

# **Audit and Standards Committee**

**25 March 2022**

## **CIPFA Financial Management Code – Warwickshire County Council Self- Assessment 2021/22**

### **Recommendations**

That the Audit and Standards Committee:

- i. Notes the progress made on the delivery of the CIPFA Financial Management Code planned improvements during 2021/22; and
- ii. Considers and comments on the Council's assessment of its compliance with the CIPFA Financial Management Code and the improvements planned for 2022/23.

### **1. Purpose of the Report**

- 1.1. In 2019 CIPFA issued a Financial Management Code (the Code) designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. The Code is a series of financial management standards that set out the professional standards needed if a local authority is to meet the minimum standards for financial management acceptable to taxpayers, customers and lenders. CIPFA's judgement is that compliance is obligatory if a local authority is to meet its statutory responsibility for sound financial administration. Beyond that, CIPFA members must comply with it as one of their professional obligations.
- 1.2. The Code requires authorities to demonstrate that the processes they have in place satisfy the principles of good financial management such that compliance with the Code will help strengthen the framework that surrounds financial decision making. The broad headings in the Code are:
  - Responsibilities of the Chief Financial Officer and Leadership Team;
  - Governance and Financial Management Style;
  - Long to Medium Term Financial Management;
  - The Annual Budget;
  - Stakeholder Engagement and Business Plans;
  - Monitoring Financial Performance; and
  - External Financial Reporting.

- 1.4 The extent of compliance with the Code will be one of the factors considered by the external auditors in reaching their judgement on the Authority's value for money.
- 1.5 The Council's first self-assessment was considered by this Committee in June 2021. This report provides an update on the progress made on the delivery of the planned improvements during 2021/22 (**Appendix A**) and provides an updated self-assessment to reflect the changes made and the improvements planned for 2022/23 (**Appendix B**).
- 1.6 As in 2021 our assessment remains that the Council already meets the standards set out in the Code and therefore any developments are about an on-going process of continuous improvement.

## 2. Financial Implications

- 2.1. There are no financial implications arising from this report.

## 3. Environmental Implications

- 3.1. There are no environmental implications arising from this report.

## 4. Background Papers

- 4.1. None.

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Elected Members have not been consulted in the preparation of this report.