

Annual Governance Report

Macclesfield Borough Council

Audit 2008/09

September 2009

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Key messages

This report summarises the findings from the 2008/09 audit which is substantially complete. It includes the messages arising from my audit of your financial statements and the results of the work I have undertaken to assess how well you use and manage your resources to deliver value for money and better and sustainable outcomes for local people.

Financial Statements	Results	Page
Unqualified audit opinion	Yes	6
Financial statements free from material error	No	6
Arrangements to secure value for money	Yes	10

Audit opinion

- 1 My audit of your financial statements is largely complete. My team are completing work in a few areas and I need to complete my final review procedures. Subject to satisfactory clearance of the outstanding matters I plan to issue an audit report including an unqualified opinion on the financial statements. Appendix 1 contains a copy of my draft audit report. I will provide an update on any outstanding issues to the Governance and Constitution Committee on 30 September 2009.
- 2 I may be unable to give my certificate on completion of my audit work due to outstanding correspondence with an elector. I will provide members with an oral update on this matter.

Financial statements

- 3 I identified three material misstatements in the financial statements which have been amended. The material misstatements affected the classification or disclosure of transactions and as such had no impact on the reported deficit on the Income and Expenditure Account or the reported General Fund balance.
- 4 There were a number of other misstatements that were not material in size or nature. One of these items increases the deficit on the Council's Income and Expenditure account by £282,000. This was an understatement of net pension costs as determined by FRS 17. This charge is reversed out through the Statement of Movement on General Fund Balance and has no impact on the reported general Fund Balance. Apart from two, all of these misstatements have been corrected and a full analysis is provided in Appendix 2. The two unadjusted misstatements are set out in Appendix 3, these are:
 - old un-presented cheques of £23,000 included in debtors; and
 - the incorrect disclosure of members allowances - £22,000 of expenses paid has not been disclosed.

Use of resources

- 5** My assessment of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources, the value for money conclusion, is complete. I plan to issue an unqualified conclusion stating that the Council had adequate arrangements to secure economy, efficiency and effectiveness in its use of resources. Appendix 1 contains the wording of my draft report.

Next steps

This report identifies the key messages that you should consider before I issue my financial statements opinion, value for money conclusion, and audit closure certificate. It includes only matters of governance interest that have come to my attention in performing my audit. My audit is not designed to identify all matters that might be relevant to you.

6 I ask the Governance and Constitution Committee to:

- consider the matters raised in the report before approving the financial statements (pages 6 to 8);
- take note of the adjustments to the financial statements which are set out in this report (Appendix 2);
- agree to adjust the errors in the financial statements which officers have declined to amend or set out the reasons for not amending the errors (Appendix 3);
- take note of the VFM Conclusion;
- approve the letter of representation on behalf of the Council before I issue my opinion and conclusion (Appendix 4); and

7 I will complete the outstanding testing and if any further issues emerge I will report these to the Chair of the Committee and provide an update to the Committee on 30 September 2009.

Audit Fees

- 8** The Council's general fund balance reduced from £2,434,000 at 31 March 2008 to £736,000 at 31 March 2009. The level of the general fund is a key factor in my assessment of audit materiality and I have had to apply a level of materiality which is 25 per cent lower than in 2007/08. As a consequence of this, I have significantly increased the number of items included in my sample testing and to reduce the level at which I would consider issues and errors to be significant. This additional work has increased the cost of the audit beyond that which I had anticipated in the audit plan. Following the conclusion of the audit I will discuss any fee implications with the Borough Treasurer and Head of Assets alongside my ongoing audit of Cheshire East Council for 2009/10.

Acknowledgements

- 9** I would like to take this opportunity to thank officers for their continued support, and professionalism during the audit.

Financial statements

The Council's financial statements and annual governance statement are important means by which the Council accounts for its stewardship of public funds. As members of Cheshire East Council, you have final responsibility for these statements. It is important that you consider my findings before you adopt the financial statements and the annual governance statement.

