

Extraordinary Full Council

27 June 2017



Report of: Anna Klonowski, Chief Executive

Title: Response to the Bundred Review – for information

Ward: Citywide

Member presenting report: Mayor / Cllr Craig Cheney, Deputy Mayor with responsibility for Finance, Governance and Performance

Recommendation:

Full Council is asked to note that on 16 May, the Cabinet approved the response set out in appendix 1, including the timescale for implementing the recommendations to improve corporate governance and performance.

Summary

The response document at appendix 1 sets out the 12 recommendations of the Bundred review and the Council's response and timeframe for implementation.



Summary and background

1. The Bundred review was commissioned by Mayor Marvin Rees following last September's Cabinet report outlining a budget deficit of £29.1m in 2016-17. The review was undertaken by former Audit Commission Chief Executive Steve Bundred, who reviewed the causes for the budget deficit and made recommendations for improving financial management.
2. The Report following the review was published on 9 February 2017. There are 12 recommendations across a broad range of topics. They include strengthening the Council's finance department, improving the Council's approach to reporting, writing business cases, managing documents and making specific departments accountable for savings. The report also highlights the need to improve management culture, keep backbench and the wider council membership better informed, and maintain more regular financial reporting to Cabinet.
3. A considerable amount of work has already taken place to strengthen the governance framework and implement necessary changes in response to the recommendations of the Bundred report.
4. The detailed response document at Appendix 1 was considered and approved at the 16 May Cabinet meeting. The document contains detail of activity that has taken place since the publication of the Bundred report and further actions to be fulfilled, along with future proposals.

Legal and Resource Implications

Legal implications

(advice from Shahzia Daya, Service Director – Legal and Democratic Services)

The Council is responsible for making sure that the authority's business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically and efficiently.

The Council also has a duty under the Local Government Act 1999 to put in place proper arrangements for:

- the continuous improvement of the authority's functions.
- the governance of the authority's affairs, which includes arrangements for the management of risk.

The Annual Governance Statement explains how the Council has complied with the Governance Framework. It also meets the requirements of Regulation 6 of the Accounts and Audit Regulations 2015 in relation to the publication of the statement of internal control.

The implementation of the recommendations in the document attached at Appendix 1 enable the Council to meet its statutory duties.

Financial implications (advice from Denise Murray, Service Director – Finance)

There are no direct financial implications associated with this report; however the response at Appendix 1 captures the positive trajectory to date on what will be the Council's improvement journey. The actions provide a theme for the vision, principles, objectives, steps and values which the Council will adhere to in order to ensure there is a robust and effective governance framework in place and that the fundamental principles of good governance are embedded across the organisation at every level. Financial accountability and appropriate internal controls will seek to achieve the highest standards of financial probity in the use of public funds.

Appendices:

Appendix 1 – Response to the Bundred review, as considered and approved at Cabinet on 16 May 2017

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Cabinet report and decision – 16 May 2017