

ANNUAL AUDIT LETTER - 2007/08 AUDIT
WDA/73/08

Recommendation

That:

1. Members note the contents of the Annual Audit Letter; and
2. the recommendations made by the Audit Commission be accepted.

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Report of the Director

1. Purpose of the Report

- 1.1 To present to Members the Annual Audit Letter and to report the outcome of the 2007/08 audit undertaken by the Audit Commission.

2. Background

- 2.1 An audit plan is agreed by the Authority and the Audit Commission, acting as the Authority's external auditor, to review various aspects of the Authority's activities and organisation which meets the requirements of the Audit Commission's Code of Audit Practice (the Code).
- 2.2 Upon completion of their auditing for the year, the Audit Commission publishes an Annual Audit Letter which summarises the outcome of their work and makes specific recommendations for the coming year.
- 2.3 The Director has now received the Annual Audit for 2007/08 which is attached at Appendix 1.

3. 2007/08 Annual Audit Letter

- 3.1 The 2007/08 Annual Audit Letter reports the Authority's position in relation to the following key areas:
- the Authority's accounts; and
 - whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- 3.2 The auditor has issued an unqualified opinion on the Authority's Statement of Accounts for 2007/08 and is satisfied that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

3.3 The auditor did, however, identify a number of areas where improvements can be made. The most significant recommendations being:

- Continue to work with the partners to formalise partnership arrangements to achieve the Joint Municipal Waste Management Strategy.
- Continue to seek to minimise procurement risks, working with partners and the new Waste Development Plan Document process, to secure cost effective waste recycling and disposal arrangements, which meet the national and local targets without undue delay and cost.
- Ensure appropriate arrangements are put in place for the statutory functions of Clerk, Treasurer and Monitoring Officer.
- Strengthen arrangements for preparing group accounts in 2008/09.
- Assess and monitor the financial risks of capitalising procurement costs.

4. Risk Implications

4.1 The work carried out by the auditor assists the Authority in ensuring that, 'arrangements are in place for the conduct of its business and that it safeguards and properly accounts for public money.'

4.2 Failure to act upon the recommendations made by the auditor may affect the ability of the Authority in ensuring that such arrangements remain in place.

5. Financial Implications

5.1 There are no financial implications associated with this report.

6. Conclusion

6.1 Members are asked to note the findings of the Audit Commission, as presented at this meeting and accept the recommendations of the auditor.

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The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.