Opinion on the financial statements

- 10** My audit of your financial statements is largely complete. My team are still completing a number of elements of the audit and I need to complete my final review procedures.
- 11** The main element of my work that remains to be completed is the testing of a sample of 40 cases that form part of the Housing and Council Tax benefit claim. The Audit Commission requires auditors of high risk claims, which include those prepared for Councils subject to Local Government Reorganisation, to complete this work and to consider the results before giving their opinion on the financial statements.
- 12** Subject to satisfactory clearance of the outstanding matters, I plan to issue an audit report including an unqualified opinion on the financial statements. Appendix 1 contains a copy of my draft audit report. At the time of writing my ongoing work includes my review of:
 - post balance sheet events;
 - a sample of transactions within the income and expenditure account;
 - housing benefits; and
 - the amended financial statements.
- 13** I may not be able to issue my certificate confirming closure of the audit until after 30 September 2009 due to outstanding correspondence with an elector. This will not prevent the Council from publishing its accounts as required by the Audit and Accounts Regulations 2003.

Errors in the financial statements

Adjusted Misstatements

- 14** The financial statements presented for audit contained a number of misstatements which officers have agreed to amend. These errors do not impact upon the reported deficit on the income and expenditure account or the balance on general fund:
 - Misclassification of curtailment costs determined under FRS 17 of £923,000. These had been included in the analysis of service costs however the curtailments arise out the redundancies associated with local government re-organisation and as such should be included in the exceptional item.

Financial statements

- Two errors on the cash flow statement:
 - under statement of the proceeds from the disposal of fixed assets by £1,212,000 as disclosed in the cash flow statement; and
 - inclusion of a non-cash transaction, (£1,112,000), within the cash flow statement.

Neither of these items had any impact on the reported cash balance.

15 In addition to the material items there were a number of other misstatements.

- The net charge to services in respect of pension costs as determined under FRS17 was understated by £282,000. This error increased the deficit on the income and expenditure account. It is reversed in the Statement of Movement on General Fund Balance and so has no impact on the General Fund.
- The Statement of Total Recognised Gains and Losses did not show the impact of the prior year adjustment to the opening pension liability on the pension reserve, £374,000.
- The figure for trade receivables, disclosed in note 42 - Financial Instruments, included prepayments of £666,000. The comparative figure included prepayments of £1,501,000. These are disclosure errors.
- The Collection fund balance within the Collection Fund Balance Sheet of £(604,000) did not agree with the balance reported elsewhere of £(502,000)

16 All these misstatements have been corrected and a full analysis is provided in Appendix 2.

Unadjusted misstatements

17 I identified two misstatements that have not been adjusted, these are set out in Appendix 3:

- old un-presented cheques of £23,000 included in debtors; and
- members allowances disclosed in the notes to the financial statements do not include £22,000 of expenses recorded in the general ledger and properly charged through the Income and Expenditure Account.

Key areas of judgement and audit risk

18 In planning my audit I identified specific risks and areas of judgement that I have considered as part of my audit. My findings are set out in Table 1.

