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## **FINANCIAL RESILIENCE ACTION PLAN**

To: **Governance and Audit Committee – 11 December 2013**

Main Portfolio Area: **Financial Services**

By: **Financial Services Manager**

Classification: **Unrestricted**

Ward: **All**

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**Summary: For Members to approve the action plan to address the weaknesses identified within the financial resilience report for the year ended 31 March 2013**

### **For Decision**

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#### **1.0 Introduction and Background**

- 1.1 As part of their final account work for 2013/14, Grant Thornton produced a financial resilience report which highlighted the key findings from their specific review of the Council's arrangements in securing financial resilience. This review included consideration of whether the Council has robust financial systems and processes in place to manage its financial risks and opportunities and whether it has secured a stable financial position that enables it to continue to operate for the foreseeable future.
- 1.2 The financial resilience report was presented to this committee at its September meeting. The report concluded that the Council has put sound arrangements in place and adequately approached financial planning, governance and control.
- 1.3 The report did, however, identify a few areas of potential risk or weakness where arrangements need to be strengthened.

#### **2.0 Current Situation**

- 2.1 A review has been taken of all the areas of potential risk or weakness as identified within the financial resilience report. The attached annex highlights the current position and proposed action to address each of these risks or weaknesses together with a deadline date.

#### **3.0 Corporate Implications**

##### **3.1 Financial**

- 3.1.1 As part of the annual final account audit, external audit are required to reach a formal conclusion on whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources (the Value for Money conclusion). The financial resilience report helps to support the Value for Money conclusion. To ensure that the Council continues to satisfy the auditors in this regard,

action is required to address any weaknesses or risks identified within the financial resilience report.

### **3.2 Legal**

3.2.1 There are no legal implications arising from this report.

### **3.3 Corporate**

3.3.1 Under the Local Code of Corporate Governance accepted by Cabinet on 10 November 2004, the Council is committed to publish and make available reports that give an objective and understandable account of its activities, achievements, financial position and performance. The financial resilience report was published as part of the Governance and Audit agenda for 25 September 2013 and it helps to give an understanding of the Council's financial position. This report now presents the proposed actions required to address the weaknesses and areas of risk identified in the financial resilience report.

### **3.4 Equity and Equalities**

3.4.1 There are no equity and equalities implications.

## **4.0 Recommendation**

**4.1 That Governance and Audit approve the action plan at Annex 1 to this report.**

Contact Officer:	Sarah Martin, Financial Services Manager & Deputy S151
Reporting to:	Sue McGonigal, Chief Executive & S151

### **Annex List**

Annex 1	Financial Resilience Action Plan
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Corporate Consultation Undertaken

Finance	N/A
Legal	Harvey Patterson, Corporate & Regulatory Services Manager