

Appendix A – Tandridge Finance Transformation – Progress update

1. Overview of the objectives of the Tandridge Finance Transformation

The TFT programme set out 4 workstreams which, together, transformed the finance function and the role of finance within TDC. Below are the workstreams and the high-level objectives set at the start of the programme.

New Finance Model

A new, right-sized, re-shaped and strengthened operating model, blending TDC directly employed staff and senior members of the SCC finance team, was developed following a detailed activity and skills analysis. This moved from a generalist approach to a focused integrated structure with SCC overseeing the technical corporate finance functions and a dedicated 'service-facing' team, with an emphasis on business partnering, supported by SCC best practice.

Organisational Development

A co-designed Finance Business Partnering Agreement was developed, setting out the roles and responsibilities of finance and budget managers, delivering increased accountability and adherence to key corporate processes, governance, and controls. An aligned Learning and Development programme based on the SCC Finance Academy was created and will be delivered to TDC budget holders and Members.

Deliver the Budget

An in-depth review of financial fundamentals including financial policies and procedures was undertaken. In parallel we adopted a 'Twin Track' approach to identify savings to deliver a balanced budget in 2022/23 and a robust financial position for 2023/24 going forward.

Exchequer Transformation

A change team reshaped Exchequer Services with new business rules, controls and refined documented processes with clear ownership and performance metrics, allied to system changes to deliver a simpler and more effective function.

2. Closedown process

As part of the closedown process, a review of the programme was carried out with a number of stakeholders, ranging from council members to team members. Stakeholders were asked the following questions:

- 1. What went well?**
- 2. What didn't go so well?**
- 3. What should we focus on next?**

The findings from the first two questions have been recorded as lessons learned in planning the Future Tandridge programme and also for future programmes at Tandridge. Further details of the findings can be found in the July 2022 A & S report, link in background papers section.

Further discussions on 'item 3, what should be focussed on next' identified a number of activities that were needed to continue to embed the transformation in Finance and across the business. The following key points were identified during that process:

- Implement a learning and development programme across TDC Finance
- Ensure the Finance Business Partnering agreement and the new ways of working it brings are embedded into the organisation and are part of a continuous improvement programme
- Ensure there is capacity in the team to give people time to improve
- Ensure that it is clear what has been delivered and what is outstanding
- Ensure there is a good set of KPIs in place to monitor and improve where required, for example in the areas of budget accountability and budget training
- Ensure that training is embedded, and that Finance are included in the overall approach being taken in the Future Tandridge programme
- Finance improvements – enable the right structure to be put in place to take these forwards, which will be part of the Benefits board responsibility
- Regarding how Member updates will be provided in future – reporting in the Future Tandridge programme and agreement to provide an update in June 2023 at Audit & Scrutiny.

3. Plans for Transition to Business as Usual (BAU)

Much of the project focus has been about setting up a stronger BAU function in TDC, including establishing the new Finance model and introducing new ways of working within Finance and more widely within the council, by reinforcing the role of the Finance Business partner across the organisation and by introducing the Finance Business Partnering agreement.

The transition from the project phase into BAU has been facilitated by the fact that the lead on the SCC Transition moved into the S151 role at TDC. This meant that the focus on improvement and knowledge of the transformation programme became embedded in the management of the finance function.

The balance of managing the line between BAU and programme activities caused challenges at times and SCC fulfilled some of the everyday activities due to leavers and vacant roles. This was recorded as a high area of risk in the programme where operational resources were also used as SMEs within the programme. The new Finance model was put in place with clear roles and recruitment has also helped to bring clarity and ownership to the team members. In addition, Programme Management resource previously provided via SCC has now been recruited permanently into TDC, ensuring that the focus and rigour needed for improvement activities is built into the structure.

4. Continuing delivery of programme objectives

Below are the programme objectives that were agreed to be part of the continuous improvement process or the Future Tandrige programme.

Ref No.	Action	Status June 2022	By When	Owner	Update
	Organisation Development				
1	Set up Finance Academy in Tandrige and ensure Team culture and working practices – embed business partnering and lift the team to focus on value-added work	Scoping for business case in progress	August 2022	CFO	In progress: SharePoint site exists for best practice, with guides being developed in consultation with key users. Business partners in post and working with services to provide consistent financial practice.
2	Organisational development and culture – budget accountability and improving the strength of financial information to enable that accountability	Further work to progress accountability and ownership	September 2022	CFO	Continuous: Training in progress with both officers and members to improve finance knowledge and drive budget ownership. Budget Accountability Statements launched for 2023/24, as approved by Strategy & Resources committee in January 2023.
3	Link roles in the Finance Business Partnering Agreement with finance regulations across the Council	Embed ownership of regulations	September 2022	CFO	In progress: Financial Regulations are on the agenda for S&R on 29 th June.

Ref No.	Action	Status June 2022	By When	Owner	Update
4.	Learning and Development for Councillors	In planning - Invitations to be shared with councillors	Module 1 - mid July. Module 2 - mid Sep. Module 3 - beg Oct	Senior Finance Business Partner	Continuous: Finance Modules 1 and 2 ran during 2022 calendar year, with a re-run of Module 1 for new members, and Module 3 diarised for July 2023. Treasury Management Training conducted for Investment Sub-Committee in 2022, with annual refresh planned.
	New Finance Model				
5.	Ensure Finance Team is fully resourced and embedding the new team	Recruit to remaining Business Partner role – dependant on recruitment success	TBC	CFO	Partially Complete: All business partner roles are filled. A vacancy supporting the Business Partnering team has been filled with temporary resource following numerous failed attempts to recruit. Recruitment is underway with consideration being given to an apprenticeship as an alternate means of recruitment.
6.	Ensure people possess best practice skills and behaviours and are able to continuously improve their knowledge	Embed best ways of working and continuous	In place	CFO	Continuous: Recruitment process with clear guidelines on levels of capability per role.

