

**ANNUAL AUDIT LETTER 2004/05 AND PARTNERSHIP REVIEW**  
**OUTCOMES**  
**WDA/01/06**

**Recommendation**

That:

1. Members note the contents of the Annual Audit Letter 2004/05; and
2. the Partnership Working and Performance Management Action Plan be approved.

**ANNUAL AUDIT LETTER 2004/05 AND PARTNERSHIP  
REVIEW OUTCOMES**

**WDA/01/06**

**Report of the Director of Waste Disposal**

**1. Purpose of the Report**

To present to Members the 2004/2005 Annual Audit Letter and to report the outcome of a review of partnership working and performance management undertaken in 2005.

**2. Background**

2.1 The District Auditor publishes an Annual Audit Letter each year which reports the outcome of their work during the year and makes specific recommendations for the coming year.

2.2 The Director has recently received the Annual Audit Letter for 2004/05 which is attached at Appendix 1.

2.3 The Audit Commission agree an audit plan each year and undertake regular reviews of various aspects of the Authority's activities and organisation. Such a review was undertaken on partnership working and performance management, the results of which are contained within this report.

**3. 2004/2005 Annual Audit Letter**

3.1 The latest Annual Audit Letter reports the Authority's position in relation to the following key areas:

- Accounts
- Performance Management
- Corporate Governance

3.2 The work carried out by the auditor reflects the audit plan agreed by the Authority and is developed using a risk-based approach.

**Merseyside Waste Disposal Authority**  
**3<sup>rd</sup> February 2006**

- 3.3 The key recommendations made by the auditor are as follows:
- The Authority needs to continue to work with partners so that there is clarity over roles and that this is communicated effectively.
  - The performance framework being put in place needs to be supported by timely and robust performance information.
- 3.4 The Annual Audit Letter refers to an inspection at the Authority due to take place in the spring of 2006 to follow up on the progress made since the last Waste Disposal Inspection undertaken in 2003. The outcome of this inspection will be reported to Members at the appropriate time.

#### 4. **Partnership Working and Performance Management Review**

- 4.1 The Audit Commission undertook a review of partnership working and performance management in 2005. Partnership working has become central to the way in which the Authority decides policy and delivers services.
- 4.2 It is therefore important that it obtains maximum benefit from these arrangements. Performance management is key to ensuring that the authority delivers quality services and is able to drive continuous improvement.
- 4.3 The review included a survey of partners to assess their perception of what is working well and the areas for improvement, the results of which are included in the auditor's report attached at Appendix 2.
- 4.4 The main conclusions drawn from the review are as follows:
- Merseyside Waste Partnership (the partnership) is developing good arrangements to improve partnership working. A memorandum of understanding for the delivery of the Joint Municipal Waste Management Strategy (JMWMS) has been developed, although it is too early to assess the impact of this, and pooled targets are being used to improve joint working.
  - However there is a lack of consistency of views amongst stakeholder groups about which aspects of partnership working are working well, and which are not. There is a need for better communication about roles and responsibilities in order to address this.
  - Arrangements for managing performance and a more coordinated approach to the achievement of targets are being developed. Several of the Authority's internal processes are currently under

review and there is a high level of self-awareness and willingness to improve performance.

- Processes are in place to monitor performance, and improvement plans are developed to respond to areas of under-performance. However, there needs to be a more consistent approach to challenging performance, more timely production of performance information and project deliverables should focus more on the outcomes for local communities and users.

4.5 A full copy of the Audit Report is attached at Appendix 2 which includes recommendations to improve the Authority's partnership and performance management arrangements and a proposed Action Plan.

## 5. **Conclusion**

Members are asked to note the findings of the Audit Commission, as presented at this meeting and to approve the proposed Action Plan for Partnership Working and Performance Management.

The contact officer for this Report is Mandy Valentine, MWDA, 6<sup>th</sup> Floor, North House, 17 North John Street, Liverpool L2 5QY.

Tel: 0151 255 1444      Ext: 203  
Fax: 0151 227 1848

Background documents open to inspection in accordance with Section 100D of the Local Government Act 1972 – Nil.

