

Annual Audit Letter

Norwich City Council

Audit 2008/09

December 2009



Contents

Key messages	3
Financial statements and annual governance statement	6
Value for money and use of resources	10
Closing remarks	16
Appendix 1 – Action Plan	17

Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/councillors or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
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Key messages

This report summarises the findings from our 2008/09 audit. It includes messages arising from the audit of your financial statements and the results of the work I have undertaken to assess your arrangements to secure value for money in your use of resources.

Audit Opinion and Financial Statements

- 1** I gave an unqualified audit opinion on 13 November 2009. This was after the deadline of 30 September 2009 due to the large number of errors in the accounts originally presented for audit.
 - 2** It is the first time that the Council's accounts have received a fully unqualified opinion for some years. Getting to this position has required a substantial time investment, and I did not see the extent of improvement in quality of the draft accounts that I had anticipated. The Council must make the required step change in the financial statements preparation process and use the time it has now to address the training necessary for this. This is essential if future accounts opinions are to be given within the statutory timescale.
 - 3** I identified a large number of errors during the course of the audit. Officers adjusted for most of the errors but chose not to adjust for nine of the errors we found. These errors were not so significant as to distort the overall financial position shown in the Council's accounts. However, I reported these to the Council's Audit Committee (as those charged with the governance of the Council). The Committee agreed with officers' decision not to amend the accounts for those errors and provided me with their explanation for this.
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Use of resources and value for money opinion

- 4** We assessed how the Council makes use of its resources to provide local services. A national framework is applied to our assessment, with a score given between one (inadequate and below minimum standards) and four (performing strongly) in each of three key theme areas.
- 5** The Council is performing adequately (level two) overall, achieving level two scores for two of the three themes: managing its finances and governing the business. We assessed the third theme - managing its people resources - as inadequate.
- 6** The assessment for each theme is supported by a number of key lines of enquiry (KLOE), and we identified weaknesses in three of the eight criteria assessed, such that these were not considered to be at minimum standards. This resulted in me issuing a qualified 'except for' value for money conclusion on 13 November 2009.

- 7** The KLOE which were assessed as not meeting minimum standards were as follows.
- KLOE 1.3 on financial reporting, where the issues regarding the accounts referred to above have impacted.
 - KLOE 2.4 on risk management and internal control, where improvements in both risk management and aspects of internal control are required before the Council can be assessed as meeting minimum standards.
 - KLOE 3.3 on workforce planning, where a key weakness is that the Council has not yet developed a medium-term workforce plan integrated with corporate and business planning.

Managing Performance

- 8** The Audit Commission also assesses how well the Council manages and improves its services and contributes to wider community outcomes. Our assessment considers how successful the Council is in delivering its corporate priorities, drawn from what matters most to the local people.
- 9** The Council scored at level two for managing its performance (the scoring mechanism being the same as that for use of resources).
- 10** The Council consults with local people and is tackling the issues that they recognise as priorities. These are creating a strong and prosperous city, safer and healthier neighbourhoods and ensuring opportunities for all. It is also working to improve the way it delivers its services.
- 11** The Council is delivering positive outcomes in some of the areas that matter to residents. It has recently signed an agreement that should help create more than 1300 new affordable homes and hundreds of new jobs building them over the next 12 years. The area is becoming safer, streets are cleaner and recycling levels have improved. However satisfaction with most Council services has fallen since 2006.
- 12** The impact of the recession poses great challenges to the Council and the city. The Council is working with key partners to reduce the effect of the recession on the city, especially those already least well-off. Although the Council is revising its budgets and improving financial and service planning, weaknesses in reporting and workforce planning remain.
- 13** The Council is developing a good approach to equalities and diversity but is still not able to target services to meet the needs of different groups within the community.

Overall Organisational Assessment

- 14** The use of resources and managing performance assessments are combined to give an overall organisational assessment judgement for the Council. We determined that the organisational assessment judgement for Norwich City Council is that it performs adequately. The Council is starting to manage its resources better, but it is not consistently delivering the quality services that matter most to its local residents.

Key messages

- 15** The Council's managing performance and organisational assessment are being reported separately by the Audit Commission's Comprehensive Area Assessment Lead for Norfolk, Sue Jewkes.

