

North Yorkshire Council

Audit Committee

24th June 2024

CIPFA Financial Management Code

Report of the Corporate Director -Resources.

1.0 PURPOSE OF REPORT

- 1.1 To update on the self-assessment of compliance with the Chartered Institute of Public Finance and Accountancy's Financial Management code (CIPFA FM Code).

2.0 BACKGROUND & DISCUSSION

- 2.1 In light of concerns around the financial resilience and management of local authorities, in particular after the well-publicised issues at Northamptonshire County Council, CIPFA consulted on and developed a code for good practice in financial management.
- 2.2 Finance in local government is governed by a complex mix of rules including primary legislation, regulation and professional standards. The general financial management of a local authority, however, has not historically been supported by a specific professional code. Therefore, the CIPFA FM code represents, for the first time, standards of financial management for local authorities in the UK.
- 2.3 The code is designed to support good practice in financial management and help local authorities demonstrate financial sustainability. It builds this upon six underlying principles:
- i) leadership
 - ii) accountability
 - iii) transparency
 - iv) professional standards
 - v) assurance
 - vi) sustainability.
- 2.4 The FM code is also consistent with other CIPFA codes in that it is based on principles rather than narrow prescription. The code, therefore, does not detail specific financial management processes that each organisation must follow. Instead, the local authority must demonstrate that the principles of the code, the Financial Management Standards, are being satisfied. These standards (A-Q) are outlined in the appendix to this report. Demonstrating this compliance with the code is the collective responsibility of elected members, S151 officers and their professional colleagues in the leadership team.
- 2.5 The significant pressure on local authority finances and a number of recent high profile cases of severe financial distress at individual councils have further emphasised the need for effective financial management. The code in itself, of course, does not eliminate financial pressure or risk but compliance with the code validates the organisation's ability to identify and manage risk and plan for long term financial sustainability.
- 2.6 An evidenced self-assessment of the Council's ability to demonstrate that it successfully meets the requirements of the FM code, as reported at the Audit Committee in June 2023, is attached again as the appendix to this report but with further commentary to reflect any updates and relevant experience from the first year of the new council.

- 2.7 Inevitably with such a major reorganisation of local authorities there have been short term issues with some aspects of financial management. These have included the need for more intensive intervention from finance to support some budget managers, a number of systems and process issues which required workarounds or more manual interim processes and delays in full alignment of budgets to the new structures which led to a greater reliance on ad hoc financial reporting.
- 2.8 However, none of these have impacted fundamentally on the major financial management and control functions recognised in the CIPFA FM code. These included an approved budget and medium-term financial strategy with effective scrutiny, a credible savings programme with a robust delivery and monitoring structure, good control mechanisms around key spending decisions and timely periodic reporting of performance against budgets. So the assessment that North Yorkshire Council meets the requirements of the code remains valid.
- 2.9 Going forward the assessment against the FM code will be incorporated into the work that the committee sees as part of the annual governance statement which is informed by the corporate governance checklist.

3.0 ALTERNATIVE OPTIONS CONSIDERED

- 3.1 Not applicable

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are no direct budgetary implications from this report but the review of compliance with the FM code helps to reinforce best practice and supports the longer term financial resilience of the Council.

5.0 LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications from this report but compliance with the code helps to validate the legal requirement for the S151 officer to ensure proper administration of the local authority's financial affairs.

6.0 EQUALITIES IMPLICATIONS

- 6.1 There are no specific equalities issues from this report

7.0 CLIMATE CHANGE IMPLICATIONS

- 7.1 There are no specific climate change implications from this report

8.0 REASONS FOR RECOMMENDATIONS

- 8.1 With such a significant change in the system of local government it is inevitable that there would be short-term disruption to some elements of financial management but the core financial control mechanisms remain robust and these give sufficient confidence that the Council's arrangements still comply with the code.

9.0 RECOMMENDATIONS

- i) That the Committee notes the self-assessment of continued compliance with the code detailed in the appendix to this report.

ii) That further update reports are brought to this Committee if there are significant changes to the requirements of the CIPFA FM code.

