

Report of	Meeting	Date
Assistant Chief Executive (Business Transformation and Improvement) Assistant Chief Executive (Policy and Performance)	Audit Committee	27/09/07

ANNUAL AUDIT AND INSPECTION LETTER PROGRESS REPORT

PURPOSE OF REPORT

1. The purpose of this report is to keep members of the Audit Committee apprised of the progress made by the Council against the actions recommended by the External Audit in this annual audit and inspection report for 2006.

RECOMMENDATION

2. That the report be noted.

EXECUTIVE SUMMARY OF REPORT

3. The report shows that progress against all the actions is going as planned. Further work needs to be done in relation to the Corporate Strategy targets that are currently off target, but in the main progress against most of the targets is good. From an Audit Committee perspective, you need to be reassured that robust performance management arrangements are in place to identify when things are off target and action is being taken to rectify the issues. The very fact that a positive statement has been established and that the Council is able to identify areas for action should give ** that assurance.

REASONS FOR RECOMMENDATION

(If the recommendations are accepted)

4. To ensure those charged with overseeing the governance arrangements for the Council are content with the progress being made against Audit Commission recommendations.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. None.

CORPORATE PRIORITIES

6. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the central Lancashire sub region		Improved access to public services	
Improving equality of opportunity and life chance		Develop the character and feel of Chorley as a good place to live	
Involving People in their Communities		Ensure Chorley is a performing Organisation	✓

BACKGROUND

7. Good practice dictates that those charged with responsibility for governance receive information regarding the progress or otherwise made against key recommendations made by the external auditor. This report contains a progress report for member to consider and determine if they are satisfied with that progress.

PROGRESS TO DATE

8. Contained in Appendix A and B to this report are details of the progress made against recommendations previously made by the External Auditor. The information contained in the Appendix shows that progress has been made against all but one of the actions recommended. But that the issue of no progress is purely in relation to the timing of the work planned, which is scheduled for later in the year.

9. Those charged with governance should be concerned about the systems in place to ensure that such tasks are progressed. In terms of the adequacy of progress made that is a matter for members to determine based upon the information presented. However, I am satisfied that matters are in hand and I shall continue to report back to members on further progress as the year progresses.

IMPLICATIONS OF REPORT

9. This report has implications in the following areas and the relevant Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		Policy and Performance	✓

GARY HALL
ASSISTANT CHIEF EXECUTIVE
(BUSINESS TRANSFORMATION AND IMPROVEMENT)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	5480	18/09/09	DOF/Reports/Inspection Letter Progress Report

Appendix A

ACTION NEEDED BY THE COUNCIL	PROGRESS
<p>Monitor the impact of large scale voluntary transfer of its housing stock in terms of the retained strategic housing function and overhead reallocation across all remaining service areas.</p>	<p>The contract with Chorley Community Housing contained the details of Performance Information and the Governance arrangements. The absence of a Strategic Housing Manager for the Council and the time needed for the CCH to put a proper system in place means that the management of CCH has only just started, but arrangements are well in hand. With regard to overheads a full reallocation exercise is being undertaken so that the 2008/09 budget will reflect the changes required.</p>
<p>Further support and participate in developing the governance and accountability arrangements when the Lancashire Children's and Young People Partnerships.</p>	<p>The Council was commended for progress made on this agenda by the Audit Commission. Work is well in hand to develop Children's Trust by January 2008, with the local trust being developed thereafter.</p>
<p>Work which the local authorities in Lancashire to better integrate the approach to the Local Area Agreement and the Chorley and District Local Strategic Partnership.</p>	<p>Taking a proactive approach to addressing the Local Area Agreement, work to date includes representation on a working group focused on developing the new model LAA in Lancashire. Review of Chorley's Community Strategy closely linked into the development of ambition Lancashire Lancashire's Community Strategy. Close involvement in a pilot group examining the new performance management framework for the LAA in partnership with CLG.</p>
<p>Monitor the implementation of the revised Corporate Strategy to achieve the performance on the Council's overall use of resources.</p>	<p>See Appendix B for details.</p>
<p>Monitor and further develop financial management and value for money skills to challenge the further use of Council's resources.</p>	<p>A programme of training for managers and other staff involved in VFM work is underway. The Council has committed to 50 of its senior staff to a training programme devised by the North West Centre of Excellence an embedding VFM.</p>
<p>Further embed a wider ethical governance culture.</p>	<p>No progress to date. Further work is planned with the undertaking of ethical governance audit planned for December 07 as per the Finance Directorates Business Improvement Plan.</p>
<p>Oversee the development of a data quality strategy and policy statement to drive accurately and timely performance information with ownership and on understanding at the service level, that is the *** of the Performance Management Framework.</p>	<p>Developed a data quality strategy and policy statement, well publicised with staff, and published on the Council's intranet. Undertaken data quality training and sport checks. Developed a much greater understanding of the requirements of data quality. Initial feedback from data quality review indicates significantly improved data quality arrangements supporting and helping to drive the performance management framework.</p>