Local Government Review

- 16** During 2008/09, the Boundary Committee reviewed the structure of Local Government in Norfolk and announced that it was consulting on further draft proposals for new Unitary Local Government. This was stalled by a judicial review in another county area under review, challenging whether the consultation process was lawful. A recent Court ruling has found in favour of the Boundary Committee, leaving a way forward for the review to recommence.
- 17** Dependent upon the final outcome of Local Government re-organisation in Norfolk, it will be key for the Council to manage risk in respect of its capacity to maintain both governance arrangements and services in a period of significant change. We will continue to monitor the outcome, impact and the Council's response in this key area.

Audit fees

- 18** The audit fees for 2008/09 audit are set out in paragraph 37 of this Letter. The fees are £94,525 higher than the original agreed plan which Audit Committee members received in June 2008. This is due to the increased risks associated with the audit, and the substantial number of audit issues arising during the course of our work.

Actions

- 19** My recommendations have been agreed and are included within the body of this report. The Council should monitor their implementation.

Independence

- 20** I confirm that the audit has been carried out in accordance with the Audit Commission's policies on integrity, objectivity and independence.
- 21** The Audit Commission granted me a one year extension and as such 2008/09 was my sixth year as your appointed auditor. I and the Audit Commission have satisfied ourselves that appropriate safeguards have been put in place to ensure there is no potential breach of independence or relevant ethical standards.

Financial statements and annual governance statement

The Council's financial statements and annual governance statement are an important means by which the Council accounts for its stewardship of public funds.

Significant issues arising from the audit

- 22** I gave an unqualified audit opinion on 13 November 2009. This was after the deadline of 30 September 2009 due to the number of errors in the accounts presented for audit and the number of issues raised with the Council which had to be resolved during the course of our audit. Due to the delay in issuing my opinion on the Council's accounts, the audit deadline for the Whole of Government Accounts pack was not met.
- 23** Before giving my opinion, I reported to those charged with governance, in this case the Audit Committee, on the issues arising from the 2008/09 audit. I issued a draft report on 23 September 2009 and a final report on 10 November 2009. This includes a comprehensive action plan that must be delivered to ensure that the necessary improvements in both the accounts and internal controls are secured.
- 24** In my opinion the accounts present fairly the financial position of the Council as at 31 March 2009 and its income and expenditure for the year then ended, and I have therefore given a fully unqualified opinion. This achievement has required a substantial time investment, and a large number of corrections to the accounts. There continue to be issues with the quality of the underlying data underpinning the financial statements and working papers and it is evident that further work to strengthen accounting and reporting processes is necessary. Nine of the errors we found were not corrected but were not so significant as to distort the overall financial position shown. However, I reported these to the Audit Committee, which agreed with officers' decision not to amend the accounts for those errors and provided me with an explanation for this.
- 25** I identified weak financial reporting arrangements as a risk in my initial and supplementary audit plans. While I acknowledge some continued improvement in the process for producing the financial statements, more significant improvement is still required. Consequently financial reporting arrangements have been assessed as below minimum standards in my 2009 use of resources assessment. It is disappointing that I have found a recurrence of some errors reported to officers in the prior year.
- 26** Most of the errors detected during the course of our work were in respect of year end procedures rather than system generated errors. The most common errors were:
- misclassification of transactions;
 - errors and omissions in capital accounting in terms of land and buildings and the associated reserves; and
 - misclassification of amounts receivable, amounts payable and investments.

Financial statements and annual governance statement

- 27** Despite the level of accounts adjustments required I am pleased to report that the Council's officers have reacted positively to the audit issues raised with them.
- 28** My audit plans also identified the adequacy of working papers supporting the accounts as a risk. The Council has made attempts to improve working papers but I do not consider that the working papers made available at the start of the audit were fit for purpose. The Council does not sufficiently integrate working paper production with the accounts production processes. While this remains the case it is likely that the high level of audit queries and differences will remain.
- 29** The implementation of International Financial Reporting Standards (IFRS) for 2010/11 will put increased pressure on the Council's capacity, and it is important that the Council addresses the recommendations raised in my Annual Governance Report.

