



Statement of Accounts 2005 -2006

STATEMENT ON INTERNAL CONTROL

1. Introduction

The Accounts and Audit Regulations 2003 introduced a new regulation in relation to bodies' responsibility for financial management in that Authorities are required to publish a Statement on Internal Control with their Annual Statement of Accounts.

The Statement on Internal Control is required to include appropriate disclosures to detail the extent to which the Authority is carrying out its activities in accordance with proper practices, viz.:-

- Acknowledgement of the Authority's responsibility for ensuring that a sound system of internal control is maintained and reviewed (including the review process followed).
- Confirmation that the system on internal control was in place for the duration of the financial year and remained so up until the date of approval of the annual accounts to provide reasonable assurance of effectiveness.
- Reference to an ongoing risk management process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives.
- A description of the key elements of the internal control environment (see Appendix 1).
- Confirmation that the results of the review of effectiveness of internal control have been discussed by the Authority and where appropriate, details of actions taken/proposed to deal with significant control issues.

2. Performance, Vision Purpose and Values

In summer 2004 Wigan Council updated its vision and communicated it to all stakeholders. The Council's Vision for Wigan Borough is *"Building the future together – a place where people matter and you can afford to live the life you want."* The vision demonstrates how the Council helps people to reach their full potential, builds strong communities and makes sure the Borough is a place people can be proud of.

The Vision is supported by the key themes of: -

Strong Community Leadership – through a network of partnerships and townships.

Effective Governance – good systems for managing the Council.

Excellent Services – making sure we're always trying to improve.

3. Scope of Responsibility

Wigan Council, through its elected Members and officers, is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. In discharging this accountability, members and senior officers are responsible for putting in place proper arrangements for the governance of Wigan Council's affairs and the stewardship of the resources at its disposal. To this end Wigan Council has approved and adopted a Constitution and a Code of Corporate Governance, which is consistent with the principles and reflects the requirements of the CIPFA/SOLACE Framework Corporate Governance in Local Government: A Keystone for Community Governance. Copies of the policy documents are available on our website (www.wiganmbc.gov.uk) under the "Council, Standards and Codes Of Practice" sections.

4. Purpose of the System of Internal Control

The Council sets the overall strategy and policy (via its Constitution) and has put in place a well-defined organisational structure, with clearly understood lines of responsibility and delegation of authority to help ensure that strategies and policies are effectively implemented and adhered to.



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Chief Officers are ultimately responsible to the Council for the system of internal control and reviewing its effectiveness. Any system of internal control can only provide reasonable assurance and not absolute assurance that all significant risks will be mitigated. The key issue is that risks, their potential for occurring and possible impact are identified. A conscious decision can then be made on how to prioritise and deal with those risks. It also helps to ensure that positive risks, i.e. opportunities for improving services and outcomes as outlined in the Vision, can be achieved.

The system, therefore, is designed to effectively manage, rather than eliminate, the risks that relate to the fulfilment of the Authority's mission of securing quality services, delivered fairly, courteously and responsibly by well informed providers who take pride in what they do.

5. The Internal Control Environment

The Authority's system of internal control (see Appendix 1) is based on ongoing management and review processes introduced to minimise the impact of negative risks and ensure the achievement of the Authority's mission, aims and objectives. This system of internal control has been in operation in respect of the financial year ended 31st March 2006 and up to the date of approval of the annual report and accounts.

The Council has agreed a Constitution which sets out how the Authority operates, how decisions are made and the processes which are followed to ensure that these are efficient, transparent and accountable to local people. Many of these processes are required by statute, while the Authority has determined others locally. The Constitution is divided into 16 articles that set out the basic rules governing the Authority's business.

The Authority's Constitution clearly details :-

- The responsibilities of the Executive, Overview and Scrutiny, Regulatory, Standards, and Advisory Committees/Panels and Chief Officers (individually and collectively).
- Rules of procedure in respect of debate, access to information, budget and policy framework, Executive, Overview and Scrutiny, Financial, Contracting and Officer employment matters.
- Codes and protocols governing Members conduct, officers' conduct, Member/officer relations, Call-in arrangements.

