



Government
Finance
Function

Government Finance Function

Annual Review 2020

**We put finance at the
heart of decision making.
Driving the agenda,
not just keeping score.**

About this document

This document reviews achievements against the [2019-2023 Government Finance Function Strategy](#) and confirms the delivery priorities for the next year of the strategy.

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Foreword

We put finance at the heart of decision making. Driving the agenda, not just keeping score.

Just over a year ago, we formally launched our first-ever cross-government functional strategy, setting out how we were going to deliver against our vision to 'put finance at the heart of the decision making. Driving the agenda not just keeping score'.

A lot has happened since then, not least the recent leadership changes at the very top of the Government Finance Function. I would like to take this opportunity to thank Mike Driver for his dedication, leadership and service to the Government Finance Function and to wish him all the best in his new role as interim Permanent Secretary at the Ministry of Justice.

I am immensely proud of the role that finance has played in responding to COVID-19. We have demonstrated resilience, agility and an unwavering commitment to driving better outcomes for citizens. On top of this, finance has been making early progress on the ambitious reform agenda set out by the new administration, and working through the many implications of leaving the EU. An incredible achievement in extremely challenging circumstances - Thank you!

In this challenging environment, our vision and objectives are more relevant now than ever and give us a clear foundation around which to anchor and align our activity across government. Our Finance Leadership Group and Finance Strategy Board have continued to help steer and guide the function through this uncertainty, providing visible leadership, sharing good practice and identifying opportunities to support one another. All of this means that we are well positioned to capitalise on the opportunities that these events create but we must continue to be ambitious, pioneering new approaches and challenging ourselves and others across government to help deliver better services, outcomes and value for money in all that we do.

This annual review is an opportunity for us all to step back and recognise the amazing things we have achieved together over the past year and to revisit our ambitions, reminding ourselves of their current relevance. It can't cover all the great work that's



Cat Little

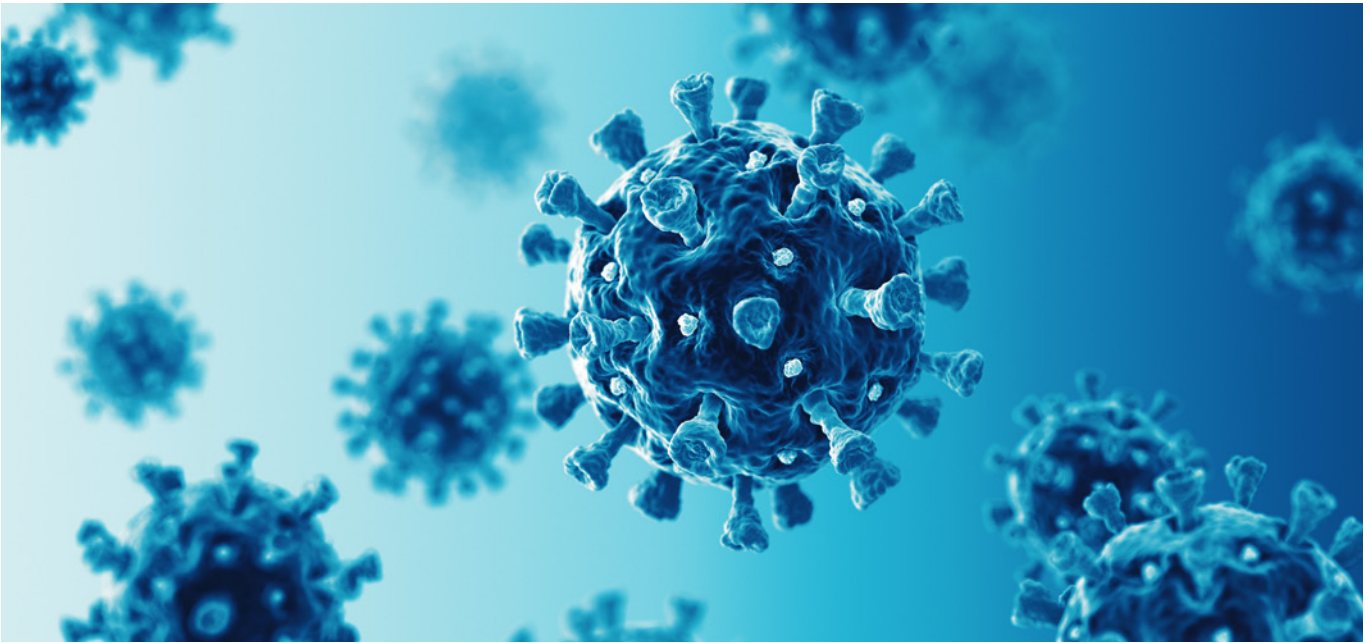
Head of the Government Finance Function and Director General, Public Spending, HM Treasury

happening within finance teams across government, but focusses primarily on our progress against the Government Finance Function Strategy. This review is also a prompt to consider our priorities for the next twelve months - there is still lots for us to do, from tangible actions on diversity and inclusion, to delivering on the cross-government data and automation agenda, and we will need your help to achieve this.

