

	<p style="text-align: center;">Executive 18th March 2008</p> <p style="text-align: center;">Report from the Chief Executive</p>
<p style="text-align: right;">Wards Affected: None</p>	
<p>2006/07 Annual Audit and Inspection Letter</p>	

Forward Plan Ref: F&CR-07/08-30

1. SUMMARY

- 1.1 This report accompanies the Annual Audit and Inspection Letter for 2006/07. The Letter is issued by the Audit Commission and draws on the work by PricewaterhouseCoopers (PwC) as the Council's appointed auditors from the statutory audit.

2. RECOMMENDATIONS

- 2.1 Members are recommended to note its contents and that the quarterly Performance and Finance Monitoring report will set out progress against the main features highlighted.

3. DETAIL

- 3.1 This report provides an overall summary of the Audit Commission's assessment of the Council.
- 3.2 The document constitutes the detail and a representative from the Audit Commission will be at the meeting.
- 3.3 The Letter will be sent to all Members of the Council and be made available to residents in each Library and on the internet.
- 3.4 The financial issues contained in this report were previously included in PwC's annual report under International Standard of Auditing (ISA) 260 – to those charged with governance. A draft report was considered at Audit Committee on 19th September 2007 prior to Brent's 2006/07 annual accounts being given a clean audit opinion. The final version of PwC's ISA260 report went to Audit Committee on 18th December 2007. This included management responses to PwC's recommendations.

- 3.5 Progress has already been made on some of the issues contained in this report:
- Para 39 - The Council has an external advisor and a team dealing with IT migration. Phased implementation is taking place.
- Para 40 - A full investigation into problems from the Abacus system was carried out by external consultants. The Council is currently in the process of replacing Abacus. In the future framework it will be used for financial information. This system is currently used for non-financial information.
- Para 41 - The Council is continuing to review the level of outstanding debt with Metropolitan Housing Trust.
- 3.6 In terms of performance, the Council has retained its Comprehensive Performance Assessment (CPA) score of three stars and has been judged as improving well. The Council has delivered improvements in priority areas, such as educational attainment, street cleanliness, children's services and sport. Housing delivery remains a strength. The rate of improvement of key performance indicators overall is at the national average.
- 3.7 The report recommends action in housing benefit, recycling, aspects of adult social care, the marketing of cultural services, the transformation of human resources and worklessness. Plans are in place to address these and will be monitored by the Chief Executive's High Level Monitoring Group and various parts of Overview and Scrutiny.
- 3.7 The Council is currently awaiting the results of a number of inspections which have taken place this financial year:
- A waste management inspection was carried out in December 2007 and results are expected later in March.
 - Currently the Commission for Social Care Inspection (CSCI) is on-site examining how well Brent safeguards adults and delivers personalised services.
 - An unscored Human Resources inspection has also recently been completed which will provide a continued focus on the HR transformation programme.

4. FINANCIAL IMPLICATIONS

- 4.1 The Audit Letter is directly linked to the financial performance and management of the Council.

5. LEGAL IMPLICATIONS

- 5.1 None specific.

6. DIVERSITY IMPLICATIONS

- 6.1 The proposals in the report have been subject to screening and officers believe that there are no specific diversity implications arising from it.

7. STAFFING IMPLICATIONS

- 7.1 Several of the key issues have specific and obvious implications for individual staff and Members. However, the Letter addresses the overall good health of the Authority and is therefore of great significance to all managers.

8. BACKGROUND INFORMATION

All the background information is contained in the Letter appended to this report.

9. CONTACT OFFICERS

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GARETH DANIEL

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