

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO THE AUDIT COMMITTEE

21 APRIL 2016

REPORT OF THE CHIEF EXECUTIVE

FINANCIAL RESILIENCE ASSESSMENT 2015-16

1 Purpose of Report.

- 1.1 The purpose of this report is to present a recent Wales Audit Office (WAO) report on the Financial Resilience Assessment of Bridgend CBC.

2 Connection to Corporate Improvement Plan / Other Corporate Priorities.

- 2.1 This report is consistent with the Corporate Priority 'Smarter Use of Resources'.

3 Background

- 3.1 WAO believes that financial resilience is achieved when an Authority has robust systems and processes to effectively manage its financial risks and opportunities and to secure a stable financial position.
- 3.2 They undertook a financial resilience assessment of the Council during the period May to October 2015 and followed up issues highlighted in the 2014-15 financial position work. The focus of the work was on delivery of the 2014-15 savings plans and the 2015-16 financial planning period.

4 Current situation / proposal

- 4.1 The Report identified that the Council has:-
- an effective corporate framework for financial planning;
 - effective financial controls, financial management is generally strong and it has a good track record of spending to budget; and
 - a sound framework for reviewing and challenging financial performance through its Corporate Performance Assessment process and Section 151 Officer has a good track record for meeting financial targets.
- 4.2 The Report rated each of these elements; Financial Planning, Financial Control and Financial Governance; as Low Risk. This is described as "Arrangements are adequate (or better) with few shortcomings in systems, processes or information. Impact on the Council's ability to deliver its financial plan may be minimal".

5 Effect upon Policy Framework & Procedure Rules.

- 5.1 None.

6 Equality Impact Assessment.

6.1 There are no equality issues.

7 Financial Implications.

7.1 There are no direct financial implications but the report focuses on managing budget reductions effectively to ensure financial resilience.

8 Recommendation.

8.1 That Members note the content of the WAO Report on the Council's Financial Resilience Assessment 2015-16 attached as **Appendix A**.

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11 April 2016

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Background Documents

Financial Resilience Assessment 2015-16