

IMPLEMENTATION EXECUTIVE
27 AUGUST 2008

TOWARDS ONE COUNCIL – FINANCIAL UPDATE

Executive Summary

This report identifies the draft schedule of key finance activity which needs to take place between now and January 2009. It includes support for services, technical accounting issues and the further development of a finance community utilising the skills, knowledge and leadership within the existing functions of the County and District Councils.

Proposal

There are no specific proposals in the report. However Members are invited to comment on any of the activities identified.

Reasons for Proposals

See above.

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Work Plan for Next Stages of the Towards One Council 2009-10 Finance Issues and Budget Plans

(Items in grey have been completed since the last IE meeting on 15 July 2008)

	Task	Timescale	Purpose	Objective / comments
1.	Formal budget review meetings with Service Directors/Portfolio holders to be put in the diary.	Completed	To ensure relevant people have the slots reserved in their diaries.	Meetings arranged for 22 Sept – 7 Nov. Provisional dates are being set for 2010-11 budget review meetings to allow forward planning.
2.	Further analysis of baseline 2008-09 'budget data' as revised to reflect new council structure.	Ongoing as part of QA of the budget preparation process	Ensure (as far as currently practicable) consistent treatment of all cost centres.	Accounting treatments within the current 5 authorities differ in some respects, and the differences are not always immediately apparent.
3.	'Budget data' reworked to pull out indirect budget lines and distribute to service accountants.	Completed.	Second version, with overheads identified separately circulated to accountants.	Service accountants have direct expenditure information to work with SDs.
4.	Service list pro-forma showing ADs and finance leads to be fully completed.	Ongoing.	For each SD area to identify and allocate named financial support.	Additional resources are being provided for all major services, to reduce capacity constraints within the finance community and so improve the level of support provided to service leads. The few remaining gaps in the list are being completed as staff return from summer leave.

	Task	Timescale	Purpose	Objective / comments
5.	Obtain HR staffing lists information.	Completed.	To enable SDs to understand the staffing position they are working with.	HR staffing lists are being cross-checked to existing budget preparation working papers, and returns co-ordinated with HR to ensure accurate costed data on staffing structures is provided to SDs and to SAP.
6.	Programme office to realign 1C4W work stream in line with service analysis.	Completed.	To realign work stream data into new structures.	To ensure that all work streams are working on activity and finance data reflecting new structures.
7.	Write paper on role and scope of Member budget sub-committee to JIT	Completed.	To consider options for role of Member sub-committee.	Terms of reference for Member sub-committee were considered by Budget Working group and by IE in July.
8.	Draft financial plan to Cabinet.	Completed.	To get Cabinet approval for a financial plan for 2009-10	Approved financial plan is now being used as a control total for the 2009-10 budget preparation exercise
9.	Arrange training sessions for Members.	Completed.	To provide Members with information on budget setting process.	Considered at Budget Scrutiny Task group 14 July 2008.
10.	Arrange further training sessions for Members.	Ongoing	To provide Members with information on budget setting process.	To support Members in their role as observers at Budget Review Workshops and work with Cabinet and Executive during budget preparation.
11.	Issue formal budget-proposal preparation guidance notes and pro-forma.	Completed.	To set a standard framework for service data and budget preparation (money, priorities, staff and performance and service standards).	Guidance notes have been issued for both revenue and capital budgets, with training sessions held to ensure that the wider finance community is fully aware of the process.

