

# Annual Audit Letter

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London Borough of Southwark

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Audit 2008/09

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December 2009

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## 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/ members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/ 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.**

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## Audit opinion

- 1 I gave an unqualified audit opinion on the Council's financial statements and on the pension fund financial statements on 30 November 2009.
  - 2 I gave an unqualified opinion on the Pension Fund annual report.
  - 3 I cannot formally conclude and close the 2008/09 audit until I have completed my consideration of matters brought to my attention by local authority electors. I am satisfied that these matters do not have a material effect on the 2008/09 financial statements.
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## Financial statements

- 4 The draft financial statements were submitted for audit on 30 June 2009 in accordance with the agreed timetable. These financial statements were complete but contained material errors which have been amended in the final version.
  - 5 Last year I reported that the Council's statement of accounts was not fully supported by appropriate supporting information from the outset of the audit, therefore I was unable to issue my opinion by the target date of 30 September 2008. I am pleased to note that the Council has made improvements to its financial accounting arrangements and has been working effectively with my audit team this year to address the underlying issues which led to a late audit opinion.
  - 6 There remain however, significant weaknesses within the Council's capital accounting arrangements that need to be addressed. The Council recognised this, following last year's audit and decided early this year to restructure the capital team. The capital accounting arrangements caused delays to my audit again this year and I was unable to issue my audit opinion until 30 November 2009. During the course of my audit I reported to the Finance Director and the Audit and Governance Committee my concerns about the adequacy of the leadership, capacity and skills and systems and processes within the capital finance function. I view it as a significant and positive step that the Council has acknowledged my concerns and has begun to make the changes required to make the necessary improvements. As part of the restructure following the shared services review these changes include:
    - capital reporting will come under the direct control of the chief accountant;
    - approval of a new structure to support the capital accounting function; and
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- enhancement of the finance structure including creation of a deputy Finance Director post with broader management responsibility for financial and management accounting across all Council departments.
- 7 I made a number of detailed recommendations in my Annual Governance Report which I presented to the Audit and Governance Committee in October 2009 with a further addendum presented to the Committee in November 2009. The Audit and Governance Committee have confirmed their intention to closely monitor progress against the recommendations I have made.
- 8 The Pension Fund accounts and notes submitted for audit were complete. A good audit trail was provided to support the financial statements. There were some minor disclosure errors identified during the course of the audit which were subsequently amended by management.
- 9 I undertook an assessment of the Council's preparedness for implementation of International Financial Reporting Standards (IFRS), which take effect from 1 April 2010. I gave the Council a 'red' risk rating as although the Council has carried out preparatory work and has kept itself informed as to changes to be made, a detailed project plan for the introduction of IFRS has yet to be prepared.

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### Value for money

- 10 I am satisfied that the Council, having regard to the criteria specified by the Audit Commission, have made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2009. I issued an unqualified value for money conclusion on 30 November 2009.

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### Local risk work

- 11 In addition to my work on use of resources and to support the value for money conclusion, I also undertook work on Your Business at Risk, and follow up work on the Elephant and Castle Regeneration, Progress on meeting the Decent Homes Standard, and performance management arrangements, to assess progress that the Council has made in implementing previous years recommendations.
- 12 Overall, our survey indicated that staff perception of IT security is adequate. However, staff awareness of IT risks and good practice needs to be raised to improve IT security.
- 13 The Council is making good progress in addressing some of the specific residual risks identified in our previous review of the Elephant and Castle Regeneration project. Leadership and capacity has improved, there is better awareness of the issues and risks involved and how to support better decision making.
- 14 Improvements to the structures for the delivery of the Decent Homes Standard have been strengthened. However, the risks of not achieving the Decent Homes Standard remain high. The Council has identified a funding shortfall between the levels of investment needed to achieve the Council's and residents' aspirations and available resources and it has started to identify proposals to bridge the significant funding gap on the basis of an updated stock condition survey.