Table 1 **Key areas of judgement and audit risk**

Issue or risk	Finding
The recession may have led to material falls in the values of the Council's land and buildings, known as impairments.	The Council considered the impact of the recession on the value of its land and buildings which had not been covered by its programme of cyclical valuations. This review concluded that earlier increases in values would have been sufficient to meet any falls in value during 2008/09. I have reviewed the valuation and property indices evidence provided to support this conclusion. I accept that it is reasonable for most of the Council's assets.
The financial pressures resulting from the recession and the need to fund severance costs increases the risk that the outturn may have been manipulated to present a more favourable financial position than would otherwise have been the case.	I have found no evidence to suggest that the Council has manipulated the financial position shown in the financial statements.
The disclosure of the impact of LGR within the financial statements may be incomplete and/or incorrect. (There is extensive disclosure of LGR in the financial statements.)	The Council has followed the appropriate accounting treatment in preparing its financial statements on a going concern basis and in showing the income and expenditure account as discontinued operations. LGR is also reflected in the explanatory foreword and the accounting policies. I have considered and compared the LGR-related disclosures made in all the financial statements for which Cheshire East Council are the successor body. As a result of this, the accounting policy and exceptional item disclosures have been revised to ensure greater consistency and to make clear the basis on which transition costs were borne by each council.
The accounting treatment of severance and other transition costs may be incorrect. (The Council has disclosed the severance and other transition costs as an exceptional item within the income and expenditure account.)	The Council has followed the appropriate accounting treatment. However, the curtailment costs of officers who left the Council as a result of LGR-related severance have been included within the analysis of service costs instead of within the exceptional item. The financial statements have been amended. I have also reviewed the process that was followed in making the decisions in respect of the severances that took place on 31 March 2009. I am considering a complaint received from an elector regarding these decisions and the associated payments.

Accounting practice and financial reporting

- 19** I recognise that LGR has meant that it has been a major challenge to prepare the Council's final financial statements and to deal with the audit of them. Directors and senior officers who would in the past have been involved in the process either left the Council on 31 March 2009 or have taken on new roles within Cheshire East. In this context, it is a significant achievement that the financial statements have been prepared to a good standard and that officers have been able to provide the necessary support to the audit process.
- 20** I consider the qualitative aspects of your financial reporting and I wish to draw the following matters to your attention:
- There were eight errors or inconsistencies between the primary statements and the supporting notes, these ranged from rounding differences to inconsistencies between total expenditure reported in the Introduction to the Statement of Accounts with similar figures in the Income and Expenditure Account. Such inconsistencies increase the risk of misreporting a material transaction or balance and should be picked up by internal quality checks including proof reading.
 - The Council could not provide the original documentation to confirm the authorisation of one of the closedown journals. This undermines the Council's quality assurance process for the financial statements. Evidence that material adjustments have been properly authorised should be retained.
 - The sundry debtors' bad debt provision has been determined using the same percentages as applied in previous years and not recent experience of default. This increases the risk that Council does not make adequate provision against bad debts. Sundry debtors over three months old have risen from £33,000 at 31 March 2008 to £173,000 at 31 March 2009. The opening provision against these debts was £4,600 but the debts written off were £6,000, a similar trend this year would lead to nearly £9,000 of un-provided bad debts. The bad debt provision should be reviewed each year against the actual incidence of default.
 - Officers have told me that temporary investments have been reviewed for measurement, valuation and impairment but this review has not been formally documented. This increases the risk that the Council fails to make adequate provision for losses in the value of temporary investments. All such reviews should be formally documented and retained for audit purposes.
- 21** The above issues have been discussed with and accepted by officers. They are reported here to help you fulfil your role as those charged with governance.
- 22** Looking forward, it is important that Cheshire East Council ensures that as part of its opening balance sheet process it has a full understanding of the balances that it has inherited from this and the other predecessor councils.

Recommendation

R1 As part of Cheshire East Council's opening balance sheet process:

- determine the appropriate level of earmarked reserves, and
- obtain a full understanding of the balances that have been transferred.

Letter of representation

- 23** Before I issue my opinion, auditing standards require me to obtain appropriate written representations from you and management about your financial statements and governance arrangements. Appendix 3 contains the draft letter of representation I seek to obtain from you.

Use of resources

I am required to conclude whether the Council put in place adequate corporate arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money (VFM) conclusion.