In summary the Authority's Internal Control Environment includes:-

- A high level vision embedded in the service planning, delivery, risk management and performance management frameworks.
- A Monitoring Officer responsible for maintaining the Authority Constitution, supporting the Standards Committee and ensuring the legality of Authority actions.
- A Standards Committee to promote and maintain high standards of conduct by the Elected Members and co-opted Members of the Authority.
- An Overview and Scrutiny Committee (including four select committees) to scrutinise and review decisions made or actions taken in connection with the discharge of any Council functions.
- From June 2006 an Audit, Governance and Improvement Review Committee to take over the existing Cabinet responsibilities and oversee the work of the Internal and External Audit functions and provide independent assurance of the effectiveness of :-
 - a. The governance arrangements of the Council and its services.
 - b. The Council's risk management framework and the associated control environment.
 - c. The Council's financial management framework processes and the way this relates to the performance of individual services and the Council as a whole
- A Responsible Financial Officer, supported by statute, to ensure the effective administration of the financial affairs of the Council.
- Comprehensive budget setting and monitoring framework with clearly defined guidelines and responsibilities with frequent reporting of performance to Cabinet.

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- An Internal Audit function that consistently meets all professional standards, (as assessed by the Audit Commission) supports the Authority in the achievement of its improvement agenda and has responsibility for the continual review of major financial controls and the wider internal control environment.
- A local Code of Corporate Governance that is reassessed annually by Internal Audit.
- A risk management policy framework and Strategic Risk Register approved and monitored by Cabinet. And the Audit, Governance and Improvement Review Committee. The framework demonstrates that risk management arrangements are robust and embedded within the service planning and decision making processes of the Authority.
- Published Anti-Fraud and Corruption Strategy, Whistleblowing Policy and Fraud Prosecution Policy to ensure correct reporting and investigation of suspected fraudulent activities.
- The ongoing development of a performance management framework, with clearly defined performance management targets, that measures financial and other performance data linked to the Authority's key objectives (golden thread).
- An Improvement Programme and monitoring framework to reflect the Authority's vision and strategic priorities to ensure that proper arrangements operate to deliver agreed improvements within established timescales.
- Nationally accredited employee development needs process dovetailed with well publicised human resources policies, associated procedures, induction processes and Codes of Conduct designed to ensure that staff are appropriately skilled to deliver the Authority's aims and objectives and conduct themselves in a proper manner.

The Authority's system of internal control is based on a detailed framework contained within the Constitution and supported by associated policy documentation, as outlined below :-

Assignment of Responsibilities/Rules of Procedures/Codes and Protocols

Executive functions	Officer Employment Procedure Rules
Non-Executive Functions	Member/Employee Protocol
Local Choice Functions	Chief Officers Management Team
Delegations to Officers	Call-In Protocol
Budget and Policy Framework Rules	Internal Audit Remit and Protocols
Executive Procedure Rules	Managed Audit Protocol
Overview and Scrutiny Procedure Rules	Members and Officers Codes of Conduct
Financial Procedures Rules	Local Code of Corporate Governance
Contracts Procedures Rules	

Policy Documentation

Anti-Fraud and Corruption Policy Statement and Strategy	Vision Purpose and Values Statement
Whistleblowing Policy and Guidance for Managers	Communications Strategy
Fraud Prosecution Policy	Local Code of Corporate Governance
Risk Management Policy and Framework	Statement on Internal Control
Service Planning Protocol (Departmental Plans Standards)	Financial and Accounting Manual
IT Security Policy	Revenue Budget Manual
Misuse of the Internet Policy	VAT Manual
E-Mail Protocol	Corporate Complaints Procedure
Corporate Health & Safety Policy	

Members of the Council are regularly and fully briefed on all significant financial, operational and strategic decisions. This includes such matters as :-

External Inspectorates	Impact and progress of major capital schemes
Fundamental budget reviews	Capital forecasts and out-turn reports
Principles of budget preparation	Insurance fund performance
Longer term budget forecasts	Major system acquisitions
Revenue monitoring and Revised forecasts	Best Value Improvement and Performance
Growth proposals	Collection statistics
Savings reports	Use of delegated powers
RSG settlement implications	Service Planning
Tax base calculations	Revision of fees and charges
Treasury management reports	Internal Audit activities

In addition, authors of reports to Members have been given advice on the assessment and management of risk.