Beyond the function, the wider Civil Service reform strategy is changing and a new set of priorities around people, innovation and outcomes is beginning to take shape. Finance is already at the forefront of many of these priorities and we will continue to adapt our approach in order to play our part in 'Shaping our Future Together'.

I am deeply humbled to be taking forward this ambitious agenda and am determined to harness the collective leadership and talent of the function across government and the public sector. Together, we will continue to make the Government Finance Function a driving force for change and improvement across government.

Living our vision during COVID-19



It's safe to say that COVID-19 has radically changed the way we work, presenting opportunities for finance to be at its best and challenging some of our assumptions about what is possible.

Finance teams have been at the centre in dealing with the response to COVID-19: setting up new schemes to support the economy; adapting finance processes to pay suppliers and deliver services; supporting large-scale procurement; working tirelessly to help departments and organisations navigate through the financial ambiguity; and keeping essential back-office services running from home despite facing reduced capacity and increased demand. As the dust begins to settle, this is an opportunity to remind ourselves of just how far we've come.

"As I've talked with colleagues across the service what I have heard more than anything is a mix of pride and wonder: pride in what we've been able to do to, but also wonder that we've been able to do all this so quickly. And this must give us great hope, confidence even, that we can rise to the challenge that lies before us."

Alex Chisholm

Chief Operating Officer for the Civil Service and Permanent Secretary, Cabinet Office

At the heart of decision making

The numerous COVID-19 support schemes that needed to be developed and administered put finance teams well and truly at the heart of decision making.

Their wide ranging nature and the speed at which these programmes were set up reflects the skills, experience and dedication across the function. It demonstrates the function operating at its best, breaking down departmental, organisational and

cross-functional barriers to achieve exceptional results for government and the public.

Finance teams have had to be pragmatic, reviewing workloads and re-prioritising to deliver these programmes alongside our financial reporting commitments which are essential for maintaining confidence and public trust.

In HM Revenue and Customs

Almost overnight, HMRC went from delivering no grants to being the largest grant-giving department in Government, responsible for delivering: the Job Retention Scheme (Furlough), Self-Employed Income Support Scheme, Statutory Sick Pay and Eat Out to Help Out.

Finance was involved at every stage from rapid design to large-scale implementation. As a result we were able to guide the business to better control and assurance outcomes, ensuring core finance process needs were met and that the risk management principles set out in the [Orange Book](#) were followed.

Internal audit provided clarity and assurance, ensuring that grants being developed at speed were effective and aligned across government from a policy perspective.

All of this has resulted in the rapid creation and deployment of schemes that are recognised as world-leading, reflecting the hard work, dedication and disciplined approach to risk and control of finance teams and functional colleagues. The NAO and the HMRC Audit and Risk Committee have been extremely complimentary, recognising that our finance expertise has saved the taxpayer millions or tens of millions in reduced fraud and error.

At the Department of Health and Social Care

Establishing a team of over 600 people would normally take months of planning with a multitude of complex issues to resolve. By necessity, DHSC and cross-government colleagues stood up an operational Finance team and a Commercial procurement function in a few weeks, that have since gone on to deliver over 30 billion items of PPE, Nightingale hospitals and the Test & Trace programme.

This would not have been possible without the incredible cross-departmental contribution from the Government Finance Function, which has been guided by and relied on the [Finance Standard](#), the [Global Design Principles](#) and the co-operation of networks to deliver this response whilst operating at pace, in a collective and collaborative manner. These combined efforts have helped to ensure DHSC and HM Treasury maintain reasonable and proportionate financial control and, importantly, that finance has been at the very heart of strategic decision making across a complex and challenging environment.



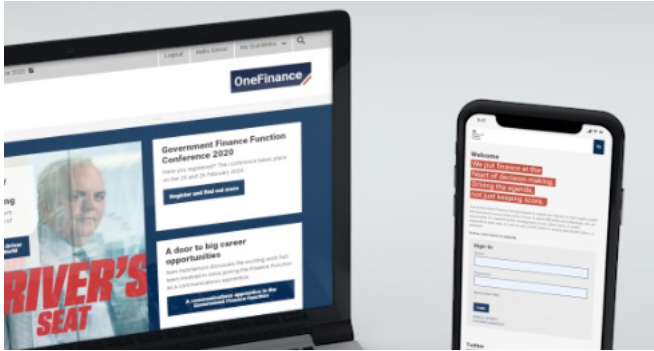
“COVID-19 really highlighted the benefits of working together as a function. The crisis required a flexing of Accounting Officer risk appetite - our ability to test and discuss risk appetite with GFF colleagues enabled an agile response to an unprecedented period whilst balancing financial risk. Supporting this was the control framework guidance being quickly updated and shared via OneFinance, and the rapid deployment of skilled government finance professionals to the areas of highest financial risk.”

Chris Young

Infrastructure and Investment Director,
Department of Health and Social Care, and
Finance Leadership Group member

Staying connected and supporting each other

Our people are what make the function the success it is and COVID-19 meant we needed to find new ways to support each other and connect.



