

Ref	Financial Management Standard	Detail	Self-Assessment Summary
A	The leadership team is able to demonstrate that the services provided by the authority provide value for money	<p>The authority has a clear and consistent understanding of what value for money means to it and its leadership team.</p> <p>There are suitable mechanisms in place to promote value for money at a corporate level and at the level of individual services.</p> <p>The authority is able to demonstrate the action that is has taken to promote value for money and what it has achieved.</p>	<p>The Council has clear accountability and arrangements to deliver value for money. The Council continues to receive a positive Value for Money (VFM) Judgement by the External Auditors which demonstrates that the Council has proper arrangements in place for securing economy, efficiency and effectiveness (3 E's) in its use of resources.</p> <ul style="list-style-type: none"> <li>• VFM is a key part of any business case submitted and decisions have a clear focus on VFM.</li> <li>• Policy decisions incorporates changes to policy with financial aspects delivers VFM as part of the proposal eg staffing restructures, discretionary service delivery models etc.</li> <li>• The Annual Governance Statement focuses on all aspects of governance, but critically on processes around VFM in service provision.</li> <li>• The Medium Term Financial Plan delivers a robust three year budget plan through a rigorous budget setting process. One of the key objectives of the MTFS is to provide cost effective services which demonstrate value for money.</li> <li>• The budget setting cycle incorporates a demonstration of costs in comparison to performance standards and outcomes.</li> <li>• The performance framework includes regular monitoring of the Corporate Plan outcomes to ensure that the key aims are progressed to budget, timescales, and outcomes.</li> <li>• The performance framework includes regular service monitoring of detailed performance trends covering: <ul style="list-style-type: none"> <li>– Performance measures eg throughput, time taken and outstanding work</li> <li>– Volumetric measures to add contextual background data</li> <li>– Customer satisfaction – feedback through satisfaction monitoring and complaints and compliments monitoring</li> <li>– Quarterly Dashboard summarising all aspects of performance within the VFM chain</li> </ul> </li> </ul>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
			<p>The Council has in place a number of polices to ensure that there are robust arrangements surrounding the commitment of expenditure, contracts with third parties and the management of risk:</p> <ul style="list-style-type: none"> <li>• Financial Regulations</li> <li>• Procurement Regulations</li> <li>• Contract management arrangements</li> <li>• Risk Management Framework</li> </ul> <p>The Council proactively reviews delivery models for service delivery to ensure cost effective alternative models are explored:</p> <ul style="list-style-type: none"> <li>• Service delivery changes to Customer Services</li> <li>• Provision of leisure services, economic development and grounds maintenance services via 100% owned Council company models</li> </ul> <p>The Council will continue to review its delivery models to ensure they remain fit for purpose, provide value for money and meet customer needs and expectations</p>
B	The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer (CFO) in Local Government	<p>In summary this Statement requires that the CFO:</p> <ul style="list-style-type: none"> <li>• Is a key member of the leadership team, helping it to develop and implement strategy and to resource and deliver the organisation’s strategic objectives sustainably and in the public interest.</li> <li>• Must be actively involved in, and able to bring influence to bear on, all material business decisions</li> <li>• Must lead the promotion and delivery by the whole</li> </ul>	<p>The CFO post is a member of the Corporate Management Team and has direct access to the Chief Executive.</p> <p>The CFO leads on the development of the Medium Term Financial Plan and ensures that all risks are considered and in conjunction with the Cabinet Member for Finance and Resources, the Leader and his Cabinet and the Chief Executive and the Corporate Management Team.</p> <p>The CFO is a suitably qualified accountant with significant experience of local government finance. Continuing professional development is undertaken as required by the accounting body.</p>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
		<p>organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.</p> <ul style="list-style-type: none"> <li>• Must lead and direct a finance function that is resourced to be fit for purpose.</li> <li>• Must be professionally qualified and suitably experienced.</li> </ul>	<p>There are contracts in place for specialist financial advice (technical accounting, treasury management, financial management and planning and taxation).</p> <p>The CFO, through the Finance team, provides the financial reporting and monitoring to the Corporate Management Team and Members, with the Treasury Management reporting going to both Governance and Audit Committee and Council as prescribed in the CIPFA Prudential Code and the CIPFA Treasury Management Code.</p> <p>The Finance Team is suitably resourced with appropriately qualified staff and is fit for purpose. This team includes 2 qualified accountants, 4 part qualified accountants and 2 qualified accounting technicians. All officers undertake continuing professional development as required by their accounting bodies.</p> <p>Full staff appraisals have been undertaken with the Finance team to ensure that professional and personal development needs have been incorporated in the training programme.</p> <p>Both the CFO (s151 Officer) and the Deputy 151 Officer have access to mentoring arrangements with external support in order to able to develop skills and discuss work styles and approaches to different scenarios that may present themselves.</p>
