

Appendix 14 Director of Finance and IT Budget Proposals

Budget Proposals 2021/22

Service Area	Revenue Budget £
Digital Tameside	4,204,530
Financial Management	2,436,010
Risk Management & Audit Services	1,677,460
Grand Total	8,318,000

Service Objectives - Finance, Risk Management & Audit:

Financial Management aims to deliver consistently high quality financial support and advice to the strategic commission and our external customers and ensure that the key outcomes of an effective, efficient and economic financial management service are delivered.

The service plays a vital part in delivering some of the Strategic Commission's key Governance outcomes; the annual capital and revenue budgets and Medium Term Financial Plan update, the production of the annual accounts monthly monitoring and forecasting and treasury management are just a few examples.

The Internal Audit service provides the statutory obligations to have an effective internal audit regime for the Council and are a key part of ensuring that the Council assets and processes are adequately safeguarded.

National Anti-Fraud Network (NAFN) – is a national service hosted by Tameside and offers service to all LAs in UK on a subscription basis.

Service Objectives – Digital Tameside:

IT underpins and supports the strategic objectives of the organisation and has a fundamental role to play in improving efficiency, streamlining business processes, enabling new delivery mechanisms and underpinning transformation change programmes.

The service aims to provide

- Consistently high quality support and training for day to day operational systems.
- Fit for purpose equipment for users to make the most of the technology available
- Speedy connectivity in Council buildings.
- Robust and secure infrastructure and connectivity.
- Pro-active advice and guidance to support system implementations, upgrades and advancements.
- Pro-active advice and guidance to support service improvements and transformation change programmes.
- High quality accessible websites.

The work of the IT Service includes:

- Service desk and associated support.
- Build and deployment of user devices including phones.
- System commissioning, deployment, management and support/maintenance/security.
- Data Centre commissioning, management and support/maintenance/security.
- Networks deployment, management and support/maintenance/security.
- Website commissioning and support/maintenance/security

Appendix 14 Director of Finance and IT Budget Proposals

Service Objectives - Finance, Risk Management & Audit:

Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and to appoint a Chief Financial Officer (CFO) to have responsibility for those arrangements. The CCG has its own governance structure which states that the Chief Executive as the Accountable Officer as set out in the Health and Social Care Act.

From October 2017 Tameside Council and Tameside and Glossop CCG have a joint CFO which represented the start of an integration of the finance teams from the Council and the CCG. The integrated Accountancy Team is crucial in supporting the CFO to discharge these statutory responsibilities.

The work of the Financial Management Team mirrors, in a wider way, the role of the CFO and is defined and described as:

- key members of the Strategic Commission's (Council and CCG joint leadership teams), helping them to develop and implement strategy and to resource and deliver the organisation's objectives sustainably and in the public interest;
- being actively involved in and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered and aligned with the organisation's financial strategy;
- leading the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively;
- delivering and developing a finance function that is resourced to be fit for purpose and continuously improving;
- being appropriately qualified, suitably experienced, competent, confident and authoritative.

Spend Analysis	Revenue Budget £
Expenditure	
Employees	5,048,090
Premises Related Expenditure	309,910
Transport Related Expenditure	197,090
Supplies and Services	4,442,350
Recharge Expenses	16,355
Capital Items & Reserve Movements	(638,300)
Third Party Payments	234,705
Expenditure Total	9,610,200
Income	
Recharge Income	(768,795)
Customer and Client Receipts	(337,400)
Government Grant Income	(139,760)
Other Income	(46,245)
Income Total	(1,292,200)
Grand Total	8,318,000

Appendix 14 Director of Finance and IT Budget Proposals

Service Objectives - Finance, Risk Management & Audit:

Risk Management and Audit Service

The Internal Audit Team provides an independent, objective assurance and consulting activity designed to add value and improve the Council's operations. It helps the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes. This is delivered by:

- Undertaking risk based audits to review and assess internal controls;
- Providing consultancy and assurance work;
- Completing system sign offs to ensure new/updated systems have effective controls;
- Investigating allegations of fraud and irregularity; and
- Ensuring recommendations have been implemented by carrying out post audit reviews.

