



**Causeway  
Coast & Glens  
Borough Council**

***FINANCE***

***BUSINESS PLAN***

***2018/19***

## **SECTION 1**

### **Purpose of this plan**

- 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.

### **The Vision for the service area**

The creation of a high value added, skilled, innovative and efficient Finance department providing accurate, relevant, timely financial information and ensuring the timely and accurate payment of staff, councillors and creditors enabling effective management.

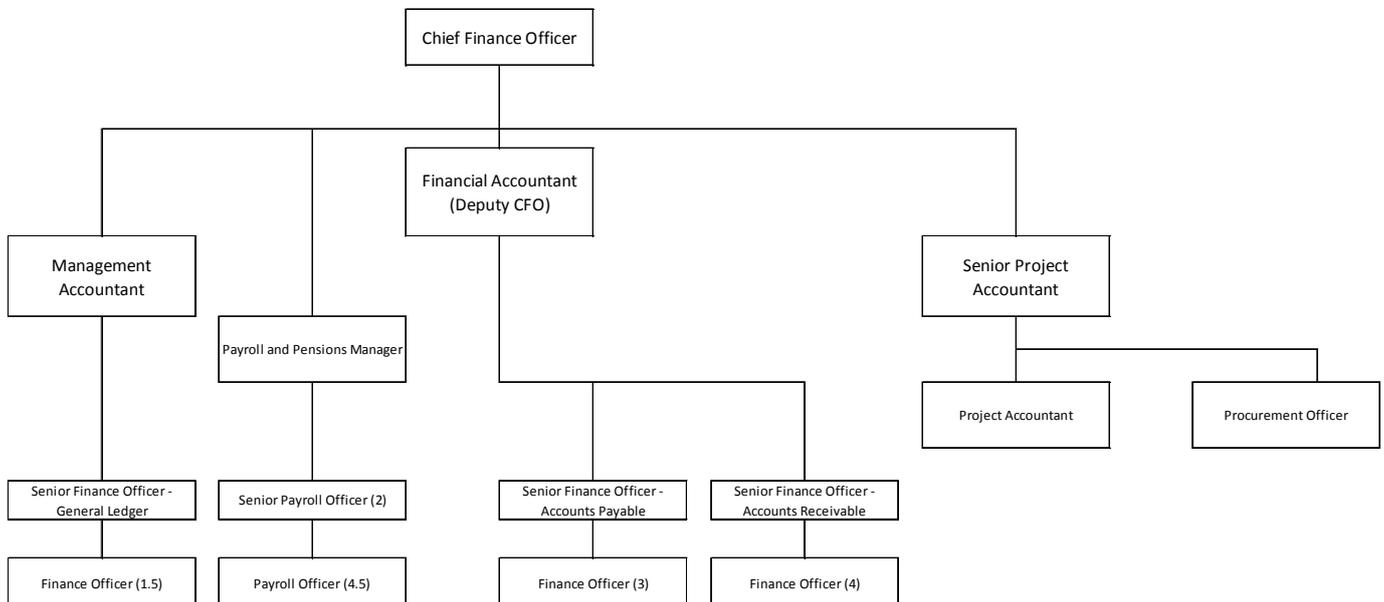
### **Strategic Themes / Functions**

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***)
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***)

### Strategic Aims of the Service

1. Support the decision making process across Council by way of providing accurate, timely relevant financial information
2. Full review of business processes maximising efficiency.
3. Ensure that the financial system is 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.

### Finance Organisational Structure



## SECTION 2 - SWOT Analysis

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Long serving highly skilled dedicated staff</li> <li>• Robust ICT systems</li> <li>• Well established governance principles</li> <li>• Good relationships with other departments, staff, Councillors and external stakeholders</li> <li>• Clear defined roles and specialisms within finance department allowing staff to concentrate on areas of specified responsibility</li> <li>• Finance Department position within council structure allows uninterrupted focus on all financial matters</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Varied processes inherited from legacy bodies</li> <li>• Inefficient paper based and reliant processes</li> <li>• Resistance to change</li> <li>• Finance staff not centralised</li> <li>• Council structures not fully populated delaying full implementation of revised processes</li> <li>• Staff require training in new specialist roles</li> <li>• Need to manage stakeholders expectations more effectively</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Merger has created the opportunity to review old processes generating and maximising efficiencies</li> <li>• Collaborative working with other departments/councils/public bodies</li> <li>• Increased use of digital capability</li> <li>• Rationalisation of processes utilising best practice</li> <li>• Creation of specialist roles within department allowing focus on key areas</li> <li>• Reinvigoration of staff with training and new specialist roles</li> <li>• Greater opportunity for interdepartmental working through business partner relationships</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Long serving staff – threat of loss of key staff</li> <li>• Drive toward shared services before allowing finance department to prove itself and setting accurate relevant performance baselines</li> <li>• Increased pressure to reduce budgets could lead to under resourcing in advance of full implementation of efficient systems and procedures</li> <li>• Inability to meet demands of other Directorates</li> <li>• Increased legislation/reporting requirements placing greater demands on finite resource</li> </ul>