C	<p>The Leadership Team demonstrates in its actions and behaviours responsibility for governance and internal control</p>	<p>The leadership team adheres to the Nolan Principles.</p> <p>The authority has a clear framework for governance and internal control.</p> <p>The leadership team has established effective arrangements for</p>	<p>The leadership exhibit the Nolan Principles of Public Life.</p> <p>There are Financial Procedure Rules which are subject to regular reviews. The last review was in 2020 and these were considered by Governance and Audit Committee and then Full Council for approval. There are also separate Contract Procedure Rules which were reviewed and approved in 2020. Both policies are clear about the respective authorisation limits for authorisation of contracts and the subsequent commitment/incurrence of expenditure.</p>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
		<p>assurance, internal audit and internal accountability.</p> <p>The leadership team adopts the highest standards of governance and internal control.</p> <p>The leadership team nurtures a culture of effective governance and robust internal control across the authority.</p>	<p>The Council's Governance and Audit Committee considers all aspects of audit activity and the regulatory framework including corporate governance, as part of its Terms of Reference.</p> <p>All Committees have separate and specific Terms of Reference.</p> <p>There is a Code of Conduct for Members which is overseen by the Constitution Committee and there is a Code of Conduct for Officers.</p> <p>The authority has in place a clear framework for governance and internal controls through its Local Code of Corporate Governance.</p> <p>There are effective arrangements for assurance, internal audit and internal accountability. Any areas of concern raised through those arrangements are managed robustly and transparently.</p> <p>The Senior Management Team embraces high standards of governance and internal control and communicates these clearly to all staff.</p> <p>There is a culture of effective governance and robust internal control. Internal audit is used to bring focus to any areas of concern and to ensure that standards remain high.</p> <p>The Financial Regulations will be reviewed and updated as part of the overall Constitution review and will be presented to the Governance and Audit Committee and Council during 2022/23.</p> <p>The Council's Contract Procedure Rules will be reviewed and updated as part of the comprehensive Constitution review and will be presented to the Governance and Audit Committee and Council during 2022/23.</p>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
D	The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016)	<p>The authority is aware of the provisions of the CIPFA Delivering Good Governance Framework.</p> <p>The authority has sought to apply the principles, behaviour and actions set out in the Framework to its own governance arrangements.</p> <p>The authority has in place a suitable Local Code of Corporate Governance.</p>	<p>The Council has developed a Local Code of Corporate Governance, and this was approved by the Council’s Governance and Audit Committee. The Code will be reviewed and updated during 2021 as part of the work programme of the Committee.</p> <p>The Framework recommends that a Local Code of Corporate Governance is developed and reported against annually. The Council’s Annual Governance Statement details how the Council has complied with its own Local Code of Corporate Governance over the preceding year and meets the statutory requirements with areas of concern reported and monitored.</p>
E	The financial management style of the authority supports financial sustainability	Strong financial management is assessed against a hierarchy of delivering accountability, supporting performance, allocation of resources to deliver Corporate Plan and enabling transformation whilst delivering Value for Money.	<p>The Council has an effective framework of financial accountability through:</p> <ul style="list-style-type: none"> <li>• Member delegations which include financial responsibilities.</li> <li>• Officer delegations which include financial responsibilities.</li> <li>• Financial Procedure Rules which set out financial responsibilities for Directors, Assistant Directors Budget Managers and all employees of the Council and all Members.</li> </ul> <p>The Council has an effective performance management framework in place including performance measures, customer satisfaction, monitoring of key strategic projects, quarterly performance reporting, quarterly dashboard across all aspects of performance.</p> <p>The Finance Team operate a business partnering approach with budget holders (Heads of Service) and ensure there is dedicated support.</p> <p>There are examples of financial management supporting transformation and innovation and the Council has established a Invest to Save reserve in order to provide access to specific funding in order to accelerate invest to save initiatives that are supported by a robust business case.</p>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
			<p>The Finance Team now approach a business partner approach with respect to supporting services across the Council to manage their budgets, support financial planning and forecasting, support scenario modelling for changes to service delivery options including a demonstration of VFM.</p>
