

Audit Committee

Meeting to be held on 24 January 2011

Electoral Division affected: All

Sure Start, Early Years and Childcare Services

Contact for further information:

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Executive Summary

At its meeting on 27 September 2010 the Audit Committee requested an update on the progress made by the council in addressing the issues identified in an internal audit report on Sure Start, Early Years and Childcare Services commissioning arrangements and specifically in relation to Sure Start Hyndburn.

The issues have been addressed as far as possible at this time.

Recommendation

The Audit Committee is asked to consider this report.

Background

The Audit Committee received an internal audit report on the Sure Start, Early Years and Childcare Services (SSEYCS) commissioning arrangements at its meeting on 29 March 2010. This report provided limited assurance over the financial accounting, monitoring and reporting systems in place relating to the Sure Start children's centres which had signed a commissioning agreement, due to the inconsistent application of controls. We were able to provide no assurance over the controls in place over children's centres that had not signed a commissioning agreement.

Sure Start, Early Years and Childcare Services (SSEYCS) commissioning arrangements

As noted in the Audit Service progress report, our recommendations have now been implemented. In particular, commissioning agreements for the current year have been signed by each of the Sure Start providers. Action to monitor expenditure to ensure it is eligible (including sample checks by the Combined Finance Team) is scheduled to begin in January 2011. A further recommendation, relating to monitoring expenditure against agreed funding, can be implemented only when the new commissioning agreements are issued with effect from 1 April 2011.

Sure Start Hyndburn (SSH)

The Audit Committee received a report on Sure Start Hyndburn at its meeting on 29 March 2010. Copies of correspondence between all parties following a meeting in April

2010 were also provided to the committee. This addressed three key themes, and the actions agreed are set out below, with an update on the current position.

Commissioning agreement

SSEYCS requested that SSH sign the revised commissioning agreement and this was done in September 2010.

Financial management

SSEYCS and SSH agreed regular timescales to prepare and submit quarterly financial returns: SSH agreed to submit financial returns with details of all 'other' expenditure by the end of the month following each quarter. Quarterly financial reports have been received from SSH on a timely basis containing the required information.

Use of grant funding

Both parties were to continue to seek advice from central government regarding the use of the grant to support the nurseries, cafe and Space Centre. SSH were informed by SSEYCS that the grant should not be used to support these activities from April 2011 onwards. Discussions have been held between SSEYCS and SSH regarding the use of the grant to support the nurseries, cafe and Space Centre. The use of the grant will be clarified before any funding for April 2011 onwards is allocated.

Consultations

Not applicable.

Advice

Not applicable.

Alternative options to be considered

Not applicable.

Implications: e.g. financial, legal, personnel, human rights, crime and disorder or other.

None

Risk management

This report supports the Audit Committee in undertaking its role, which includes advising the Council on the adequacy of the Authority's strategic risk management processes.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact
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Not applicable.

Reason for inclusion in Part II, if appropriate: N/A