

MUNICIPAL YEAR 2008/2009 REPORT NO. 211

MEETING TITLE AND DATE:

Cabinet – 25 March 2009
Audit Committee – 31 March
2009
Council – 1 April 2009

REPORT OF:

Chief Executive

Agenda – Part: 1	Item: 7
Subject: District Auditor's Annual Audit and Inspection Letter – Audit 2007/08	
Wards: All	
Cabinet Member consulted: Councillor Rye, Leader of the Council	

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1. EXECUTIVE SUMMARY

The Annual Letter summarises the more important matters arising from the Relationship Manager and District Auditor's audit and inspection programme for 2007/8 and comments on current issues.

Overall, the letter shows that Enfield has been assessed as a 4 star authority, delivering excellent services to the Borough's citizens, and continuing to improve well.

2. RECOMMENDATIONS

Members note the contents of the Annual Letter. Councillors can raise any issues, arising from the Letter, with the District Auditor who has been invited to the meeting.

3. BACKGROUND

3.1 As in previous years, the Annual Letter comments on performance and financial aspects of the audit and inspection programme. The Letter's key messages are concerned with both council performance, and accounts and governance (summarised on page 3 of the Letter).

- The letter states that the Council is improving well and assessed as a four-star authority under the CPA framework. Other comments about the Council's performance should be seen in that context.

- Improvements have been delivered in priority areas such as educational attainment, tackling crime and dealing with fly tipping
 - The Council continues to identify and meet the needs of its diverse communities
 - Outcomes have improved in adult social care and remain good for children and young people
 - The Council continues to improve its performance management
 - The Council received an unqualified opinion on its 2007/08 financial statements; and
 - The Council received an unqualified conclusion on its arrangements for securing value for money during 2007/08.
- 3.2 The section on 'Action needed by the Council' on page 3 is dealt with in greater depth in the body of the Letter but the key points are as follows.
- The Council now needs to:
- Maintain its focus on improving and aligning costs and performance
 - Ensure that arrangements are established on a timely basis to maintain the operation of leisure services beyond the current contract expiry date
 - Continue to focus on improving the refuse and recycling service
 - Work effectively with public sector partners to tackle the current level of teenage pregnancies in the area: and
 - Ensure required improvements in the arrangements for asset management and Internal Audit are delivered
- 3.3 The remainder of the Letter expands on these key messages and those areas that the District Auditor considers most relevant for Members.
- 3.4 Members will receive reports throughout the next 12 months on the progress made to implement the key recommendations in the Annual Letter. A copy of the Letter has been provided to each Councillor in accordance with the Code of Audit Practice.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not applicable. The District Auditor is required to issue an Annual Letter and it is essential that the Letter is considered by Council.

5. REASONS FOR RECOMMENDATIONS

- 5.1 Members should be aware of the important issues arising from Inspections and the audit of accounts.
- 5.2 The Letter assists in demonstrating to the Council that its financial arrangements are sound.

6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS

6.1 Financial Implications

There are no financial implications arising specifically from the issuing of the Letter.

The key action points raised by the Auditor (paragraph 3.2 above), particularly those relating to the links between cost and performance and the Council's asset management arrangements and Internal Audit are significant in the context of the Use of Resources assessment. Work is already underway to ensure that the necessary improvements are in place for 2009 so that the Council is well placed to maintain and, where possible, improve on its current score.

6.2 Legal Implications

The Audit and Inspection Annual Letter is prepared as part of the key responsibilities of Audit Commission Inspectors' contained in the Audit Commission Act 1998 and Section 10 of the Local Government Act 1999.

The Council is required to consider the Letter and take action as appropriate in response to the various recommendations.

6.3 Risk Management

The opinion of the District Auditor is important to the reputation to the Council. The positive comments will maintain the Council reputation for sound management and keep reputational risk to a minimum.

7. PERFORMANCE MANAGEMENT IMPLICATIONS

- 7.1 The Annual Letter is a fundamental complement to the detailed work carried out by the Audit Commission and other Inspectors. Its focus is

on driving improvements in the Council's services by focusing on key elements of our performance management arrangements.

8. PUTTING ENFIELD FIRST

- 8.1 The Annual Letter, and future plans, consider the significant financial and operational risks to the Council and so contribute generally and specifically to the Council objectives.

Background Papers

The Annual Letter is attached and has been sent to all Members.