

**REPORT TO THE FINAL ACCOUNTS AND  
AUDIT COMMITTEE**

Report No. 9

Date of Meeting	7 April 2008
Title of Report	Annual Audit and Inspection Letter (AAIL)
Link to Corporate Priorities	All
Public Report	Yes

**Summary of Report**

This report presents the Audit Commission's Annual Audit and Inspection Letter for North Wiltshire District Council for the year 2008, for information.

**Officer Recommendations**

That the Annual Audit and Inspection Letter be noted

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.

Financial Implications	Legal Implications	Community & Environmental Implications	Human Resources Implications	Equality & Diversity Implications
None	None	None	None	None

**Contact Officer**

Stuart McGregor, Head of Finance & Resources 01249 706219  
smcgregor@northwilts.gov.uk

## **1. Introduction**

- 1.1 The Audit Commission undertake a number of audits and reviews during each financial year, whilst each is then completed with an individual report, the season is concluded by an all embracing Annual Audit and Inspection Letter.
- 1.2 This report merely refers the attached letter for members information, there are no actions specifically relating to this letter.
- 1.3 The overall message is positive, with improvements in most areas. The Audit Commission have noted that there will be an impact on performance as a result of the transition to Wiltshire Council takes effect ie we are unlikely to deliver a three year financial plan as we will be directly involved in 2008/09 with supporting the new Wiltshire Council Financial Plan..

## **2. Direction of Travel**

- 2.1 North Wiltshire District Council was assessed as being 'fair' in the Comprehensive Performance Assessment carried out in 2004. The current AA&IL reports on observations and direction of travel.
- 2.2 The Audit Commission have highlighted the positive work in respect of Cleansing and Amenities, Revenues and Benefits and Customer Focus. In addition they have noted that NWDC achieved its Gershon efficiency targets one year ahead of schedule. At the same time, as expected they have also identified areas for further improvement, such as recycling performance and some performance indicator areas and value for money comparisons. An illustrative area for this double edged observation is the Leisure Centres, the council is commended for securing the future of all six leisure centres, that they represent better value for money overall than the previous arrangement. But then it is noted that the Council has not collated a comparative cost analysis with other councils providing similar services.
- 2.3 There were problems with closing the accounts for 2006/07, which have again been highlighted by the Audit Commission, whilst at the same time confirming that financial controls and measures are adequate. We have engaged with our District Auditor much earlier in the process this year are working with Cyberscience who supply the General ledger to make stepped improvements to the process and information for 2007/08.
- 2.4 There is constructive acknowledgement of the expected impact of the transition to Wiltshire Council and how this may impact on the overall performance of the District Council. Whilst ordinarily our objective would always be to improve performance in terms of Direction of Travel and Audit Commission assessments, for 2008/09 the intention will be to concentrate on not reducing performance or allowing any weaknesses in key controls during the transition period.

### 3 Recommendation

- 3.1. To note the Audit Commission Annual Audit and Inspection Letter for 2006/07.

### 4. Risk Analysis

- 4.1. The transition to Wiltshire Council may impact on staff resources, both in terms of capacity and knowledge which could have a detrimental impact on the assessments carried out by the Audit Commission for 2007/08 and 2008/09.

<b>Appendices:</b>	<ul style="list-style-type: none"><li>Annual Audit and Inspection Letter – Audit Commission</li></ul>
<b>Background Documents Used in the Preparation of this Report:</b>	

#### Previous Decisions Connected with this Report

<b>Report</b>	<b>Committee &amp; Date</b>	<b>Minute Reference</b>