

Audit and inspection progress report, January 2005

Salford City Council

INSIDE THIS REPORT

PAGES 2 - 3

Summary Report

- Introduction
- Progress to January 2005

PAGES 4 - 5

Appendix 1

- Cultural strategy and leisure services – key findings

Reference	Audit and Inspection Progress Report
Date:	January 2005

Introduction

Our previous progress report in August 2004 to the Quality & Performance Scrutiny, Audit sub-committee confirmed the progress that was being made in completing the 2003/04 audit and inspection plan and also noted the progress to date on the work started and scheduled which is included in the 2004/05 plan. This report updates the position as at January 2005 for the remaining items.

Progress to January 2005

The table below summarises the progress which has been made since our last report in August 2004. The 2003/04 plan was completed, as planned, in December 2004 and good progress continues to be made in completing the 2004/05 plan. Key pieces of work completed in this period include the following:

- The pilot for testing the new methodology for the Comprehensive Performance Assessment (CPA) for 2005 and beyond has been completed. As the inspection was a pilot it was not publicly reported or used to re-assess the council's CPA scores and judgements. However, the results were internally reported and discussed with the council in September 2004.
- The inspection on cultural strategy and leisure services has been completed. The result of this inspection was encouraging because it was assessed as a good (two star) approach that has promising prospects for improvement. Further details on the key findings are set out in the appendix to this report.
- Unqualified audit opinions have been issued on the council's financial statements and best value performance plan in November 2004.

We have also issued our draft Annual Audit and Inspection Letter which is currently being agreed with the council and is scheduled to be discussed with the Cabinet on 25 January 2005. The letter, which will be distributed to all members in due course, summarises the key messages arising from our audit and inspection work during 2004.

SUMMARY OF PROGRESS	
2003/04 plan	Position at January 2005
Improvement work	
Policy into practice study Review of senior management capacity	These two pieces of work have been combined into a single project – change management and corporate development. A report summarising the key issues was issued in September 2004 and proposals for phase 2 of our work have been agreed and included in our 2004/05 plan below.
Assurance	
Final Accounts	Completed – matters arising reported to the Accounts Committee in November. An unqualified audit opinion was issued on 26 November 2004.

2004/05 plan	Position at January 2005
Improvement work	
Inspection of cultural strategy and leisure services	Final published report completed October 2004. A summary of the key findings is provided in Appendix 1 to this report.
Housing – progress monitoring and support	Specification and timing of this work is being developed and will be agreed as soon as possible.
Change management and corporate development – phase 2	Further supportive work agreed which is currently in progress and will focus on: <ul style="list-style-type: none"> – Facilitating the development of a set of key balanced scorecards for change to improve focus on 'critical success' areas in line with priorities. – Contributing to the delivery of a capacity building programme for further developing the skills to make step change improvements.
Assessment	
CPA 2005 pilot	Final report completed October 2004. Key messages included in the Annual Audit and Inspection Letter.
Qualitative assessment of the Council's progress against its improvement agenda	Report completed and included in the Annual Audit and inspection Letter
Assurance	
Best value performance plan (BVPP) compliance	BVPP audit completed – unqualified audit opinion issued 29 November 2004.
Best value performance indicators (BVPis)	BVPI audit completed – final BVPIs confirmed to the Audit Commission in October 2004.
Probity in partnerships	Fieldwork in progress.
Review of Internal Audit	Fieldwork planned to commence February 2005. Draft report scheduled for May 2005.
Review of financial aspects of corporate governance (including core processes).	Fieldwork due to commence February 2005. Draft report scheduled for the end of June 2005.
Final Accounts	Review planned to commence July 2005. Opinion scheduled for the end of October 2005.

Status of our reports to the Council

Our reports are prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission. Reports are prepared by appointed auditors and addressed to non-Executive Directors/Members or officers. They are prepared for the sole use of the audited body, and no responsibility is taken by auditors to any Director/Member or officer in their individual capacity, or to any third party.

