

Appendix 1 - Recommendations from the Secretary of State

To deliver financial sustainability by closing any short- or long-term budget gaps and reducing the Authority's exceptionally high level of external borrowing.

To ensure compliance with all relevant rules and guidelines relating to the financial management of the Authority.

To ensure that a strategic and systematic approach to risk management, with appropriate scrutiny and governance of the decision-making processes and procedures, is adopted and embedded across the Authority.

To address the culture of poor financial management and governance of its commercial portfolio.

To prepare and agree an Improvement Plan to the satisfaction of the Commissioner (which may include or draw upon improvement or action plans prepared before the date of these Directions), within 3 months, with resource allocated accordingly, to include at a minimum:

- a. An action plan to achieve financial sustainability and to close any short and long-term budget gaps identified by the Authority across the period of its medium-term financial strategy (MTFS), including a robust multi-year savings plan.
- b. An action plan to ensure the Authority's capital, investment and treasury management strategies are sustainable and affordable.
- c. A strict debt reduction plan, and an updated minimum revenue provision (MRP) policy in line with all relevant rules and guidelines.
- d. An action plan to ensure the Authority is complying with all relevant rules and guidelines relating to the financial management of the Authority; and
- e. A suitable scheme of delegations for financial decision-making.

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