APPENDICES:

Appendix – Self Assessment of Compliance with the FM code

BACKGROUND DOCUMENTS:

The Financial Management Code – CIPFA October 2019

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Northallerton
22nd May 2024

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Presenter of Report – Gary Fielding – Corporate Director - Resources

North Yorkshire Council – assessment of compliance with the CIPFA Financial Management Code**SECTION 1 – The Responsibilities of the chief finance officer and leadership team**

	FINANCIAL MANAGEMENT STANDARD	EVIDENCE FOR COMPLIANCE	COMMENTS/UPDATES
A	The Leadership team is able to demonstrate that the services provided by the authority are value for money	<p>A report on VFM is taken annually to Audit Committee.</p> <p>NYC will report on the performance against its key priority areas as well as financial performance on a quarterly basis to Executive Members. Prior to this the report will also be discussed at management board with all the senior operational leaders within the Council.</p> <p>Regular meetings are also held between the S151 Officer and the Executive Member responsible for finance, assets and special projects, to discuss financial management including emerging pressures and how the Council is managing them, use of reserves as well as potential underspends and whether these can be used towards the council's savings programme.</p> <p>External judgements, for example OFSTED's comprehensive 'outstanding' rating for children's services, are further evidence of effective service delivery within the available resources.</p> <p>Comparative financial information forms part of the core service planning process with team plans including service costs, where available, against their comparator group of local authorities. These form part of the challenge sessions for directorates.</p> <p>We also use our involvement in regional and professional bodies to produce comparative information. For example, there is now an annual survey of domiciliary and residential care home rates organised through the Yorkshire and Humber ADASS finance group.</p> <p>The Council continues to have good visibility on where money will be spent in the upcoming months / years through the Forward Procurement Plans (FPPs). FPPs allow an oversight of approaching procurements. As a result, resources and specialist support is deployed appropriately to deliver good procurement and value for money across the Council's external expenditure.</p>	<p><i>Continuing approach.</i></p> <p><i>The new procurement regulations from October 2024 will also give opportunities to make changes to procurement and how we operate with budget and contract managers.</i></p>

		<p>The council has a Procurement and Contract Management Strategy that complements and supports the ongoing transformation work at the Council and helps ensure that commercial arrangements and contracts awarded by the Council provide the best value for money. We also use our procurement spend to provide the best social value for our communities.</p> <p>The procurement and contract management strategy is monitored through a series of key performance indicators covering the activities detailed in the Strategy Action Plan. The Corporate Procurement Board is accountable for the delivery of the Action Plan and monitors Key Performance Indicators on a quarterly basis.</p> <p>A report on Procurement and Contract Management is also taken annually to Audit Committee.</p>	
<p>B</p>	<p>The authority complies with the CIPFA Statement on the Role of The Chief Finance Officer in Local Government</p>	<p>The chief finance officer (Corporate Director – Resources) is a key member of Management Board and is actively involved in helping to shape and deliver the Council’s strategy as well as ensuring there are sufficient resources to deliver the strategy.</p> <p>The Corporate Director - Resources is also a member of the programme board, programme steering group (that considers resource requests) and the NYES board. Any significant investment decision is therefore subject to scrutiny by the Chief Finance Officer (CFO) and will be challenged where the project is not aligned to the strategic vision of the council.</p> <p>As part of the annual Treasury Management Strategy report, the CFO will provide the capital strategy for the Council. The authority will also have access to specialist technical advice from LINK Asset Services.</p> <p>The Corporate Director is CIPFA qualified and has 30 years of experience in local government finance as well as maintaining CPD compliance. The deputy for s114 duties is also an experienced s151 officer. Management team is supported by Lead Business Partners who are joint finance/service posts and sit on directorate management teams. They will</p>	<p><i>Finance staff are still providing more direct support to individual budget managers than would be envisaged in the planned operating model for the finance team. This particularly reflects the considerable learning curve for new systems and processes</i></p>

