
ANNUAL AUDIT AND INSPECTION LETTER

**Responsible Cabinet Member - Councillor John Williams, Leader and
all Cabinet Members**

Responsible Director – Ada Burns, Chief Executive

SUMMARY REPORT

Purpose of the Report

1. To present the Annual Audit and Inspection Letter

Summary

2. The attached Letter (**Appendix**) provides an overall summary of the Audit Commission's assessment of the Council.
3. The Letter is extremely positive. The Audit Commission's overall judgement is that the Council is improving strongly and they have classified the Council at the maximum, four star, in its current level of performance under the Comprehensive Performance Assessment.
4. The Letter will be presented at the meeting by Philippa Corner from the Audit Commission and Paul Harrison of Pricewaterhouse Coopers.

Recommendation

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

Reasons

6. The recommendation is supported to enable Cabinet to receive the results of the external assessment.

**Ada Burns
Chief Executive**

Background Papers

Audit and Inspection Letter – March 2009

Brian James : Extension 2140

S17 Crime and Disorder	There are no specific issues which relate to crime and disorder.
Health and Well Being	There is no specific health and well being impact.
Sustainability	There is no specific sustainability impact.
Diversity	There is no specific diversity impact.
Wards Affected	All wards are affected equally.
Groups Affected	All groups are affected equally.
Budget and Policy Framework	This report does not affect the budget or policy framework.
Key Decision	This is not a key decision.
Urgent Decision	This is not an urgent decision.
One Darlington: Perfectly Placed	There is no specific relevance to the strategy beyond a reflection on the Council's achievements.
Efficiency	There is no specific efficiency impact.

MAIN REPORT

Information and Analysis

7. The Annual Audit and Inspection Letter provides an overall summary of the Audit Commission's assessment of the Council, drawing on audit, inspection and performance assessment work.
8. The Letter is extremely positive. The Audit Commission's overall judgement is that the Council is improving strongly and they have classified the Council at the maximum, four star, in its current level of performance under the Comprehensive Performance Assessment.
9. The key messages for the Council included in the Letter are:
 - (a) The Council can demonstrate improvements in each of its top three priorities: improving the local economy, raising educational attainment and promoting inclusive communities.
 - (b) The Council, in partnership with others, delivers good outcomes for children and young people and for adults, with good and excellent capacity to improve respectively.
 - (c) Improvements to the local economy have been sustained in the last year, against an increasingly grave economic backdrop both nationally and internationally.
 - (d) The Council improved its overall use of resources score in 2008 from 3 to 4 primarily through enhancements in accounts closedown procedures and developments in partnership governance.
 - (e) The accounts that were presented for audit were substantially free from error and were supported by comprehensive and clear working papers.
10. The Letter also outlines action needed by the Council to build on its existing partnerships; to maintain its strong community leadership role; to prepare for significant changes in local authority accounting guidance in the next few years in particular the international financial reporting requirements; and to prepare for fundamental revisions to the use of resources assessment in 2009.
11. The Letter was presented to the Audit Committee on 27 March 2009.

Outcome of Consultation

12. No consultation was undertaken on the content of this report.