Material weaknesses in internal control

- 30** My Annual Governance Report also refers to certain weaknesses in internal controls, and the internal control environment has been assessed as inadequate in my 2008/09 use of resources assessment. These weaknesses increase the amount of audit work necessary to reach an opinion on the Council's accounts.
- 31** Matters included in my Annual Governance Report included:
- aspects of non-compliance of the Council's Internal Audit function with the relevant standards (CIPFA's Code of Practice for Internal Audit in Local Government in the United Kingdom 2006);
 - weaknesses in the controls over fixed assets (land, buildings and property), and concerns over the adequacy of the fixed asset register in terms of providing the accounting information needed for the statutory accounts;
 - a need to strengthen the controls to ensure income is invoiced completely, and to ensure purchases are appropriately authorised before payment;
 - improvements required to some of the monthly reconciliation processes; and
 - a need to improve the information provided to councillors to aid decision making regarding redundancy payments.

Accounting Practice and financial reporting

- 32** I considered the qualitative aspects of your financial reporting and raised a number of issues in my Annual Governance Report. I included the following matters.
- Councillors have not yet been involved in the classification of assets as operational or non-operational. This classification is key to determining the correct accounting treatment. Where assets are classified as non-operational investment properties, the Council should determine that they represent good value for money.
 - The Council continues to hold significant balances in suspense and holding accounts where the use of an earmarked reserve may be more appropriate. This may lead to errors in the income and expenditure account and balance sheet.

- The basis for the bad debt provision relating to housing benefit overpayments was flawed.
- The Council did not correctly apply its accounting policy for the way impairments (reductions in value) relating to non-operational properties are charged, resulting in a £5.9 million classification error in the income and expenditure account.

Recommendation

R1 Address the recommendations made in the action plan of the November 2009 Annual Governance Report.

Certification of claims and returns

33 We certify the Council's claims and returns on the following basis.

- Claims below £100,000 are not subject to certification.
- Claims between £100,000 and £500,000 are subjected to a reduced, light-touch certification.
- Claims over £500,000 are subjected to a certification approach relevant to the auditor's assessment of the control environment and management preparation of claims. A robust control environment leads to a reduced certification approach for these claims.

34 The Council's quality assurance arrangements for grant claims are variable, and this continues to have a fee implication as many claims require amendment prior to certification. Work is ongoing on a number of the 2008/09 grant claims but:

- we have completed outstanding certification work on the 2004/05 to 2007/08 New Deal for Communities claims. Work was protracted due to the poor quality of the grant claims and supporting information, and weaknesses in the internal control environment. We submitted lengthy qualification letters to the Department for Communities and Local Government; and
- we found a number of errors in our sample testing of the 2008/09 housing benefits claim. The Department for Work and Pensions require additional testing to be carried out when such errors are detected so that they can reach a view regarding the financial implications. The Council is currently carrying out this additional testing and we have therefore been unable to submit the certified claim by the 30 November 2009 deadline.

International Financial Reporting Standards

35 The national timetable for the implementation of IFRS means that these will be first applied in the 2010/11 financial year. However, comparative figures for the 2009/10 financial year will be required which means that a restated 2008/09 balance sheet should also be produced.

- 36** Applying IFRS will have significant implications for the way in which councils prepare their annual accounts. The Council has initiated a project plan and team but now has work to do to ensure that the project plan is fit for purpose. The plan should demonstrate that the resources needed to successfully implement IFRS are in place, and this should be monitored by the Audit Committee. The Head of Finance has indicated that a detailed project plan will be shared with us early in 2010.

Audit fees

- 37** The audit fees for the 2008/09 audit are shown in Table 1. It is higher than the original agreed plan which Audit Committee members received in June 2008 due to:
- the risks which have arisen since my original plan was issued, including issues arising from the 2007/08 audit; and
 - the substantial number of issues that we had to consider during the audit, and an inability to place reliance on internal controls due to certain weaknesses identified.

Table 1 Audit Fees

	Actual	Proposed per original Audit and Inspection plan
Financial Statements	£215,553	£121,028
Use of Resources	£18,977	£18,977
Data Quality	£13,142	£13,142
Whole of Government Accounts	£2,228	£2,228
Total audit fee	£249,900	£155,375

Value for money and use of resources

I considered how well the Council is managing and using its resources to deliver value for money and better and sustainable outcomes for local people, and gave a scored use of resources judgement.

I also assessed 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.