		<p>support, advise and challenge as appropriate when directorates are considering matters that may have a financial bearing for the council. The Council also offers financial training to all budget managers to ensure people have the skills necessary to carry out their role effectively.</p> <p>CPD of finance staff will be actively monitored and a training matrix has been established for finance. Specific training needs will be reviewed at least annually although staff are also encouraged to attend other training as required, for example if there are technical changes to accounting standards, changes to funding formulae for local authorities etc. The finance team also periodically arrange 'lunch and learn' sessions on specific topics to update staff and key staff attend webinars provided by our specialist financial advisors.</p> <p>Therefore, the S151 Officer is supported by a highly skilled team and is able to offer advice and support when required.</p>	<p><i>The Future Finance Leaders trainee accountant programme means effective planning for service continuity with a supply of high quality individuals ready to fill accountancy positions as turnover and retirement impact on the team.</i></p>
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SECTION 2 – Governance and Financial Management Style

<p>C</p>	<p>The Leadership team demonstrates in its actions and behaviours responsibility for governance and internal controls</p>	<p>The Council's governance arrangements include a framework of assurance, of which the leadership team are part. Any significant issues with regards to governance and control across the authority will be considered by the leadership team as a whole and the annual Governance Statement is reviewed and agreed by the leadership team.</p> <p>A number of key controls ensure appropriate scrutiny and governance of key financial decision points. For example, Project Management Office, procurement gateways, finance procedure rules etc.</p> <p>Internal Audit are a key part of the Council's assurance framework and meet routinely with the Corporate Director – Resources and chief officers to ensure that Audit resources are appropriately directed towards areas of greatest need (applying a risk-based approach) and that audit actions are followed up.</p>	<p><i>All of these governance arrangements will be kept under review and any necessary/agreed changes will be implemented as required.</i></p> <p><i>This has already included amendments to the rules around grant acceptance to enable more focussed scrutiny on one-off grant bids as opposed to 'automatic' annual government grant allocations.</i></p>
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		<p>As part of the LGR arrangements a thorough review of governance arrangements include:</p> <ul style="list-style-type: none"> - Revised and updated Financial Procedure Rules (approved by County Council in February 2023) - A scheme of sub-delegation for the Financial Procedure Rules. - A schedule of permissions detailing the specific authorisations for all aspects of the Council’s financial management. The schedule will identify the designated officers and the relevant limits or thresholds of their authority. The schedule will include the limits for authorising orders, payments, budget virements, debt write-offs, asset purchases and disposals, payroll and establishment changes, and bids for external funding - A Financial Procedures and Policy Manual - Training sessions for Finance staff on Financial Governance, particularly the Financial Procedure rules. 	
<p>D</p>	<p>The authority applies the CIPFA/SOLACE <i>Delivering Good Governance in Local Government: Framework (2016)</i></p>	<p>The Council is committed to demonstrating good corporate governance. This is done through a system which directs and controls its functions and relates to the community it serves. To enable this there is a framework of policies, management systems, procedures and structures that together, determine and control the way in which the Council manages its business, determines its strategies and objectives, and sets about delivering its services to meet those objectives for the greater good of its community. This naturally extends to how the organisation accounts to, engages with and, where appropriate, leads its community.</p> <p>The Council’s corporate governance Framework is based upon the CIPFA/SOLACE document entitled <i>Delivering Good Governance in Local Government: Framework 2016</i>.</p> <p>There is documentation that makes up the Council’s Framework which includes the Council’s Local Code and the Annual Governance Statement.</p>	<p><i>Continuing practice</i></p>

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		<p>The Local Code addresses the seven core Principles of corporate governance as set out in the CIPFA/SOLACE Framework and describes the systems and processes that support these in the Council. The Code also explains how the Council intends to monitor and review the corporate governance arrangements defined in this Code.</p> <p>The Annual Governance Statement is linked to the Local Code through the seven principles in the Code. The Statement explains how the Council has complied with its Local Code and also how it meets the requirements of Regulation 6(1)) of the <i>Accounts and Audit Regulations 2015</i> in relation to the publication of an Annual Governance Statement.</p> <p>The Local Code and Annual Governance Statement are reviewed and refreshed annually, and then further reviewed by the Audit Committee. The Audit Committee also receive an annual corporate governance progress report which includes details of other notable governance work and a summary of improvements.</p> <p>In terms of roles and responsibilities the Council has in place a Corporate Governance Officer Group which includes the Monitoring Officer, Section 151 Officer and the Head of Internal Audit. This Group reviews the development and maintenance of the governance Framework and the environment of the Council on a regular and ongoing basis, in conjunction with Corporate Directors and senior officers.</p> <p>The role of the Audit Committee under their Terms of Reference includes assessing the effectiveness of the Council’s corporate governance arrangements, approving the Annual Governance Statement, and to liaise and work with the Standards Committee to promote good ethical standards within the Council.</p>	
E	<p>The financial management style of the authority supports financial sustainability</p>	<p>Financial sustainability underpins the Council corporate objectives including a planned programme of transformation linked to the opportunities through unitary status.</p> <p>In terms of financial accountability, the Council expects all budget managers to actively monitor their budgets. All budget managers will be given direct access to financial information to enable them to do this including Oracle BI</p>	<p><i>With a number of new managers, and many using different systems, there was a need for focussed support to budget managers through the early stages of the changed processes</i></p>