## Key messages

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### Audit fees

- 15 In my original audit plan, the fee for the audit, excluding the Pension Fund, was based on my best estimate at the time and agreed at £535,000. Additional work has been required to review the Council's progress against its closedown arrangements, in respect of audit trails to support some entries in the accounts, due to the significant number of accounting issues arising during the course of the audit and in respect of the complex arrangements relating to the Canada Water regeneration project. The additional fee for this work is £90,000 excluding VAT.
- 16 The audit fee for the Pension Fund was £37,000 as set out in my original audit plan. Overall the total fee for the audit, including the Pension Fund, amounted to £662,000.
- 17 In addition to the main audit fee, I am in the process of auditing eleven government grants and returns, the estimated fee for these is charged on a per diem basis and is expected to be in the region of £150,000 (2007/08 £216,000).

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### Actions

- 18 Recommendations are shown within the body of this report and have been agreed with the audited body.

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### Independence

- 19 I can confirm that the audit has been carried out in accordance with the Audit Commission's policies on integrity, objectivity and independence.

# 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. I audit the financial statements and give an opinion on whether they present fairly the position of the Council and its expenditure and income for the year.**

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## Accounting practice and financial reporting

- 20 I consider the qualitative aspects of your financial reporting. Whilst the target date of 30 September 2009 was not achieved the Council has made improvements in its financial reporting arrangements compared to the previous year. However there remain a number of significant errors which resulted in amendment to the Council's financial statements. I reported fifteen amendments to the Council's financial statements in the annual governance report presented to the Audit and Governance Committees on 27 October and 26 November 2009. The majority of amendments related to adjustments to fixed asset balances.
- 21 The Council has improved its overall closedown arrangements since last year and effective working relationships have been established between auditors and accountants. However, the main area for improvement remains the Council's capital accounting function.
- 22 There have been capacity constraints and lack of coordination across the capital team during the course of the audit. This impacted on the Council's ability to deliver good quality working papers to support the fixed asset figures in the accounts. The Council had recognised this following last year's audit and decided early this year to restructure the capital team with effect from December 2009.
- 23 In my Annual Governance Report, I reported control weaknesses in relation to the Council's reconciliation between the fixed asset register and the general ledger and over the appropriate capitalisation of expenditure.
- 24 The capital team were unable to run system reports from the fixed asset register system to support entries in the financial statements. In addition the team made a number of incorrect entries in the fixed asset register, which highlighted a need for additional training on the functionality and usage of the fixed asset register system. Further work will be required with the software provider to ensure the configuration is fit for purpose and address the weaknesses for future years.

## Financial statements and annual governance statement

- 25 I reported to the Audit and Governance Committee that the Council need to strengthen the leadership, skills and capacity and the systems and processes within the capital accounting function. I am pleased to note that the Council has taken note of my recommendations in this area and is making positive steps to make the changes required to make the necessary improvements. As part of the restructure following the shared services review these changes include:
- capital reporting will come under the direct control of the chief accountant;
  - approval of a new structure to support the capital accounting function; and
  - enhancement of the finance structure including creation of a deputy Finance Director post with broader management responsibility for financial and management accounting across all Council departments.
- 26 I understand that the Council intend to acquire interim resources to support the 2009/10 closedown process. A recruitment process is underway to appoint permanent appropriately skilled and qualified staff.
- 27 My audit of the Pension Fund identified one material error which the Council corrected. The Council had not disclosed contributions receivable - augmentation in the financial statements, which was a new disclosure requirement by the Pensions Statement of Recommended Practice (SORP). The Council has pension augmentations under its flexible benefits scheme. However, these amounts had not been transferred from the Council's accounts to the Pension Fund for the past four years. The total value of these payments (including accumulated interest) was £466,000. This was reported in detail in my Pension Fund Annual Governance Report to the Audit and Governance Committee on 27 October 2009.

### Recommendation

- R1** Monitor in the implementation of recommendations in the Annual Governance Report to improve the leadership, skills and capacity and the systems and processes within the capital accounting function.