The Risk, Insurance and Information Governance Team work alongside the Internal Audit Team to ensure:

- A risk management system is in place to identify, assess, evaluate and report risks;
- Cost effective and appropriate insurance cover is in place;
- Advice and guidance is provided in relation to business continuity planning;
- Compliance with data protection legislation namely UK GDPR and the Data Protection Act 2018.

The NAFN Service which is a hosted service and externally funded provides an extensive range of data and intelligence services nationally to local authorities, other public bodies and housing associations. It has embraced change through innovation and the introduction of new services responding to new legislation and member's needs in the context of a rapidly advancing digital world and the ever changing threats from crime and fraud. It is now widely regarded as a centre of excellence for public sector data and intelligence.

Appendix 14 Director of Finance and IT Budget Proposals

Finance and Audit – Achievements and Successes in 2020/21

The integration journey between the Council and CCG finance teams continues and has enabled the integration of financial reporting to the Executive Cabinet and Strategic Commissioning Board on a consistent basis, allowing the analysis of over £900m of spend, ensuring greater visibility as to the effectiveness of the spending decisions to maximise outcomes for residents. The expanded Integrated Care Fund of over £900m a year continued. Integration of the workforce continues with staff working across both Council and CCG, and with both teams learning from each other. The embedding of new staffing structures has been successful, turnover has been stabilised and vacancies gradually filled. Sickness rates are low. There are 7 members of staff being supported to gain professional accountancy qualifications, and numerous others undertaking qualifications without direct support, as we continue to drive up professional standards. Finance Business Partners were rotated to better align support to services and drive improvements and resilience.

Both sets of statutory accounts were produced on time to revised timescales following the covid pandemic. The financial accounts were both given an unqualified opinion. The Council gained an unqualified value for money opinion, although the auditors warned about the continued reliance on reserves to balance the budget. The 2021/22 budget proposals rely on no further use of reserves, and improvements to the reporting around delivery of savings and efficiencies has been made.

Work and relationships with schools continues to be good. There continues to be pressures caused by schools wishing to convert to academy and underfunding of the High Needs part of the budgets. A recovery plan for high needs spending has been submitted to the DfE to aim to recover the deficit and has the full support of schools. There continues to be robust challenge and monitoring to support those schools who are in deficit, and in preventing further schools from entering into deficit.

The Council's relationship with STAR procurement continues to develop, there have been business improvements with the implementation of Tableau and the purchase of a contract register and management system called InTend.

The Covid pandemic and the move to homeworking has worked well across the teams with staff adapting to the new arrangements effectively. The finance team have supported the design and implementation of the business grants scheme, supported the wider organisation in its covid response and ensured that costs and income were effectively controlled and monitored.

The 2021/22 budget process has been challenging in the circumstances but significant savings plans have been developed alongside robust monitoring, delivery and reporting mechanisms to ensure the plans remain on track during 2021/22 and beyond.

Appendix 14 Director of Finance and IT Budget Proposals

Finance and Audit – Achievements and Successes in 2020/21

The internal audit plan was delayed due to the response to COVID-19, with the original plan having to be amended to support the organisation deliver against a new risk profile.

Assurance work and fraud investigations have been undertaken in relation to the Business Support Grant provided in response to COVID-19. The corporate risks have been reviewed and reported on a regular basis.

Responsive work in relation to information incidents has been provided together with proactive work to support services conduct due diligence reviews (Data Protection Impact Assessments) for new/amended data sharing and processing arrangements to ensure compliance with data protection legislation.

NAFN continues to grow and develop its service offer and in response to COVID-19 has provided alerts and intelligence to members regarding suspected fraud and worked with BEIS to provide and share intelligence.

Finance and Audit - Priorities for 21/22 and beyond:

To deliver the Audit Plan for 2021/22 and provide a reactive fraud/irregularity response service.

To review and improve the risk management process in place and further develop operational risk registers and business continuity plans to respond effectively to any incidents affecting service delivery.

To continue to provide advice and guidance in relation to risk and insurance to ensure appropriate covers are in place and risks managed to enable claims to be defended.

To deliver the Information Governance Work Plan and ensure the Council is fully compliant with UK GDPR and the Data Protection Act 2018.

