

# **MEDWAY COUNCIL**

## **AUDIT COMMITTEE**

**28 JUNE 2007**

### **ANNUAL AUDIT AND INSPECTION LETTER 2005/2006**

Report from: Neil Davies, Chief Executive

Author: Stephanie Goad, Assistant Director Communications and Improvement

#### **1. Summary**

- 1.1 The report presents the 2005/2006 audit and inspection letter for the Council.
- 1.2 Paul Chambers from the Audit Commission will be in attendance at the committee meeting.

#### **2. Decision Issues**

- 2.1 The receipt of the annual audit and inspection letter is a matter for the Audit Committee.

#### **3. Background**

- 3.1 The Audit Commission are responsible for preparing an annual audit and inspection letter for all councils. This letter covers the financial year 2005/2006.
- 3.2 The audit letter is a slimmed down version of previous letters, relating almost exclusively now to Comprehensive Performance Assessment related judgements. It draws from the 2006 corporate assessment report, use of resources judgements and the Comprehensive Performance Assessment scorecard and direction of travel report published by the Audit Commission in February 2007. It also summarises the findings of the Supporting People inspection carried out in 2006.
- 3.3 The information is therefore not new, but is presented publicly in one place by the Audit Commission for the first time.

## **4. Summary of content**

4.1 The letter analyses the Council's activities over the following areas:

- The Council's direction of travel report
- Evidence of the Council improving outcomes
- The Council's plans to sustain future improvement
- Service inspections
- Financial management and value for money.

4.2 Key issues arising include:

- An unqualified opinion was given on the statement of accounts;
- Progress in improving children's social care following the Joint Area Review (JAR) was recognised
- The financial management regime is sound
- Arrangements for managing performance are not consistent across all service areas.

4.3 The letter identifies specific action for the Council:

- Continue to sustain improvement in children's social care
- Ensure consistent arrangements for managing performance across service areas are strengthened
- Implement the post inspection supporting people action plan.

## **5. Advice and analysis**

5.1 The letter acknowledges the progress made in improving children's social care with the improved judgement of 'adequate' being given in March 2007 by the Department for Education and Skills (DfES) children's services adviser who is working with the Council. The Council continues to deliver the improvement plan agreed with DfES following the JAR. Significant progress has been made on improving the referral process, child protection and effective review of cases and linking planning and performance and management. The pressure and pace of improvement must continue. The focus is now on working with partners to improve preventative work as well as ensuring children in care are supported in receiving the best education.

5.2 The Audit Commission has judged that the Council's performance management framework is comprehensive but needs to be more consistently applied across all areas. To address this, an improved e-form has been introduced for consistent service planning across all areas and will be working with all services to develop a new set of performance indicators to measure success across all areas.

5.3 The supporting people inspection recommended improvements in needs analysis, user involvement and service information. The inspection letter notes that a robust action plan was put in place following the inspection. Good progress has been made in introducing a new system to manage referrals to supporting people services and ensure needs are well met. A service user consultation strategy has also been developed.

## **6. Cabinet**

6.1 On 5 June 2007 the Cabinet considered and recommended the 2005/2006 audit and inspection letter to the Audit Committee for acceptance.

## **7. Financial and legal implications**

7.1 There are no financial and legal implications arising from this report.

## **8. Recommendations**

8.1 The Cabinet recommends to the Audit Committee the annual audit and inspection letter for acceptance.

## **9. Background papers**

Annual Audit and Inspection Letter 2005/6 attached at appendix 1.

Cabinet Annual Audit and Inspection Letter report and record of decisions 5 June 2007 - these are available from the Council Website:

[www.medway.gov.uk](http://www.medway.gov.uk)

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