## International Financial Reporting Standards (IFRS)

- 28 The Council is required to prepare their financial statements under IFRS from 2010/11. The main impact of this is likely to be on the accounting treatment of fixed assets, leases, Private Finance Initiatives (PFI) and employee benefits. Some aspects of IFRSs relating to PFI, need to be implemented from 2009/10.

- 29** The introduction of IFRS is challenging for all local authorities. Without early and appropriate planning the Council runs the risk of not being able to implement the changes required for IFRS on a timely basis. The aspects relating to the Council's PFI schemes are complex as the schemes need to have their accounting treatment revised from 2009/10. Officers commissioned an independent report into the specific effects of IFRS on the Council at an early stage (February 2008) before CIPFA's deliberations on the way forward and since then officers have kept themselves briefed. There has not been an opportunity to develop a project plan but this is planned for March 2010. The project plan which will need to be shared with members of the Audit and Governance Committee. The Council will need to make sure that appropriate resources are available in order that the financial statements are prepared accurately, meeting statutory deadlines and in line with IFRS. This will need to be addressed through the emerging structure in the chief accountant's team.

### Recommendations

- R2** Finalise plans to implement IFRS and ensure appropriate resources are made available to meet required deadlines.
- R3** Report the issues, risks and plans relating to the implementation of IFRS to the Audit and Governance Committee.



# Value for money and use of resources

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

- 30** 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 1 to 4, with 4 being the highest. Level 1 represents a failure to meet the minimum requirements at level 2.
- 31** 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. The Council's use of resources theme scores, and underlying KLOE scores are shown in Table 2 below.

**Table 1 Use of resources theme scores**

Use of resources theme and KLOE	Scored judgement
<b>Managing finances</b>	<b>2</b>
• Financial planning	2
• Understanding costs and achieving efficiencies	3
• Financial reporting	2
<b>Governing the business</b>	<b>2</b>
• Commissioning and procurement	3
• Data quality and use of information	2
• Good governance	2
• Risk management and internal control	3
<b>Managing resources</b>	<b>2</b>
• Use of natural resources	2
• Strategic asset management	2

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### Managing finances

- 32** The Council clearly integrates its financial planning with strategic and service planning on a long term basis. The Medium Term Resource Strategy is updated annually and links to the business and financial planning cycle for the following year. The Council has a good record of delivering on its annual budget plans. The final 2008/09 outturn was 5 per cent under to the original budget (actual outturn £292,966k; original budget £309,030k). Reserves are maintained at the level determined by Members. The Council has a track record of delivering to budget. Further improvements could be made to capital reporting, for example the level of reprofiling or slippage on capital projects could be made more transparent.
- 33** The Council has a good understanding of costs across key services. The Council's consolidated VFM tool kit assesses inputs, efficiencies and effectiveness across all service areas. This information is used effectively to inform service improvements and efficiencies. Commissioning decisions are informed by unit cost information to secure improvements in service quality. The Council has achieved its efficiency targets and will achieve further savings through the rationalisation of its office accommodation. The 2008/09 outturn figures show that the Council achieved its forecasted savings of £9.5m. During 2009/10 the Council expects to achieve a £17.3m saving by end of March 2010. Since 2002, council tax has fallen from being the seventh highest to the seventh lowest in London.
- 34** Financial monitoring and forecasting in the Council is adequate and the Council has a good understanding of the information needs of stakeholders. The financial statements were approved by the deadline. Working papers to support the accounts are of an acceptable standard except for capital transactions which caused delays to the completion of the audit. Council reports are made available in a variety of formats if requested. The Council publishes information about its environmental footprint in its annual report and annual business report.

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### Governing the business

- 35** The Council has a strategic approach to commissioning that is clearly aligned to the priorities and objectives. Through the Gateway processes it is ensuring that all activity includes community impact assessments. The Council is making good use of IT and new technology to improve the level of services provided to residents with good examples of outcomes in housing and customer services – Tell us Once. Good progress has been made to understand the local supply market and there are sound ways of working that enable it to evaluate options and challenge why and how a service is being provided.
- 36** The Council has a formal framework in place to oversee data quality within the Council. Arrangements for data security and compliance were assessed as weak by Internal Audit during the year and the Council has therefore made additional investment in IT. The Council has achieved the code of connection in Local Government. Arrangements for monitoring the performance of the partnership against its priorities are in place and operating effectively.

