



Leicester
City Council

WARDS AFFECTED
All

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Cabinet

1 March 2004

Finance, Resources and Equal Opportunities Scrutiny Committee 11 March 2004

Annual Audit Letter 2002/3

Report of the Chief Finance Officer

1. Purpose of the Report

To introduce the Annual Audit Letter for 2002/3, a copy of which has been sent to all members of the Council.

2. Summary

The letter confirms improvements in the Council's performance in a number of areas, as well as identifying areas where improvements are indicated.

The overall conclusion of the letter is that the Council responds effectively to external challenge, is determined to improve and adopts a co-operative style.

3. Recommendations

The Cabinet is asked to note the report and to refer it to the Finance Resources and Equal Opportunities Scrutiny Committee for its comments.

The Scrutiny Committee is asked to consider the letter and make such comments on it to the Cabinet as it so wishes.

4. Report

4.1. The Audit Commission Code of Audit Practice requires the District Auditor to report to the Council on the findings of the work of the Audit Commission's Joint Inspection and Audit Team.

4.2. This report takes the form of an Annual Audit Letter.

4.3. The current letter covers the period 2002/3 and identifies key issues for the consideration of the Council.

5. Key Findings

5.1. The Council

5.1.1. responds effectively to external challenge.

5.1.2. is determined to improve

5.1.3. adopts a co-operative style.

5.1.4. improved its CPA rating from "Fair" to "Good"

5.1.5. has made improvements in operational areas specifically, Social Care, production of the financial accounts and securing five Beacon Awards.

- 5.1.6. is ambitious to build on its track record.
- 5.1.7. has strengthened its procurement arrangements.
- 5.1.8. displays a strong commitment to improving Community Care arrangements.
- 5.1.9. has improved Council Tax and National Non-Domestic Rates collection rates but needs to improve these further.
- 5.1.10. follows good practice in the management of its PFI projects.
- 5.1.11. has received unqualified opinions on both the accounts and the Best Value Performance Plan.
- 5.2. Needs to address some issues in relation to the special educational needs and housing benefits services (although improvements made have been acknowledged) and project management.

6. Financial Implications

The letter concerns itself heavily with the Council's accounts, and with financial aspects of corporate governance, including the legality of financial transactions.

7. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References Within Supporting Information
Crime and Disorder Implications	N	-
Human Rights Act	N	-
Legal	N	-
Equal Opportunities	N	-
Policy	N	-
Sustainable and Environmental	N	-
Elderly/People on Low Income	N	-

8. Background papers

None

8. Consultations

The letter has been considered by the Corporate Directors' Board.

9. Report Author

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Mark Noble
Chief Finance Officer

Decision Status

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