

AUDITS AND INSPECTIONS OF THE COUNCIL

The Audit Management Letter

Best Value

Each year our external auditors PricewaterhouseCoopers look specifically at our arrangements for delivering best value services. Last year the auditors stated that:

- Our Best Value Performance Plan was prepared and published in accordance with the statutory requirements;
- We had responded positively to their statutory recommendations from last year and good progress had been made in a number of areas.

They also made a number of further recommendations. These are shown in the table below together with the County Council's response:

Recommendation	County Council's Updated Response
Develop and implement a corporate procurement strategy.	A procurement strategy was approved by the Council in May 2002 and will now be implemented.
Consider issues arising from the audit of performance information and ensure they are addressed in time for the preparation of this plan.	We have considered the issues and will ensure that we meet the auditors' expectations this year.
Develop a corporate approach and guidance on target setting.	We have prepared staff guidance leaflets and are developing a training module.
Establish departmental systems to review the implementation of the best value performance plan.	We have introduced quarterly monitoring systems in respect of performance indicators, current best value reviews, progress against the action plans of completed best value reviews and efficiency improvements. Twice-yearly monitoring systems are also in place in respect of the Corporate Plan, Service Performance Plans and Unit Business Plans.
Establish clear responsibilities for performance management at Member level.	The Council's new constitution came into effect in December 2001 and we are actively clarifying member responsibilities, which we hope to publish before April 2002.

The auditors also made a number of other informal recommendations, which we are actively pursuing.

Finally the auditors commended the Council on its approach to best value, commenting that

" the Authority continues to demonstrate a commitment to developing overall arrangements for best value in line with best practice and to achieving continuous improvement."

Our Financial Standing

The Auditor's Management Letter also reports on the financial standing of the County Council and this year they have stated that: -

"Good progress has been made in strengthening budgetary control arrangements in social services and in bringing operational practice and budgets into line."

"We have been able to place reliance on work performed by Internal Audit on financial systems during the year. Overall the systems continue to operate satisfactorily for audit purposes..."

"We have concluded that the Authority's overall arrangements for proper standards of financial conduct and for preventing and detecting fraud and corruption are generally sound."

The auditors issued an unqualified audit opinion on the Council's Statement of Accounts for the year ended 31 March 2001

The auditors also review the overall management of the County Council and reported that: -

"The Government's Modernising Agenda poses a significant challenge for the Authority. Good progress in developing and evaluating revised political management arrangements and in leading the development of a community strategy."

"Our review of the Authority's arrangements for property management identified that a corporate approach is being adopted and many aspects of 'good practice' identified by the Audit Commission are in place. We have agreed an action plan with officers which addresses the issues identified from the review."

"Our review of the investment made in the Authority's IT infrastructure over the last 3 years indicated that a number of positive benefits have been realised. However, Members need to consider the extent to which this investment can be sustained on an ongoing basis. Furthermore, the e-government agenda will require the Authority to review its IT Strategy and review the financial resources for IT development."

"...the arrangements for the management of early retirement... is well managed by the Council."

Annual Review from the Social Services Inspectorate

The Council has agreed the following action plan with Social Services Inspectorate following the recent annual review.

Issue	Action	When
Work needs to focus on securing sound and appropriate services for care leavers.	Series of detailed actions are identified in our Quality Protects Management Action Plan (QPMA) – objective five.	Dates in QPMA
Costs for children looked-after remain high.	Unit costs to be reviewed, and potentials for improved efficiency identified.	By July 2002
Further work is needed on the Intermediate Care Strategy.	Develop new countywide strategy for intermediate care.	By July 2002
Following a best value review, there is a need to develop a robust and flexible home care service.	Detailed improvement plan following best value review is in place listing specific actions and dates.	Dates in improvement Plan
There is a need for development work on dementia care.	First phase - specification for scheme for dementia care to be developed.	By Oct 2002
The hospital discharge scheme needs to be rolled out across the county.	Specialist scheme building on winter plan pilot scheme to be developed.	By Oct 2002
There is a need to ensure that Primary Care Trusts are brought into the commissioning agenda.	Introduce a new partnership commissioning framework – working with existing and emerging PCTs – and fully implement.	By March 2003
Work is needed to modernise learning disabilities services.	Series of detailed actions are identified in Learning Disabilities Service Plan 2002/3. Best Value Review to be completed by October 2002.	Dates in service plan
The pace of change in mental health services varies across the county.	Series of detailed actions are identified in the Mental Health Service Plan 2002/3.	Dates in service plan
There is room for improvement in a number of performance indicators relating to unit costs.	Detailed re-examination of unit cost information to be undertaken, and potentials for improved efficiency identified.	By July 2002
Action should be taken to improve partnership working with Health and Education.	Childrens Strategic Partnership to be established as soon as Primary Care Trust staff are in post. (Review position – June 2002).	June 2002
A clear agenda and timetable is needed to implement shared commissioning models in adult services.	Timetable drawn up to implement new partnership commissioning framework.	By March 2003
The path towards joint budgets in adult services needs to be clearly mapped out.	To be developed alongside arrangements for partnership commissioning.	By March 2003
Work is needed to ensure that	Hospital discharge arrangements to be	By

Issue	Action	When
robust hospital discharge practices are in place.	reviewed within capacity planning developments.	October 2002
There is a need to increase home based support for adults.	Resources to increase home based support have been identified.	In place
There needs to be continued attention to key performance indicators.	Each head of service has developed an action plan to address their key performance indicators.	In place
The action plan to develop management information needs to be monitored to ensure that managers take responsibility for their own performance indicators and performance improvement.	From April 2002, service plans and PI action plans will be formally reviewed quarterly by the Directorate Management Team, with other key information monitored more frequently.	In place

Social Services Star Rating

Finally in May 2002, all Councils with responsibility for Social Services were awarded a star rating for these services. The rating scale ranged from no stars to three stars. Worcestershire was awarded one star and the overall judgement of the Government was that the Council served some of its residents well and had promising prospects for the future.

This judgement will be reviewed in October 2002 and the position then will have a direct bearing on the overall assessment of the Council.