F	<p>The authority has carried out a credible and transparent financial resilience assessment</p>	<p>The authority undertakes a financial resilience assessment.</p> <p>That assessment tests the resilience of the authority's financial plans to a broad range of alternative scenarios.</p> <p>The authority takes appropriate action to address any risks identified as part of the assessment.</p>	<p>The Council has access to the CIPFA Financial Resilience index and will undertake a review whether it is comfortable with the areas that the index flags as outside the median when compared with other lower tier Councils.</p> <p>There has not been an independent assessment of the local authority's financial resilience other than the CIPFA index and the annual external audit.</p> <p>In the annual budget reports presented to Council there is a risk register which details the potential risks that could impact on the financial resilience of the budget framework and also sets out the potential impact and likelihood of the identified risks. The pre-cursor report sets out more detail on the key variables and the impact of changes in the underlying budget assumptions. Finally, the budget report sets out an analysis of the Council's reserves and includes a financial risk register which is used as a guide to the maintenance of a prudent level of general balances.</p> <p>The Council's MTFP will continue to be reviewed and updated to reflect changes to the financial environment from both a national, regional and local context. During the current time the financial outlook remains uncertain due to lack of clarity with respect to the national funding formula and potential funding changes arising from the 'levelling up' agenda of Central Government.</p>
G	<p>The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members</p>	<p>The authority has a sufficiently robust understanding of the risks to its financial sustainability.</p> <p>The authority has a Corporate Plan and the long term financing of the ambitions set out in the Plan will be</p>	<p>The Council produces a 3-year MTFP and a 30-year Housing Business Plan incorporating revenue and capital models using a range of assumptions for economic factors and service related factors.</p> <p>The current high levels of uncertainty around future funding for local government, and the legacy impacts of COVID-19, make producing a meaningful long term plan very challenging. This risk to financial planning is</p>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
		<p>incorporated into the annual budget setting methodology.</p> <p>The authority reports its prospects for long-term financial sustainability, the associated risks and the impact of these for short- and medium-term decision making.</p>	<p>incorporated into the medium term financial planning and was reflected in the Council approving an in-year amended budget during 2020.</p> <p>The Council has a robust approach to risk management with a newly adopted Strategic Risk Register. This Register sets out the risk definition, the risk owner, controls and actions. In addition all corporate projects are supported by specific risk logs.</p>
H	The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities	<p>The authority is aware of its obligations under the Prudential Code.</p> <p>The authority has an approved Capital Strategy.</p> <p>The authority has a set of prudential indicators in line with the Prudential Code.</p> <p>The authority has suitable mechanisms for monitoring its performance against the prudential indicators that it has set.</p>	<p>The Council is aware of its obligations under the Prudential Code and has assessed itself as compliant with those obligations. The Council approves a three year capital programme with a clearly set out supporting Financing statement. The Capital Strategy sets out the high level plans, with individual decisions made about investments or capital schemes, through separate reports to members.</p> <p>The Council also has a 30-year Housing Business Plan which includes a 30-year capital investment programme. This plan is reviewed on an annual basis to reflect both the annual outturn and the approved annual budget.</p> <p>Individual financial modelling of capital schemes covers a longer term frame, typically over the asset life and is factored into investment decisions.</p> <p>There are effective mechanisms in place to monitor performance against the code, with 6-monthly reporting to the Governance and Audit Committee in accordance with its terms of reference.</p>
I	The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans	<p>The authority has in place an agreed Medium Term Financial Plan.</p> <p>The Medium Term Financial Plan consistent with and integrated into relevant service plans and its capital strategy.</p>	<p>The Council has in place a 3- year MTFP which is updated annually on a rolling basis. This plan is consistent with the capital strategy and refreshed to reflect relevant strategic priorities, commitments, underlying assumptions and emergent issues and to agree future savings targets. This ensures that the Council always has a medium term budget, allowing for sufficient time to time to plan and deliver any required savings.</p>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
		<p>The Medium Term Financial Plan has been prepared on the basis of a robust assessment of the relevant drivers of cost and demand.</p> <p>The Medium Term Financial Plan has been tested for resilience against realistic potential variations in key drivers of cost and demand.</p>	<p>The development of service budgets across all Directorate areas enables the golden thread to be embedded from the Corporate Plan, the MTFP through to the service plans. Cost drivers and demand are considered within each directorate and used to form the basis of pressures identified and mitigations/savings put forward as part of the annual budget setting process.</p> <p>Although the plan is set on a rolling 3-year basis, there is the opportunity annually to revisit plans where the latest data indicates that there have been material changes to assumptions, as demonstrated in recent years.</p>
<b>The Annual Budget</b>			
J	The authority complies with its statutory obligations in respect of the budget setting process	<p>The authority is aware of its statutory obligations in respect of the budget-setting process.</p> <p>The authority has set a balanced budget for the current year.</p> <p>The authority is likely to be able to set a balanced budget for the forthcoming year.</p> <p>The authority is aware of the circumstances under which it would consider a Section 114 notice and how it would go about doing so.</p>	The Council understands its obligation in respect of the budget setting process and has set a balanced budget for the current year, and the following two years. The Council's budget setting process is designed to deliver a balanced budget each year without any reliance on reserves to resource day to day expenditure.
