key staff • Intense focus from NIAO and Councillors puts additional pressure on finite resources. • Reputational damage through delayed certification of 19/20 accounts. • Ongoing covid-19 pandemic creates new and unknown territory to predict, budget and model for. • Increased pressure to reduce budgets could lead to under resourcing in advance of full implementation of efficient systems and procedures. • Inability to meet demands of other Directorates. • Increased legislation/reporting requirements placing greater demands on finite resource. • Accounting and Payroll system support reducing.

PESTEL Analysis

A PESTEL Analysis (political, economic, social, technological environmental and legal) is a management methodology and strategic planning approach whereby an organization can assess major external factors that influence the organizational capabilities of its council area and those it serves.

Political	Councilors desired policy on low or zero rate and further cost-cutting and savings has a significant influence on the operations of the council to maintain and increase the services and quality it provides to its rate-payer. Management of Councilors desired policy with the expectations of improving service require future looking financial information to meet these conflicting challenges.
Economic	Economic activity in the council area remains uncertain as the economy is now only opening up after Covid-19. The restrictions of the pandemic lingers and inhibits a return to normal economic activity. Further TEO announcements and the number of population affected by the disease will play a large part in economic growth. Additional funding to support the pandemic has been provided but future funding is uncertain.
Social	Causeway Coast and Glens Borough Council covers a large geographic area with services demands spread across the entire Borough, cost control is vitally important to assist key decision makers to continue to deliver service to the areas it is most needed.
Technological	Council has stable ICT systems however there are risks associated with the future support for the system, that requires the system to be replaced. A replacement system will add greater pressures on the finances but will open up opportunities for a return on investment in the long term. Successful implementation of the system, particularly payroll, has associated reputational risks that need managed and mitigated.
Environmental	Constantly changing and increasing environmental demands place even greater pressure on limited budgets therefore finance has a pivotal role in ensuring budget holders are fully informed with regards the associated financial pressures these demands bring.
Legal	Additional/constantly changing legislative or regulatory requirements continue to place increasing demands upon the service.

SECTION 3

Strategic Aims and Objectives Aligned with Council's Strategic Aims and Objectives

1. Cohesive Leadership.
2. Local Economy.
3. Improvement and Innovation.
4. Healthy and Engaged Communities.
5. Climate Change and Our Environment.

Strategic Objective

- 1. Develop and support staff to maximise their potential performance within the organisation, leading to an efficient, effective and motivated team that is customer focused and service led.**

Link to Corporate Aims and Objectives

- Cohesive Leadership

Work Streams / Operational Actions / Outcomes	Responsible Officer	Timescale	Performance Indicators / Measures of Success
Optimize the Finance Business Partner function	Business Partners	June 2021	Continuous Monthly Finance Business Partner (FBP) review meetings with key budget holders. Increase FBP participation / voice at Director level (FMT) meetings. Increased satisfaction from internal stakeholders on financial performance
Develop a skilled financial workforce	Director of Finance	Ongoing	Identification and take-up amongst staff of relevant finance led courses. Increase in number of professional qualified staff. Increase in number of staff taking professional exams.
Develop a “Best in Class” led culture	Director of Finance	Quarterly	Increasing positive feedback from team in relation to financial organisational culture Above average marking on cultural feedback surveys amongst staff.
Ensure Governance and Controls	Director of Finance	Ongoing	Unqualified annual accounts & Increased assurance level in governance statement Completion/implementation of audit recommendations within agreed timeframes. A complete review of policies and procedures that are developed and aligned to the new systems, and signed off by management.
Procurement Controls	Director of Finance	Immediate	Development of the procurement function through the recruitment and development of a suitably qualified CIPS member.

Strategic Objective			
2. Efficient stakeholder management through delivering effective and engaged communications. Building confidence amongst our relevant stakeholders and improving financial performance through respectful and open dialogue.			
Link to Corporate Aims and Objectives			
<ul style="list-style-type: none"> Cohesive Leadership 			
Work Streams / Operational Actions / Outcomes	Responsible Officer	Timescale	Performance Indicators / Measures of Success
Identify Key Stakeholders and Communicate	Director of Finance	Immediate and Ongoing	<p>Develop a stakeholder list that groups stakeholders into categories, and update list on a quarterly basis.</p> <p>Develop a stakeholder communications plan and review on an annual basis</p>
Timely team updates and briefing sessions across the Finance Team	Director of Finance	Immediate	<p>Monthly Questions & Answers sessions from a full finance team perspective.</p> <p>Weekly meetings with senior finance team leads to plan ahead and reflect behind, that will include recorded actions points to follow up on.</p> <p>Regular FBP meetings with key budget holders and directors.</p>
Timely team updates and briefing sessions across the Finance Committee	Director of Finance	Immediate	<p>Deliver monthly financial reports and requested ad-hoc reports on time and in user friendly format ahead of planned Finance Committee meetings.</p> <p>Annually, offer and deliver financial workshops to councillors, using in-house or external expertise, that will develop councils understanding of finance.</p> <p>Offer and deliver financial workshops to new councillors, using in-house or external expertise, that will develop councils understanding of finance</p>