## Value for money and use of resources

- 37 The Council has good governance arrangements in place which include a governance panel and a officer/Member protocol setting out expectations regarding working relationships. There is evidence to suggest these arrangements are working well. The Council has undertaken a review of the governance arrangements of partnerships. Outcomes from the review have yet to be demonstrated as the findings from the review are yet to be fully implemented. A Standards Committee is in place to promote high standards of ethical behaviour. The work programme of the Committee could be reviewed and expanded and the Council may wish to consider the production of an annual report for full Council in line with best practice. Members' allowances and expenses are published promptly after the year end.
- 38 The Council has a risk management strategy in place. Risk registers are in place across the Council, including a corporate risk register. The risk registers are live documents, with more frequent refreshing, and are reported to Members.
- 39 There is a counter fraud strategy in place which is loosely linked to the strategic objectives of the Council. Internal Audit (IA) ensures that there is a programme of anti-fraud work that can be delivered, and has appropriately trained staff to deal with fraud cases. CRB checks are carried out by HR, and fraud awareness training is also provided. The Council has sound arrangements for dealing with the National Fraud Initiative (NFI), including liaison with other organisations. Results of the changing organisation culture audit show that, generally, staff are clear about the Council's anti-fraud strategy, and are confident in reporting fraud. The anti-fraud team have investigated benefit and tenancy fraud and achieved £2m in savings.
- 40 The Council has a clear counter fraud and corruption strategy and the annual anti-fraud internal audit programme included raising awareness of anti-fraud and corruption arrangements. The Council has appropriate standing orders, financial regulations and internal controls in place. The operation of financial systems could be strengthened as a number of fundamental systems received limited assurance opinions from internal audit in the year. This includes strengthening control account reconciliations.

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## Managing resources

- 41 The Council has developed a range of initiatives to make Southwark a more sustainable place; however as yet outcomes are limited. The Council has a clear vision for what it wants to achieve, but its overarching strategy is currently being updated.
- 42 A high proportion of people in Southwark live in social housing and Southwark Council has the largest housing stock in London. In spite of significant investment in improving the condition of these homes, 45 per cent still do not meet the decent homes standard and in the past local targets to improve conditions have not been met. The Council has worked to secure additional Government funding to progress with DHS targets, and the redevelopment of some estates will also help to tackle some areas of poor housing. The Council has started to identify some proposals to bridge the significant funding gap on the basis of an updated stock condition survey.

- 43 As part of the Council's modernisation programme the Council has located the majority of Council staff to new leased premises in Tooley Street. The benefits of the move should begin to be realised in 2009/10. The move has resulted in a number of properties becoming surplus to requirements, as outlined in the Council's business plan reported to the executive in 2007. The sale of these assets has been built into the Council's asset management plan. However the current economic climate may impact on the value of the assets available for sale.

### Recommendations

- R4 Improve reporting on the capital programme to provide greater clarity on slippage i.e. the amount, the impact on and actions to address slippage in year and in the medium and longer term.
- R5 Continue to review the assumptions made in the Council's asset management and medium term financial plans in light of the recession.

### VFM conclusion

- 44 I assessed your arrangements to secure economy, efficiency and effectiveness in your use of resources against criteria specified by the Audit Commission. From 2008/09, the Audit Commission specify each year, which of the use of resources KLOE are the relevant criteria for the VFM conclusion at each type of audited body.
- 45 I issued an unqualified conclusion stating that the Council had adequate arrangements to secure economy, efficiency and effectiveness in its use of resources.

### Local risk work

- 46 In addition to my work on use of resources and to support the value for money conclusion, I also undertook work on Your Business at Risk, a survey based questionnaire, and follow up work to assess progress that the Council has made in implementing previous years recommendations in the following areas:
- Elephant and Castle Regeneration;
  - Progress on meeting the Decent Homes Standard; and
  - Corporate Assessment - performance management.