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	The authority's most recent budget report includes a statement by the CFO on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves.	<p>The most recent budget report includes a statement by the CFO on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves.</p> <p>The budget report sets out the detail of estimates in terms of key estimates e.g. business rates, council tax grants, housing rents, specific grants, fees and charges etc.</p>



Ref	Financial Management Standard	Detail	Self-Assessment Summary
		<p>The report accurately identifies and considers the most significant estimates used to prepare the budget, the potential for these estimates to be incorrect and the impact should this be the case.</p> <p>The authority has sufficient reserves to ensure its financial sustainability for the foreseeable future.</p> <p>The report sets out the current level of the authority's reserves, whether these are sufficient to ensure the authority's ongoing financial sustainability and the action that the authority is taking to address any shortfall.</p>	<p>The Council currently has sufficient reserves which ensures its sustainability for the foreseeable future. This position has been impacted by COVID-19 with the required use of reserves kept under review during this period.</p> <p>The financial resilience of the Council is underpinned by both a Working Balance and a Budget Stabilisation Reserve – both of which will allow the Council to meet financial turbulence without having to take short term draconian action that could have a negative impact on service delivery. The authority has a prudent approach to what is needed to manage risks.</p> <p>The report sets out the current level of the authority's reserves, the sufficiency of them and the plans for the use of reserves in the future and a requirement to ensure reserves are replenished over the period of the MTFS through achievement of the savings programme.</p>
<b>Stakeholder Engagement and Business Plans</b>			
L	<p>The authority has engaged where appropriate with key stakeholders in developing its long-term financial outlook, medium term financial plan and annual budget</p>	<p>The authority knows who its key stakeholders are. The authority has sought to engage with key stakeholders in developing its long-term financial strategy, its medium term financial plan and its annual budget.</p> <p>The authority has assessed the effectiveness of this engagement.</p> <p>The authority has a plan to improve its engagement with key stakeholders.</p>	<p>The Council is aware of who its key stakeholders are.</p> <p>The Council undertakes formal annual consultation and engagement with both its residents and its business community when formulating and considering its budget and spending plans. The findings are presented to Council as part of the annual budget setting cycle.</p> <p>The Council will continue to explore alternative ways to engage with key stakeholders not only during the budget setting process but during the financial year in order to ensure stakeholders are kept aware of the financial challenges and opportunities that face to Council.</p>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
M	<p>The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions</p>	<p>The authority has a documented option appraisal methodology that is consistent with the guidance set out in IFAC/PAIB publication 'Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal'.</p> <p>The authority offers guidance to officers as to when an option appraisal should be undertaken.</p> <p>The authority's approach to option appraisal includes appropriate techniques for the qualitative and quantitative assessment of options.</p> <p>The authority's approach to option appraisal includes suitable mechanisms to address risk and uncertainty.</p> <p>The authority reports the results of option appraisals in a clear, robust and informative manner that gives clear recommendations and outlines the risk associated with any preferred option(s).</p>	<p>The Council does not currently have a singular process for undertaking and documenting option appraisals. These are undertaken on a case-by-case basis, influenced by the scale of investment and also the requirements of the financing options. For all projects this covers as a minimum the MTFP period and for larger scale investment these are usually based on a whole life cycle basis.</p> <p>In considering any large scale projects, the Council also undertakes a development appraisal from a commercial developer perspective in order to assess overall scheme viability, as well as financial modelling from a local authority perspective.</p> <p>Senior members of the Finance Team work alongside property colleagues, and the relevant director, and are all involved in the preparation of all financial modelling with key input from the service area leading on delivery.</p> <p>The Council's project management framework is clear that that there are no major investments or service changes without developing a business case including an options appraisal and project initiation documents. These are reviewed and managed by the Corporate Management Team prior to presentation to Members.</p> <p>These contain both quantitative evaluation of costs and benefits and qualitative evaluation of fit to service objectives and outcomes for residents/service users.</p> <p>The project documentation includes an evaluation of risk and uncertainty and the extent that this can be mitigated for given options.</p> <p>Reports for decision set out the outcomes of these business case/option appraisals with clear recommendations and risk. Risks from agreed options are then managed through the corporate risk management approach.</p>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
<b>Monitoring Financial Performance</b>			