Our refreshed [OneFinance](#) platform has been essential during this period, enabling us to strengthen our engagement across the function and reach more people than ever: sharing guidance, experiences and connecting people from different teams, departments and regions.

At the outset of the pandemic, we launched the [COVID-19 hub](#) on our OneFinance platform to provide updates quickly in the rapidly changing environment. We also recognised the detrimental impact remote working can have and provided a range of materials designed to support resilience and [wellbeing](#). The COVID-19 hub is the most visited page on the OneFinance platform with over 7,000 unique views.

Through OneFinance we have been able to convey key messages and updates from other functions, with dedicated sections for Commercial, Fraud, Error, Debt & Grants, and Internal Audit.

To ensure that learning and development doesn't suffer as a consequence of remote working, our [Government Finance Academy](#) offer has been adapted so that much of it can be delivered virtually. This includes the [Finance Forefront programme](#), starting in September 2020.

The past few months also demonstrated the deep pool of finance talent that exists across government and the readiness for people to support colleagues in other areas. Many finance colleagues were redeployed to front-line services in their own organisations, while those finance teams which were most acutely affected were also able to tap into finance talent from across government, with the functional centre redeploying over a third of its people to support the Department of Health and Social Care, and HM Treasury.

Working across functions

Close collaboration with other functions throughout this crisis has been fundamental, helping to ensure that departments continue to operate effectively under conditions of undue stress whilst maintaining appropriate controls.

The work done with the Government Commercial Function to develop [Government Procurement Card](#) principles has supported increased usage of procurement cards by enhancing their flexibility and allowing them to be used in more circumstances. This entailed establishing new cross-government communities to design and agree the necessary finance process changes to support this increased flexibility while maintaining reasonable controls.

Finance teams also provided real-time support to Commercial colleagues when developing Procurement Policy Notes (PPNs), sharing analysis, monitoring supplier engagement and providing Accounting Officer assurances.

Additionally, with so much money being handed out via the COVID-19 support schemes, ongoing work with Fraud, Error, Debt & Grants is essential to ensure grants are administered effectively and safely, with the [Government Spotlight tool](#) being a major asset in this. Complimenting this is the increased focus on [post-event assurance](#) to identify and understand levels of loss, irregularity and non-compliance, with this work actively supported by the Government Internal Audit Agency.

“The vision we set out last year is starting to become tangible. With every piece of cross-government guidance published, GFA course delivered, and financial process aligned, we are improving government finance and living our vision.”

Ilona Blue

Group Finance Director, Department for Transport, and Co-Chair of the Organisation, Technology, Data and Insight Committee

Delivering on our objectives

How we are delivering on the 2019-2023
Government Finance Function Strategy



Getting the basics right

Sound forecasting and reporting, with robust data, efficient transaction processing, and effective management of risk, supported by standards, policies, guidance and strong functional leadership.

Key achievements:

- Our refreshed [Finance Standard](#), finalised in February, sets the expectations for the effective management of public funds across government. The standard aligns to our agreed [finance taxonomy](#) which gives us a common vocabulary and consistent understanding of finance activity across government.
- We launched our new [OneFinance platform](#) in January, which enables the sharing of guidance and best practice, and helps connect the whole community across government. During the COVID-19 lockdown, [the OneFinance COVID-19 hub](#) quickly disseminated guidance which allowed departments to maintain reasonable financial controls while operating in the rapidly changing environment.
- We held [our biggest and best conference yet](#) in February with over 1,500 delegates from 80 different organisations. We engaged staff at events across the country with the **Top 200 event** bringing together the function's senior leadership, the **Future Finance Leaders Event** for those on early talent programmes, **5 regional roadshows**, and a strong presence at **8 Civil Service Live events**.
- Despite the challenges of the past year, our **finance leaders** continue to own and drive forward priority elements of the strategy, contributing to the delivery of our functional objectives. Our functional model ensures that these priorities are directly informed by departments and their organisations and that we focus our **collaborative delivery** on those areas that add greatest value.

20-21 Priorities:

- Promote the great work currently happening across our [Government Finance Function Communities](#) by supporting our networks such as the [Strategic Finance Network](#) and the [Women in Finance Network](#) to ensure their work reaches as many people as possible.
- Continue to support strong functional governance and begin **performance reporting** to the Finance Strategy Board and the wider Government Finance Function community through OneFinance. This will generate functional insight, identify good practice and provide assurance on the effectiveness of the function and its interventions.
- Deliver a **new programme of engagement online**, starting with our digital Autumn Festival at the end of September which ensures everyone can stay connected in the current environment, irrespective of their geography or organisation. With live broadcasting capability and resources that people can refer back to, we will be inclusive in the broadest sense.
- Continue to **develop the OneFinance platform** ensuring we realise the ambition of it being the go-to resource for Government Finance Function colleagues and beyond to connect with one another, find advice and guidance, and manage their careers.

