



Finance Services Service Delivery Plan 2024 to 2025

Overview of the service

Financial services comprise 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 described below.

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 and 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 regular basis with budget managers and service leads throughout the year, with quarterly reports being presented to the

Operational Services and Finance and Assets Committees, showing current expenditure against budget and a forecast in relation to the anticipated outturn position for both revenue and capital.

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 and allocation of receipts.

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 2024/25 is £505,300, this includes staffing costs (excluding the Director, Finance), 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 8.3 full time equivalents (FTE) staff as follows: Director, Finance 1.0 (budgeted under Corporate Management Team), Accountancy 3.0 FTE, Exchequer 3.3 FTE, Payroll 1.0 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 in relation to these services.

Forward planning for Councillors

Proposed item	Proposed date of decision	Committee
2023/24 Outturn Reports to Committee	June 2024	Finance and Assets; Operational Services
2023/24 Treasury Management Outturn Report	June 2024	Finance and Assets
Internal Audit Annual Report and Opinion 2023/24	July 2024	Audit
Quarter 1 Budget Monitoring Reports for 2024/25	September 2024	Finance and Assets; Operational Services
Interim Report for 2025/26 Medium Term Financial Strategy (MTFS)	September 2024	Finance and Assets

Proposed item	Proposed date of decision	Committee
Quarter 2 Budget Monitoring Reports for 2024/25	November 2024	Finance and Assets; Operational Services
Treasury Management six-month up-date report	November 2024	Finance and Assets
Approval of the 2023/24 Statement of Accounts	November 2024	Audit
Approval of the 2023/24 Annual Governance Statement	November 2024	Audit
Service Plan half-year update report for 2024/25	November 2024	Finance and Assets
Quarter 3 Budget Monitoring Reports for 2024/25	January 2025	Finance and Assets; Operational Services
Review of draft Revenue Budget, MTFS and Capital Strategy for 2025/26	January 2025	Finance and Assets
Approve the Treasury Management Strategy for 2025/26	February 2025	Full Council
Approval of the 2025/26 Revenue Budget, Capital Strategy, MTFS, Reserves and Fees and Charges schedules	February 2025	Full Council
Set the Council Tax level for 2025/26	February 2025	Full Council

Proposed item	Proposed date of decision	Committee
Approve Internal Audit Charter and Annual Internal Audit Plan for 2025/26	March 2025	Audit
Service Plan end of year report 2024/25	March 2025	Finance and Assets
Service Delivery Plan 2025 to 2026	March 2025	Finance and Assets

Finance Services Service Delivery Plan 2024 to 2025

This Service Delivery Plan describes what Finance Services will be doing to deliver continuous improvement (service objective). Each performance measure relates to the Council's strategic outcomes and Corporate Plan 2023 to 2027.

Council's Strategic Outcome: Maintain sound finances. Improve systems and practices.

Finance Services' Strategic Objective: Ensure the objective assurance of the Council's activities are paramount.

Link to Corporate Plan: Sound financial management.

Performance measure	Target and reporting timescale	Baseline/output from 2023 to 2024	Owner and co-owners
<p>Deliver the agreed Internal Audit Plan:</p> <ul style="list-style-type: none"> ensure that the annual Internal Audit Plan is risk based and adds value to the organisation; consult with Corporate Management Team to assist in the preparation of the annual Internal Audit Plan before gaining approval from Audit Committee 	By 31 March 2025, annually	<p>90% delivered as at 29th February 2024. On course for 100% to draft report by end of March 2024</p> <p>Audit planning for 2024/25 involved meetings with CMT</p>	Chief Internal Auditor

Council's Strategic Outcome: Maintain sound finances. Improve systems and practices.

Finance Services' Strategic Objective: Ensure the long term financial sustainability of the Council.

Link to Corporate Plan: Sound financial management.