### Summary Narrative

The finance department has inherited a core group of highly skilled and experienced staff however their efforts are at risk of being inhibited by the variety of systems and processes that existed in former organisations.

## PESTEL Analysis

<b>Political</b>	Council's current and continuing policy for no rates increase and desire for further cost cutting and savings.
<b>Economic</b>	Economic activity in the Borough appears to be healthy on the back of several positive announcements which should follow through to a positive effect on Council's penny product thereby helping to reduce the pressure on budgets.
<b>Social</b>	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.
<b>Technological</b>	Council has robust ICT systems however from a finance perspective these are being vastly underutilized resulting in a huge potential efficiency in financial processes to be gained.
<b>Environmental</b>	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 demand bring.
<b>Legal</b>	Additional/constantly changing legislative or regulatory requirements continue to place increasing demands upon the service.

## Summary Narrative

With ever increasing budgetary pressures and an expectation for efficiencies of scale following the merger of Councils the role of finance within Council is vital to ensure decision makers and budget holders are kept fully informed on a timely basis with accurate financial information to allow good decision making.

## **SECTION 3**

### **Strategic Aims and Objectives**

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

1. Leader and Champion.
2. Accelerating our Economy and Contributing to Prosperity.
3. Innovation and Transformation.
4. Resilient, Healthy and Engaged Communities.
5. Protecting and Enhancing our Environments and Assets.

**Strategic Objective**

**1. Support the decision making process across Council by way of providing accurate, timely relevant financial information**

**Link to Corporate Aims and Objectives**

- Innovation and Transformation

<b>Work Streams / Operational Actions / Outcomes</b>	<b>Responsible Officer</b>	<b>Timescale</b>	<b>Performance Indicators</b>	<b>2017/2018 Progress</b>	<b>2018/2019 Target</b>
Production of a medium term financial plan	Chief Finance Officer	May 2017 – implementation of financial plan, ongoing review thereafter	<p>Presentation of medium term financial plan to SMT and Council</p> <p>Monthly review of financial plan incorporating changing policies or new initiatives</p> <p>Projection of impact of changing priorities over the life of the financial plan</p>	Medium term financial plan not yet finalised	June 2018
Management accounts	Chief Finance Officer	Monthly – by March 2018 accounts to be presented to Council no later than 2 <sup>nd</sup> Corporate, Policy and Resources Committee following month end	<p>Production of management accounts and presentation to management and Council</p> <p>Significant variances being reported on separately</p>	Management accounts being produced monthly	Development of KPI's in conjunction with performance management - Sept 2018

**Strategic Objective**

**2. Support the decision making process across Council by way of providing accurate, timely relevant financial information**

**Link to Corporate Aims and Objectives**

- Innovation and Transformation

<b>Work Streams / Operational Actions / Outcomes</b>	<b>Responsible Officer</b>	<b>Timescale</b>	<b>Performance Indicators</b>	<b>2017/2018 Progress</b>	<b>2018/2019 Target</b>
Implementation of Key Performance Indicators (KPI's)	Chief Finance Officer	March 2018	KPI's to be integrated into the monthly management accounts and reported on a monthly basis including tracking against previous financial periods.	Significant effort into refinement of structure and layout of management accounts mean the integration of KPI's has been delayed	Development of KPI's in conjunction with performance management – Sept 2018

**Strategic Objective**

**2. Full review of business processes maximising efficiency.**

**Link to Corporate Aims**

- Innovation and Transformation

<b>Work Streams / Operational Actions / Outcomes</b>	<b>Responsible Officer</b>	<b>Timescale</b>	<b>Performance Indicators</b>	<b>2017/2018 Progress</b>	<b>2018/2019 Target</b>
Harmonisation of financial systems and procedures across the entire organisation	Chief Finance Officer	2017/18	Production of a complete financial procedure manual for all directorates and services  Reduction in duplication of effort  Business partnering with directorates  Training non-finance staff in financial transaction processing  Non-finance staff processing financial transactions	Work has commenced on the collation of a complete procedural manual for all finance systems	Sept 2018

