

Briefing Note

Title: Finance Training for Councillors

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Intended audience: Internal Partner organisation Public Confidential

Purpose

To provide an overview of the current finance training programme provided to Councillors along with an option on Treasury Management training for consideration.

Overview

On 18 April 2018, Confident, Capable Council Scrutiny Panel requested an update on the current finance training provided to Councillors along with options of exploring future training on Treasury Management.

Background

In-House Training

Strategic Finance currently provide finance training as part of the Councillor Induction Programme and Development Programme. A Finance Guide is also produced on an annual basis (attached).

On 24 May 2018 two sessions were held as part of the Councillor Induction Programme for newly elected Councillors.

A training session is also booked for Councillors as part of the Development Programme on 4 October 2018.

The training sessions give an overview of:

- the sources and structure of local government finance
- the financial cycle including budget setting, budget monitoring and identify the budget challenge
- local government financial governance arrangements

External Training

Training is also provided by the Local Government Association (LGA) which is offered to Councillors as part of their LGA membership – 'Leadership Essentials: Finance'.

This cost of this training is fully subsidised; however, places are limited and are offered on a strictly first come first served basis.

The training is a two day residential programme will help leaders and finance portfolio holders get to grips with the financial challenges facing their authority. The course discusses setting longer term strategies for sustainability as well as balancing the budget on an annual basis and how to work with officers to ensure that the Council is making the most of its opportunities.

Topics covered are:

- The role of leaders and portfolio holders in a changing financial environment
- Working with others to make sense of the opportunities
- Understanding the council's finances
- Navigating the budget process
- The financial aspects of the new delivery models
- Recognising a good business case for change

All training is held at Warwick Conferences, Coventry with dates in October, November and December 2018.

Option for further training – Treasury Management

The Scrutiny Panel expressed an interest in receiving Treasury Management training. Treasury Management is defined as

“is the management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

The Council uses Link Asset Services, Treasury solutions as its external management advisors. Link Assets can be approached to provide training tailored to the Council's specific needs. The aim of the training is to provide an enhanced awareness of Councillors' role within the Treasury Management function; understanding the changing regulatory and market environment and the challenges facing authorities.

The training covers the following topics:

- The overarching strategic and governance framework relating to the Capital Strategy and Treasury Management activity
- The Treasury Management and Prudential Code of Practice
- Ministry of Housing, Communities and Local Government Investment Guidance
- Risk Management
- The Financial Markets
- Interest Rate Forecasts
- Credit Ratings and Creditworthiness
- Investment Management
- Debt Management
- Non -Financial Investments
- Scrutiny Focus

The estimated cost of the training is £1,500. If Councillors wished to take up the offer of this training, then a proposal would need to be submitted to the Councillor Development Advisory Group for consideration.