Cultural strategy and leisure services - summary of findings

Area of work	Key findings
<p>Inspection of the council's cultural strategy and leisure services</p> <p><i>'A good (two star) service that has promising prospects for improvement'</i></p>	<p>We assess the council's present approach as good. It has a number of strengths:</p> <ul style="list-style-type: none"> • Corporate ambitions are clearly stated and understood by everyone, and they address cultural as well as economic and environmental issues in improving the city; • The cultural strategy articulates an ambitious vision for a cultural identity for Salford incorporating self-esteem, creativity and pride in the city. It is clearly aligned with and supports the council's ambitions for the city; • The leisure service is clear about its aims, and clear that it gives highest priority to the corporate pledges of social inclusion and health. Its strategy balances local needs with national and regional priorities. Its structure, with the emphasis on sports development and seats on the board for members of the public, gives the leisure trust a strong structural bias towards these aims; • The trust's operational processes, such as its pricing policy, also support its aims; • There is effective and sustained engagement with local communities through the sports and arts development staff attached to Community Committees; • SCL works effectively with partners (such as the local primary care trust) and with the private leisure sector; • There is a large and diverse programme of leisure activities built round the priority aims. Staff put particular stress on engaging underrepresented groups and overcoming barriers to access, using methods such as subsidy and targeted programmes; • Indoor leisure facilities are in good condition (outdoor ones less so); residents' satisfaction with them is close to the national average and 80 per cent of users rate leisure centres as good or excellent; • The council can demonstrate the effectiveness of its policy through improved outcomes in health and juvenile crime. In other priority areas, it can show good satisfaction and participation rates. <p>However some aspects are not yet developed:</p> <ul style="list-style-type: none"> • The cultural strategy espouses corporate cultural values but does not translate them into targets and programmes for individual cultural services, so the leisure service links its aims to the corporate pledges, but not via the cultural strategy; • the council uses a single funding stream across several departments for its summer programme of activities, but it does not take an integrated view across mainstream provision; • the council does not adequately define and monitor the impact and outcomes of activities directed at cultural goals and as a consequence the leisure service mainly uses participation and satisfaction ratings as its performance measures; • infrastructure such as management information systems and budget divisions do not adequately support the business; and • access to the leisure service, whether for disabled people or for example through interactive web pages, is under-developed.

The council has **promising** prospects for improvement:

- Councillors and managers understand and are committed to the role that culture can play in achieving the council's pledges;
- The council has conducted a challenging best value review of culture, which recommends a stronger strategic role for culture. The council is favourable to change along these lines, and its record in setting up SCL shows that it can manage change well;
- It is therefore committed to improving the impact of cultural services, and the planned improvements are what local people want because they are based on effective engagement with a wide range of groups;
- The council already includes an ambitious sports target in its local public service agreement and is considering the inclusion of further cultural targets;
- SCL is appropriately organised and structured to deliver the aims it has set itself, and is using income to expand its range of activities. It has a robust mechanism for revising actions in the light of changing circumstances, and its board contains representatives of a range of partners and stakeholders.
- The leisure service uses partnerships and external funding effectively to increase its capacity and thus improve its reach into target communities as well as extend the range and quality of services;
- The service is also upgrading its infrastructure to enable it to monitor its progress better. For example, it is investing in an improved management information system that as well as providing comprehensive data on who uses the service, will link leisure centres and enable them to offer a more joined-up service to customers;
- The council is starting a number of projects for multi-functional service centres, where residents will find leisure and library facilities alongside health centres, one-stop shops and other related public services; and
- the physical consolidation is mirrored in an increased number of programmes that involve cross-departmental cooperation and greater collaborative working, though there is scope for more efficient cross-departmental working;

although:

- it is not yet certain how the council's reorganisation will affect cultural services, or what the broader role of culture will be;
- work with ethnic minority communities, especially asylum seekers, is still at an early stage of development;
- not all facilities will comply with the Disability Discrimination Act by the October 2004 deadline; and
- cooperation across departments is sometimes ad-hoc.