Use of resources judgements

- 38** In forming my scored use of resources judgements, I have used the methodology set out in the use of resources framework. Judgements have been made for each key line of enquiry (KLOE) using the Audit Commission's current four point scale from one to four, with four being the highest. Level one represents a failure to meet the minimum requirements.
- 39** I have also taken into account, where appropriate, findings from previous use of resources assessments (updating these for any changes or improvements) and any other relevant audit work.
- 40** The key findings and conclusions for the three themes, and the underlying KLOE, are set out in my Annual Governance Report. The theme scores are shown in Table 2 and the key theme findings are summarised below.

Table 2 Use of resources theme scores

Use of resources theme	Scored judgement
Managing finances	2
Governing the business	2
Managing resources	1

Managing finances

- 41** The Council integrates financial and corporate planning, with some staff and public involvement. Its medium term financial planning process continues to develop and be updated. A Corporate Improvement Board is maintaining focus on this and is driving individual and collective responsibilities for financial management. The Council is aware of cost pressures, and is being proactive over the medium term to improve the situation using its reserves as a buffer. However, the economic downturn means that the financial position of the Council is becoming increasingly challenging. Adequate treasury management arrangements are in place.
- 42** The Council's understanding of costs, and the factors that influence them, is improving. It is increasingly benchmarking costs and performance, and using this information in service planning, but it needs to extend benchmarking to a wider range of councils. The Council's ability to review costs to help it to assess relative value for money (VFM) is also improving, and this has led to some improved processes and performance. It is exploring ways of managing its business processes differently to deliver cost and performance efficiencies. Although the Council narrowly failed to achieve its overall savings target in 2008/09, it has been successful in previous years.
- 43** Financial reporting still does not meet minimum standards. Issues on the accounts and working papers have been referred to earlier in this letter. Additionally, we cannot tell whether internal and external reporting are consistent, or if financial monitoring information is accurate. It is difficult to see that there is an integrated approach to considering performance data alongside financial performance. Publishing reports is stronger but is still underdeveloped. While barriers to accessing information have been considered, and reports are available in other formats on request, there is little evidence that the local community's specific needs for accessing information have been identified.

Governing the business

- 44** The Council's vision is based on an analysis of needs and consultation that is helping decision making. It is improving customer experience and VFM through service redesign. The procurement team understands and has developed the supply market. Bids are evaluated to gain the most economically advantageous tender. However processes to review service competitiveness remain weak.
- 45** The Council is working to improve its data quality and that of its key partners. Information supporting decision making is generally clear but this is not consistent throughout the Council. Data security is ensured through controlled and secure access, and information risk is managed effectively. Performance in delivering priorities and targets is monitored and reported to management, the Council and the Local Strategic Partnership. Under-performance is kept under review and there is evidence of action achieving improvements.

- 46** Governance roles and responsibilities are clearly defined in the Council's constitution, and appropriate codes of conduct are in place. Councillors and senior officers receive induction and tailored development. The Standards Committee is appropriately constituted and is compliant, but its impact could be improved. The councillors' register of interest is publicly available. Complaints and whistle-blowing procedures are well publicised and easily accessible. The Council has identified its key partnerships and is using a toolkit to ensure they have appropriate governance arrangements, although this needs development.
- 47** Risk management is not yet fully developed. Many of the basics are in place but corporate risks are not yet managed in line with the Council's risk management strategy, and risks are not mapped to the corporate objectives. The corporate risk register does not detail actions being taken to reduce risks, nor consider fraud. Risks in service level registers are not always assigned. Similarly, most of the basic arrangements to prevent fraud and corruption are in place, but the Council needs to improve to meet the minimum requirements. There is no proactive fraud work other than in respect of housing benefits and the Council has not carried out a risk analysis of its need. Arrangements to comply with the National Fraud Initiative (NFI) are underdeveloped. The NFI is an Audit Commission initiative which helps organisations to identify fraudulent housing benefit claims and other payments. Internal control is not yet at the basic standard - many arrangements are in place but are not yet fully effective. There are weaknesses in financial system controls, internal audit does not meet all of the required standards and has been under-resourced, and business continuity plans should be finalised and tested.