	Task	Timescale	Purpose	Objective / comments
12.	Finance teams working with service leads to develop service proposals and budget options to deliver cash freeze/savings targets.	12 June to 1 September	Service design and preparation for budget workshops. Linking to the corporate performance/ priority work.	Weekly workshops are being held for finance leads, to ensure that the wider finance community is providing consistent advice and support to services.
13.	Corporate Finance working with Programme Office to develop a 'benefits realised' framework.	August - September	To provide a robust scrutiny and evidence framework.	To demonstrate that expected 1C4W and BMP savings have been identified for 07-08 and 08-09.
14.	Officer meetings re budget proposals.	1 July to 11 August	To support work on service design, priorities, service standards etc.	These meetings are being arranged to meet the requirements of service directors.
15.	Workshops to review structures.	September onwards	To allow JIT to consider the proposed structures. This needs to be completed by 1.10.08 to meet BMP timetable.	To ensure proposed structures are consistent and fit for purpose. 1 st Organisational Design Workshop will be held on 5 September 2008.
16.	Write range of technical policies.	August - September	For use by the BMP team during the Realisation Phase of the project.	Topics agreed with MP cover Assets, Banking, Debt Management, Pricing Structure, Accounts Payable, Budgeting.
17.	Consolidate and cleanse asset data from County and Districts.	August – December	Ensure an asset register is available for year-end.	This is now under way – a significant amount of work is required to put together 5 asset registers of varying comprehensiveness, and meet corporate data-quality standards. Further work is being planned to identify continuous improvement opportunities from SAP.

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18.	Draft budget pro-forma submissions to Corporate Finance.	1 September	Services first cut data available.	Deferred from 18 August to allow services further time for preparation.
19.	Corporate Finance begin to build draft consolidated budget position for 2009-10.	1 September – 15 November		CF will consolidate and quality-assure submissions from services into an overall budget envelope, recording benefits realised as part of 1C4W and BMP.
20.	“Interim” staffing structure as at 1.4.09 costed and detailed. (Based on list at item 5.)	1 September	Requirement of BMP/SAP.	HR and BMP need by 16 Sept a list of posts requiring SAP authority to authorise procurement or self-service. This comes from the staffing list required for the draft budget submissions and is validated against the baseline 08-09 budget.
21.	“Preferred” staffing structure as at 31.3.10 costed and detailed. (Based on list at item 5.)	1 September	Requirement of BMP/SAP.	This list is also to be produced as part of the budget submission. It is based on the “interim” list and identifies the staffing structure required to meet the 09-10 budget envelope after BMP and 1C4W benefits are realised.
22.	Detailed Budget Review meetings.	22 Sept – 7 Nov	To review first cut proposals. (See 17 above.)	To discuss proposals, priorities, performance and service standards and options for the 2009-10 budget.
23.	Develop the wider finance community, sharing current knowledge and experience throughout County and District staff.	Ongoing	Strengthen and standardise finance advice and support for new services.	Raising knowledge-base and skills levels, building on the achievements from BMP/SAP and the co-ordinated budget-proposal preparation process.

	Task	Timescale	Purpose	Objective / comments
24.	Share and spread the technical knowledge of key accounting requirements such as Collection Fund, HRA, etc.	Ongoing	Enable unitary authority to meet statutory obligations and developing finance staff for their new roles.	Ensuring that areas of specific expertise within Districts and County are brought into a resilient overall finance function.
25.	Develop a co-ordinated and comprehensive closedown plan to produce 08-09 Statements of Accounts for County and Districts.	August - December	Ensure high-quality accounts are produced for approval by IE.	Work has already started on this, and has identified some very significant issues to be managed around audit requirements, harmonisation of accounting policies, resource requirements, and transfers of responsibilities between Members and S.151 Officers of the demising authorities.
26.	Arrange content and organisation of budget consultation meetings.	September - October		This workstream has been developing over the summer and it is anticipated that there will be 6 public meetings and 2 for the business community. Details and content are now being developed. Elements of public consultation are being developed to encompass Area Board and November Roadshow events.
27.	Hold budget consultation meetings	October - November		
28.	Produce a draft consolidated budget proposal.	15 November		First cut 09-10 budget proposal.
29.	Complete budget paperwork for Cabinet.	24 December	Papers for publication and circulation.	Meet circulation deadlines for Cabinet.

	Task	Timescale	Purpose	Objective / comments
30.	Review meetings	November to January 2009	To refine first cut budget to reflect resources, priorities and service proposals for 2009-10.	To refine budget proposals.

Note – for clarity, items completed prior to 15 July 2008 (the last IE meeting) have been deleted. They are available for review if required.

27/08/2008/IE/SMF