OneFinance

Over 4,500 registered users

from over 350 organisations



Laying the foundations for better finance

Following a series of machinery of government changes, the Department for Education found itself operating with five finance systems and multiple processes to achieve the same outcomes. They've been on a convergence journey: harmonising and enhancing their data, processes, security and services.

This year, they moved the core department, its agencies and a number of ALBs onto a single accounting and payment system. This has improved efficiency of the function while strengthening controls. Attention now is moving to implementing 'Unified Data Structures' that will improve data quality and enable seamless communication from ALBs to DfE to OSCAR II without the need for translation – empowering decision-makers at all levels with better insights.

“So much of what we do in finance depends on getting the basic data, controls and assurance right. This is the foundation for operating effectively, delivering brilliant insight and establishing ourselves as a trusted partner...Getting the basics right is essentially our licence to operate - that's why it's right that this is the first of our objectives.”

Charu Gorasia

Director General, Capabilities and Resources,
Home Office, and Finance Strategy
Board member



People, diversity and capability

A high performing and diverse function, with great people in the right roles with the right skills.

Key achievements:

- We've continued to equip our people with the right knowledge, skills and experience throughout the year:
 - **1,129 attendees** kept their technical knowledge up to date at one of our 11 [Technical Events](#);
 - **375 apprentices** are currently working across the function and we held our first [Government Finance Academy](#) (GFA) Apprenticeship events in Leeds and London to support and connect them;
 - **44 people** joined the Finance Fast Stream; and
 - we've delivered **8 GFA Spending Journeys** for new Senior Civil Servants.
- We've published our [Government Finance Function Learning and Development Strategy](#) and the [Government Finance Academy Delivery Model](#). This provides us with the foundation through which to build capability for finance and non-finance professionals, delivering an excellent learning and development offer accessible to all.
- To ensure the Government Finance Function is an inclusive place to work and everyone, no matter their background, can contribute fully, we've developed the [Government Finance Function Diversity and Inclusion Action Plan](#).
- We have refreshed and published **24 e-learning courses** on the new [Learning Platform for Government](#).

20-21 Priorities:

- Deliver the **Government Finance Function Learning and Development Strategy** through the GFA delivery model, ensuring it becomes sustainable and stays focussed on delivering high-quality learning and development across the function.
- Deliver high-quality **virtual learning and development** through the GFA platform, including the new [finance forefront programme](#), technical events and the Green Finance e-learning.
- **Foster a diverse and inclusive function** through the implementation of our Diversity and Inclusion Action Plan: embedding cultural change, supporting wellbeing, and improving the quality and visibility of functional diversity and inclusion data.
- Develop options for a **reward and recognition offer**, to help the function to attract and retain talent.
- Continue our ongoing work to help departments transition to a **wider range of apprenticeship suppliers**, offering greater flexibility and a more tailored approach.



Life as a Finance Apprentice

HM Prisons and Probation Service is bringing in new talent and upskilling its finance workforce through new Apprenticeships.

One such apprentice, Jack Dellow, completed his level 4 apprenticeship this year. Jack took on core responsibilities within his team, whilst also progressing his academic work, learning about financial accounting, auditing, cash management and other key financial areas. He used one day out of every five to focus on his academic work, ultimately sitting his technical qualification and submitting a comprehensive portfolio demonstrating his professional skillset. Jack received extensive support from tutors, his line manager and his team throughout the 18-24 month period of the apprenticeship and speaks highly of the programme:
“I’d encourage everybody to consider this path! I’m certainly hoping to follow this up with a further qualification.”

“People must continue to be front and centre of the finance strategy; we need to be able to attract, retain and develop our people to create a function that is professional, talented and diverse so we can meet the demands of today and the challenges of tomorrow.”

Charlie Pate

Director General Finance, Ministry of Defence, and Co-Chair of the People Committee

Prioritising diversity and inclusion

The Government Finance Function Strategy 2019-2023 highlights the function's commitment to **creating a diverse and inclusive culture** that values diverse backgrounds, perspectives and experience and places people at the heart of the functional agenda.

This year, tragic events in the United States and the ensuing upsurge in support for the Black Lives Matter movement around the world reignited attention to racial inequality and long-standing systemic bias. The renewed emphasis on addressing race discrimination has emboldened us to do more and move faster in striving for change. To drive the function's core mission of cultural change, we have developed a Diversity and Inclusion Action Plan with four key priorities:

- 1 **Setting minimum standards for diversity and inclusion across all of our work on People, Diversity and Capability.**
- 2 **Developing partnerships and building networks within the function and across the Civil Service to deliver our diversity and inclusion objectives through a collaborative approach. Collaborating with functional networks and departments will align all diversity and inclusion strategies, allowing for maximum impact and ensuring that we are adding value from a functional perspective.**
- 3 **Improving our diversity and inclusion data and using this to: develop better strategies for attracting and retaining diverse talent; set targets; and measure progress.**
- 4 **Sharing best practice to support and promote wellbeing.**

To deliver this Action Plan we are reviewing all of our People and Capability activity with a diversity and inclusion lens. We are collaborating with the [Diversity and Inclusion Working Group](#), the [Women in Finance](#)

[Network](#) and the [Black, Asian and minority ethnic \(BAME\) Finance Group](#) to incorporate our diversity and inclusion objectives into our work on talent, resourcing and capability. A key focus for the function is attracting and retaining diverse talent. To facilitate this, we will be assessing diversity data from talent development scheme participation, ensuring recruitment panels are diverse and implementing measures to support those with protected characteristics and/or from under-represented groups with career planning and progression. In building capability across the function, we will ensure that the GFA learning and development offer provides equality of opportunity to all, regardless of background, location or grade.

