

AGS 2015/16 - SIGNIFICANT GOVERNANCE ISSUE

Issue in 2015/16 Statement	Commentary & Mitigating actions for 16/17
<p><u>Financial Challenge</u></p> <p>The unprecedented financial challenge continues into its fifth year, with public sector austerity likely to last until at least 2020. The Council has responded positively with over £30M of savings already delivered, however at least £43M of additional savings still need to be identified over the remaining period. Therefore the Council has been actively planning to meet this challenge with over £28M of new savings initiatives already being worked on for future years.</p> <p>Whilst no significant governance failures have occurred, the Council acknowledge that the level of grant reductions from central government are a significant issue and represent a real challenge in being able to continue to deliver excellent services to the whole community at all times.</p> <p>Whilst all areas of the Council are under scrutiny this is especially important in the area of Health and Social Care where we are not only dealing with our most vulnerable members of the community but we are reliant on working with partners across different sectors, some of whom are also facing severe financial pressures, such as our colleagues in NHS bodies.</p> <p>This puts additional strain on being able to meet the challenge and entails making difficult choices. We therefore need robust governance and sensible plans to enable services to deliver against all of these challenges.</p> <p>The Council is however well placed to do this but will need the support of the whole of its governance framework to deliver on this effectively.</p>	<p>The Council has already set out many of its plans to deliver services into the future against the backdrop of these significant financial reductions. Robust governance and sound risk management will continue to be required to ensure that all aspects of delivery are supported and scrutinised to enable the challenge to be met. Actions will include –</p> <ul style="list-style-type: none"> - Using the Corporate Plan to help focus services on doing the right things for the Bath & North East Somerset Community; - Using the Medium Term Financial Plan to enable sensible prioritisation of resources in the right areas and transparency on savings to be achieved; - Regularly monitoring of delivery against the annual revenue budget, alongside sensible utilisation and management of its reserves; - Working effectively with Key Partners, especially those in the West of England and in Health to support the most vulnerable in the community; - Adopting a range of innovative tools such as the use of council owned companies, more commercialisation, increases in digital provision, asset rationalisation, shared and devolved services and invest to save initiatives; - Enabling its key governance mechanisms to both support key change projects and monitor delivery of significant savings programmes; - Ensuring that any Strategic Review projects of its key support and governance services such as Finance and Audit enable the strengthening and prioritisation of the right skills and expertise within those functions to support sound financial control. <p>Overseeing delivery against this agenda is a key role for the Cabinet and Senior Management and they will continue to be pro-active in working to ensure that significant risks to the organisation are appropriately mitigated and controlled to ensure that the Council is able to meet these future challenges</p>