

CIPFA FINANCIAL MANAGEMENT CODE – ACTION PLAN

FM Standard Ref	FM Standard	Self-Assessment Conclusion	Target Date	Responsibility
A	The leadership team is able to demonstrate that the services provided by LCC provide value for money.	Green No further improvements / actions required		
B	LCC complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government.	Green Continue to develop the skills required to future proof and enable the finance team to support the council in line with the requirements of this FM Code. In particular around Business Partnering and to be an enabling service supporting VFM.	31/03/23	Head of Financial Services
C	The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control.	Green Assess our governance arrangements against the new 'Governance Risk and Resilience Framework'. Implement improvement action identified in the AGS - 2021	31/03/23	Head of Audit and Risk
D	LCC applies the CIPFA/ SOLACE Delivering Good Governance in Local Government: Framework (2016).	Green External Quality Assessment of our Internal Audit function	COMPLETE	
E	The financial management style of LCC supports financial sustainability.	Green <ul style="list-style-type: none"> Continuous improvement for financial skills, to move to a mature financial management style. Monitoring completion of financial literacy training. 	31/03/23	Head of Financial Services

		<ul style="list-style-type: none"> Look at a more systematic approach to areas of service for review to ensure financial sustainability. 	31/12/23	Head of Financial Services
F	LCC has carried out a credible and transparent financial resilience assessment.	<p>Green</p> <ul style="list-style-type: none"> To bring forward our publishing of the MTFS for 2022 and to include the range of positions forecast from a number of scenarios (i.e. including best and worst case risks). Review risk management toolkit and training materials to support emerging risks around financial sustainability etc. Commission an external review of financial resilience. 	31/12/24 31/03/23 31/03/23	Assistant Director Finance Head of Audit and Risk Assistant Director Finance
G	LCC understands its prospects for financial sustainability in the longer term and has reported this clearly to members.	<p>Amber</p> <p>Development of a longer term financial strategy to demonstrate robust approach to financial sustainability and alignment with our Corporate plan and budget.</p>	31/03/23	Assistant Director Finance
H	LCC complies with the CIPFA Prudential Code for Capital Finance in Local Authorities.	<p>Green</p> <p>No further improvements / actions required</p>		
I	LCC has a rolling multi-year medium-term financial plan consistent with sustainable service plans.	<p>Green</p> <p>To ensure our capital programme clearly aligns with the corporate plan and asset strategies, particularly as part of the budget setting process. The council has individual asset management strategies, but these</p>	31/03/23	Head of Financial Services

		need bringing together with one overarching strategy to prioritise and support spending decisions. Budget proposals need to align with service performance.		
J	LCC complies with its statutory obligations in respect of the budget setting process.	Green No further improvements / actions required		
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.	Green No further improvements / actions required		
L	LCC has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget.	Amber We need to develop a long term financial strategy to ensure our services reflect the engagement with our residents and the delivery of the ten year Corporate plan.	31/03/23	Assistant Director Finance
M	LCC uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions.	Amber Roll out use of consistent options appraisal tool to support the decision making process and incorporate principles if appropriate of Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal	31/03/23	Head of Financial Services
N	The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.	Green <ul style="list-style-type: none"> To align our financial reporting with service performance reporting providing business intelligence for decision making. To include details of the Council owned companies within our reporting consider their impact on services and financial sustainability. 	30/06/23 31/12/22	Head of Financial Services Head of Financial Services

O	The leadership team monitors the elements of its balance sheet that pose a significant risk to its financial sustainability.	<p>Amber</p> <ul style="list-style-type: none"> • To report planned and actual use of reserves together as part of our quarterly monitoring reports to members. • To identify any other areas of the balance sheet that may pose a significant risk to the council, and include these if relevant in our financial management reports (e.g. debtors, cash balances) To undertake a review using the tools in "Balance Sheet Management in the Public Services: A Framework for Good Practice CIPFA 2017" and introduce processes to ensure that information about key assets and liabilities in the balance sheet is sound and current platform for management. 	<p>COMPLETE</p> <p>31/03/23</p>	<p>Head of Financial Services</p>
P	The Chief Finance Officer has personal and statutory responsibility for ensuring that the statement of accounts produced by LCC complies with the reporting requirements of the Code of Practice on Local Authority Accounting in the United Kingdom.	<p>Green</p> <p>No further improvements / actions required</p>		
Q	The presentation of the final outturn figures and variations from budget allows the leadership team to make strategic financial decisions.	<p>Green</p> <p>No further improvements / actions required</p>		