

# Audit Committee

22<sup>nd</sup> July 2016



**Report of:** Interim Service Director: Finance

**Title:** Finance Improvement Plan

**Ward:** City Wide

**Officer Presenting Report:** Julie Oldale, Service Director: Finance

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## Recommendation

The Audit Committee note the refreshed Finance Improvement/Project Plan and progress towards delivery of required outcomes.

## Summary

As the recently appointed S151 officer for Bristol City Council a full review of the Finance function has been essential to ensure the Council receives a professional and efficient finance support service. The review has reaffirmed some of the known issues, but also identified new areas of work which have been incorporated into the Improvement Plan. The Plan has also been developed to identify the key Council Projects that the Finance Team needs to support to facilitate the management of resources.

## The significant issues in the report are:

The continuing need is to ensure the existing finance team is supported to deliver the improvement/project plan through to its conclusion. The outcomes will improve the systems, procedures and knowledge to facilitate a sustainable, high performing finance function. Permanent recruitment to key finances roles has commenced, with a view to stabilising the team for the longer term and ensuring the Improvement/Project Plan outcomes continue beyond the life of the programme.

## Policy

There are no policy implications as a direct result of this report.

## Consultation

### 1. Internal

The improvement plan has been developed in conjunction with the Finance Team and senior officers within the Council.

### 2. External

Not applicable

## Background and Context

3. As the recently appointed S151 officer for Bristol City Council, a full review of the Finance function and financial literacy of the Council has been essential to ensure the Council receives a professional and efficient finance support service.
4. The review has reaffirmed some of the known issues within the Council, but also identified new areas of work which have been incorporated in to the Improvement/Project Plan as detailed at Appendix A.
5. The Chartered Institute for Public Finance and Accountancy (CIPFA) provide professional advice to S151 officers that has provided key reference material for the review. The below extract summarises the essential requirements of the finance function and the key areas which were incorporated into the review:
  - The CFO must ensure that there is sufficient depth of financial expertise, supported by effective systems, to discharge this responsibility and challenge those responsible for the authority's activities to account for their financial performance. The resources available must be proportionate to the complexity of the financial environment.

(Source: The Role of the Chief Finance Officer in Local Government (2016))

6. To ensure appropriate governance and monitoring, the plan is now established as a standard agenda item on the fortnightly Finance Management Team meeting which is chaired by the S151 officer and attended by all senior Finance staff.
7. Specifically included in the Finance Improvement Plan is the requirement to update the Financial Regulations and Standing Orders for Bristol City Council. The documents have been updated against best practice in other Local Authorities, as well as to ensure consistency across the documents and with the Council's constitution. The documents are being reviewed by senior finance staff. They will then be taken to full council for approval and adoption before the end of quarter 3 of this financial year.

**Other Options Considered**

Not applicable

**Risk Assessment**

Not applicable

**Public Sector Equality Duties**

None necessary for this report

**Legal and Resource Implications**

**Legal**

Section 114(7) of the Local Government Finance Act 1988 requires authorities in England and Wales to provide their CFO with ‘such staff, accommodation and other resources as are in his opinion sufficient to allow his duties under this section (i.e. s114) to be performed’.

**Financial**

**(a) Resources**

The Finance team will continue to be supported with the appropriately skilled resource which may require additional support on an interim basis through to the conclusion of the improvement plan.

**(b) Capital**

Not Applicable

**(Financial advice provided by Annabel Scholes – Interim Strategic Support Manager)**

**Land**

Not applicable

**Personnel**

Not Applicable

**Appendices:**

Appendix A – Finance Improvement / Project Plan

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**Background Papers:**

The Role of the Chief Finance Officer in Local Government (2016)