WYRE FOREST DISTRICT COUNCIL

**Progress Summary of
Annual Audit & Inspection Plans and
Annual Audit & Inspection Letters**

Table 1: Summary of Recommendations and Audit Risks

	AAIL Recs Dec 2004	AAIP Risks Mar 2005	AAIL Recs Mar 2006	AAIP Risks May 2006
1. Improvement Plan (CPA)	✓	✓	✓	
2. Performance Management Framework	✓	✓	✓	✓
3. Worcs. Hub implementation / e-gov	✓	✓		✓
4. Centralised Office Accommodation	✓			
5. Leisure management partnership	✓	✓		
6. Budget-setting process	✓		✓	
7. Medium Term Financial Strategy	✓			
8. Risk Management	✓		✓	✓
9. Agresso system implementation		✓		
10. BVACOP		✓		
11. Financial Standing (budget pressures)		✓		
12. Gershon / Efficiency		✓	✓	✓
13. Civil Contingencies Act		✓		
14. Freedom of Information Act		✓		
15. Closedown of Accounts (timing)		✓		
16. Legality of transactions		✓		
17. Partnership Arrangements		✓	✓	✓
18. Statement on Internal Control		✓		
19. Money laundering		✓		
20. Financial working papers (Final Accounts)			✓	
21. Financial reporting			✓	
22. Summary of Accounts (for stakeholders)			✓	
23. Budget preparation			✓	
24. Budget reports (variances & Balance Sheet information)			✓	
25. Capital Programme (project management)			✓	
26. Asset management			✓	
27. Value for money (VfM)			✓	
28. Use of Resources (UoR): Financial reporting – stakeholder consultation for Summary of Accounts; explanatory paper			✓	✓
29. UoR: Financial Management – MTFS & budget reporting			✓	✓
30. UoR: Financial Standing – budget setting and cost of debt recovery			✓	✓
31. UoR: Internal Control – Statement on Internal Control (SIC); business-critical systems; Assurance Framework			✓	✓
32. UoR: VfM – Policy Implementation			✓	✓
33. UoR: Improvement in overall score				✓
34. Shared Services			✓	✓
35. Prudential borrowing			✓	✓
36. Procurement			✓	✓

Table 2: Latest Position on Recommendations and Risks

Item	Latest Position
1. Improvement Plan (CPA)	Three-year Plan (2005-08). Second-year progress report to Cabinet Scrutiny Committee 14 Dec 06.
2. Performance Management Framework	Framework adopted Jul 05. Working Group established and action plan in place. ICT system continues to be 'rolled out' and performance reporting has increased, e.g. Priorities, PIs, Improvement Plan and Business Plans. IDeA to assist with training and awareness-raising from Dec 06 to help further embed performance management in daily working.
3. Worcs. Hub implementation / e-gov	Hub service centre opened in Kidderminster Town Hall on 14 Nov 06. Adaptations completed to Stourport Civic Centre. Plan being prepared for Bewdley satellite centre in Summer 07. Full training programme for all Customer Service Assistants.
4. Single site	Council (Oct 06) approved a business case for relocation of offices and depot to Kidderminster and provision of civic facilities in Stourport to replace the Civic Hall. Project Boards established to oversee implementation.
5. Leisure management partnership	Board meetings are held each quarter and half-yearly reviews of the Partnership take place through the committee process. Monthly meetings are held with DC Leisure and performance is continuously reviewed.
6. Budget-setting process	The Council reviewed its budget-setting process for 2006/07 to streamline and enable full scrutiny to take place. The Budget Review Group has met fortnightly in 2005 and 2006 to scrutinise and prioritise the budget. Recommendations are made to Cabinet as part of the budget process.
7. Medium Term Financial Strategy	MTFS is updated annually and the Cabinet monitors progress on a quarterly basis.
8. Risk Management	Capacity issues have impeded full development of a risk management approach and a decision has therefore been taken to appoint consultants to assist with reviewing and updating the current Risk Management Strategy and designing processes and systems to ensure that this is fully embedded. The Terms of Reference for the Audit Committee have been extended to include risk management responsibilities, which will be reviewed at least annually.