Managing resources

- 48** Although the Council recognises the need to identify skills and knowledge gaps the plans to analyse and address these gaps are still in development. Training budgets have been devolved to enable local decisions to be made on priorities, and proactive recruitment has already taken place in some areas of skills shortage. Staff surveys consistently rate the Council as a good employer and it promotes itself through open days and works with other councils on recruitment fairs. A new appraisal process has been introduced that has significantly improved the percentage of staff being appraised. Sickness absence is closely monitored, resulting in levels amongst the best nationally.
- 49** A key weakness is that the Council has not yet developed a medium-term workforce plan integrated with corporate and business planning. Workforce planning has recently been incorporated into annual service planning, such that service plans include data on staff numbers, but the Council has not identified the skills and staff numbers it needs to deliver its strategic priorities and objectives. Some services, such as housing and planning, have developed more detailed workforce plans that will be used as a template in other areas. As a result of a recent recruitment freeze, use of agency staff is being monitored and managed through the vacancy management panel, and all requests for agency staff cover must be justified.

Value for money and use of resources

- 50** Although employees rate the Council as a good employer overall, and the Council is committed to delivering organisational change sensitively, evidence from surveys show that staff feel neither supported nor engaged in such change. A change toolkit for managers has been developed to ensure change is introduced consistently across the Council. The reasons for change are communicated to staff through the staff magazine and through managers' cascades, but the survey shows that this has not yet impacted on staff's negative view. Relationships with trade unions are good and they are consulted on issues, particularly around organisational change, although there is limited evidence of their involvement in managing that change.
- 51** The Council only recently put policies in place to fully ensure compliance with equalities legislation and duties. In 2008 all managers were trained to implement diversity policies and practice, and they receive ongoing support from equality 'champions'. The Council is making efforts to ensure its workforce is more representative of the community it serves. It has been relatively slow to adopt the equality standard for local government having only improved its assessment to reach level two on a five point scale by March 2009. The Council has yet to complete its local pay review.

Value for money (VFM) conclusion

- 52** I assessed your arrangements to secure economy, efficiency and effectiveness in your use of resources against criteria specified by the Audit Commission. The Audit Commission specify which of the use of resources KLOE are the relevant criteria for the VFM conclusion at each type of audited body for each year.
- 53** I identified weaknesses in your arrangements in respect of three of the eight criteria assessed for 2008/09 and issued a qualified 'except for' value for money conclusion.
- 54** The KLOE which were assessed as not meeting minimum standards were as follows.
- KLOE 1.3 on financial reporting, due to the issues referred to in paragraph 43.
 - KLOE 2.4 on risk management and internal control, where improvements in both risk management and aspects of internal control are required before the Council meets minimum requirements as set out in paragraph 47.
 - KLOE 3.3 on workforce planning, where a key weakness is that the Council has not yet developed a medium-term workforce plan integrated with corporate and business planning.

Recommendation
R2 Address the issues necessary to improve the Council's use of resources assessment and the value for money conclusion.

Financial standing and treasury management

- 55** The economic downturn and banking crisis is having a very significant impact on public finances and the bodies that manage them. The impact on treasury management strategies has been immediate, but there are wider and more fundamental impacts on the ability of public sector bodies to fund service delivery and capital programmes, including pressures on income streams. There are further challenges for policy priorities where patterns of demand for services are changing.
- 56** The financial position of the Council is becoming increasingly challenging due to:
- reduced income from investments, planning and other fees and, at the same time, additional cost pressures due to increased demand for services and the financial impact of the concessionary bus fares scheme;
 - a reduced general fund balance; and
 - reduced capital receipts which did not reach anticipated levels in 2008/09 and are expected to continue to fall significantly.
- 57** For 2009/10 onwards the Council has assessed that it is 'facing one of the largest financial challenges to its General Fund budget across the country'. In particular:
- it is forecasting a fall of £11.5 million in its cash balances to £16.5 million over the next five years; and
 - it needs to save £7.9 million between 2009 and 2014, with the majority of these savings over the next two years, in order to prevent a general fund deficit.
- 58** The Council is responding to this challenge and the latest medium term financial strategy actively considers the impact of the economic downturn. The implications of the funding shortfalls appear to be understood and the challenges faced are being acknowledged by the Council as a whole. The 2009/10 budget incorporated £4 million of savings and efficiencies and subsequently the Council agreed to use a further £4.25 million of reserves. This allowed the Council more time to consider its strategy in achieving savings with minimal impact on services in the short term. However reserves are reduced to such a level that the Council will not be able to call on them again without breaching its reserves policies. A provisional timetable is in place to achieve the required savings and a full plan is to be presented to full Council in December 2009 following consultations with financial advisors and the public.
- 59** Though the economic downturn is presenting specific issues and risks to the Council, I am satisfied that it is taking appropriate steps to respond to this. However, this is an area I will continue to consider closely when assessing how the Council makes effective use of resources during my 2009/10 audit, particularly given the weaknesses in financial reporting set out earlier in this letter.

