

AGENDA NO:

REPORT TO CABINET

5 JULY 2007

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET

Lead Cabinet Member - Corporate & Social Inclusion: Councillor Terry Laing

AUDIT COMMISSION ANNUAL AUDIT & INSPECTION LETTER 2007

PURPOSE OF REPORT

To present to Members the Audit Commission Annual Audit & Inspection Letter for 2007, (formerly the Management Letter).

RECOMMENDATIONS

Recommended that:-

1. Members note the contents of the letter.

DETAIL

1. The Audit Commission is responsible for arranging for the audit of the accounts of the Council (either by private firms or through their own auditors). They are also responsible for undertaking an annual Comprehensive Performance Assessment and other service inspections.
2. A formal stage in this process is the production of the "Annual Audit & Inspection Letter", formerly, the Management Letter. The Annual Audit & Inspection Letter for 2006/07 has now been received and is attached at **Appendix A**.
3. The Annual Audit Letter provides a comprehensive and independent assessment of the "health" of the Council. In line with previous practice, a copy of the Annual Audit Letter will be sent to all Members of the Council.

FINANCIAL AND LEGAL IMPLICATIONS

4. None directly. The Letter demonstrates that the Council continues to maintain sound financial systems and that the Council's budgetary control and resource management ensures that the financial position for the General Fund remains healthy.

CONSULTATION INCLUDING WARD/COUNCILLORS

6. The report presents the Audit Commission's Annual Audit & Inspection Letter for Members' consideration. A copy has already been sent to all Members of the Council.

POLICY CONTENT

7. The Annual Audit Letter demonstrates that the Council is meeting the Government's Modernising Local Government agenda, and is performing strongly against the comprehensive performance assessment framework.

RISK ASSESSMENT

8. The letter does not present any risks. It comments on the Council's overall corporate governance arrangements which are adequate.

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