

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

**COMMITTEE:** The Audit Committee  
**DATE:** 29<sup>th</sup> June 2008  
**SUBJECT:** External Audit Recommendations Monitoring  
**REPORT OF:** Forid Meah, Head of Corporate Performance Group

**Purpose**

The purpose of this report is to outline progress in delivering recommendations from external audit work by the Audit Commission and Grant Thornton during the 2006/7 and 2007/8 audit years. The report identifies any key risks that need to be brought to the attention of the Committee.

**Recommendation**

It is recommended that the Committee note this report.

**Financial consequences for the capital and revenue budgets:**

No specific consequences

**Contact Officers**

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**Background Documents**

Audit reports listed at paragraph 1.1.

**Implications for key council policies**

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

## 1. Reports and Recommendation

1.1 The following table lists the external audit reports that have been issued during the 2006/7 and 2007/8 audit years with an assessment of progress made in delivering the recommendation made in them. The table also highlights any risks relating to the delivery or impact of these recommendations on the Council that need to be brought to the attention of the Committee.

<b>Audit Report Name</b>	<b>Issued</b>	<b>Current status</b>	<b>Risks</b>
Annual Governance Report	September 2007	5 recommendations, all completed.	No significant risks to report.
Opinion on Financial Statements	September 2007	No Recommendations	No significant risks to report.
Value for Money Conclusion	September 2007	Statement of Council's score, no recommendations made.	High risk that despite significant improvements implemented the Council's score will not increase in 2008.
Final Accounts Memorandum	January 2008	24 recommendations were made from which all have been implemented or substantially implemented apart from one which remains outstanding relating to standardised reporting on housing rents	While improvement in needed on the existing systems, this does not pose a significant risk to the Council at present.
Annual Audit and Inspection Letter	March 2008	No recommendations	No significant risks to report.
Manchester Improvement Programme	April 2007	4 recommendations have been implemented and the remaining 2 are being implemented at present.	No significant risks to report.
Risk Management	July 2007	Please refer to further audit report being presented to the Audit Committee at this meeting.	

Improving Outcomes Through Joint Working	November 2007	12 recommendations overdue against dates included within the action plan but on schedule to be completed by September 08	No business critical actions and risk to Council of late implementation is minimal.
Use of Resources	January 2008	No specific recommendations but progress towards the 'improvement opportunities' mentioned within the report is being made.	High risk that despite significant improvements implemented the Council's score will not increase in 2008.
Local Area Agreement	January 2008	6 recommendations, 4 completed, 2 outstanding. Remaining recommendations will be implemented following agreement of revised LAA in Manchester. LAA due to be agree with government by end of June 2008.	No significant risks to report.
Review of Internal Audit	January 2008	Report has been superseded by new report from Grant Thornton however of the 11 recommendations, 6 have been fully completed and 5 partially. Please refer to further audit report being presented to the Audit Committee at this meeting.	
Data Quality	December 2007	17 recommendations, 15 completed, 2 recommendations regarding developing DQ targets and monitoring still to be developed following recent publication of DQ policy and strategy. Will be implemented through business plan monitoring process for 08/09.	No significant risks to report.
Performance Management	November 2007	all recommendations are being implemented as part of the new business planning cycle and monitoring process for 2008/9	No significant risks to report.
Governance	March 2008	2 recommendations. Those recommended for implementation by March 2008 have been completed and those for implementation later in the year (Sept 08) are on course for completion to timescale.	No significant risks to report.

## 2. Future Monitoring and Reporting of Implementation of Audit Recommendations

- 2.1 The monitoring of the delivery of external audit recommendations will be undertaken in future by the Corporate Performance Group as part of the quarterly performance monitoring of business plans. This will result in a quarterly monitoring report to the Audit Committee highlighting any issues and risks that need to be brought to the attention of Committee.