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		<p>and PBCS for forecasting their outturn position. Budget managers are expected to understand and explain significant variances from the budget. Finance are working within a business partner model. Finance colleagues are supporting but challenging service areas to maximise performance and in turn ensure resources are used in the most effective way. Part of this is undertaken through our work supporting the transformation programme and reviewing processes and services to see if they can be delivered in a different way. Finance play a key role in risk management and ensuring, in particular, that the financial outcomes of savings programmes are delivered.</p> <p>The predecessor councils have generally had a culture of effective budgetary control. For example, the most recent LGA peer review commended the former County Council's '<i>tremendous grip on its budget</i>'.</p> <p>The MTFS process also means that the Council is able to understand longer term risks and plan a response to those appropriately.</p>	<p><i>A training programme for new budget managers was initiated but this needs to be expanded to ensure it covers all budget managers, including those whose budgetary role has changed following team restructures</i></p> <p><i>For practical reasons of scale and minimising disruption NYCC's finance system, ORACLE, was selected as the core system for the new North Yorkshire council. For some financial administrative processes this has meant a degradation in functionality compared to legacy systems for some managers.</i></p> <p><i>The process for identifying and implementing a replacement core financial system has recently commenced.</i></p>
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SECTION 3 – Long to medium-term financial management

F	The authority has carried out a credible and transparent resilience assessment	<p>The predecessor councils all scored well on the CIPFA resilience index and this performance will continue to be reported as part of the Budget process. A well-established MTFS process allows for early identification of issues including the long term sustainability of funding.</p> <p>A review of reserve balances across all eight predecessor authorities is being undertaken and an (at least) annual ongoing review of reserves will be carried out including challenge to the level, and requirement for, earmarked reserves to ensure maximum flexibility to respond to external pressures.</p>	<p><i>An initial reserves review was carried out across the legacy authorities and this enabled identification of additional non-earmarked reserves to support effective financial planning through the medium term financial strategy.</i></p>
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		<p>The authority will generally take a prudent approach to long term financial management. This includes a key risk assessment of the financial challenges which will be refreshed at least annually. Part of this will include making reasonable budgetary provision for risks where appropriate (recent examples include funding for Brexit risks and for failure to meet all savings targets). Project planning for savings programmes is well established (including the requirement for costed business cases etc.) with a very strong track record of delivery and this rigorous approach will be applied to service transformation projects.</p> <p>As part of the MTFS process the Council explores a range of scenarios and the development of a flexible scenario planning tool allows for timely updating of the financial consequences of changes, e.g. revenue flows, pay awards etc. This is multi-year so recognises the impact on cash flow/use of reserves as well as in-year budgets.</p>	<p><i>With the completion of the first full financial year of the new council there will be the opportunity to carry out a further more detailed review of reserves.</i></p> <p><i>As well as Finance's lead business partner arrangement to help ensure delivery of savings an independent review has recently been established to give assurance about the plans for the achievement of budgeted savings</i></p>
<p>G</p>	<p>The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members</p>	<p>The Medium Term Financial Strategy is updated annually –generally based on current year + three – and covering both the general fund and the Housing Revenue Account (HRA). The Corporate Director - Resources will report to the Executive at least annually on the achievement of the strategic priorities contained in the MTFS.</p> <p>Reports to Executive and full Council are explicit about long term risks and sustainability and these are also detailed in members seminars.</p> <p>A 30 year HRA Business Plan is maintained, setting out specific risks and issues relevant to the sustainability of the HRA and illustrating the long-term impacts of budgetary pressures and decisions.</p> <p>The authority retains appropriate reserve balances to manage risks over the medium term and there is a specific policy on reserve balances which is agreed with members on an annual basis.</p> <p>The Council also holds a capital plan which is current year + two with future plans captured within 'later years'. A further year is added to the capital plan during quarterly reporting at Q2.</p>	<p><i>All of this, of course, needs to be seen in the context of continuing short term funding horizons from Government.</i></p>