Appendix 14 Director of Finance and IT Budget Proposals

Finance and Audit - Priorities for 21/22 and beyond:

There is uncertainty around the future structure of CCGs and way that the health system is funded which will impact on how the integrated team operates. Despite this uncertainty it is important to continue with the development of the team and service offer in 2021/22. Specifically, the aims, objectives and key priorities are:

- Continued development of the integrated and robust 5 year rolling medium term financial strategy aligned between Council and health services.
- Support the organisation to move to a more sustainable revenue budget position that focuses on delivery and accountability.
- Develop the cross cutting enabling programmes to support all Council and CCG services to deliver.
- Relaunch the Council's Capital Programme, aligning the spending aspirations with the capital strategy and disposals plans.
- Rollout the next phase of Agresso development to streamline and automate processes including budget monitoring and reporting, alongside budget holder training and improve the use of business intelligence across the Strategic Commission
- Further enhance budget monitoring reporting including both objective and subjective analysis
- Improve interfaces between schools accounting systems and Agresso
- Continue the development of staff by providing development opportunities, including a new round of supported study through the apprenticeship levy as the current cohort of staff are awarded their qualifications.
- Continue to develop the treasury management strategy to maximise returns within the policy framework
- Continue the integration journey by further sharing work tasks and cross skilling the team, providing opportunities for job rotation and work experience across the breadth of the Directorate.
- Produce the financial accounts on time and to a high quality and continue to improve their presentation and readability
- Conduct the annual staff survey to assess progress made by Finance Leadership Team
- Conduct a budget holder survey to ascertain the areas where progress and development is still needed and to facilitate our continuous improvement to the customer offer.
- Ensure all relevant staff complete the Finance Business Partnering certificate
- Support the implementation of the neighbourhood model of service delivery, continuing to integrate community health and council services.
- Proactive support of Children's Services providing transparent and accurate information to officers and members to enable the decision making process.
- Continue the work to develop the Council's fees and charges offer of services seeking to maximise income opportunities and help protect front line services
- Support the organization to recover from the Covid Pandemic, and take opportunities afforded by the Build Back Better and Levelling up agendas.
- Gain Accreditation in the NHS Finance Skills Development and become the first integrated team to gain accreditation

Appendix 14 Director of Finance and IT Budget Proposals

Achievements and Successes in 2020/21 IT:

Like many other services the impact of COVID has shaped and driven the work programme for IT Services this year. The immediate response to COVID-19, which saw almost 2800 staff seamlessly move from traditional office based working to agile & home working, demonstrated how robust the Councils networks and systems are, how flexible and responsive the service is, and how reliant on technology the organisation has become.

ICT is by nature a fast moving dynamic sector and the Council must ensure that it continues to have the appropriate infrastructure, people and skills in place to implement, support, monitor and keep safe it's 250+ IT systems and over 2,000 users, whilst also being able to plan and build for the future. The new Digital Strategy and Cyber Security Strategies, both approved in September 2020, provide the framework for how we will use technology to transform how and where we work, how we deliver services and how we communicate and collaborate. Work to compile a programme of cross cutting Digital Strategy savings projects is underway. Overseeing the delivery of these projects and ensuring savings are realised will be the new Digital Strategy Delivery Group.

The March "lock down" and subsequent COVID working restrictions almost overnight advanced the Councils Agile and Homeworking ambitions by at least 3 years. A year ago only a handful of staff used video conferencing regularly and collaboration tools such as SharePoint were barely used. There are now over 2000 Skype for Business users, 600 of whom are seamlessly picking up calls to their desktop phone numbers through Skype and hundreds of staff are using tools to better share information with external partners. To ensure staff have the best tools available to support this new way of working the planned roll out of Microsoft Office 365 has been brought forward by 2 years and implementation will be begin in March/April 21.

Home working has also had a big impact on printing and accelerated the need to for the organisation embrace paperless ways of working. 2020/21 will see a 65% drop in the number of pages printed, with more services using iMalil more efficient and cost effective way of getting letters and documents posted.

Work to update and upgrade the server infrastructure and associated operating systems and databases for many of the Councils systems have been completed with around 15% remaining to be done. A new backup and recovery system, including off-site tape backups, has been implemented as have additional firewall and VPN systems to increase home working capacity, resilience and security.

