
ANNUAL AUDIT AND INSPECTION LETTER

Purpose of Report

1. To present the Annual Audit and Inspection Letter.

Information and Analysis

2. The attached Letter (**Appendix**) provides an overall summary of the Audit Commission's assessment of the Council, drawing on audit, inspection and performance assessment work. The Letter will be presented at the meeting by Paul Harrison of Pricewaterhouse Coopers.
3. Overall the Letter is extremely positive. The Audit Commission's overall judgment is that the Council is improving well and they have classified the Council at the maximum, four star, in its current level of performance under the Comprehensive Performance Assessment.
4. The main messages for the Council included in the Lettre are :-
 - (a) The Council has made progress in all its key priority areas of improving the local economy, raising educational achievement and promoting inclusive communities.
 - (b) Local people rate the Council above average in 11 out of the 14 main user survey indicators.
 - (c) Strong corporate governance arrangements provide a sound basis for continued improvement.
 - (d) The Council's auditors gave an unqualified opinion on the Councils' 2005/06 financial statements.
 - (e) The 2005/06 audit has not been formally closed because of an outstanding issue raised by electors on the legality of specific charges made in relation to taxi licensing.
 - (f) The Council maintained its 2005 score of 3 out of 4 ('performing well') for the 2006 Use of Resources assessment.
 - (g) 2006 was the first year that Councils were assessed on their corporate arrangements to secure data quality. The Council scored 3 out of 4 ('performing well') for this assessment.
 - (h) A number of grant claims and returns submitted by the Council during the year were either qualified or required amendment following audit review.
5. The Letter also outlines action needed by the Council to continue its efforts to tackle crime and to improve performance on waste management and to improve its grant management

arrangements.

Legal Implications

6. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

7. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

Recommendation

8. It is recommended that the Audit and Inspection Letter be noted.

Paul Wildsmith
Director of Corporate Services

Background Papers

Audit and Inspection Letter – March 2007

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