To support our diversity and inclusion ambitions set out in the Government Finance Function Strategy, we have appointed a [Diversity, Inclusion and Wellbeing](#) lead for the function and refreshed our People Committee membership to ensure it is more representative of the workforce and encapsulates a more diverse range of views. Every workstream overseen by the People Committee also now has a diversity and inclusion deliverable embedded within its agenda.

Diversity and inclusion was also one of the overarching themes at the Government Finance Conference 2020 in February, where we heard inspiring and empowering speeches from a mix of internal and external speakers. They shared their experiences and highlighted ongoing work to improve diversity and inclusion across the Civil Service. We will keep the conversation going at the Autumn Festival in September and beyond since this is a critical area where we as a function must continue to make progress.



How we operate

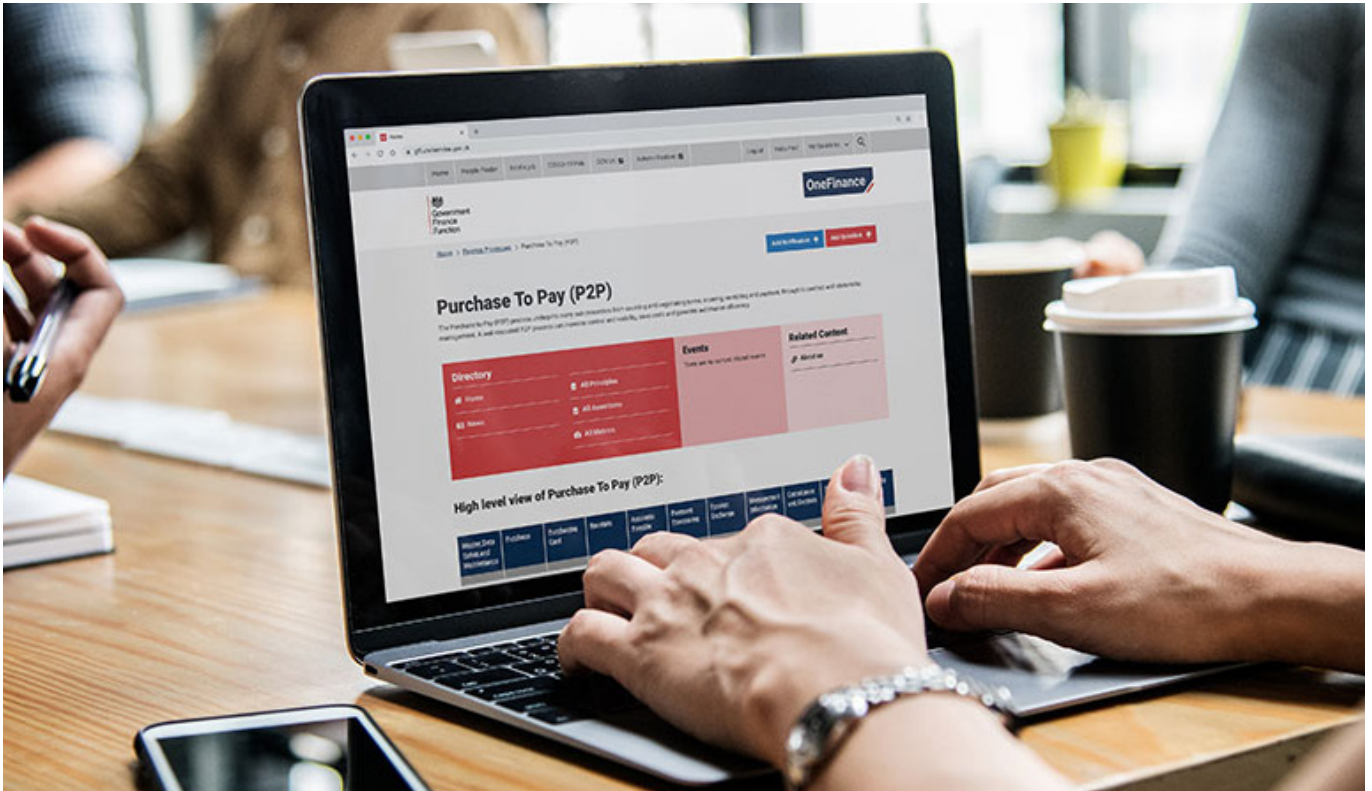
A modern digital finance function that delivers quality services more effectively and efficiently through processes, data standards, and IT systems that work together.

