

Meeting:	Cabinet
Date:	19 April 2007
Subject:	Annual Audit and Inspection Letter
Key Decision:	No
Responsible Officer:	Paul Najsarek, Director of People, Performance and Policy Myfanwy Barrett, Director of Finance & Business Strategy
Portfolio Holder:	David Ashton, Business Development
Exempt:	No
Enclosures:	Appendix - Annual Audit and Inspection Letter

SECTION 1 – SUMMARY AND RECOMMENDATIONS

This report sets out the details of the Annual Audit and Inspection letter.

RECOMMENDATIONS:

The Cabinet is requested to:
Note the recommendations of the Annual Audit and Inspection letter.
Request that officers incorporate responses to the letter in the Council's new improvement programme which will be reported to June Cabinet.

REASON: The Council is required to report the Annual Audit and Inspection letter to Cabinet, Overview and Scrutiny and Audit Committees.

SECTION 2 - REPORT

2.1 Brief History

In February 2007 the Audit Commission published the latest local government CPA classifications. Harrow is now a '2 star' council and is 'improving adequately'. On March 13th 2007 the reports of our recent Corporate Assessment and Joint Area Reviews were published. The Corporate Assessment is reported elsewhere on the agenda. These reports both score the Council as 2 out of 4. These scores will not change the Councils star rating. The attached Annual Audit and Inspection Letter summarises the Audit Commission and Auditor view of the Councils improvement progress. Most Councils with the same functions as Harrow are rated as 3 or 4 star.

The scores in each service area, which go toward the overall classification, are mainly based on our performance on key performance indicators as at 31st March 2006.

It is pleasing that the Audit Commission acknowledges our improvements as an organisation over the last year with two thirds of our performance indicators improving. However, they suggest that we need to do further work to clarify our priorities and improve our financial standing, develop members and officer capacity and speed up service improvement.

Work arising from the Audit and Inspection letter for 2007/8 will be planned, managed and monitored through the Councils new improvement programme which will be presented to June Cabinet.

2.2 Options considered

Not applicable.

2.3 Consultation

The Audit Commission provided the Council with a draft of the letter for comment prior to finalising it.

2.4 Financial Implications

None.

2.5 Legal Implications

Section 99 of the Local Government Act 2003, places the Audit Commission's role in conducting Comprehensive Performance Assessment onto a statutory footing. The Audit Commission must publish a report which categorises authorities according to their performance in carrying out their functions.

Compliance with the recommendations made following the annual inspection by the Audit Commission is conducive to improving the Council's score.

2.6 Equalities Impact

The CPA assessment includes a focus on diversity issues.

2.7 Section 17 Crime and Disorder Act 1998 Considerations

The corporate assessment in November 2006 assessed how the Council is meeting its obligations under the Act.

2.8 Cost of Proposals

Within existing budgets

2.9 Risks

Progress against regulatory priorities is important for the Council's improvement. The Council's reputation is affected by annual CPA assessments.

2.10 Implications is recommendations rejected

Next year's CPA assessment of the Council would suffer and improvement work would be hindered.

SECTION 3 - STATUTORY OFFICER CLEARANCE

Chief Finance Officer	<input type="checkbox"/>	Name: Myfanwy Barrett..... Date: 3/4/07.....
Monitoring Officer	<input type="checkbox"/>	Name: Jill Travers..... Date: 5/4/07.....

SECTION 4 - CONTACT DETAILS AND BACKGROUND PAPERS

Contact: Paul Najsarek, Director of People, Performance and Policy

Background Papers:

IF APPROPRIATE, does the report include the following considerations?

1.	Consultation	YES/ NO
2.	Corporate Priorities	YES / NO
3.	Manifesto Pledge Reference Number	