Appendix B

The Corporate Strategy 2006/07 – 2008/09 contains 36 measures and targets which fall into one of three categories:

- the measure, baseline and target for 2009 have been set and are being monitored;
- the measure has been set but the baseline needs to be established in 2006/07 before targets can be set for 2007/08 & 2008/09; and
- the measures need to be developed in 2006/07 before baselines and targets can be set for achievement by 2009.

The table below summarises the position in relation to these 36 targets and measures:

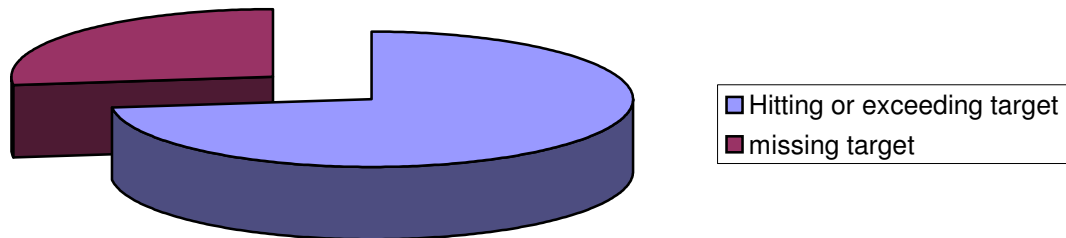
Strategic Objective	Target Met	Target Not Met	Measures/Baselines/Targets	
			Developed	Not Developed
Put Chorley at the heart of regional economic development	3	1*		1
Improving equality of opportunity and life chances			3	2
Involving people in their communities		2*	1	
Improved access to public services	3	2	1	1
Develop the character and feel of Chorley as a good place to live	5	1*		3
Ensure Chorley Borough Council is a performing organisation	5	2		
Total	16	8	5	7

* Missed target

The chart below also outlines progress at year-end 2006/07 in delivering against these targets.

The picture of delivery around those elements of the Corporate Strategy over which we have direct control is good with 73% hitting or exceeding target. The performance of those indicators which seek to gauge residents satisfaction with various elements of service delivery of quality of life in the Borough is less positive. There is ongoing activity focused on understanding the main driver of satisfaction for residents and how we as an authority can tailor our services to meet customer and community requirements. The survey which informed many of the performance measures (Sept 2006) will be repeated in late 2007 to gauge the impact which this activity has had in improving customer satisfaction levels.

Corporate Strategy Delivery- Performance Indicators 2006/07



The information above is currently being used to assess where we may need to refocus activity or resources to deliver changes and improvements as part of the annual refresh of our Corporate Strategy.

Where 2008/2009 targets have already been met, as a minimum we are either revising the target or developing new measures. Where 2007/08 targets have already been met, we are re-profiling the target.

There were a number of targets that have not been met these are:

- Town centre visitor satisfaction with the range and choice of shops
- % of people satisfied with opportunities to participate in decision making will increase
- % of people who feel that their communities are places where people get on well together will increase
- Affordable dwellings completed

In these cases we are looking at re-profiling targets so that they are more realistic but still challenging, while also looking at identifying new projects to step up action and support the delivery of these measures in realising the long term outcomes set out in the Corporate Strategy, eg three new projects are being considered relating to the town centre. These include developing a three year investment strategy for the town centre including market street, delivery of market walk phase 2 and developing and delivering an action plan for the markets.