Ref No.	Action	Status June 2022	By When	Owner	Update
		improvement plan			Learning and Development needs defined through the new appraisal process
	Exchequer Transformation				
7.	Review and schedule items on the Exchequer Improvement Plan	High priorities identified and progressed, other items to be reviewed and addressed as required.	Complete	Exchequer Manager	Continuous: Exchequer improvement continues. Accounts Payable has moved to reasonable assurance from limited in the previous review. Accounts Receivable audit remains in progress but clear improvements have been made. Overall sundry outstanding debt has reduced when compared to the previous financial year. And prompt payment now remains steady at 96% for AP.

5. Recommended next steps - Programme / Organisation level

Ref No.	Action	Recommendation	By When	Owner	Update
8.	Agree benefit review plan	Part of the Finance & Benefits delivery workstream in	September 2022	CFO/Programme Mgr.	In progress: This report goes some way towards a formal

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		Future Tandridge Programme			benefit review however it is still the intention to secure a third-party review in future. Key internal audits have also been completed or scheduled in 2022/23: Accounts Payable (Reasonable) Accounts Receivable (Pending) Savings Realisation (Substantial) Main Accounting (pending)
9.	Continuous improvement plan in place embedded in Finance and across the council	New ways of working to be embedded in the finance team and to continue to be assessed and improved	September 2022	CX/CFO	Continuous improvement is reflected in the Finance Service plan and appraisal system.
10.	Prioritised improvement plan for Exchequer – ensuring this becomes part of the continuous improvement activity in the Exchequer Team	Handover of improvement plan from Exchequer workstream to S151 officer and Exchequer Manager to plan	June 2022	Exchequer Services Manager / Team	In Progress: This is kept under constant review by the Exchequer Manager with regular updates with the S151 officer.
11.	Lessons learned – Learnings for reference in future activity at	Use this document as a basis along with final highlight	July 2022	PMO	Complete: The Future Tandridge Programme has used the

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	Tandridge. Ensure outstanding items are clearly highlighted.	reports to understand outstanding items and agree next steps on each			Complete. Programme Lessons Learned log as a reference point on the Future Tandridge programme. All relevant learnings should be included in the TDC central lessons log being set up as part of the new target operating model.
12.	Deliver 22/23 savings programme - ensure identified savings have plans and owners to take forward to completion	22/23 savings are mapped out as part of service reviews and other areas such as SMT restructure - these are managed by the Finance and Benefits board, part of the Future Tandridge programme	Identified by June 2022, delivery managed monthly	Finance and Benefits Board	Complete.
13.	Peer review / external validation of improvement	Review and validation will be sought to provide an independent opinion	TBC	CFO	Please see response to item 1 for details.
14.	Benefits board - transition to BAU - will run throughout the Future Tandridge Programme and remain in place as part of Finance/Change BAU	Pro-active identification and management of savings throughout the FTP programme. Future savings management to be	In place	PMO	Complete: The programme & benefits board is in place with clear remit to monitor progress against planned benefits and

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		part of the Target Operating Model for the council			identify risks to delivery.
15.	Agreed KPIs embedded in Finance – identify required KPIs, set up process to monitor and measure	Recommend usage of KPIs across Finance team to continuously monitor and improve service	TBC	Finance	Continuous: This is being introduced across the council as part of the continuous improvement process.
16.	Embedding clear and robust financial processes and procedures – set up as part of part of the programme, with clear ownership	Roles and processes defined as part of the new finance model.	September 2022	Finance	Complete: Roles and responsibilities have been embedded a part of the new model in the Finance team and all recruitment follows the same process to ensure key skills are part of expected capabilities.
17.	Embedding the role of Business Partners into services – early engagement and involvement in decision making	New finance model in place with business partner roles. Working already during the service reviews.	In place	Service wide	Complete: Business partnering is an area that is high value and will be part of the continuous improvement process across all services. Business partners in post and working with services to provide consistent financial practice.

Ref No.	Action	Recommendation	By When	Owner	Update
18.	Embedding the approach to Learning and Development	Recommend the use of SCC Finance Academy and Tandridge branding to take this forward with ownership within Finance	August 2022	Finance	continuous. Please refer to item 1 for further details.
19.	Keeping members updated on progressing the recommended next steps from the Tandridge Finance Transformation programme.	Report progress to A&S on an annual basis.	June 2023 annually	Finance	Complete. As per the latest update included in this report
20.	Carry out a Savings realisation audit for 2022/23 savings plan	Engage with SIAP to undertake an audit of the programme	Q2/Q3 2023	Finance	Complete. Audit was carried out and the Future Tandridge programme managing the 22/23 found to be Substantial – with no actions to complete.

Other improvements:

In addition to the objectives set out above, a number of other improvements have been made over the course of 2022/23, including:

- Reporting the quarterly monitoring and outturn position to all four policy committees rather than limited to S&R, this ensures that policy committees understand their individual financial position and the overall context.
- Improving the coding of salary costs to make salary management more straightforward.
- Various other improvements in and training on Agresso to develop the capabilities of the TDC finance team.

- Regular board meetings with Sevenoaks who provide Agresso, including a focus on Governance and Disaster Recovery.
- Reporting the Housing Revenue Account outturn position 3 months earlier in June 2023, compared to September 2022 for the previous year.
- Weekly review meetings for the Joint Working Agreement with SCC, with TDC S151 and SCC Corporate Finance Management
- Embedding roles within the Joint Working Agreement.
- Utilising access to the SCC Corporate Finance team to increase the resource available to review Fees and Charges.