Value for money conclusion

- 24** I assess your arrangements to secure economy, efficiency and effectiveness in your use of resources against criteria specified by the Audit Commission. The Audit Commission has produced specific guidance for the assessment of councils affected by LGR. The assessment uses the same 12 criteria as last year, which are listed in Appendix 5. The work required has been adapted to reflect the particular circumstances of these councils. The assessment considered whether councils maintained adequate governance arrangements and service performance in their final year and also whether they worked effectively with their successor council to ensure a smooth handover of responsibilities.
- 25** I reported my provisional assessment to Macclesfield Borough Council's Audit Committee in March 2009. I concluded that I intended to issue an unqualified conclusion stating that the Council had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources. I confirm that I have now completed my assessment and that my conclusion remains unchanged. Appendix 1 contains the wording of my draft report.
- 26** My detailed findings are included in the report that I presented to Macclesfield Borough Council. I have provided a copy of that report to the Borough Treasurer and Head of Assets - it is available for members to see if they wish. I highlighted the following key issues specific to Macclesfield Borough Council that will need to continue to be addressed by Cheshire East Council:
- developing systems to ensure that services provide value for money;
 - ensuring that the allocation of transition costs between the former councils is transparent;
 - taking forward the Leisure Review and the rescheduling of refuse collection rounds - both of these were postponed because of LGR; and
 - ensuring arrangements are in place to deliver continued improvements in data quality.

Appendix 1 – Independent auditor’s report to Members of Cheshire East Council on the Financial Statements of the demised Macclesfield Borough Council

Opinion on the financial statements

I have audited the Authority accounting statements and related notes of Macclesfield Borough Council for the year ended 31 March 2009 under the Audit Commission Act 1998. The accounting statements comprise the Income and Expenditure Account, the Statement of Movement on the General Fund Balance, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Cash Flow Statement, the Collection Fund and the related notes. These accounting statements have been prepared under the accounting policies set out in the Statement of Accounting Policies. This report is made solely to the members of Cheshire East Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 49 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

Respective responsibilities of the Section 151 Officer and auditor

The Section 151 Officer’s responsibilities for preparing the financial statements in accordance with relevant legal and regulatory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2008 are set out in the Statement of Responsibilities for the Statement of Accounts.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the accounting statements present fairly, in accordance with relevant legal and regulatory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2008 the financial position of the Authority and its income and expenditure for the year.

I review whether the governance statement reflects compliance with ‘Delivering Good Governance in Local Government: A Framework’ published by CIPFA/SOLACE in June 2007. I report if it does not comply with proper practices specified by CIPFA/SOLACE or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered, whether the governance statement covers all risks and controls. Neither am I required to form an opinion on the effectiveness of the Authority’s corporate governance procedures or its risk and control procedures

Appendix 1 – Independent auditor’s report to Members of Cheshire East Council on the Financial Statements of the demised Macclesfield Borough Council

I read other information published with the accounting statements, and consider whether it is consistent with the audited accounting statements. This other information comprises the Introduction to the Statement of Accounts. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the accounting statements. My responsibilities do not extend to any other information.

Basis of audit opinion

I conducted my audit in accordance with the Audit Commission Act 1998, the Code of Audit Practice issued by the Audit Commission and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounting statements and related notes. It also includes an assessment of the significant estimates and judgments made by the Authority in the preparation of the accounting statements and related notes, and of whether the accounting policies are appropriate to the Authority’s circumstances, consistently applied and adequately disclosed. I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the accounting statements and related notes are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the accounting statements and related notes.

Opinion

In my opinion the Authority financial statements present fairly, in accordance with relevant legal and regulatory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2008, the financial position of the Authority as at 31 March 2009 and its income and expenditure for the year then ended.

Conclusion on arrangements for securing economy, efficiency and effectiveness in the use of resources

Authority’s Responsibilities

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance and regularly to review the adequacy and effectiveness of these arrangements.