<b>Strategic Objective</b>					
<b>3. Ensure that the financial system is fit for purpose providing a strong framework of governance</b>					
<b>Link to Corporate Aims</b>					
<ul style="list-style-type: none"> <li>• Leader and Champion</li> </ul>					
<b>Work Streams / Operational Actions / Outcomes</b>	<b>Responsible Officer</b>	<b>Timescale</b>	<b>Performance Indicators</b>	<b>2017/2018 progress</b>	<b>2018/2019 targets</b>
Work with external auditor reviewing annual governance statement and recommendations contained therein	Accountants	Annual	Unqualified annual accounts  Increased level of assurance in annual governance statement	2016/2017 Accounts submitted on time and unqualified following audit	Accounts submitted on time  Unqualified audit
Work with internal auditors reviewing internal processes and control mechanisms	Accountants	Ongoing	Satisfactory internal audit reports  Completion/implementation of audit recommendations within agreed timeframes	2016/2017 Annual assurance level – limited assurance Audit programme implemented  Recommendations implemented	Assurance level improvement Audit programme implemented  Recommendations implemented

**Strategic Objective**

**4. Maximise digital capability of Council ICT systems allowing for efficient financial workflow across the Borough**

**Link to Corporate Aims**

- Innovation and Transformation

<b>Work Streams / Operational Actions / Outcomes</b>	<b>Responsible Officer</b>	<b>Timescale</b>	<b>Performance Indicators</b>	<b>2017/2018 progress</b>	<b>2018/2019 targets</b>
Continued roll-out of electronic payslips	Payroll and Pension Manager	March 2018	Achieve 50% of all staff receiving payslip electronically	Weekly 30% Monthly 55% Members 100%	Weekly 40% Monthly 75%
Implementation of integrated expenses system	Payroll and Pensions Manager	March 2018	90% of expenses claims made via electronic system	90% achieved	100%
Increased use of email remittance advice	Senior Finance Officer – Accounts payable	March 2018	10% reduction in use of printed remittance advices	No. of email remittances Mar 2017 – 598 Mar 2018 – 487	80% of remittances by email
Increased use of BACS payments system	Senior Finance Officer – Accounts payable	March 2018	10% reduction in use of printed cheques	%of payments by BACS Mar 2017 – 90.6% Mar 2018 – 92.2%	95% payments by BACS
Completion of roll-out of electronic purchase ordering system	Senior Finance Officer – Accounts payable	September 2017	Suppliers prompt payment statistics	ICT technical issues have delayed the full implementation	September 2018

<b>Work Streams / Operational Actions / Outcomes</b>	<b>Responsible Officer</b>	<b>Timescale</b>	<b>Performance Indicators</b>	<b>2017/2018 progress</b>	<b>2018/2019 targets</b>
Implementation of electronic invoice authorization	Senior Finance Officer – Accounts payable	March 2018	Suppliers prompt payments statistics	Implementation of purchase ordering system id delaying this initiative	March 2019
Increased use of electronic invoicing/statements	Senior Finance Officer – accounts receivable	March 2018	10% reduction in printed invoices	Mar 2017 – 16% email Mar 2018 – 21% email	50% email
Implementation of Direct Debit process and promotion of its use	Senior Finance Officer – accounts receivable	April 2017	Level of debt owed to Council Debtor days	Debt management now reported monthly	Reduction in debt level 10% reduction in debtor days
Reduction in amount of cash handled by Council	Senior Finance Officer – Accounts receivable	March 2018	Income received via website Income received through card terminals Income via direct debit	2016/17 - £210k 2017/18 - £193k 2016/17 - £1,857k 2017/18 - £2,435k  2016/17 – 150 - £330k 2017/18 – 220 - £485k	10% increase in non-cash transactions

**SECTION 4 – Resources**

<b>Service Area</b>	<b>Staffing level</b>	<b>Salary Budget</b>	<b>Other Budget</b>
<b>Management and accountants</b>	<b>6</b>		
<b>Payroll</b>	<b>6.5</b>		
<b>Accounts Payable</b>	<b>4</b>		
<b>Accounts Receivable</b>	<b>5</b>		
<b>General Ledger/Management Information</b>	<b>2.5</b>		
<b>Procurement</b>	<b>1</b>		
<b>All Finance</b>	<b>25</b>	<b>£1,035,437</b>	<b>£84,534</b>