Key achievements:

- We refreshed the [Global Design Principles](#), the basis of our convergence work, including a complete overhaul of the grants administration principles.
- We engaged departments and took on board your feedback from Conference 2020 to develop our first toolkits to support finance teams when considering [location](#) and [technology change](#). These aim to share the good practice that exists across government through case studies and lessons learned put together by finance teams that have recently undertaken or explored transformational change.
- We've established structures to develop best practice and promote active collaboration including our new boards: The **Finance Design Authority (FDA)** agrees the key components required to direct and assess finance processes, and data and technology convergence; and the [Finance Technology Forum](#) creates a space to share technology best practice across government.
- Our **Purchase-to-Pay convergence framework** has been successfully piloted at 5 departments and is ready to roll out across government. We have learnt during the pilot that process convergence cannot be addressed in isolation but needs to be tackled alongside data standardisation and technology.

20-21 Priorities:

- Support the [Government Shared Services Strategy](#) and [Civil Service modernisation and reform agenda](#) on process improvement, automation and interoperability across government to increase capacity and enable more central oversight and departmental comparisons. Our convergence work is at the core of this and we will work closely with departments on the next set frameworks: **Expenses, Non-current assets and Order-to-Cash**.
- Create finance systems which are more efficient, accurate and have greater capacity, focusing on **financial reporting, management information and Source-to-Pay automation**, as well as **data, process and technology standardisation**.
- Continue to work with [technology vendors](#): Oracle, SAP and Workday, to ensure their products meet the needs of the function, as set out in our **Global Design Principles**.



Using the Global Design Principles for successful transformation

The Ministry of Defence are modernising their Cash Management process by utilising more digital solutions and replacing a legacy system. They're also embarking on delivering a Project Accounting ledger into their corporate Enterprise Resource Planning (ERP). For both projects, they used the Global Design Principles to evaluate design and ensure the solutions will deliver compliance.

The principles have also been used within MOD's Finance transformation programme, which looks to standardise finance processes across the department and the technology aspects of the principles have been incorporated into MOD's Finance System Strategy, focussing on strategic direction and the long-term plan for investing in our corporate systems.

The Government Internal Audit Agency used the Global Design Principles to develop test plans for key financial processes, including expenses; Order to Cash; Purchase to Pay and Record to Report. These test plans are being applied by auditors in over 100 government organisations, improving the consistency of their assurance and the quality of the advice they provide on how to improve the management of risk in those areas of their business.

“Our work to simplify processes, standardise data and improve technology is vital to how we operate efficiently and effectively. We are creating an environment where our people don't waste time navigating clunky and outdated processes but instead focus on those areas that add greatest value, in Finance and across the whole of our departments and organisations.”

Nick Joicey

Finance Director General, Department for Work and Pensions, and Co-Chair of the Organisation, Technology, Data and Insight Committee



Insight

A function informed by analysis, underpinned by good quality data and supported by analytics and visualisation tools.

Key achievements:

- We interrogated over £20bn of HMG spend through costing and data projects: the [Special Educational Needs and Disability \(SEND\)](#) project, where we comprehensively mapped the full landscape of available services and chartered the journey of young people through the system; and the Multiple Complex Needs project where we worked with seven departments to agree a new cross-government support programme.
- We held three [Management Information \(MI\) townhalls](#) in different regions across the country, with over 100 attendees, partnering with IPA, HR, Commercial and Regional Finance Networks to accelerate MI best practice sharing across government.
- We agreed [standards of best practice for finance board packs](#) and have begun to work with early adopters to ensure management accounts information is used with clarity and consistency across government.

20-21 Priorities:

- Pioneer a new type of **data insight project** with initial pilots on cycling and other key public service priorities, that looks at all aspects of delivery and performance, using advanced data techniques to develop enhanced value for money insight and inform more effective decision making.
- In collaboration with the Insight working group (SCS from across the function) we will explore **data visualisation and analysis tools** – identifying good practice in government and the private sector and putting forward recommendations to leverage this.
- Evaluate the **board pack reporting project** pilot and support departments in implementing the minimum standards agreed by the Finance Leadership Group.
- Coordinate data commissions and requests coming from the centre, working closely with HM Treasury, Cabinet Office, and No.10 to **streamline data sharing** and access, and ensure alignment with government priorities.
- Empower senior decision makers at HM Treasury through better reporting by exploring ways to report from multiple data sources through OSCAR II. We will drive regular reporting from the new system to help identify data quality issues and improve our data standards.
- Work with the HM Treasury OSCAR team to identify **automation opportunities** for reporting to reduce the burden on departments.



Better insights driving better decisions

The Insolvency Service used the Government Finance Function's board pack reporting minimum standards to strengthen the coverage and quality of the financial analysis it provides to board members. This has enabled key stakeholders to engage with and understand those financial issues that directly impact performance, presenting a holistic view of data previously reported in different places. The focus on risks and opportunities has surfaced emerging issues and supports a more forward leaning conversation.