Auditor’s Responsibilities

I am required by the Audit Commission Act 1998 to be satisfied that proper arrangements have been made by the Authority for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion in relation to proper arrangements, having regard to relevant criteria specified by the Audit Commission for (principal local authorities/other local government bodies). I report if significant matters have come to my attention which prevent me from concluding that the Authority has made such proper arrangements. I am not required to consider, nor have I considered, whether all aspects of the Authority’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Conclusion

I have undertaken my audit in accordance with the Code of Audit Practice and having regard to the relevant criteria specified by the Audit Commission for principal local authorities, published in December 2006, and the supporting guidance, I am satisfied that, in all significant respects, Macclesfield Borough Council made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2009.

Appendix 1 – Independent auditor’s report to Members of Cheshire East Council on the Financial Statements of the demised Macclesfield Borough Council

Certificate (note - this is dependent upon outstanding correspondence with an elector)

I certify that I have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Judith Tench

(Officer of the Audit Commission)

First Floor, Block 4

The Heath technical and Business Park

The Heath

Runcorn WA7 4QF

30 September 2009

Appendix 2 – Adjusted misstatements in the accounts

- 1 The following misstatements were identified during the course of my audit and the financial statements have been adjusted by management. I bring them to your attention to assist you in fulfilling your governance responsibilities.

Table 2

		Income and Expenditure Account		Balance Sheet	
Adjusted misstatements	Nature of Adjustment	Dr £000s	Cr £000s	Dr £000s	Cr £000s
Service Costs	Pension costs un FRS17 understated	282			
Service Costs	misclassification of curtailment costs under FRS17		923		
Exceptional item		923			

Cash flow statement			
Adjusted misstatement	Nature of adjustment	Dr £000s	Cr £000s
proceeds from disposals	understated proceeds from the sale of fixed assets		1,212
other capital payments	inclusion of a non-cash transaction		1,112

Statement of Total Recognised Gains			
Adjusted misstatement	Nature of adjustment	Dr £000s	Cr £000s
prior year adjustment	re-statement of pensions liability- impact on pensions reserve	374	

Collection Fund Balance Sheet			
Adjusted misstatement	Nature of adjustment	Dr £000s	Cr £000s
Fund balance	Inconsistency between balance sheet and analysis of the fund at note 2		102

Notes to the financial statements			
Note	Nature of adjustment	Dr £000s	Cr £000s
42- financial instruments analysis	remove prepayment from the figure for trade receivables		666
42- financial instruments	remove prepayment from the figure for trade receivables comparative figures		1,501

Appendix 3 – Unadjusted misstatements in the accounts

- 1 The following misstatements were identified during the course of my audit and the financial statements have not been adjusted by management. I bring them to your attention to assist you in fulfilling your governance responsibilities. If you decide not to change the financial statements, please tell me why in your letter of representation. If you believe the effect of the uncorrected errors, individually and collectively, is immaterial, please reflect this in your letter. Please also attach a schedule of the uncorrected errors to the letter.

Table 3

Description of error	Accounts affected	Value of error £000s
Old un-presented cheques included in debtors	Debtors	23
Omission of expenses from members Allowances note	Disclosure only	22

Appendix 4 – Draft letter of representation

To:

Judith Tench
First Floor, Block 4
The Heath Technical and Business Park
The Heath
Runcorn WA7 4QF

Demised Macclesfield Borough Council - Audit for the year ended 31 March 2009

I confirm to the best of my knowledge and belief, having made appropriate enquiries of other officers, of Cheshire East Council in respect of the Demised Macclesfield Borough Council, the following representations given to you in connection with your audit of the Council's financial statements for the ended 31 March 2009.

Compliance with the statutory authorities

I acknowledge my responsibility under the relevant statutory authorities for preparing the financial statements in accordance with the Code of Practice for Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice which present fairly the financial position and financial performance of the Council and for making accurate representations to you.