## Value for money and use of resources

### Your business at risk

47 The overall perception of most staff is that IT security at the Council is adequate or better and that all staff have a role to play in it. However, this is below the national average score. In many areas we found that Council staff have lower awareness of risks and good practice than nationally. Regular reminders to staff about all of the issues covered in our survey will be of benefit to the Council. However, our survey indicates that, in priority order, the key areas where the Council may wish to raise staff awareness are:

- using appropriately secure mechanisms to share personal data outside the Council; and
- using a secure method of accessing Council data when working out of the office.

### Elephant and Castle Regeneration

48 The Council has made good progress addressing most of the residual risks identified in our previous review. Capacity to manage the Elephant and Castle Regeneration Project has been improved through strengthened leadership, better governance, integrated risk management processes and improving engagement structures. As a result there is better awareness among officers and Councillors of issues in relation to this project, which in turn is increasingly supporting decision making in this area.

49 Since my follow up work was undertaken the Council has made progress with this regeneration project. Now that the Heads of Terms have been agreed the next stage is agreeing the regeneration agreement with the development partner.

### Progress on meeting the Decent Homes Standard

50 The Council is making good progress in addressing some of the specific residual risks identified in our last audit. However, risks of not achieving the Decent Homes Standard remain high. Structures for delivery are clearer and are being strengthened to improve the links between the Council's ambitions for regeneration and exceeding the Decent Homes Standard. Key lessons from experience have been learned and plans are being progressed to improve value for money through procurement and better contract management.

51 The Council has identified a funding shortfall to achieve the Council's and residents' aspirations for decent homes and has started to identify proposals and initiatives to bridge this gap.

52 The Council is collating the necessary information to effectively progress its plans over the medium to long term. This includes undertaking a stock condition survey. The Council updated its Housing Strategy in October 2009. The next stage is to take assess the financial implications and address any funding gaps arising from the latest stock condition survey and build these into an updated Housing Strategy.

**Recommendation**

**R6** Review the Housing Strategy to take account of the financial implications of the funding shortfall and the new stock condition survey.

**Performance managements**

- 53** Our overall conclusion is that the Council's performance management arrangements are fit for purpose and improving, although some recent changes are not yet fully embedded. The Council's revised performance management framework is well conceived. It is designed to allow the Council to monitor more frequently; focus on key political priorities rather than a wide range of corporate plan indicators; and secure consistency in departmental business planning. The focus groups identified two key areas for further improvement. These were:
- ensuring that the LSP Board systematically addresses major, cross cutting issues, to give the partnership a clear steer and avoid the risk of fragmentation and duplication between thematic partnerships; and
  - continue strengthening the role of Scrutiny in partnership, to help secure good outcomes for local people.

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**Government grants**

- 54** The Council have submitted 13 claims and returns that require auditing in 2008/09. I have currently completed the audit of eight of the claims. Of these eight claims, three required a qualification letter and three required amendments from the original claims submitted.
- 55** My work highlighted that there is a high level of error on the Housing Benefit & Council Tax Benefit claim. I reported errors in 19 out of 84 cells in the claim. The high level of errors indicates that the Council, together with its contractor, needs to improve its working practices and strengthen the control environment in order to reduce the number of issues identified in the audit of the claim. The high level of errors on this claim has been identified in previous years and we understand that the Council are sufficiently concerned about the ability and commitment of its partner to improve that the contract is not being renewed.

**Recommendation**

**R7** Strengthen internal controls and processes relating to the compilation of grant claims and returns to reduce the number of amendments and qualification issues arising.