The planned service review has not taken place. The delay was necessary to enable the service to factor in the impact of COVID and new ways of working including the implementation of Office 365. The review will be a priority for 2021/22.

Appendix 14 Director of Finance and IT Budget Proposals

Achievements and Successes in 2020/21 IT:

Throughout the year, working with services and third party software suppliers, we have been upgraded over 70 systems and also moved many on to new servers. Alongside this the service undertook a major upgrade of laptop operating systems and desktop software which involved replacing over 2000 laptops/computers and installing new Office 2016 software suite. The logistics of doing this safely within COVID working restriction proved challenging but was completed with minimal fuss and inconvenience.

The service has also been called upon to support the Councils COVID response to vulnerable residents and local businesses. New systems for supporting residents shielding, along with multiple on-line grant application forms for local businesses have been rapidly developed in house. Alongside this improvement and new functionality to the staff portal (including widening the scope to include CCG staff) have been completed to help improve communication and engagement with our remote workforce.

In February 2020 a new customer contact centre system was implemented at short notice to ensure the Council has a fit-for-purpose platform for volume telephone calls over the crucial year end/year start period. The system was then scaled up as home working was introduced in March with over 500 agents across over 40 services now using the system dealing with over half a million calls a year. Webchat functionality was also introduced at the same time and has quickly proved a popular channel for customers using the website with over thirty thousand chats taking place.

The final quarter of 20/21 will see the completion of the latest phase of the Tameside Fibre Network development as well as the hand-over of the new Ashton Old Baths Data Centre, which will begin to be commissioned in March 21 with systems starting to be moved from Rochdale in May 21.

The fibre network reach now extends to Hattersley, Broadbottom, Mottram, Hollingworth, Mossley as well as Glossop and Hadfield connecting dozens of GP surgeries, schools and Council building and assets. Through the Cooperative Network Infrastructure (Digital Coop) over a 100 commercial connections to local businesses are also benefiting from superior internet connectivity that fibre brings.

Despite having a Cyber team of 1 person - A priority for the service through the year has been Cyber Security and ensuring that the Councils digital assets are safe. Alongside the new Cyber Strategy and associated action plan being approved, the service has undertaken a second phishing exercise to test staff awareness of potentially malicious email and all staff have undertaken on-line cyber security training. A new self service password and account unlocking system has been implemented as a forerunner to increasing both the length and complexity of passwords to ensure they are more secure..

Appendix 14 Director of Finance and IT Budget Proposals

IT Key Priorities 21/22 going forward:

- A review of the service offer will take place in order to assess the capacity to deliver on the new Digital Strategy and to meet the expectations of services going forward.
- Delivery of the Digital Strategy and associated Cross Cutting savings projects including paperless working, centralised telephone system, printing review and agile working for front line staff.
- Implementation of Microsoft Office 365 including migration of files from shares to SharePoint and extensive user training resources.
- Re-location of Data Centre from Rochdale to new state of the art facility located in Ashton Old Baths,
- Commercialization of the new Data Centre – the 1st such facility in the borough.
- Implement new Disaster Recovery facility at TGH.
- Deliver Cyber Security Strategy and Action plan and achieve Cyber Essentials and IA SME Gold cyber accreditation.
- Continue to upgrade all Council sites to ensure they have fast, flexible and secure cabled and Wi-Fi networks in place.
- Expansion of the borough's public Wi-Fi network
- Continue programme to ensure all servers run supported version of operating systems, databases and third party software.
- Redesign of network to support homeworking to ensure its resilient and fit-for-purpose for long term permanent home working arrangements.
- Move content into the new GIS solution and significantly enhance all systems that use location based data.
- Remove desktop phones and move all telephony to either Contact Centre system or Skype/Teams
- Implementation of technologies to support the new ways of working such as desk booking and enhanced virtual and hybrid meeting technology, including corporate on-line training platform
- Standardise Councillors technology and associated training.
- Establish an appropriately resourced Cyber Security Team.
- Create a single register of all IT systems in operation across the organisation and implement a process to effectively managing the life cycle of all systems.

