

Report 355/22 Appendix 1 - CIPFA FM Code – Self-Assessment & Actions

Self-Assessment Against Principles and Standards

Principle 1 - Leadership	SELF ASSESSMENT	ACTIONS ARISING
A - The leadership team is able to demonstrate that the services provided by the authority provide value for money.	Meets Standard. The Council's 2022 Best Value Audit Assurance Report from the Accounts Commission demonstrates this	None
B - The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government.	Awaiting Assessment. A separate self-assessment is being prepared in this regard and will be reported to the Scrutiny & Audit Committee in the next cycle	Complete separate self-assessment
O - The leadership team monitors the elements of its balance sheet that pose a significant risk to its financial sustainability.	Meets Standard. The Council has limited commercial assets. Assessment of reserve levels, including contingencies, debt levels and the long term affordability of capital plans are subject to regular reviews by senior officers and members. Budget monitoring during the year on revenue and capital spend is designed to keep the Council's finances on track and to flag early should corrective action be required. Cashflow is managed daily and reported regularly as part of treasury management reports to members	None

Principle 2 - Accountability	SELF ASSESSMENT	ACTIONS ARISING
D - The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016).	Meets Standard. Framework is used, the Council's Local Code is updated annually and compliance assessment is reported each year to the Council's Scrutiny & Audit Committee	None
P - The chief finance officer has personal and statutory responsibility for ensuring that the statement of accounts produced by the local authority complies with the reporting requirements of the Code of Practice on Local Authority Accounting in the United Kingdom.	Meets Standard. Covered in the Statement of Responsibilities in the Accounts.	None
Q - The presentation of the final outturn figures and variations from budget allows the leadership team to make strategic financial decisions.	Meets Standard. Regular reporting of budget performance during the year and review of variance at year end. Budgets adjusted mid-year when required. Evidence available of pro-active management and adjustment of budgets during COVID-19 pandemic	None

Report 355/22 Appendix 1 - CIPFA FM Code – Self-Assessment & Actions

Principle 3 - Transparency	SELF ASSESSMENT	ACTIONS ARISING
L - The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget.	Partially meets Standard. The Council undertakes consultation on its plans and budgets periodically but hasn't to date undertaken any specific engagement on its long term financial strategy or medium term budget strategy. The intention is to consult on finances, budgets and service priorities as part of the Council's Place Planning and the specific engagement on that.	Build consultation on the Council's financial strategy into Place planning and engagement.
M - The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions.	Meets Standard. Revised Options Appraisal Guidance and associated process approved by Council in 2021 following recommendations from independent review.	None

Principle 4 – Standards	SELF ASSESSMENT	ACTIONS ARISING
H - The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities.	Meets Standard. Council has complied with the Prudential Code since its introduction.	None
J - The authority complies with its statutory obligations in respect of the budget setting process.	Meets Standard. Budgets and Council Tax set in accordance with statutory timelines and content	None
K - The budget report includes a statement by the chief finance officer on the robustness of the estimates and a statement on the adequacy of the proposed financial reserves.	Meets Standard. Council complies with CIPFA Guidance on Reserves and Budget reports comment on risks, uncertainties and deliverability.	None

Report 355/22 Appendix 1 - CIPFA FM Code – Self-Assessment & Actions

Principle 5 – Assurance	SELF ASSESSMENT	ACTIONS ARISING
C - The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control.	Meets Standard. Each Director provides an assurance statement as part of our annual governance review arrangements which is reviewed by internal audit	None
F - The authority has carried out a credible and transparent financial resilience assessment.	Partially meets Standard. The Council's preparation of a Medium Term Budget Strategy, Long Term Capital Affordability Assessment, Treasury Management planning and annual Reserves reviews provide a good basis for assessing and monitoring financial resilience. A specific resilience assessment will however be undertaken as part of the Council's Long Term Financial Planning Framework	Undertake specific financial resilience assessment as part of Long Term Financial Planning Framework
N - The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.	Meets Standard. Evidence of this during COVID-19 pandemic and in seeking to address inflation / cost of living challenges	None

Principle 6 - Sustainability	SELF ASSESSMENT	ACTIONS ARISING
E - The financial management style of the authority supports financial sustainability.	Meets Standard. The Council's financial management is consistently commented upon in positive terms in reports from the Council's external auditors. The leadership team are pro-active in addressing financial challenges as evidenced through our Change Programme	None
G - The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members.	Meets Standard. The Council fully understands its financial sustainability challenges which have existed for a number of years. The Council's Corporate Risk Register has a specific risk and actions on Financial Sustainability. Work to understand and address the challenges of financial sustainability are an almost constant feature of the Council's work	None
I - The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans.	Meets Standard. Council has for more than a decade prepared medium term financial plans which are rolled forward and updated annually. Service planning and budget planning are undertaken as a combined process	None