

Appendix 2: East Sussex Financial Management Code self-assessment

FM Code Reference	FM Code Statements	Example Evidence and Link to Most Relevant Public Document	Score 1-5	Action or Improvement Area
Section 1 The Responsibilities of the Chief Finance Officer				
A	The leadership team demonstrates that the services provided by the authority provide value for money.	Local Medium Term Financial Plans (MTFPs) Value For Money (VFM) Audit Scrutiny Committee External auditor's Audit Findings Report East Sussex County Council	4	
B	The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government	Constitution & Scheme of Delegation, Financial Regulations Training for Staff and Members Professional Qualifications and Continued Professional Development The Constitution of the Council East Sussex County Council	4	
Section 2 Governance and Management Style				
C	The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control.	Terms of reference for Financial Management Team (FMT), Departmental Management Teams (DMT), Senior Management Team (SMT), Corporate Management Team (CMT) & Senior Officer Group (SOG) Annual Governance Assessment Reports to Audit Committee Committee details - Audit Committee East Sussex County Council	4	

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D	The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016)	Audit Committee Minutes Public Sector Internal Audit Standards. ESCC is subject to an external assessment Browse meetings - Audit Committee East Sussex County Council	5	
E	The Financial Management Style of the authority supports financial sustainability	Reconciling Performance Policy and Resources (RPPR) and Medium-Term strategy Head of Finance attendance at DMT / SMT Quarterly integrated reporting Quarterly Reporting (Q4 2022/23)	4	
Section 3: Long to Medium Term Financial Management				
F	The authority has carried out a credible and transparent Financial Resilience Assessment.	Medium Term Financial Plans (MTFP) scenarios Service Growth and Demography models Robustness Statement (includes previous benchmarking; LGA analysis; CIPFA resilience index) Robustness Statement Full Council 7/2/2023	4	

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G	The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members	MTFP 10 Year Capital Programme responses to lobbying and consultation MTFP Full Council 7/2/2023	4	
H	The authority complies with the CIPFA Prudential Code	Treasury Management Annual Report and Strategy to Full Council Half-yearly reporting Regular monitoring Treasury Management Strategy Full Council 7/2/2023	5	
I	The authority has a rolling multi-year Medium Term Financial Plan	RPPR papers MTFP Full Council 7/2/2023	4	
Section 4: The Annual Budget				
J	The authority complies with its statutory obligations in respect of the budget setting process	Budget Setting to Full Council Budget setting guidance Financial budget summary East Sussex County Council	5	
K	The budget report includes a statement by the Chief Finance Officer on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves.	Reserves and Robustness Statement Robustness Statement Full Council 7/2/2023	5	
Section 5: Stakeholder Engagement and Businesses Cases				

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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.	RPPR stakeholder meetings and other engagement Engagement Feedback Full Council 7/2/2023	4	
M	The authority uses appropriate documented option appraisal methodology to demonstrate the VFM of its decisions	Pressures Protocol RPPR scenarios Inflation and Growth & Demography models Example Report Cabinet 27/6/2023 - Highway Maintenance	3	Review and share approaches to option appraisal across departments and with partner organisations through local County Council collaboration group in order to identify best practice. Target Date – Next Annual Review

Section 6: Performance Monitoring

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N	<p>The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.</p>	<p>Budget Management Tool (BMT), monthly and quarterly monitoring reports Risk-based approach which has been signed off as acceptable by CMT.</p> <p>Quarterly Reporting (Q4 2022/23)</p>	3	<p>Consider the financial information that will be required for financial planning and reporting through the implementation of the Council's new financial system. Include reference and insight from other organisations and national benchmarking information (e.g. reserve balances) through County Council collaboration.</p> <p>Target Date – Next Annual Review</p>
O	<p>The authority monitors the elements of its balance sheet which pose a significant risk to its financial stability</p>	<p>Full Reserves monitoring 2x per year S106 and Community Investment Levy (CIL) working Group Bad Debt Monitoring</p> <p>Quarterly Reporting - Corporate Summary (Q4 2022/23)</p>	4	
Section 7 External Financial Reporting				
P	<p>The Chief Finance Officer has personal responsibility for ensuring that the statutory accounts provided to the local authority comply with the Code of Practice on Local Authority Accounting in the United Kingdom.</p>	<p>Statement of Accounts Audit Opinion</p> <p>Statement of Accounts East Sussex County Council</p>	5	

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Q	The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions.	Q4 monitoring reports to DMT/SMT/CMT. Quarterly Reporting (Q4 2022/23)	5	