

**MANCHESTER CITY COUNCIL**  
**REPORT FOR INFORMATION/RESOLUTION**

**COMMITTEE:** Audit Committee

**DATE:** 25<sup>th</sup> September 2008

**SUBJECT:** External Audit Recommendations  
Quarterly Monitoring Report July to September 2008

**REPORT OF:** Head of Corporate Performance Group

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**Purpose of Report**

To provide a quarterly progress report on the implementation of outstanding recommendations from external audit work across the Authority by the Audit Commission and Grant Thornton during 2006/07 and 2007/08 audit years.

**Recommendation**

It is recommended that Committee note the report.

**Financial Consequences for the Capital and Revenue Budgets**

None identified.

**Contact Officers**

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**Background Documents**

Audit Reports listed under Para 1.1.

**Wards Affected**

N/A

**Implications for Key Council Policies**

<b>Anti-Poverty</b>	<b>Equal Opportunities</b>	<b>Environment</b>	<b>Employment</b>
None	None	None	None

**1. Background**

1.1 Fourteen external audit reports were issued during 2006/07 – 2007/08. Of those, 4 contained no recommended actions. Progress against implementing recommended actions within the other 10 reports was reported to Audit Committee in June 2008. At that time recommendations from 2 of the reports had been fully implemented (Annual Governance Report and Performance Management Report).

**2. Current Progress Against Outstanding Recommendations**

2.1 In the interests of exception reporting, progress against the 8 reports with outstanding recommendations is reported in the table below. Progress has been made against a number of these recommendations and where recommendations are outstanding or have not been fully implemented, steps are being taken towards their implementation.

<b>Audit Report</b>	<b>Issued</b>	<b>No. of Recommendations implemented as at June 2008</b>	<b>No. of Recommendations implemented as at September 2008</b>	<b>Risks</b>
Final Accounts Memorandum	January 2008	23 / 24	23 / 24  The recommendation to ensure standard CIVICA (housing rents) reports are available and produced for 2007/08 remains outstanding, however, ongoing work currently being undertaken will resolve this.	While improvement is needed on existing systems, this does not pose a significant risk to the Council at present.
Manchester Improvement Programme	April 2007	4 / 6	6 / 6  All recommendations have been implemented.	None.
Improving Outcomes through Joint Working	November 2007	0 / 12	5 / 12  6 recommendations remain outstanding and 1 has been partially implemented.	Risk to the Council of late implementation is minimal.
Local Area Agreement	January 2008	4 / 6	6 / 6  All recommendations	None.

<b>Audit Report</b>	<b>Issued</b>	<b>No. of Recommendations implemented as at June 2008</b>	<b>No. of Recommendations implemented as at September 2008</b>	<b>Risks</b>
			have been implemented. Processes have been put in place to take the work forward under direction from the Public Service Board's Resources & Performance Sub Group.	
Review of Internal Audit	January 2008	6 / 11	This report was superseded by a Grant Thornton report in June 2008 which made 13 recommendations. A separate report will be presented to this Audit Committee by the Head of Internal Audit regarding progress against both reports.	
Data Quality	December 2007	15 / 17	15 / 17  The 2 outstanding recommendations regarding developing Data Quality targets are being implemented through Business Plan monitoring processes for 2008/09 and are on track for completion by the end of September 2008.	No significant risks to report.
Governance	March 2008	0 / 2	0 / 2  Recommendations to be implemented by September 2008 are on course for completion to timescale.	No significant risks to report.
Risk Management Arrangements	June 2008	N/A	A separate report will be presented to this Audit Committee by the Risk Manager regarding progress against the 16 recommendations made in this report.	