

## TABLE - CIPFA FM CODE ACTION PLAN

CIPFA FM CODE	STANDARD	BENEFITS	WORK TYPE	TARGET COMPLETION	QUICK WIN
<b>1. CFO AND Leadership Team*</b>		Ensures robust financial management - essential for the Council to achieve its objectives and to deliver high quality services to its local community.			
Value for Money	The leadership team is able to demonstrate that the services provided by the authority provide value for money.	Provides assurance that the Council spends less (Economy), spends well (Efficiency), spends wisely (Effectiveness) and spend fairly (Equity).	Review existing framework, identify changes required by FM Code, put in place improvements	Compliance: March 2022  Improvements: Autumn 2022	Yes
Role of CFO	The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government.	CFO is the Councils most senior financial professional. Statement's five principles ensure role is reliably and consistently undertaken.	Compliance with statutory or professional obligations	March 2022	Yes
<b>2. Governance</b>		Good governance is essential for the Council to achieve its objectives, to manage its finances and to maintain the trust of those that it serves.			
Behaviour	The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control.	Apply Nolan principles set out by the Committee on Standards in Public Life - basis of the ethical standards expected of public office holders.	Compliance with statutory or professional obligations	March 2022	Yes
Good Governance in Local Government	The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016).	The framework defines the principles that provide a structure to ensure that the Council has in place robust and effective governance arrangements.	Review existing framework, identify changes required by FM Code, put in place improvements	Autumn 2022	
Financial Sustainability	The financial management style of the authority supports financial sustainability.	Financial sustainability is about the Council being able to continue to fund its activities not just in the present, but also in an uncertain future.	Review existing framework, identify changes required by FM Code, put in place improvements	Summer 2022	
<b>3. Medium to long-term financial management</b>		Effective governance and financial management is focused on ensuring that the Council is able to operate sustainably in the long term.			
Financial Resilience Assessment	The authority has carried out a credible and transparent financial resilience assessment.	The FM Code requires the Council to undertake an assessment of its long-term financial resilience, which is key to its financial sustainability.	Create new processes and procedures	Compliance: March 2022  Improvements: Summer 2022	Yes
Long term Financial Sustainability	The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members.	The Council is required to not only understand its prospects for financial sustainability, but also to communicate those prospects to members.	Create new processes and procedures	Autumn 2022	
Prudential Code	The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities.	CIPFA's Prudential Code provides a framework for the self-regulation of the authority's capital financing arrangements.	Review existing framework, identify changes required by FM Code, put in place improvements	Autumn 2022	
Medium-Term Financial Plan	The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans.	The MTFS is a translation of the Council's financial strategy into the near future - it links the financial strategy to the service delivery plans.	Review existing framework, identify changes required by FM Code, put in place improvements	Summer 2022	

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<b>4. Budget</b>		The annual budget provides the financial basis or the allocation of resources, the delivery of services and the management of the Council.			
Statutory Obligations	The authority complies with its statutory obligations in respect of the budget setting process.	The Council must comply with the statutory obligations in respect of budget-setting and must be able to demonstrate compliance.	Compliance with statutory or professional obligations	Compliance: March 2022 Improvements: Autumn 2022	Yes
Robustness of Estimates and Adequacy of Reserves	The budget report includes a statement by the CFO on robustness of estimates and adequacy of financial reserves.	s25 of the LGA 2003 requires the CFO to report on the robustness of the estimates and the adequacy of reserves, when the budget is set.	Review existing framework, identify changes required by FM Code, put in place improvements	Compliance: March 2022 Improvements: Autumn 2022	Yes
<b>5. Stakeholder engagement and business cases</b>		Enable citizens to understand that with limited resources, decisions have to be made about the balance between service provision and tax levels.			
Engagement	The authority has engaged with key stakeholders on its long-term financial strategy, medium-term financial plan and annual budget.	Stakeholder consultation helps the Council to set priorities and encourages community involvement in the design and ongoing delivery of services.	Create new processes and procedures	Autumn 2022	
Options Appraisal	The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions.	Option appraisal is about making informed choices and better decisions. A robust approach to option appraisals is crucial to securing VFM.	Create new processes and procedures	Spring 2022	
<b>6. Monitoring financial performance</b>		Unexpected pressures impact on the management of resources in line with plans. The council needs to identify pressures and to take remedial action.			
Risks	The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.	Early identification of deviation from plans via regular reporting of risks enables the council to get back on course.	Compliance with statutory or professional obligations	Compliance: March 2022 Improvements: Autumn 2022	Yes
Balance sheet	The leadership team monitors the elements of its balance sheet that pose a significant risk to its financial sustainability.	As the balance sheet is linked to other aspects of the Council's finances, it is important that it is effectively managed and monitored.	Review existing framework, identify changes required by FM Code, put in place improvements	Summer 2022	
<b>7. External financial reporting</b>		Publication of financial information is a way for the Council to demonstrate accountability to service users, taxpayers, citizens and other organisations.			
Code of Practice on Local Authority Accounting	The CFO has personal and statutory responsibility for ensuring that the statement of accounts complies with the Code of Practice.	ACOP is prescribed as proper accounting practices that are required to give a 'true and fair' view of the Council's financial position,	Compliance with statutory or professional obligations	Compliance: March 2022 Improvements: Summer 2022	Yes
Outturn	The presentation of the outturn figures and variations from budget allows the leadership team to make strategic financial decisions.	Effective financial reporting is key to ensuring that the Council understand how effectively its resources have been utilised during the year.	Compliance with statutory or professional obligations	Compliance: March 2022 Improvements: Spring 2022	Yes

\* CIPFA use the term "Leadership Team" to capture the combined direction provided to a local authority by its Cabinet and Corporate Management Team .