The Crown Prosecution Service developed a digital corporate reporting pack that combines operational and financial analysis and enables leaders to drill down to better understand the department's performance. The pack covers all aspects of departmental activity and is actively used by the Executive Team and Board to assess progress and inform decision making.

"The monthly report that finance produces continues to stimulate high quality discussion at the Board and drives informed decision making"

Max Hill QC

Director of Public Prosecutions.

"We have an opportunity to change and improve the way we organise our data, meaning our management information and finance insight establish an accurate, integrated and multidimensional picture of our organisations. We can enable our stakeholders to make complex and informed decisions quickly, grounded in data and analysis. Organised in the right way, our data can support stakeholders in ways that improve public service outcomes, accelerate delivery and achieve value for money."

Iain King

Operational Finance Director, Department for Education, and Deputy Co-Chair of the Organisation, Technology, Data and Insight Committee



Trusted partner

The 'go-to' partner for colleagues to provide expert advice and informed decision making.

Key achievements:

- We supported 215 Grade 6s and 7s and two SEO pilots to complete the [Finance Forefront programme](#) in 2019-20, helping them develop the skills they need to become trusted partners. Applications for the next round open soon. 88% of attendees reported an improvement in their skills in all 5 programme areas.
- We consulted with over 50 professionals spread across 15 organisations to develop new [Career Frameworks](#) for Management Reporting and Financial Accounting, from EO to SCS1. These documents will drive consistency of performance across departments and support staff development.
- 20 senior staff commenced the [CIMA Accelerated Programme](#) and four more embarked on the [CIMA CFO Programme](#). 14 SCS1 took up a place on the Future Finance Leaders programme.
- We relaunched and refreshed [talent forums](#) for Grade 6s and 7s, SCS1, and SCS2 to identify and support talented individuals and provide them with opportunities to connect across the function.

20-21 Priorities:

- Publish the career frameworks currently under development on OneFinance: **Finance Business Partnering; Operations; Systems & Data; Strategic Finance and Risk** and launch the complete set of career frameworks and the accompanying set of supporting materials on gov.uk.
- Build broad, deep and diverse **talent pipelines in senior roles** across the function, providing advice and support to departments to encourage consistent and effective senior resourcing decisions that build capability now and in the future.
- Continue to support talent forums to connect talented people with opportunities. Our new approach focuses on **diversity and inclusion, data and barriers, and virtual communities**.
- Support the people and capability finance communities and networks and establish two new knowledge networks: **Apprenticeships and Finance Business Partnering**.



Developing trusted partners through the Finance Forefront programme

The finance forefront programme is designed to complement formal finance training, helping finance professionals to understand the strategic needs of government stakeholders and communicate confidently, clearly and with impact.

Coral Major from the Department of Health and Social Care was part of the pilot for the new SEO programme: “It was great to spend some time, and to be given the tools, to: reflect on how I work best; think about both junior and senior team members’ preferred working styles; and have the opportunity to receive honest and constructive feedback on how I present myself.”

“Being a trusted partner is crucial for the Government Finance Function. That’s why we will continue to prioritise our investment in the skills and capabilities of our people.”

Catherine Vaughan

Director General and Chief Operating Officer, Department for International Trade, and Co-Chair of the People Committee

Not just keeping score

It's vital that our focus on value, evaluation and cross-government collaboration does not end with the Comprehensive Spending Review but is embedded in our ways of working.



As we publish this annual review, finance teams across government are working through the [2020 Spending Review](#) exercise. This Spending Review has an increased focus on outcomes to ensure that public money is committed to delivering tangible change, remembering that value for money goes beyond simply the cost of a project. By agreeing measurable outcomes alongside the financial settlement, we will improve accountability and set the foundations for better performance management.

In order to meet the demands of citizens now and in the future, departments will need to try new initiatives. It's important that finance encourages innovation and frees up resource for new programmes when schemes do not deliver the benefits expected. That is why this Spending Review includes a new set of questions which, alongside the updated [Magenta Book](#), will support evaluation of new schemes and provide finance teams with evidence to scale up promising pilots and close under-performing programmes.

This Spending Review also focuses on encouraging greater cross-departmental collaboration and innovation, building on the success of the Shared Outcomes Fund that saw keen interest from departments to work together on policy proposals and joint-departmental projects.

Beyond the Spending Review, the government's commitment to 'levelling up' and 'net zero', will require us to go about our work in new ways, considering the impact on different regions and thinking about projects not just in terms of financial cost, but the cost to the planet's finite resources.

This Autumn, the refreshed **Green Book** will support those involved in appraisals to make better investment decisions to support the government's objective to level up the UK.

Reaching 'net zero' carbon emissions is a huge challenge and it cuts across many policy areas including: power, housing, transport and food. The Net Zero Review team in HM Treasury is working across departments and pulling together analysis to make this a reality. The Government Finance Function is committed to supporting sustainability and considering economic, social and environmental diversity. We all have a part to play in this process, whether it is reporting on our [Greening Government Commitments](#) in the Annual Report and Accounts; considering the environmental impact of economic policy; or making changes to reduce our own environmental footprint.