N	<p>The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget plans and financial sustainability</p>	<p>The reports cover both forward and backward looking information in respect of financial and operational performance.</p> <p>There are mechanisms in place to report the performance of the authority's significant delivery partnerships.</p> <p>The reports are provided to the leadership team in a timely manner and in a suitable format.</p> <p>The leadership team is happy with the reports that it receives and with its ability to use these reports to take appropriate action.</p>	<p>Quarterly financial monitoring reports are provided to Directorate Management Teams, Corporate Management Team, Performance Scrutiny and the Executive, which identify significant variances and corrective actions being taken. The reports cover the position to date and the forecast for the remainder of the financial year. It also includes progress against savings targets and planned use of/contributions to earmarked reserves.</p> <p>Quarterly reporting is also provided in respect of the Council's basket of key operational performance indicators.</p> <p>Reporting to officers is periodically one month after the quarter end with reporting to Members at the first available public meeting. Financial forecasts are available on a more regular basis and accessible by budget managers – this would highlight significant variances earlier. Services will compile performance information on a more regular basis and where relevant highlight the impacts of these.</p> <p>There are mechanisms established to report the performance of the authority's significant delivery partnerships and these too are incorporated into the financial reporting process.</p>
O	<p>The leadership team monitors the elements of its balance sheet that pose a significant risk to its financial sustainability</p>	<p>The authority has identified the elements of its balance sheet that are most critical to its financial sustainability.</p> <p>The authority has put in place suitable mechanisms to monitor the risk associated with these critical elements of its balance sheet.</p>	<p>The Council has historically considered its reserves position, investments and borrowing, and debt levels as most critical and therefore reporting is currently only made on these elements of the balance sheet.</p> <p>Forecast use/contribution of/to reserves is reported on a regular basis to the Corporate Management Team, Overview and Scrutiny Committee and Cabinet. This highlights any changes to planned use/contribution to balances as well as movements in budgeted contributions to/from earmarked reserves.</p> <p>Borrowing and investments are reported to Governance and Audit Committee (as per the Committee's Terms of Reference) on a 6-monthly basis as part of</p>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
		<p>The authority reports unplanned any use of its reserves in a timely manner.</p> <p>The monitoring of balance sheet risks is integrated into the authority's management accounts reporting processes.</p>	<p>the Treasury Management reporting. Prudential Code requirements are adhered too to provide the risk management of treasury activity.</p> <p>The level of arrears for Council Tax, Business Rates, Housing Benefit Overpayments and Former Tenant Arrears are reported to the Overview and Scrutiny Committee on a regular basis. In addition, key service areas are provided with arrears information as part of account management meetings.</p> <p>Other assets and liabilities are not routinely reported on as this is not deemed necessary.</p> <p>Officers are currently reviewing if other major balance sheet items can be made more visible in quarterly financial reporting.</p>
	External Financial Reporting		
P	The CFO 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	<p>The authority's leadership team is aware of the CFO's responsibilities in terms of the preparation of the annual financial statements.</p> <p>The authority's CFO is aware of their responsibilities in terms of the preparation of the annual financial statements.</p> <p>These responsibilities are included in the CFO's role description, personal objectives and other relevant performance management mechanisms.</p> <p>The authority's financial statements have hitherto been prepared on time and in accordance with the</p>	<p>The authority's leadership team and the CFO are aware of the CFO's responsibilities in terms of the preparation of the annual financial statements.</p> <p>These responsibilities form part of the CFO's role description and personal objectives.</p> <p>The authority's financial statements have been prepared on time and in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom and have been consistently given an unqualified opinion by external auditors.</p>

Ref	Financial Management Standard	Detail	Self-Assessment Summary
		<p>requirements of the Code of Practice on Local Authority Accounting in the United Kingdom.</p>	
Q	<p>The presentation of the final outturn figures and variations from budget provides the Authority with a detailed analysis and helps inform any strategic financial decisions</p>	<p>The relevant Committees are presented with a suitable suite of reports on the authority's financial outturn and on significant variations from budget.</p> <p>The information in these reports is presented effectively.</p> <p>These reports are focused on information that is of interest and relevance to the leadership team.</p>	<p>The presentation of the final outturn position compares the outturn to the revised budget and explains the reasons for any key variances from budget. The report sets out the impact of these variances on general balances and earmarked reserves and makes proposals for further contributions to/or from these.</p> <p>The report also sets out the impact of key variances on the budget that was approved and identifies any medium impact if relevant.</p> <p>These reports focus on material issues, which require action or awareness from the leadership team and therefore are appropriately focused.</p>