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### Current financial issues

- 56** In general, the economic downturn and banking crisis is having a 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.
- 57** The General Fund recognises service pressures of up to £5.2m as projected at quarter two. The most acute of these by amount being within Children's, Adults Health and Community Services, and Environment and Housing. The Council is conducting detailed scrutiny of these pressures with a view to minimise the impact of financial variation during the year. We understand that service directors are taking action to control demand and to ensure other appropriate management action. The Council has a good track record of achieving a balanced budget over the past five years.
- 58** The Housing Revenue Account (HRA) is facing pressures of £2.3m which, if they are not able to be contained within the year, will be funded from HRA reserves.
- 59** The Council is undertaking an ambitious change programme set out in its Modernisation Strategy. Fundamental to this strategy is a move to a main headquarters building in Tooley Street. This has demanded new ways of working including hot desking, building remote working capability and the introduction of shared services for back office support operations. In 2009/10, the Council is targeting savings of £5m from the shared services review, with an additional £1.5m from the finance function, £0.6m from human resources and £0.15m from secretarial support. Further savings are planned from administrative support services.
- 60** With the current economic outlook likely to result in tough financial settlements in the coming years and the demand for some services likely to increase, Council finances need to be kept under close review, both in the current year and over its medium term financial strategy.

#### Recommendation

- R8** Monitor the financial position closely and take appropriate action to meet expenditure constraints.

# Closing remarks

- 61 I have discussed and agreed this letter with the Chief Executive, the Finance Director. I will present this letter at the Audit and Governance Committee on 31 March 2010 and will provide copies to all Members.
- 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.

**Table 2**      **Reports issued**

Report	Date issued
Audit and inspection plan	May 2008
Opinion plan	March 2009
Pension opinion plan	March 2009
Elephant and Castle Regeneration, risks overview – follow up	July 2009
Progress on meeting the Decent Homes Standard – follow up	July 2009
CAA performance management - follow up	August 2009
Use of Resources	December 2009 (draft)
Audit opinion and value for money conclusion	November 2009
Opinion memorandum	December 2009 (draft)

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

Andrea White  
District Auditor  
December 2009



# Appendix 1 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
7	R1 Monitor in the implementation of recommendations in the Annual Governance Report to improve the leadership, skills and capacity and the systems and processes within the capital accounting function.	3	Finance Director	Yes	This will be reported to the March 2010 Audit and Governance Committee and to future meetings as appropriate.	March 2010
8	R2 Finalise plans to implement IFRS and ensure appropriate resources are made available to meet required deadlines.	2	Chief Accountant	Yes	The plans will be presented to the March 2010 Audit and Governance Committee. This will include a number of milestones and activities, leading to the production of accounts in the new format for approval by the Committee in June 2011.	Plan - March 2010 Accounts – June 2011
8	R3 Report the issues, risks and plans relating to the implementation of IFRS to the Audit and Governance Committee.	2	Chief Accountant	Yes	This will be presented to the March Committee.	March 2010
12	R4 Improve reporting on the capital programme to provide greater clarity on slippage i.e. the amount, the impact on and actions to address slippage in year and in the medium and longer term.	3	Finance Director	Yes	This is already being actioned, and will be addressed in the report to the executive on the refreshed capital programme scheduled for January 2010.	January 2010
12	R5 Continue to review the assumptions made in the Council's asset management and medium term financial plans in light of the recession.	3	Finance Director	Yes	Work will continue with the Council's valuers to ensure that assumptions remain valid.	Ongoing

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
14	R6 Review the Housing Strategy to take account of the financial implications of the funding shortfall and the new stock condition survey.	3	Strategic Director of Regeneration and Neighbourhoods	Yes	A new Housing Strategy was agreed by the Executive in October 2009. A full analysis of the funding gap will be undertaken following completion of the stock condition survey, in consultation with the Strategic Director of Environment and Housing and the Finance Director.	April 2010
14	R7 Strengthen internal controls and processes relating to the compilation of grant claims and returns to reduce the number of amendments and qualification issues arising.	3	Finance Director	Yes	The new finance staffing structure which is currently being implemented aims to ensure additional capacity in this area.	April 2010
15	R8 Monitor the financial position closely and take appropriate action to meet expenditure constraints.	3	Finance Director	Yes	The Council will continue to take appropriate action to help ensure that it maintains its record of achieving a balanced budget	Ongoing

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# 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.

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