

Report to	Governance and Audit Committee
Date of meeting	24 November 2021
Lead Member / Officer	David Wilson, Audit Wales
Report author	Steve Gadd, Head of Finance and Property
Title	Financial Sustainability Assessment – Denbighshire County Council

1. What is the report about?

1.1. Audit Wales's Financial Sustainability Assessment report relating to Denbighshire County Council.

2. What is the reason for making this report?

2.1. To present a copy of the ' Financial Sustainability Assessment – Denbighshire County Council ' recently published by Audit Wales together with the 'Management Response' which are included as Appendices 1 and 2.

3. What are the Recommendations?

3.1. That Corporate Governance notes the report and considers the management response.

4. Report details

4.1. The Governance and Audit Committee has a role to review and assess the risk management, internal control, performance management and corporate governance arrangements of the Council and as part of this role there is an expectation to consider the reports of external review bodies such as Audit Wales.

4.2. The Section 151 Officer and Audit Wales representatives will be available at the committee to respond to any queries.

4.3. The one recommendation related to the need to ensure that the “better alignment of budgets and operational activity to maintain ongoing financial sustainability”. Management believe that the Budget Strategy presented to Governance and Audit Committee in April provides a strong framework in order to help ensure that service pressures and savings are taken into account during the budget process. However it is recognised that this is an ongoing process which requires a lot of work each and every year. It should also be recognised that in year budget variations will continue to happen and DCC has a strong track record of managing those variations within overall financial resources allocated for each year alongside the careful use of reserves.

5. How does the decision contribute to the Corporate Priorities?

5.1. Audit Wales work will cover some of the Corporate Priorities (e.g. Environment) and, more generally, the effectiveness of financial and performance controls at Denbighshire County Council.

6. What will it cost and how will it affect other services?

6.1. There are no direct financial implications of this report.

7. What are the main conclusions of the Well-being Impact Assessment?

7.1. This is a report on a work plan by an external organisation, therefore a well-being impact assessment is not required.

8. What consultations have been carried out with Scrutiny and others?

8.1. This report has been shared with the Section 151 Officer and the Chief Executive both in draft and final versions prior to the Management Response being prepared.

9. Chief Finance Officer Statement

9.1 There are no direct financial implications of this report. However this is obviously an important piece of work that is very welcome.

10. What risks are there and is there anything we can do to reduce them?

10.1. There are no risks associated with this plan.

11. Power to make the decision

11.1. No decision required. This report is for information purposes.