Appendix 14 Director of Finance and IT Budget Proposals

Pressures 21/22

Nature of Pressure	Description of pressure	Pressures Forecast £000s - Incremental				
		21/22	22/23	23/24	24/25	25/26
Other service pressures	IT Revenue budget pressures	93	112	98	-11	0
Staffing related cost pressure	Cost of salary increments for 20/21	81	0	0	0	0
Staffing related cost pressure	Cost of additional 0.75% pay award for 20/21	38	0	0	0	0
Other service pressures	Office 365	600	0	0	0	0
		812	112	98	-11	0

Appendix 14 Director of Finance and IT Budget Proposals

Savings 21/22

Service Area	Saving Title	Saving Forecast				
		2021/22	2022/23	2023/24	2024/25	2025/26
		£000s	£000s	£000s	£000s	£000s
Digital Tameside	Customer Contact	0	2,000	2,000	2,000	2,000
Digital Tameside	Digital Mail	0	250	250	250	250
Digital Tameside	Digitisation of paper records	0	780	780	780	780
Digital Tameside	Mobile working	0	738	738	738	738
Digital Tameside	Electronic signatures	0	50	50	50	50
Digital Tameside	Cashless Solutions	0	250	250	250	250
Financial Management	Asset Valuation Services	55	55	55	55	55
Capital & Financing	MRP overpayment	1,299	0	0	0	0
		1,354	4,123	4,123	4,123	4,123

Appendix 14 – Corporate Budgets

CORPORATE BUDGETS 2021/22

Corporate Budgets relate to income and expenditure that is not directly attributable to service provision or back office services, and includes contingency budgets where precise costs and budget have not yet been allocated to services. The main budget items include:

- Cost of the Chief Executive's Office and Members Allowances
- Contributions to AGMA
- Coroner's costs
- Capital and financing costs including borrowing costs and provision for the repayment of debt used to fund capital investment in previous years.
- Income includes interest on cash balances invested under the Treasury Management Strategy.

Service	Revenue Budget £
Capital and Financing	4,775,000
Contingency	(9,873,000)
Corporate and Democratic Core	5,051,000
Grand Total	(47,000)

Spend Analysis	Revenue Budget £
Expenditure	
Employees	1,225,940
Premises Related Expenditure	11,880
Transport Related Expenditure	12,450
Supplies and Services	7,137,350
Third Party Payments	746,590
Recharge Expenses	100
Capital Financing Costs	9,921,000
Capital Items & Reserve Movements	(5,239,000)
Expenditure Total	13,816,310
Income	
Customer and Client Receipts	(553,310)
Government Grant Income	(9,002,000)
Other Income	(462,000)
Interest Income	(3,624,000)
Recharge Income	(222,000)
Income Total	(13,863,310)
Grand Total	(47,000)

Appendix 14 – Corporate Budgets

Pressures 2021/22

Directorate	Nature of Pressure	Description of pressure	Pressures Forecast £000s - Incremental				
			21/22	22/23	23/24	24/25	25/26
Contingency	Demographic Pressures	Demographic Contingencies	1,149	4,102	3,853	5,393	4,282
Contingency	Staffing related cost pressure	Cost of pay award (2%) and increments for 22/23 and after	0	3,093	2,483	2,513	2,272
Corporate costs	Staffing related cost pressure	Cost of additional 0.75% pay award for 20/21	8	0	0	0	0
			1,157	7,195	6,336	7,906	6,554

Appendix 14 – Corporate Budgets

Savings 2021/22

Service Area	Saving Title	Saving Forecast				
		2021/22	2022/23	2023/24	2024/25	2025/26
		£000s	£000s	£000s	£000s	£000s
Exchequer	SPD Review	100	100	100	100	100
People & Workforce Development	Salary Sacrifice Schemes	45	45	45	45	45
Cross-Cutting	Workforce Review	1,000	1,500	1,500	1,500	1,500
Central Services	Contingencies and Mayoral Support	136	136	136	136	136
Capital & Financing	Manchester Airport Investments	1,062	967	967	967	967
Capital & Financing	Pension Advanced Payment	460	460	460	460	460
		2,803	3,208	3,208	3,208	3,208