		<p>The vision of the Council is set out along with key priorities within the Council Plan.</p> <p>Individual projects are generally assessed over a three to five-year time horizon, although for large scale investment projects the timeframe is extended dependent on the nature of the project.</p>	
<p>H</p>	<p>The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities</p>	<p>North Yorkshire Council will comply with the CIPFA Prudential Code through the approval on an annual basis of:</p> <ul style="list-style-type: none"> • a set of Prudential and Treasury Indicators; and • an Annual Treasury Management Strategy including an Annual Investment Strategy, an annual Minimum Revenue Provision (MRP) Policy Statement; and • a Capital Strategy including non-financial and treasury management investments; and • a Prudent, sustainable, affordable and value for money Capital Programme including capital expenditure and capital financing <p>Each is monitored on a regular basis both in-year (quarterly) and at the financial year end to ensure compliance.</p> <p>The Corporate Director - Resources will also meet periodically with the relevant Portfolio Holder to consider and review issues arising from the day to day treasury management activities.</p> <p>The Council determines its own programmes for investment that are central to the delivery of quality public services. In addition to the setting of Prudential Indicators, Annual Treasury Management Strategy, Capital Strategy and Capital Programme, in order to ensure compliance with the Prudential Code the Council will also continue the following practices:</p> <ul style="list-style-type: none"> • Treasury Management performance benchmarking; 	<p><i>Continuing practice.</i></p> <p><i>A series of capital boards have now been introduced to allow greater focus on, and scrutiny of, capital by functional areas.</i></p> <p><i>All such boards report to Management Board, acting as Corporate Capital Board, which then informs the Executive through the Q reporting regime.</i></p>

		<ul style="list-style-type: none"> • Regular member and officer treasury management training to ensure the appropriate level of resources and skills, and the effective division of responsibilities within the treasury management function; • Internal audit of the Treasury Management function and liaison with external audit; • Appointment of external service providers. • The adoption of a Commercial Investment Board (members and officers) ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities • A proportional commercial investment framework so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk • A process of due diligence carried out on all treasury and non-financial investments and is in accordance with the risk appetite and legal powers of the authority • Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed 	<p><i>With no major new investment proposals the board was not required to meet in 2023/24.</i></p>
I	<p>The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans</p>	<p>The authority has a rolling multi-year Medium Term Financial Plan which is updated at least annually and reflects the latest position in terms of funding, cost pressures, investments and savings.</p> <p>The council also subscribes to a specialist local authority finance advice service which maintains an MTFS model which is updated to reflect national funding changes and other government announcements.</p>	<p><i>Even through the consolidation of the eight legacy budgets into the new North Yorkshire council The MTFS process has proven to be a robust and effective way of financial planning for the longer term</i></p>

SECTION 4 – The annual budget

J	The authority complies with its statutory obligations in respect of the budget setting process	The Council sets a balanced budget and complies with the requirements in relation to the S151 Officer statement on the robustness of the budget and adequacy of reserves. A s25 opinion is offered as part of the annual budget.	<i>Continuing practice</i>
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	As above – the s25 opinion. As well as complying with the formal requirement the CFO is clear and open about longer term risks and reports these to members including through specific member budget seminars.	<i>Continuing practice</i>