- 60** We concluded that adequate treasury management arrangements are in place. The Council effectively manages the investment of its surplus funds along with its borrowing requirements. A treasury management and investment strategy is in place that clearly outlines the bodies where investments can be made and this is kept under review. However, whilst officers are aware of additional guidance in a recent Treasury Management Bulletin from CIPFA, they have not yet consulted with Councillors to see if they should strengthen arrangements by incorporating some or all of the recommendations contained in the CIPFA guidance into the Council's own strategy.

Recommendation
R3 Take the necessary corporate action to secure the required savings and/or cut spending.

Closing remarks

- 61** I have discussed and agreed this letter with the Chief Executive. I will present this letter at the Audit Committee on 21 January 2010 and will provide copies to all members by 31 December 2009.
- 62** Further detailed findings, conclusions and recommendations in the areas covered by our audit are included in the reports issued to the Council during the year. These are listed in Table 3.

Table 3

Report	Date issued
Audit and inspection plan	May 2008
Inspection of landlord services report	April 2009
Supplementary audit plan	July 2009
Annual governance report, incorporating use of resources findings	September 2009 (draft) November 2009 (final)
Opinion on financial statements	November 2009
Value for money conclusion	November 2009
Annual audit letter	December 2009
Managing Performance and Organisational Assessment	December 2009

- 63** The Council has taken a positive and constructive approach to our audit. I wish to thank the Council staff for their support and co-operation.

Andy Perrin
District Auditor
December 2009

Appendix 1 – Action Plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
2008/09 Annual Audit Letter recommendations						
8	R1 Address the recommendations made in the action plan of the November 2009 Annual Governance Report.	3	Head of Finance	Agreed	An Annual Governance Report Action plan has been completed and sets out procedures/controls, which have been put in place or actions to be taken during the rest of the financial year.	December 2009
13	R2 Address the issues necessary to improve the Council's use of resources assessment and the value for money conclusion.	3	Head of Finance	Agreed	<p>Monthly budget monitoring reports are now submitted to the Executive</p> <p>Work is in progress to produce the financial accounts and supporting schedules directly from Oracle, such that they will be embedded within the year end process.</p> <p>There will be reconciliation, including commentary, embedded between in-year management accounts and the year end financial accounts. Due to improvements in procedures and understanding, the variances between these figures should be reduced over time</p> <p>Corporate and service risks will be developed via Departmental Management Teams/Corporate Management Team/Audit Committee in January 2010 in order to align risks with the Council's recently reviewed priority themes.</p>	<p>August 2009</p> <p>November 2009</p> <p>May 2010</p> <p>January 2010</p>

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
					<p>The Fraud and Verification Team is being developed with the intention of becoming a corporate fraud resource, and has already been involved in non-benefits work.</p> <p>Issues relating to specific internal control weaknesses have been addressed in an action plan. These will be followed up by internal audit to ensure that the weaknesses have been addressed by the end of the financial year.</p> <p>An action plan will be implemented to address internal audit's non-compliance with auditing standards, and progress will be reported to Audit Committee.</p> <p>The council will be providing Equality and Diversity training to all staff, starting in January 2010, and this is a key action in the overall plan to reach the achieving standard by March 2012.</p> <p>The Councils proposals to implement the Single Status Agreement and a new pay system have been submitted to Unison HQ and we await their response.</p>	<p>January 2010</p> <p>December 2009</p> <p>December 2009</p> <p>Starting January 2010</p> <p>Ongoing</p>
15	R3 Take the necessary corporate action to secure the required savings and/or cut spending.	3	Head of Finance	Agreed	In September 2009 the Executive agreed a number of changes to be implemented immediately, and a programme of proposals for consultation with the public and staff. A timetable is in place to achieve required savings and a comprehensive programme of savings is to be presented to Executive in December 2009.	December 2009

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.

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