Uncorrected misstatements

I confirm that I believe that the effects of the uncorrected financial statements misstatements listed in the attached schedule are not material to the financial statements, either individually or in aggregate. These misstatements have been discussed with those charged with governance within Cheshire East Council and the reasons for not correcting these items are as follows;

- The correction of the old unpresented cheques would have a neutral effect on the reported deficit, the balance on general fund and the net assets of the Council.
- Neither the correction of the old unpresented cheques, or the members' allowances disclosures would not aid or improve a reader's understanding of the financial statements.

Supporting records

All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Council have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all Council and Committee meetings, have been made available to you.

Going Concern

I am satisfied that it is appropriate to adopt the going concern basis in the preparation of the financial statements and that the financial statements include, such disclosures relating to going concern.

Irregularities

I acknowledge my responsibility for the design and implementation of internal control systems to prevent and detect fraud or error.

There have been no:

- irregularities involving management or employees who have significant roles in the system of internal accounting control;
- irregularities involving other employees that could have a material effect on the financial statements; or
- communications from regulatory agencies concerning non-compliance with or deficiencies on, financial reporting practices which could have a material effect on the financial statements.

I also confirm that I have disclosed:

- my knowledge of fraud, or suspected fraud, involving either management, employees who have significant roles in internal control or others where fraud could have a material effect on the financial statements; and
- my knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

Law, regulations, contractual arrangements and codes of practice

There are no instances of non-compliance with laws, regulations and codes of practice, likely to have a significant effect on the finances or operations of the Council.

The Council has complied with all aspects of contractual arrangements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

Fair Values

I confirm the reasonableness of the significant assumptions within the financial statements. For temporary investments assumption, I confirm:

- the appropriateness of the measurement method;
- the basis used by management to overcome the presumption under the financial reporting framework;
- the completeness and appropriateness under the financial reporting framework; and
- if subsequent events do not require adjustment to the fair value measurement.

Assets

The following have been properly recorded and, where appropriate, adequately disclosed in the financial statements:

- losses arising from sale & purchase commitments;
- agreements & options to buy back assets previously sold; and
- assets pledged as collateral.

Compensating arrangements

There are no formal or informal compensating balancing arrangements with any of our cash and investment accounts. Except as disclosed in Note 26 to the financial statements we have no other lines of credit arrangements.

Appendix 4 – Draft letter of representation

Contingent liabilities

There are no other contingent liabilities, other than those that have been properly recorded and disclosed in the financial statements. In particular:

- there is no significant pending or threatened litigation, other than those already disclosed in the financial statements;
- there are no material commitments or contractual issues, other than those already disclosed in the financial statements and
- no financial guarantees have been given to third parties.

Related party transactions

I confirm the completeness of the information disclosed regarding the identification of related parties.

The identity of, and balances and transactions with, related parties have been properly recorded and where appropriate, adequately disclosed in the financial statements.

Post balance sheet events

Since the date of approval of the financial statements by the Council, no additional significant post balance sheet events that have occurred which would require additional adjustment or disclosure in the financial statements.

Signed on behalf of Cheshire East Council in respect of the demised Macclesfield Borough Council
I confirm that this letter has been discussed and agreed by the Council's Governance and Constitution Committee on 30 September.

Signed

Lisa Quinn MAAT, CPFA

Borough Treasurer Cheshire East Council

30 September 2009

Schedule: Unadjusted Misstatements

Description of error	Accounts affected	Value of error £000s
Old un-presented cheques included in debtors	Debtors	23
Omission of expenses from members Allowances note	Disclosure only	22

Appendix 5 – Value for money conclusion

Table 4

Value for Money Criteria	Met
Setting, reviewing and implementing objectives	Yes
Ensuring that services meet the needs of users	Yes
Monitoring and reviewing performance	Yes
Ensure data quality	Yes
Maintain sound system of internal control	Yes
Risk management arrangements	Yes
Manage and improve vfm	Yes
Financial strategy to deliver strategic priorities	Yes
Match resources to spending	Yes
Match performance to budgets	Yes
Management of asset base	Yes
Ensure probity and propriety	Yes

The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.

As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

Copies of this report

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