SECTION 5 – Stakeholder engagement and business plans

L	The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget	Public consultations are held in respect of budget proposals. The MTFS, annual budget and Council Plan are all published on the Council website. The MTFS and budget is developed in consultation with Executive Members, wider Members, Leadership Team and Extended Leadership Team as well as key partners and stakeholder groups, for example a working group with adult social care provider representatives. Commissioner fora, meetings of Health & NYCC Finance Directors and the Health & Wellbeing Board provide opportunities to engage with senior health partners on issues of joint financial interest. There will also be more direct communication and consultation with parish and town councils Members Seminars are held on a regular basis so that all Members are given opportunities to understand and challenge the budget and assumptions.	<i>There will be a need to maintain communication networks and consultation approaches as we develop the new council. Engagement across the council is recognised as a key issue and will help to further shape the approach with stakeholders.</i>
M	The authority uses an appropriate documented option appraisal methodology to	The authority uses an outline business case template and a well tried and exhaustive process for management of projects and savings programmes including a financial impact template for projects.	<i>The NYCC business case approach has been modified and is now used across the entire council.</i>

	demonstrate value for money of its decisions	The predecessor councils have a very good record of delivering planned savings. Final decisions on significant projects are taken at a cross-service Resources Group chaired by the Corporate Director - Resources.	<i>On the Housing Revenue Account business metrics developed by Housing and Finance colleagues are now approved as part of the HRA business plan.</i>
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SECTION 6 – Monitoring Financial Performance

N	The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability	<p>Quarterly in-year financial and performance monitoring reports will be taken to leadership team and chief officers are held accountable for financial performance. Collective approaches to dealing with wider organisational risks are also well developed.</p> <p>Explanations for significant variations from budget are provided and focussed reviews are carried out on areas of significant overspend so that recovery plans can be formulated.</p> <p>Areas of particular demand/budget pressure will be the subject of Chief Executive & CFO “deep dives” and will be reviewed at least bi-monthly.</p>	<p><i>With, initially, a range of legacy systems there is an ongoing need to ensure operational and financial data are consistent.</i></p> <p><i>A review of the quarterly operational performance information to Management Board and the Executive is being undertaken, in particular to ensure it enables sufficient focus on the key information.</i></p>
O	The leadership team monitors the elements of the balance sheet that pose a significant risk to its financial sustainability	<p>Use of reserves is explicitly reported in quarterly performance reports. Quarterly treasury reports update on investments and debt.</p> <p>The longer-term forecasting of reserve balances is included as part of the MTFS report.</p> <p>It is a statutory responsibility of the CFO to advise the Council on the appropriate and adequate level of reserves and the robustness of the estimates, and to act on the advice of external audit in this matter.</p> <p>Any budget overspends cannot be carried forward and will instead be funded from reserves. In such circumstances, the CFO may issue directions to the</p>	<p><i>As stated above the review of legacy reserve balances has strengthened the adequacy of useable reserves</i></p> <p><i>A more comprehensive review of the balance sheet will follow the completion of the 2023/24 final accounts.</i></p>

	Corporate Director to undertake additional budget monitoring, restrict expenditure in specific areas or repay any overspend from future years.	
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SECTION 7 – External financial reporting

P	The chief financial officer has personal and statutory responsibility for ensuring that the statement of accounts produced by the local authority complies with the reporting requirements of the <i>Code of Practice on Local Authority Accounting in the United Kingdom</i>	The Statement of Accounts will be prepared in accordance with <i>The Code of Practice on Local Authority Accounting in the United Kingdom</i> for the relevant financial year. This is stated in the accounts that are signed off by the Corporate Director –Resources ahead of submission to the Audit Committee.	<i>The 2023/24 Statement of Accounts, as in previous years, will be prepared in accordance with the code</i> <i>Most of the constituent councils, including the county council, have generally received unqualified audit opinions from the external auditors but, as with most parts of the country, there is significant external audit backlog in some cases as well as a small number of specific longer term issues to be resolved (e.g. sign off of the harbour accounts for the former Scarborough BC)</i> <i>There is the expertise and resource in the new combined finance team to resolve these but the protracted time periods mean there is a risk of a loss of corporate ‘memory’ on some issues.</i>
Q	The presentation of the final outturn figures and variations from budget allows the leadership team to make strategic financial decisions	The outturn reports identify key variances from budgets with appropriate explanations from operational managers and linked finance staff and recommend action where appropriate in line with the in-year quarterly monitoring process. Any key issues arising from the outturn figures will be reflected in the budget and MTFS process.	<i>The outturn report to Executive includes details of the key variances from budget. From the 2023-24 outturn there will be a need to identify any overarching material issues which will impact on the</i>

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			<i>budget going forward as well as the identification of longer term underspends which could be taken as savings.</i>
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