Planning, risk and performance

Driving a strong culture of planning, risk and performance with integrated financial and business planning, aligned with robust risk and assurance.

Key achievements:

- We ran a successful **Shared Outcomes Fund** to pilot innovative, cross-cutting work by departments. In a [speech](#) in July, the Chief Secretary to the Treasury announced joint-departmental projects funded through the Shared Outcomes Fund, including a pilot to tackle drug misuse in some of the worst-affected areas by better joining up local law enforcement agencies, healthcare and prisons.
- We revised the [Orange Book](#), increasing the emphasis on: culture as part of effective risk management; embedding risk management in decision making; the need to have an informed view of all risks; and learning from experience to continually improve delivery of outcomes.
- We established the [Heads of Risk network](#) to champion risk management standards and develop tools and further guidance to embed our new approach to risk.
- We have continued to work with the Civil Service Board on **cross-cutting risks** that impact the overall 'organisational health' of the Civil Service. This is vital if we are to seize opportunities for collective responses that mitigate systemic risks and enhance effective delivery.
- The **2020 Spending Review** guidance incorporates new requirements to clearly define outcomes, enabling more valuable conversations by decision makers during negotiations. Departmental guidance on joint submissions was also provided to strengthen cross-departmental collaboration.

20-21 Priorities:

- Work with Cabinet Office and No.10 to support the new **Planning, Risk and Performance committee**, which was reformed in July 2020 with Cat Little and Alex Chisholm as co-chairs, helping to embed key outputs across government.
- Support the **Heads of Risk network** to develop guidance and tools to **embed the new approach to risk management** in departments, including a risk maturity model.
- Publish and embed the new **Green Book** to improve the appraisal of investments especially in regards to levelling up.
- Build on the success of the **Shared Outcomes Fund**, working closely with ministers, departments and HM Treasury to develop options that promote similar collaborative behaviours and generate cross-cutting innovation.



Embedding better risk management

The Ministry of Justice (MoJ) has reviewed its risk management framework to ensure alignment with the principles of the refreshed Orange Book and has continued to enhance its maturity in this space by promoting a supportive risk culture that encourages openness and by developing more informed and insightful reporting.

Risk management has been integrated as an essential part of MoJ governance and leadership, with the Executive Committee (supported by the Risk Advisory Group) discussing principal and emerging risks every quarter. This helps to support decision making and the setting of departmental plans, including MoJ’s 2020 spending review. Risks are also routinely assessed as part of investment decisions and within the lifecycle of programmes.

Collaboration and engagement are central to the success of MoJ’s risk management framework. The Risk and Assurance Centre of Excellence operates a business partnering approach, and is building strong relationships across the department at all levels, delivering training and awareness sessions. To further support this, the MoJ intranet has been refreshed with simple ‘how to’ guides and a range of good practice tools, techniques and templates. There is now a thriving risk community.

The department recognises that risk management is all about continuous improvement and learning from experience. MoJ has therefore baselined risk management maturity to help it identify how best to enhance its understanding and management of risks and report insightful information that informs departmental planning and prioritisation.

“Finance can help the business deliver a great product, but only if we are in the thick of it right from design stage, so that we can guide the business to much better control and assurance outcomes. The Orange Book is not a nice thing to live on a shelf – it is a philosophy of good business management practice that should be at the heart of everything we do.”

Patrick Whittome

Director of Finance Operations, HMRC, and Finance Leadership Group member

Get involved

How you can get involved

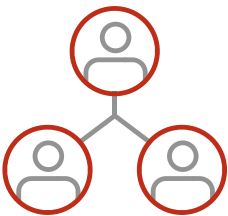
There are lots of ways you can stay connected and up to date with the Government Finance Function.



Events

Stay connected and up to date by attending one of our [planned events](#), including:

- September 2020: [Autumn Digital Festival](#)
- February 2021: Winter Digital Festival
- May 2021: Spring Digital Festival
- Summer 2021: Top 200 Event
- September 2021: Annual Government Finance Function Conference in Manchester



GFF Communities

Connect with colleagues from across government and get involved in discussions relevant to your business area by joining one of our networks, groups or forums.

There are 23 active communities that you can join to share expertise and experience with.

[Email the key contact listed on OneFinance to get involved.](#)



Share your ideas

Do you have an idea to improve government finance, or would you like to get more involved in delivering the strategy? We'd love to hear from you - share your ideas and get the support you need to take forward an initiative on behalf of the function.

Get in touch: <https://gff.civilservice.gov.uk/discussions/gff-ideas/>



OneFinance and Finance Matters

Register on our new online platform, OneFinance, for updates from across the function and resources to support you in your role.

Every two weeks, we send out a Finance Matters newsletter featuring the latest OneFinance news, jobs, blogs, and events. You will also receive updates from senior finance leadership

<https://gff.civilservice.gov.uk>



Social Media

Keep up to date and connected by adding the Government Finance Function to your social media profiles. We're on:

[Instagram](#) | [LinkedIn](#) | [Twitter](#)