Strategic Objective			
3. Development of an effective procurement and commercial strategy that will increase income, reduce costs while maximizing the use of local suppliers to the benefit of council rate payers.			
Link to Corporate Aims			
<ul style="list-style-type: none"> Local Economy, Climate Change and Our Environment 			
Work Streams / Operational Actions / Outcomes	Responsible Officer	Timescale	Performance Indicators / Measure of Success
Cost review through a procurement strategy that will balance the needs of the council to the needs and wants of its key stakeholders	Procurement Officer	August 2021	<p>Deliver a procurement Strategy that will social value in relation to all our commissioning and procurement activity and that at least 33% of our total procurement budget is spent on micro, small and medium-size businesses, social enterprises and local voluntary/community organizations</p> <p>Agreement with Council to proceed with strategy</p>
Income growth and cost reduction through intelligent purchasing and commercial thinking	Director of Finance	December 2021	<p>Deliver a new Commercial Strategy with the aim of achieving efficiency savings, asset maximization and income growth, while ensuring the council meets its economic, social and environmental priorities.</p> <p>Agreement through council to proceed with strategy.</p>

Strategic Objective			
4. Support the decision-making process across Council by way of providing accurate, timely relevant financial information			
Link to Corporate Aims and Objectives			
<ul style="list-style-type: none"> Improvement and Innovation 			
Work Streams / Operational Actions / Outcomes	Responsible Officer	Timescale	Performance Indicators / Measures of Success
Production of a medium-term (3-5 year) financial plan	Director of Finance	August 2021 – implementation of plan, with ongoing annual thereafter.	<p>Presentation of medium-term financial plan to SMT, Finance Committee and Council</p> <p>Annual refresh of medium-term financial plan within 3 months of the new financial year</p>
Forecasting	Director of Finance	August 2021 - Implementation of a forecasting plan that will re-forecast, to end of year, from month 4 and month 8 in year.	<p>Inclusion of end of year estimates within the monthly management accounting process – revenue expenditure</p> <p>Inclusion of end of year estimates within the monthly management accounting process – capital expenditure</p>
Management accounts	Accountants	On-going	<p>Agree current deadlines when accounts produced and meet or beat that deadline.</p> <p>Benchmark other councils and business to identify “best in class” deadlines to meet.</p> <p>A positive shortening of reporting from current deadline to “best in class” deadline.</p>

Strategic Objective			
5. Maximize technology that improves efficiency and effectiveness			
Link to Corporate Aims			
<ul style="list-style-type: none"> Innovation and Transformation 			
Work Streams / Operational Actions / Outcomes	Responsible Officer	Timescale	Performance Indicators / Measures of Success
Accounting and payroll system change that will utilize technology, improve service and reduce costs.	Director of Finance	March 2022	<p>Go Live success of a fully functional accounting / payroll system in line with agreed timeframes.</p> <p>An accounting / payroll system that interfaces with other functioning IT systems across the organisation and that reduces manual human intervention, reducing duplication of effort.</p> <p>An accounting system that can provide user friendly reporting for non-finance budget holders to utilize and will be used by them.</p> <p>Decrease in resources dependency and move staff from transactional manual processing to areas that will add value to the organisation.</p>
Strategic Vision of Finance and Payroll systems that integrates with all business operations.	Director of Finance	March 2022	<p>Delivery of Strategy Paper to SLT, Finance Committee and Council.</p> <p>Approval from Council to begin project that will interface wider business systems with financial systems.</p> <p>Reduction of manual intervention that will lead to a reduction of costs or replacement of staff to higher value adding roles.</p>

SECTION 4 – Resources

Service Area	Staffing level	Salary Budget
Management and accountants	6	
Payroll	5.6	
Accounts Payable	5	
Accounts Receivable	4.2	
General Ledger/Management Information	2.6	
Procurement	1	
All Finance	24.4	£1,245,349³

³ 2021/22 budget, but includes additional agency staff costs for Interim Director of Finance and Accounts Payable officer.