Item	Latest Position
9. Agresso system implementation	Phase 1 of the new system has been implemented successfully (completed 2005/06).
10. Best Value Accounting Code of Practice (BVACOP)	BVACOP adopted in full
11. Financial Standing (budget pressures)	Financial pressures have been taken into account in the three-year MTFS and a balanced budget agreed
12. Gershon / Efficiency	All Annual Efficiency Statements (AESs) submitted on time and targets met. Efficiency Action plan being developed based on the contents of our AES and linked to VfM Policy.
13. Civil Contingencies Act	Working with Worcestershire County Council to develop a Business Contingency Plan and supporting procedures. Training for senior and middle management received from WCC lead officer in Nov 06.
14. Freedom of Information Act	A dedicated officer oversees administration of FOI requests and monthly statistical reports are given to Cabinet.
15. Closedown of Accounts (timing)	Achieved within new timescale
16. Legality of transactions	'Legal implications' form part of all Council reports
17. Partnership Arrangements	Audit of partnership working undertaken to ensure optimum use of Council resources. Examples include the LSP and LAA, Community Safety, Worcs Hub (see 3 above), procurement (via WM Centre of Excellence), Leisure Management (see 5 above), decriminalisation of on-street parking, business continuity planning, CCTV and concessionary travel
18. Statement on Internal Control	Linked to our proposals for risk management (see 8 above and 31 below). This will enable us to work towards development of an assurance framework.
19. Money laundering	Policy adopted 2005. Further training now required following opening of Worcs Hub.
20. Financial working papers (Final Accounts)	The Council has improved the quality and content of the Final Accounts working papers.
21. Financial reporting	Explanatory paper produced for Members on Final Accounts.
22. Summary of Accounts (for stakeholders)	A Summary of Accounts has been published (Oct 06)
23. Budget preparation	The Council will continue to refine its budget process to ensure estimates are realistic. The Budget Review Group provides a robust internal challenge. The Accountancy Section provide training for on budget-setting and monitoring / control.
24. Budget reports (variances & Balance Sheet information)	The Cabinet receives quarterly budget monitoring reports which highlight significant variances and any action required.

Item	Latest Position
25. Capital Programme (project management)	A Programme Manager has been appointed to provide the necessary skills and systems to oversee major projects.
26. Asset management	Performance monitoring arrangements for the AMP will be addressed as part of the Performance Management Framework and the single site project (Council Oct 06)
27. Value for money (VfM)	Policy adopted 2005. UoR score 2. Action plan being developed (see 12 above). Recruitment planned for early 2007 to address capacity needs.
28. Use of Resources (UoR): Financial reporting – stakeholder consultation for Summary of Accounts; explanatory paper	Consultation with stakeholders – comments invited from stakeholders on 2005/06 Summary of Accounts (see 22 above) Working papers continue to be refined
29. UoR: Financial Management – MTFS & budget reporting	MTFS reviewed annually Risk assessments of budget variances are included in budget reports PIs for assets to be considered (see 26 above)
30. UoR: Financial Standing – budget setting and cost of debt recovery	Accuracy of budget-setting has improved Costs relating to debt recovery are considered as part of the Council's write-off process. Policy to be further developed.
31. UoR: Internal Control – SIC; business-critical systems; Assurance Framework	Risk management strategy to be fully reviewed and updated (see 8 above) SIC is now reported separately to Cabinet and Scrutiny (Efficiency Panel) Assurance framework to be developed (see 8 above)
32. UoR: VfM – Policy Implementation	Processes to be fully embedded (see 12 & 27 above)
33. UoR: overall improvement in score	Review of individual KLOEs and evidence carried out (Nov 06) as part of process of improvement
34. Shared Services	Partnership working / shared services continuing to be explored and developed (see 17 above). Opportunities to extend these further will be explored in response to the White Paper. Council has approved concessionary travel and decriminalisation of parking, but has rejected (Nov 06) revenues / benefits following a rigorous scrutiny exercise of the business case and the risks involved.
35. Prudential borrowing	The Council uses prudential borrowing where deemed advantageous
36. Procurement	The Council is continuing to work with other authorities in the region (examples include paper supplies, employment of agency staff and insurance. Recruitment of a dedicated officer is currently being considered to meet capacity needs.