

Audit and Governance Committee

28 July 2010

Report of the Assistant Director of Customer and Business Support Services
(Customer Service & Governance)

Summary of Audit Commission National Reports

Summary

1. This paper gives a brief overview of national reports produced by the Audit Commission (AC). The last summary, presented to the Audit & Governance Committee in February 2010, covered reports up to 31 January, and the current summary continues from that point up to 30 June 2010. Whilst this report is for information only, it may prompt a request for a more detailed response from council officers, where the content of a specific report may impact on the governance or internal control arrangements of the council.

Background

Report Summaries

2. **Under Pressure – Tackling the financial challenge for councils of an ageing population
(Published February 2010)**

This report explains how the costs of an ageing population will affect the need for services in the future, not just for social care but also in terms of housing, health and community safety. Most councils do not fully understand the implications and costs, or the detailed demographic data, of their older population, nor the potential cost benefits of preventative work. Councils should benchmark costs against each other, and develop an area-wide approach that integrates prevention, early intervention and care services.

3. **Evaluation of CAA (with Appendix and Case Studies)
(Published March 2010)**

The report considers the impact made by the first year of the Comprehensive Area Assessment, and a number of views have emerged. While generally agreed that the process is beginning to drive improvement, there are a number of issues to address, such as the increased burden on councils, a lack of co-ordination between inspectorates, and a need for greater transparency in awarding scores. The Oneplace website, which reports on council performance, is regarded positively by the public.

The case studies provide more detailed information gained from interviews with councillors, council officers and the public.

**4. Establishing the costs of CAA
(Published March 2010)**

The report is based on the detailed assessment of inspection costs by 22 local authorities, and ranges are then estimated for each type of inspection activity. For example, the estimated costs of all inspections for single tier authorities is between £2.3m and £5.6m. In theory the change from CPA to CAA has led to a fall in the costs of inspection, and the report analyses the costs included within CAA and the reasons for variations in such costs.

**5. Surviving the Crunch
(Published March 2010)**

This report acts as an advance warning of potential spending cuts for local authorities, against a background of rising demand for services. The public/private model of funding regeneration is not working in the recession, and council incomes are falling. Few councils have planned for the next five years, and in order to meet the challenges of the current economic climate, detailed plans for resource allocation should be made. The report gives detailed figures for the impact of the recession on local authorities, as well as making recommendations for future actions.

**6. The Truth Is Out There
(Published March 2010)**

This is a discussion paper on the benefits of increased transparency in public sector information and its availability to the general public. While there may be risks, there are also benefits to be gained, and the report showcases a number of examples where local authorities and other public sector bodies have benefited from placing detailed information about the organisation online. In the US, for example, publishing all spending online has led to a reduction in costs and the elimination of unnecessary spending, as well as to greater engagement in local politics. However the release of data into the public domain places a greater pressure on data quality.

**7. Introduction to the Audit Commission
(Published May 2010)**

This is a brochure introducing the work of the Audit Commission to the general public. It outlines the four main areas of work of the Commission, Audit, Assessment, Research and Comparing Information, and discusses the nature of the work involved in each area.

8. Review of Collaborative Procurement (Published May 2010)

This report, produced jointly with the National Audit Office, describes the nature of current public sector procurement where such procurement is shared. Public bodies are paying a wide range of prices for the same commodities. Given the size of the overall public sector spend, greater value for money could be achieved if organisations worked together more effectively, and if there was a clear framework to co-ordinate procurement activity.

9. National Fraud Initiative 2008-09 (and Members' Briefing on NFI 2008-09) (Published May 2010)

The National Fraud Initiative (NFI) is a periodic exercise which aims to tackle fraud by matching data sets from different public sector organisations, for example matching death certificate data from registrars with pension information from the DWP, to uncover cases where family members are continuing to claim a deceased relative's pension. The latest exercise in 2008-09 uncovered fraud, overpayments and errors amounting to £215 million across the UK. The report recommends promoting the awareness of the NFI across councils and for councils to prioritise the follow-up of the data matching exercise.

Consultation

10. The council's corporate Policy Officer has been consulted on the list of reports in this paper.

Options

11. Not relevant for the purpose of the report.

Analysis

12. Not relevant for the purpose of the report.

Corporate Priorities

13. This report contributes to the overall effectiveness of the council's financial, governance and assurance arrangements in the achievement of all its priorities, and in particular the Effective Organisation theme of the Corporate Strategy.

Implications

14.
 - (a) **Financial** – There are no implications.
 - (b) **Human Resources (HR)** - There are no implications.

- (c) **Equalities** - There are no implications.
- (d) **Legal** - There are no implications.
- (e) **Crime and Disorder** - There are no implications.
- (f) **Information Technology (IT)** - There are no implications.
- (g) **Property** - There are no implications.

Risk Management

- 15. By not considering the content of Audit Commission reports, the council could fail to properly comply with best practice requirements.

Recommendations

- 16. Members are asked to note the report and comment on any areas for further consideration by the Committee or by officers.

Reason

To ensure that the council can benchmark, learn from and meet best practice requirements derived from external audit national activity and enhance its governance frameworks as a result.

Contact Details

Author:

Pauline Stuchfield
 Assistant Director, Customer and Business Support Services (Customer Service & Governance)
 Telephone: 01904 551706

Chief Officer Responsible for the report:

Ian Floyd
 Director of Customer and Business Support Services

Report Approved



Date

Specialist Implications Officers

Not applicable

Wards Affected: Not applicable

All

For further information please contact the author of the report

Background Papers:

Audit Commission Reports as follows:

- Under Pressure
- Evaluation of CAA
- Establishing the costs of CAA
- Surviving the Crunch
- The Truth Is Out There
- Review of collaborative procurement
- Introduction to the Audit Commission
- Review of Collaborative Procurement
- National Fraud Initiative 2008-09