

# **Auditor's Statutory Report on the Best Value Performance Plan**

## **Auditor's Report to Oldham Metropolitan Borough Council on its Best Value Performance Plan for the 2004/05 Financial Year**

### **Certificate**

We certify that we have audited Oldham Metropolitan District Council's Best Value Performance Plan ("the Plan") in accordance with section 7 of the Local Government Act 1999 and the Audit Commission's *Code of Audit Practice*. We also had regard to supplementary guidance issued by the Audit Commission.

This report is made solely to Oldham Metropolitan Borough Council, in accordance with Section 7 of the Act. Our audit work has been undertaken so that we might state to the Council, to the Audit Commission and (where necessary) to the Secretary of State those matters we are required to state to them in such an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than (i) the Council, for our audit work, for this report, or for the opinions we have formed, (ii) the Audit Commission, for our recommendation under section 7(4)(e) and (iii) the Secretary of State, for our recommendation (if positive) under section 7(4)(f) of the Act.

### **Respective Responsibilities of the Council and the Auditor**

Under the Local Government Act 1999 ("the Act"), the Council is required to prepare and publish a Best Value Performance Plan summarising the Council's assessments of its performance and position in relation to its statutory duty to make arrangements to secure continuous improvement to the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The Council is responsible for the preparation of the Plan and for the information and assessments set out within it. The Council is also responsible for establishing appropriate performance management and internal control systems from which the information and assessments in its plan are derived. The form and content of the Best Value Performance Plan are prescribed in section 6 of the Act and statutory guidance issued by the Government.

As the Council's auditors, we are required, under section 7 of the Act, to carry out an audit of the Best Value Performance Plan, to certify that we have done so, and:

- to report whether we believe that the Plan has been prepared and published in accordance with statutory requirements set out in section 6 of the Act and statutory guidance and, where appropriate, recommending how the Plan should be amended so as to accord with statutory requirements;
- to recommend:
  - where appropriate, procedures to be followed in relation to the Plan;
  - whether the Audit Commission should carry out a best value inspection of the Council under section 10 of the Local Government Act 1999;

- whether the Secretary of State should give a direction under section 15 of the Local Government Act 1999.

## **Opinion**

### *Basis of this opinion*

For the purpose of forming our opinion as to whether the Plan was prepared and published in accordance with the legislation and with regard to statutory guidance, we conducted our audit in accordance with the Audit Commission's *Code of Audit Practice*. In carrying out our audit work, we also had regard to supplementary guidance issued by the Audit Commission.

We planned and performed our work so as to obtain all the information and explanations, which we considered necessary in order to provide an opinion on whether the Plan has been prepared and published in accordance with statutory requirements.

In giving our opinion, we are not required to form a view on the completeness or accuracy of the information or the realism and achievability of the assessments published by the Council. Our work therefore comprised a review and assessment of the Plan and, where appropriate, examination on a test basis of relevant evidence, sufficient to satisfy ourselves that the plan includes those matters prescribed in legislation and statutory guidance and that the arrangements for publishing the Plan complied with the requirements of the legislation and statutory guidance.

Where we have qualified our audit opinion on the plan we are required to recommend how the plan should be amended so as to comply in all significant respects with the legislation and statutory guidance.

## **Unqualified opinion**

In our opinion, Oldham Metropolitan Borough Council has prepared and published its Best Value Performance Plan in all significant respects in accordance with section 6 of the Local Government Act 1999 and statutory guidance issued by the Government.

## **Recommendations on procedures followed in relation to the plan**

Where appropriate, we are required to recommend the procedures to be followed by the Council in relation to the Plan.

## **Basis of recommendations**

For the purpose of making our recommendations, we conducted our audit in accordance with the Audit Commission's *Code of Audit Practice*. In carrying out our audit work, we also had regard to supplementary guidance issued by the Audit Commission.

We planned and performed our work so as to obtain all the information and explanations that we considered necessary in order to enable us to determine whether or not to make recommendations in this report on the matters that came to our attention during the audit. However, our work cannot be relied upon to identify every weakness or opportunity for improvement. In particular, it has not necessarily covered the same areas as a Best Value inspection.

For this purpose, our audit included a review and assessment, and where appropriate, examination on a test basis of evidence relevant to the adequacy of the systems set in place by the Council for collecting and recording specified performance information; and the testing of specific performance indicators

## **Recommendations**

On the basis of our audit work, we consider that the matters set out below should be brought to your attention:

**Recommendation 1**

***The Council should ensure that the definitions for all Best Value Performance Indicators are complied with in the 2005/06 Best Value Performance Plan.***

**Recommendations on referral to the Audit Commission/Secretary of State**

We are required each year to recommend whether, on the basis of our audit work, the Audit Commission should carry out a Best Value inspection of the Council or whether the Secretary of State should give a direction.

On the basis of our work:

- We do not recommend that the Audit Commission should carry out a Best Value inspection of Oldham Metropolitan Borough Council under section 10 of the Local Government Act 1999;
- We do not recommend that the Secretary of State should give a direction under section 15 of the Local Government Act 1999.

**Signature** ..... **Date** .....

**Responses to the Best Value Performance Plan Audit recommendation 2004/2005**

The following table identifies the action taken or is planned to address the best value performance indicators that were qualified.

<b>BVPI</b>	<b>Description</b>	<b>Department</b>	<b>Qualification</b>	<b>Response to qualification</b>
179	Planning searches within 10 days	<b>Chief Executive</b>	The indicator has not been calculated in accordance with the statutory definition. In particular, the start and end dates received from and sent out to Solicitors.	<b>Responsibility for this indicator has been transferred to Legal Services and systems have been revised.</b> <b>Data is now calculated in accordance with the definition.</b>

Performance Team are running a series of workshops with our service managers that will address the importance of collating and calculating data correctly for all our BVPIs in accordance with the definitions in the Audit Commission Direction for Best Value Performance Indicators.

On a broader scale the Council's Internal Audit section undertake audits of best value indicators as part of the Council's annual internal audit work programme.