Performance measure	Target and reporting timescale	Baseline/output from 2023 to 2024	Owner and co-owners
<p>Produce a Medium Term Financial Strategy (MTFS) with balanced budgets for two years, that is 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 2025/26 and 2026/27 including:</p> <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 be presented to the Full Council meeting in February 2025, annually	The Budget report was presented to Full council on the 20 th February 2024, detailing a balanced budget for 2024/25 and the first year of the MTFS 2025/26	Director, Finance

Performance measure	Target and reporting timescale	Baseline/output from 2023 to 2024	Owner and co-owners
Produce the detailed budget for 2025/26 to a time frame that allows the Council to set a legal budget	To be presented to the Full Council meeting in February 2025, annually	The Budget report was presented to Full council on the 20 th February 2024, detailing a balanced budget for 2024/25 and the first year of the MTFS 2025/26	Director, Finance
Produce quarterly budget monitoring reports to Committees, (both revenue and capital) and an outturn report at yearend	Reports to meet committee deadlines, quarterly	Budget monitoring reports were prepared on a quarterly basis and reported to the next available Committee meeting following the end of each quarter	Senior Accountant Management Accountant

Council's Strategic Outcome: Maintain sound finances. Improve systems and practices.

Finance Services' Strategic Objective: Effectively monitor and report identified fraud.

Link to Corporate Plan: Sound financial management.

Performance measure	Target and reporting timescale	Baseline/output from 2023 to 2024	Owner and co-owners
Provide a co-ordinated approach to tackling fraud; involvement in the National Fraud Initiative (NFI) data sharing exercise	As required, ongoing	NFI data submissions made on time and outcomes subject to appropriate and timely review	ARP Fraud Team Chief Internal Auditor
Raise awareness of fraud and corruption across the organisation; review of counter fraud procedures, hot line and poster campaign	As identified, ongoing	Fraud awareness communications during Fraud Awareness Week 2024 Counter fraud procedures subject to regular review	Chief Internal Auditor

Council's Strategic Outcome: Customers are at the heart of everything we do.

Finance Services' Strategic Objective: Ensure the continued efficiency of Financial Services.

Link to Corporate Plan: Sound financial management.

Performance measure	Target and reporting timescale	Baseline/output from 2023 to 2024	Owner and co-owners
Pay 99% of undisputed invoices within 30 days	99%, annually	98.74% achieved at the end of the third quarter 2023/24	Senior Accountancy Assistant
Average time taken to collect income in relation to external invoices (this indicator does not include council tax and business rates)	Below 25 days, annually	Average collection time in the first three quarters of 2023/24 was 20.07 days	Senior Accountancy Assistant

Performance measure	Target and reporting timescale	Baseline/output from 2023 to 2024	Owner and co-owners
With the current payroll contract coming to an end in May 2025, look at service delivery options after this point and start progressing the chosen route	Ensure new contract is in place prior to May 2025	Improvements to the current HR/Payroll System are ongoing. Further investigative work in progress.	Payroll Officer
Pay 99.8% of staff the correct amount and on time	99.8%, annually	99.86 achieved in the first 11 months of 2023/24	Payroll Officer
Improve the process for the production of the Statement of Accounts; prepare the draft Statement of Accounts for 2023/24 by the statutory deadline of the end of May 2024 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	Unaudited Accounts to be published by the end of May 2024	The 2022/23 unaudited Statement of Accounts was published on the 29 th September 2023, but remain unaudited at this time	Senior Accountant
Manage the Council's surplus cash through the Treasury Management Strategy to maintain the security and liquidity of the funds and to prevent the need for external borrowing	As required, annually	Surplus cash was invested in year generating £1.3 million in interest to the end of January 2024	Senior Accountant
Deal with 98% of insurance claims within a fortnight of being notified.	98%, annually	100% of claims were passed onto Zurich for resolution in the first 10 months of the year	Management Accountant

Council’s Strategic Outcome: Be an excellent employer.

Finance Services’ Strategic Objective: Maintain an effective and well-maintained service. Ensure that the Council’s corporate risks are managed effectively and mitigations are put in place to reduce impact.

Link to Corporate Plan: Sound financial management.

Performance measure	Target and reporting timescale	Baseline/output from 2023 – 2024	Owner and co-owners
Regularly review higher level corporate risks, including: <ul style="list-style-type: none">public sector fundingloss of major income streams	As required, annually	See above	Director, Finance

Council’s Strategic Outcome: A clean, green and attractive place.

Finance Services’ Strategic Objective: Undertake activities which help to mitigate/adapt to climate change.

Link to Corporate Plan: Cleaner, greener East Cambridgeshire.

Performance measure	Target and reporting timescale	Baseline/output from 2023 – 2024	Owner and co-owners
Contribute to the implementation of the Council’s Climate and Environment Action Plan, through the allocation of funding to “green” projects and a review of printing to reduce paper usage	As identified, annually	The £100,000 revenue budget has been repeated in the 2024/25 budget and throughout the MTFS	Cross–Council activity