

FINANCIAL MANAGEMENT CODE – SELF ASSESSMENT UNDERTAKEN IN APRIL 2024

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

	Financial Management Standard	RAG rating	Actions needed	Ownership	End date	Progress to 30 th September 2024
A	The leadership team is able to demonstrate that the services provided by the authority provide value for money (VFM)	Amber	<p>To strengthen awareness of the importance of Value for Money (VFM) and further increase understanding within the Council of what represents VFM in a local context, so that continued prominence and consideration can be given to evidencing its delivery in all reports, discussions and operational arrangements.</p> <p>To further embed the Knowing Your Business (KYB) Programme to aid understanding of the key cost and income drivers and their impact on securing economy, efficiency and effectiveness from all Council's resources.</p> <p>To assess and evaluate performance by service leads against the delivery of the savings and income generation, planned overspend reductions and cost avoidance targets agreed as part of the approved budget plans for 2024/25.</p> <p>To support the development and submission to Government of Local Productivity Plans which set out how the Council will improve the efficiency of service performance and ensure the best use is made of taxpayers' money.</p> <p>To evaluate the impact of the Council's new governance arrangements for Transformation and Performance reporting and delivery, ensuring all service leads are accountable for achieving enhanced evidence of VFM across all aspects of their delivery arrangements in 2024/25.</p>	Corporate Leadership Team	March 2025	<p>The outgoing external auditors have undertaken their review of the Council's VFM arrangements as part of completing their audit of the 2022/23 Statement of Accounts. The results of the 2022/23 audit show they have identified no significant weaknesses in respect of arrangements to deliver financial sustainability, but one significant weakness in relation to governance. The incoming external auditors are yet to complete their review of the 2023/24 arrangements.</p> <p>There has been continued Leader/Chief Executive briefings with all staff and increased communications around the current financial situation, emphasising the increased importance of financial accountability across all services.</p> <p>The Council developed its first productivity plan and submitted it to Government in July 2024.</p> <p>As part of approving service plans and budget allocations for 2024/25, there is clear accountability, with named officers tasked with implementing approved budget initiatives.</p> <p>The Corporate Leadership Team received a briefing note on Zero Based Budgeting. They are considering which services would be appropriate for a review of that nature and the approach that should be taken.</p> <p>The P4 Finance Performance Report set out that 76% of the approved savings were forecast to be achieved by the end of the financial year. Work is ongoing to try to improve the delivery of the remaining initiatives or to develop alternative proposals.</p> <p>A Members Resources Panel has been created and is scheduled to meet after the Chancellor's budget speech on 30 October. Its anticipated remit will include:</p> <ul style="list-style-type: none"> - overseeing the work of the Transformation Board and Finance and Performance Board - undertaking analysis on key risk areas of the budget - evaluating financial challenges - generating ideas for risk mitigation

	Financial Management Standard	RAG rating	Actions needed	Ownership	End date	Progress to 30 th September 2024
E	The financial management style of the authority supports financial sustainability	Amber	<p>To further embed the Knowing Your Business (KYB) Programme to increase the effectiveness of the framework of financial accountability.</p> <p>To assess and evaluate the delivery of the financial aspects of service plans in accordance with the framework of financial accountability.</p> <p>To challenge services' current target operating models and support the development of a clear strategy, proportionate governance and prioritisation of a programme of service redesign and transformation.</p>	Corporate Leadership Team	March 2025	<p>On behalf of Internal Audit, PWC have undertaken a review of the Council processes in place to monitor its long-term financial stability. The draft report identified <i>"that the Council has a governance structure in place to support the development of the Medium-Term Financial Strategy. There are also monitoring arrangements in place that will allow leadership to have oversight of the Council's spend against budget. This has enabled the Council to have clear sight of the risks related to financial stability, including the ongoing weakness of Local government finances, demand pressures and the subsequent impact on Southend's financial position."</i></p>