

MEETING: **AUDIT COMMITTEE**

DATE: **16 July 2015**

TITLE: **RESPONDING TO SIGNIFICANT FINANCIAL STRESS**

PURPOSE: **Consider Wales Audit Office's Recommendations**

CABINET MEMBER: **Councillor Peredur Jenkins**

AUTHOR/CONTACT OFFICER: **Dafydd L Edwards, Head of Finance**

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## **1. INTRODUCTION**

- 1.1 In April 2015, the Wales Audit Office (WAO) issued a national report stating that "councils in Wales have responded well to significant financial stress, but they need to improve their financial management and planning to meet the increasing financial challenges ahead". The full report is on the WAO's website -   
<http://www.audit.wales/publication/financial-resilience-councils-wales>
- 1.2 Some Welsh Treasurers consider this WAO report to be rather superficial, with insufficient evidence to support some conclusions, and lacking reference to good practice in Wales due to failure to effectively engage with local authority finance departments on this work.
- 1.3 Nevertheless, the report does raise several issues which are worthy of consideration, hence the Head of Finance has co-ordinated comments from relevant officers (including the Chief Executive and senior managers in the Finance Department) in response to WAO's recommendations.
- 1.4 All the WAO's recommendations and Gwynedd Council's responses / actions are set out in the appendix.