

# Midlothian IJB Audit and Risk Committee



**Thursday 1<sup>st</sup> September 2022 at 2pm**

## **CIPFA Financial Management Code Self Assessment**

**Item number: 5.4**

### **Executive summary**

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*The Committee agreed to adopt the new CIPFA Financial Management Code in as far as it pertained to the operations of the IJB at the December 2021 meeting. This paper provides a self assessment against the principles laid out in the code and looks at the themes in the guidance and considers how these can be delivered by the IJB or its partners. It should be noted that the adoption of this guidance is an element in the overall achievement of best value.*

*The Committee is asked to*

- 1. Note the self assessment*
- 2. Note the actions for improvement.*

## CIPFA Financial Management Code Self Assessment

### 1 Purpose

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- 1.1 The purpose of this report is to consider how the CIPFA Financial Management (FM) guidance (21/22) as it pertains to the operations of the IJB and to provide a self assessment update on the principles in the code. It should be noted that the adoption of this guidance is an element in the assurance processes of the IJB in its delivery of best value.

### 2 Recommendations

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- 2.1 Members of the Audit and Risk Committee are therefore asked to:
- Note the self
  - Note the actions for improvement

### 3 Background and main report

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- 3.1 The FM Code produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability.
- 3.2 A paper was presented to the December 2021 meeting of the committee who approved that the code should be adopted and an update to the March 2022 committee.
- 3.3 The principles within the code are :-
- leadership
  - accountability
  - transparency
  - standards
  - assurance
  - sustainability

- 3.4 The summary of the self assessment is attached in Appendix 1 against the principles in code (those relating to IJB operations). This summary also highlights our areas for improvement
- 3.5 The IJB is required to deliver its delegated functions with regard to the principle of best value. The adoption of this guidance and this self assessment will provide an element of assurance as to the overall delivery of best value.

## 4. Directions

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- 4.1 There are no Directions implications arising from this report.

## 5. Equalities Implications

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- 5.1 There are no direct equalities implications arising from this report.

## 6. Resource Implications

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- 6.1 There are no further resource implications arising from this report

## 7. Risk

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- 7.1 Financial challenges are already recognised on the IJB's risk register

## 8. Involving People

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- 8.1 The IJB meets in public and the committees' papers and minutes are presented to the IJB

## 9. Background Papers

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- 9.1 CIPFA – Financial Management Code - December 2021 paper  
9.2 CIPFA – Financial Management Code - March 2022 paper

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| <b>DATE</b>          | September 2022                         |

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Appendix 1 – Self assessment of the CIPFA code in relation to the IJB