



DERBY CITY COUNCIL

COUNCIL CABINET
17 APRIL 2007

Cabinet Member for Corporate Policy

ANNUAL AUDIT AND INSPECTION LETTER 2005/06

SUMMARY

- 1.1 The Annual Audit and Inspection Letter summarises the Audit Commission's and the Council's external auditors, PriceWaterhouseCoopers performance and inspection work for 2005/06 and provides the annual 'Direction of Travel statement' on progress made in addressing our priorities and the auditor's work on the Council's accounts and governance.
- 1.2 The letter provides an extremely positive report on the Council's progress in 2005/06 and its continuing good governance and financial management.
- 1.3 The key issues identified in the letter are as follows...
- The Council has achieved the highest '4 star' overall CPA category and is assessed as 'improving well'.
 - The Council is meeting many of its targets and trends are positive.
 - Improvements have been achieved in areas where increased focus and investment was required, including adults services, planning and benefits service.
 - The Council has improved access to services through the Derby Direct contact centre and by the development of its neighbourhood panels.
 - Partnership working through the Local Area Agreement is progressing well.
 - Children's services overall are performing well and significant progress has been made in the integration of health, social care and education services.
 - Housing services received the top category and are rated as 'excellent'.
 - Value for money is good and robust financial management remains a key strength.
 - The external auditors have issued an unqualified opinion on the 2005/06 Best Value Performance Plan and annual accounts.
- 1.4 Subject to any issues raised at the meeting, I support the following recommendations.

RECOMMENDATIONS

- 2.1 To receive the Annual Audit and Inspection Letter 2005/06.
- 2.2 To refer the letter to the next meeting of Full Council.
- 2.3 To note that the Audit and Accounts Committee will discuss details of the letter at its next meeting.



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Report of the Chief Executive

ANNUAL AUDIT AND INSPECTION LETTER 2005/06

SUPPORTING INFORMATION

1. BACKGROUND

- 1.1 The Audit Commission and the Council's external auditors PriceWaterhouseCoopers produce an annual Audit and Inspection Letter on their performance and inspection work.
- 1.2 The current letter provides the annual 'Direction of Travel statement' on progress made in addressing our priorities and the auditor's work on the Council's accounts and governance for 2005/06.
- 1.3 The letter provides an extremely positive report on the Council's progress in 2005/06 and its continuing good governance and financial management.
- 1.4 The key issues identified in the letter are as follows...
 - The Council has achieved the highest '4 star' overall CPA category and is assessed as 'improving well'.
 - The Council is meeting many of its targets and trends are positive.
 - Improvements have been achieved in areas where increased focus and investment was required, including adults services, planning and benefits service.
 - The Council has improved access to services through the Derby Direct contact centre and by the development of its neighbourhood panels.
 - Partnership working through the Local Area Agreement is progressing well.
 - Children's services overall are performing well and significant progress has been made in the integration of health, social care and education services.
 - Housing services received the top category and are rated as 'excellent'.
 - Satisfaction with waste collection has fallen.
 - Value for money is good and robust financial management remains a key strength.

- The external auditors have issued an unqualified opinion on the 2005/06 Best Value Performance Plan and annual accounts.

1.5 It is expected that the contents of the letter will be reported to Members at a formal meeting of the Council, in accordance with the Council's constitution.

1.6 A copy of the Annual Audit and Inspection Letter for 2005/06 is attached at Appendix 2.

For more information contact: Gordon Stirling 01332 258457 gordon.stirling@derby.gov.uk

Background papers:

List of appendices:

Appendix 1 – Implications

Appendix 2 – Annual Audit and Inspection Letter 2005/06

IMPLICATIONS

Financial

1. Audit Fees for 2005/06 of £252,480 were in line with the proposals in the Audit Plan.

Legal

2. The Annual Audit and Inspection Letter has been produced in accordance with Section 10 of the Local Government Act 1999 and the Audit Commission's Code of Audit Practice.

Personnel

3. None directly arising from this report.

Equalities impact

4. None directly arising from this report.

Corporate priorities

5. None directly arising from the report.