

FINANCIAL MANAGEMENT CODE – SELF ASSESSMENT

ACTION PLAN FOR STANDARDS WHERE SOME IMPROVEMENTS ARE PROPOSED – PROGRESS UPDATE

	Financial Management Standard	RAG rating	Actions needed	Ownership	End date	Progress to 30 September 2021
A	The leadership team is able to demonstrate that the services provided by the authority provide value for money (VFM)	Amber	<p>To increase understanding within the Council of what represents value for money (VFM) in a local context so that more prominence can be given to VFM in reports and discussions.</p> <p>To continue with the implementation of the Knowing Your Business (KYB) Programme to aid understanding of the key cost and income drivers and their effect on securing economy, efficiency and effectiveness in the use of the Council's resources.</p> <p>To use the outcomes from the Grant Thornton baselining and benchmarking exercise to inform the areas where greater understanding and targeted actions are needed.</p> <p>To assign an annual performance objective to every member of the wider leadership group to evidence value for money outcomes and to embed the requirements and understanding of the Knowing Your Business Programme within their individual teams/service areas.</p>	Corporate Management Team	March 2022	<p>Senior Finance and Accountancy professionals have attended a dedicated meeting with individual Executive Directors and their respective management teams to increase the awareness and importance of VFM and the KYB Programme – offering a 'critical friend' challenge, benchmarking information, advice, insight and support to embed these key principles and requirements. A follow-up session is also planned before the end of the financial year.</p> <p>CIPFA's new publication (July 2021) 'A guide to support VFM for public managers' to complement CIPFA's VFM Toolkit has been provided to all members of CMT.</p> <p>By the end of June 2021, a specific standard future objective for the next 12 months had been included as part of the Annual Conversation performance assessment process for every officer who is part of the Council's wider leadership group for 2021/22.</p>

I	The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans	Amber	<p>To further embed medium-term financial planning within the organisation at an operational level to ensure strategic financial planning is not only consistent with but is also integrated into all relevant service delivery plans.</p> <p>To increase the understanding and awareness of cost drivers, demand pressures and consideration of income opportunities throughout the Council.</p> <p>To continue with the integrated development and reporting of revenue and capital plans on a medium-term basis.</p> <p>To enhance the level of resilience testing of all these key drivers to assess the potential impact on the overall medium-term financial plan.</p>	Corporate Management Team	March 2022	<p>A comprehensive Medium Term Financial Strategy (MTFS) for 2021/22 – 2025/26 was published and approved by Council in February 2021. The Executive Director (Finance and Resources) delivered a Financial Landscape presentation to all Members following the Local Elections in May 2021.</p> <p>A dedicated Budget Development CMT was arranged and detailed analysis of cost drivers, demand pressures and income considerations were considered in early September 2021. This provided updated intelligence from the February MTFS version to increase understanding and awareness and to start future budget planning. Enhanced scenario planning, assumptions modelling, and COVID-19 potential long-term implications are being considered.</p> <p>A comprehensive integrated Period 4 – 2021/22 Financial Performance report was presented to Cabinet in September 2021 – with enhanced savings progress tracker included.</p> <p>Southend-on-Sea Council was ranked 13th out of the 56 unitary authorities across the UK when assessed across the 16 indicators of financial stress within CIPFA’s Financial Resilience Index for 2021. We aim to remain in this upper quartile position.</p>
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L	The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget	Amber	<p>To align planned engagement and consultations with partners, key stakeholders and the community to more fully consider longer-term local investment priorities / choices.</p> <p>To create more opportunities to engage in the consideration of longer-term financial challenges and the strategic development of future financial arrangements for both strategic and operational plans with key partners and stakeholders.</p>	Corporate Management Team	March 2022	<p>Some engagement has continued with our local Health partners regarding national policy changes and considerations for a local Integrated Care System.</p> <p>Planning engagement and consultation events is challenging given the huge amount of uncertainty caused by the impact of COVID-19. The Government have only recently indicated that there will be a future multi-year Comprehensive Spending Review (CSR) for the Local Government sector. Consultation over the new CSR is expected to start early November 2021. Planning for local budget consultation will commence around this time when we have a better idea of what the impact of future financial settlements will mean for Southend-on-Sea.</p>

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M	The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions	Amber	<p>To document corporate wide guidance on options appraisal methodology to ensure consistency whilst maintaining a proportionate approach.</p> <p>To raise awareness and understanding of the importance of Value for Money considerations and evidencing its delivery in all operational arrangements.</p>	Corporate Management Team	March 2022	<p>International Good Practice Guidance regarding options appraisal methodology is being reviewed. A proportionate approach for the Council will then be developed.</p> <p>The importance of demonstrating and evidencing VFM will remain a continuous process. As described in this update a number of actions have been taken to raise awareness and understanding and to also to keep VFM considerations at the forefront of service delivery and investment decisions.</p>