

## REPORT TO CABINET

Title: **ANNUAL AUDIT & INSPECTION LETTER**

Date: 26 March 2009

Member Reporting: Councillor Hilton

Contact Officer(s): Andrew Elkington, Head of Policy & Performance, 01628 796025

Wards affected: All

### 1. SUMMARY

1.1.1 The Councillors' Auditors, KPMG and the Audit Commission will present their Annual Audit & Inspection Letter 2008.

### 2. RECOMMENDATION: That the Annual Audit and Inspection Letter be received and noted.

What will be different for residents as a result of this decision?
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The Council's response to key issues which have been previously identified in past letters and those contained within the attached report will ensure that the residents of the Royal Borough of Windsor and Maidenhead receive quality services from a Council which continues to improve.
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### 3. SUPPORTING INFORMATION

#### 3.1 Background

3.1.1 This is the Audit Commission's Annual Audit & Inspection Letter for 2008. The detail of the report will be presented to the Members of this panel by a representative of the Council's Auditors KPMG and our Audit Commission Relationship Manager.

3.1.2 The letter provides an overall summary of the Audit Commission's assessment of the Council. It draws on the most recent Comprehensive Performance Assessment (CPA), the findings and conclusions from the audit of the Council for 2007/08 and from inspections undertaken since the last Annual Audit & Inspection Letter.

3.1.3 The letter includes the latest assessment of the Council's performance under the CPA framework, including the Direction of Travel report and the results of any inspections carried out by the Audit Commission.

3.1.4 The Audit Commission's overall judgement is that the Royal Borough of Windsor and Maidenhead Council is "**improving well**" and they have classified the Royal Borough as a **three star** in its current level of performance under the Comprehensive Performance Assessment.

3.1.5 In précis the key messages within the letter include the following:

- a) *The Royal Borough of Windsor and Maidenhead is a three star Council and has achieved a Direction of Travel judgement of “improving well”. This reflects an increase in the Council’s rate of improvement over the past 12 months and is an improvement on the previous judgement.*
- b) *The Council is strengthening its capacity and partnership working to ensure it continues to improve performance in priority areas.*
- c) *The rate of improvement of the Council’s performance indicators (PIs) has increased over the past year.*

3.1.6 The letter also includes an audit of accounts and Value for Money and with regard to the latter states:

3.1.7 The Council scores well for Value for Money in its use of resources assessment it is exceeding its target for accumulative savings to 2008 and 2008/09 has already identified £4M against the £3M target. In April 2008 the Council set its Council Tax with the lowest increase achieved since becoming a unitary Council, which keeps the Band D level among the lowest outside London. Specifically the assessment for use of Resources was scored three out of four for each of the five areas from which the use of resources score is derived.

3.1.8 Next Steps – the Council needs to agree an action plan to address the following points and combine this with a process of self reflection to ensure that it develops arrangements to demonstrate its performance as the CAA assessment is implemented.

Actions for the future which have been identified in this letter are verbatim:

- *ensuring those actions identified from the assessment process are collated into an action plan for relevant officers across the Council;*
- *considering the way in which assumptions and scenarios that test the robustness of the Council future financial plans are documented and challenged;*
- *ensuring action plans to develop and improve the arrangements in place for monitoring data quality are implemented;*
- *developing the measures and metric used to demonstrate the way in which partnerships and other working arrangements are being deployed to achieve the Council’s strategic objectives; and*
- *developing the way in which sustainability considerations (such as the carbon footprint) are included in strategic and operational planning and decision making.*

## 4. OPTIONS AVAILABLE AND RISK ASSESSMENT

### 4.1 Options

	Option	Comments	Financial Implications
1.	Do nothing.	In order to maintain the enhanced rate of improvement the Council should respond to the recommendations contained within the AAIL and failure to do this will reduce the Council's rate of improvement.	Revenue – Nil  Capital - Nil
2.	Recommended - That the Council welcomes this report, noting its positive conclusions about the Royal Borough and prepares an action plan to address the points raised in the letter.	This will support the Council's continued rate of improvement.	Revenue – There are no financial implications beyond existing budget.  Capital

### 4.2 Risk assessment

4.2.1 Any projects which emerge within the action plans to address those issues arising in the report will include an appropriate risk assessment.

## 5. CONSULTATIONS CARRIED OUT

5.1.1 This letter is intended to communicate the significant issues to key external stakeholders, including members of the public. The Audit Commission will publish this letter on their web site and the Council will publish it on its own web site.

## 6. COMMENTS FROM THE AUDIT AND PERFORMANCE REVIEW PANEL

The Panel resolved that the content of the report and the Inspection Letter be noted and that the conclusions be welcomed.

## 7. IMPLICATIONS

7.1.1 The following implications have been addressed where indicated below.

Financial	Legal	Human Rights Act	Planning	Sustainable Development	Diversity & Equality
✓	✓	✓	✓	✓	✓

Background Papers: None

Text in italic is a verbatim extract from AAIL.