



Leicester
City Council

**WARDS AFFECTED:
ALL WARDS: CORPORATE ISSUE**

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
FINANCE, RESOURCES & EQUAL OPPORTUNITIES 20 MARCH 2003
SCRUTINY COMMITTEE
CABINET 24 MARCH 2003

ANNUAL AUDIT LETTER 2001/02

Report of the Chief Finance Officer

1. Introduction and Summary

- 1.1 The purpose of this report is to introduce the annual audit letter for 2001/02, which has been sent to all members of the Council.
- 1.2 This letter is normally issued to the Council at the end of December each year. This year, the auditors were granted a months extension to allow for the introduction of the CPA.
- 1.3 The letter confirms that the Council performs well in a number of areas, against very challenging circumstances. As always, there are a number of areas for improvement which are set out in the letter, and members are asked to commission action plans in respect of the most significant.
- 1.4 To assist member scrutiny, the district auditor has been invited to attend the Finance, Resources & Equal Opportunities Scrutiny Committee on 20 March.

2. Recommendations

- 2.1 The Cabinet is asked to consider the letter and to commission action plans or proposals to address the issues raised by the auditor in respect of:
 - (a) tightening up measurement of performance indicators;
 - (b) preparation of grant claims;
 - (c) (when audit work is complete) project management, procurement, children in care, and community care.
- 2.2 The Scrutiny Committee is asked to consider the letter and make any comments it wishes to the Cabinet.

3. Financial and Legal Implications

3.1 The letter concerns itself heavily with the Council's accounts, and with the financial aspects of corporate governance (which include the legality of financial transactions).

4. Other Implications

<u>Other Implications</u>	<u>Yes/No</u>	<u>Paragraph References within Supporting Papers</u>
Legal	No	
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	
Crime & Disorder	No	
Human Rights Act	No	

5. Consultation

5.1 The letter has been considered by Directors' Board.

6. Background Papers

6.1 None.

7. Report Author

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Chief Finance Officer
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20 February 2003

DECISION STATUS

Key Decision	No
Reason	N/A
Appeared in Forward Plan	No
Executive or Council Decision	Council