
Audit and Governance Committee

31 March 2009

Report of the Assistant Director of Resources (Customer Service & Governance)

Annual Audit Letter 2007/08 - Audit Commission

Summary

1. This paper introduces the Annual Audit Letter 2007/08 (see annex) prepared by the Audit Commission together with the council's response.

Background

2. The District Auditor reports annually his independent opinion of the council's arrangements based on an annual programme of work agreed by officers and members. This programme of work must meet the standards set out in the Code of Audit Practice and gives an opinion on the corporate governance arrangements at the council focused across 3 main areas:
 - the opinion given on the council's annual Statement of Accounts (including the Annual Governance Statement);
 - the financial aspects of corporate governance (including financial health, systems of assurance, probity and legality);
 - performance management (including CPA, VFM, performance management information and the Best Value Performance Plan).
3. The Letter also summarises key findings and any matters arising from the annual inspection programme and includes the refreshed council's CPA scorecard and a related 'Direction of Travel' statement. The Commission has reported that the council is "improving adequately" and demonstrating a 2 star overall performance for CPA purposes.

The council's response

4. A full report was taken to Executive on 17th March 2008 relating to the refreshed CPA score and Direction of Travel which included how the council has responded to the aspects of the score card which were rated as 2 (i.e the Corporate Assessment and Social Care (adults)). The report stated that:

"The corporate assessment inspection took place in early 2008 and since then the council has developed a Single Improvement Plan (SIP) to improve organisational effectiveness and address all major areas for improvement. Significant

progress has been made against the milestones detailed in a paper to the Executive dated 30 June 2008 ... The SIP is currently being reviewed and refreshed in preparation for the second year of delivery based on identified areas of organisational effectiveness improvement.....”.

“The issues identified by the Commission for Social Care Inspection (CSCI) in the Adult Social Care inspection were not considered to be systemic. There is excellent performance in other areas such as social care clients receiving self-directed support (sometime referred to as direct payments). The CSCI recommendations are being addressed and HASS, working with the government office, have already identified the actions needed to bring performance back up to normal standards in 2009. Its clear that CYC’s Adult Social Services are not viewed as a priority for special attention.”

5. Key matters raised by the Audit Commission in the Letter are listed below with the action planned/key monitoring processes to ensure they are resolved. Where appropriate, implementation of these items will be monitored by Internal Audit as part of their follow-up of recommendations and reported to this Committee at future meetings:

Paras	Item	Planned Actions/Monitoring
1/14	Adult Services Inspection	See Para 4 above
1/14/38	Corporate Assessment	See Para 4 above
6	Managing during Economic Downturn	Risk Report to Executive (Apr 09)/ Inclusion on Corporate Risk Register
6	Delivery of Action Plans	SIP Monitoring/ A&G Cttee
43/46	Final Accounts Project Management	Action Plan to A&G Cttee (Jan 09)
46	<i>Medium Term Financial Strategy</i>	<i>All Para 46 items monitored either</i>
46	<i>Budget Monitoring</i>	<i>via the SIP or A&G follow-up of</i>
46	<i>Asset Management</i>	<i>audit recommendations. Also</i>
46	<i>Debt Collection effectiveness</i>	<i>all are still assessed through annual</i>
46	<i>Risk Management reporting to members</i>	<i>Use of Resources Assessment.</i>
46/49	<i>Equalities & Diversity</i>	
46	<i>Procurement Strategy</i>	
49	Member/officer culture & relationships	Standards Committee

Consultation

6. Not relevant for the purpose of the report.

Options

7. Not relevant for the purpose of the report.

Analysis

8. Not relevant for the purpose of the report.

Corporate Priorities

9. This report contributes to the overall effectiveness of the council's governance and assurance arrangements.

Implications

10. There are no financial, HR, equalities, legal, crime and disorder, IT or property implications arising from this report.

Risk Management

11. By not responding effectively to the matters contained in this report, the council will fail to properly comply with legislative and best practice requirements, and its performance in future CAA assessments could be adversely affected.

Recommendations

12. Members are asked to:
 - a) note the contents of this report and the Annual Letter itself, attached as the annex to this report;

Reason

To comply with the statutory requirements for the external audit of the council .

- b) acknowledge the council's response to the issues raised by the District Auditor to be monitored Audit & Governance committee at future meetings.

Reason

To ensure the effective management and follow-up of key action to be taken to support on-going development and improvement work at the council.

Contact Details

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Report Approved



Date 19 March 2008

Specialist Implications Officers

Not applicable

Wards Affected:

All ☒

For further information please contact the author of the report

Background Papers:

See below

Annex

Annual Audit & Inspection Letter 2007/08