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6. Review of Effectiveness

The effectiveness of the Authority's system of internal control is demonstrated by a range of independent procedures and protocols, including :-

- Strategic/Corporate Management Teams procedures and associated management action
- Strategic Planning (Risk Management) Group
- Financial Management reporting
- Performance Management reporting (including the formal review of Risk Registers)
- Cabinet, Audit, Governance and Improvement Review Committee, Committee and Panel reporting
- Overview and Scrutiny function
- Statutory Officers (Head of Paid Service, Monitoring Officer, S151 Officer)
- Internal Audit

Collectively these form the basis of the Council's governance arrangements and are further validated by independent assessments from various external agencies, viz :-

- External Inspectorate
- External Audit
- CPA refreshment

The Directors of Finance & IT and Legal and Property Services have been formally given the responsibility for overseeing the implementation and monitoring the operation of the Local Code of Corporate Governance, reviewing the operation of the Local Code in practice, and reporting annually to Cabinet on compliance with the Local Code and any changes that may be necessary to maintain it and ensure its effectiveness in practice.

This is supported by the continuous review work performed by Internal Audit.

The Internal Audit remit is under continual review to reflect and support the legislative requirements of the Section 151 Officer, the required professional standards, the revisions to the responsibilities of external audit and the key priorities of the Authority. The detailed remit of Internal Audit is revised as necessary through Cabinet and the Audit, Governance and Improvement Review Committee (from June 2006) who approve all Internal Audit Plans and receive reports on Internal Audit Activities (reports 20th October 2005, 27th April 2006, 8th June 2006).

As previously reported to Members the remit of Internal Audit is no longer restricted to financial systems and associated controls. A significant proportion of the Annual Audit Plan is focused on providing assurance that operational and strategic risks are effectively managed to ensure the Authority's vision is achieved and quality services provided to the Borough's residents.

Internal Audit has continued to review appropriate management and reporting arrangements to ensure that the approach to corporate governance and internal control is both adequate and effective in practice. Specifically, the Authority's risk management strategy (policy statement approved by Council on 4th February 2004) has been refined and further developed and has now been fully implemented by the introduction of a Strategic Planning Group and compilation of a Strategic Risk Register, as approved by Chief Officers Management Team and Cabinet on 1st February and 17th March 2005 respectively.

The Strategic Risk Register was further refined by the Strategic Planning Group during 2005/06 to clarify the links between the Register and the Council's Vision, placing further emphasis on the opportunities (positive risks) to improve the Council services and outcomes for the residents of Wigan. Although risk management is the responsibility of each Chief Officer, the Director of Finance and IT as the Council's Section 151 officer undertakes this responsibility at a corporate level.

In addition the Assistant Director of Finance & IT (Audit and Payroll Services) is responsible to review independently and report to Members annually, to provide assurance on the adequacy and effectiveness of the Code in practice and the extent of management compliance with it. This report was reported to the Audit, Governance and Improvement Review Committee on 8th June 2006 as part of the Internal Audit Summary Activities Report.

Significant Internal Audit reviews on governance arrangements, internal control validation, risk management/service planning and system development/implementation have been completed during the financial year and reported



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accordingly. In all these areas the Authority has shown significant improvement in accordance with agreed action plans (CPA, Local Code of Corporate Governance, Best Value Inspection reports, Audit Commission reports). Without exception, good working relations exist with all Chief Officers so audit recommendations to improve control procedures are implemented promptly.

The Audit Commission complete detailed reviews of all aspects of Internal Audit work (as required under their Code of Practice) to ensure that the section attains the required competence in all Internal Auditing Professional Standards.

The most recently completed Audit Commission review of Internal Audit (December 2005) recognises that the section has responded appropriately to legislative and Code of Practice changes and revised its remit and governance arrangements accordingly. The review confirms that Internal Audit review the whole system of internal controls and do not confine their coverage to financial controls and therefore accords with the requirements of the Accounts and Audit Regulations 2003.

The Audit Commission were satisfied that Internal Audit met many of the required internal auditing professional standards and concluded that they could rely on the work of Internal Audit wherever possible.

As reported to the Audit, Governance and Improvement Review Committee on 8th June 2006, the Internal Audit assurance opinion on the Authority's overall control environment is based on the reviews completed (and Management actions taken) as part of the Internal Audit Plan in respect of 2005/2006. Significant reviews covered key systems implementation, core financial systems, the continued embedding of risk management into the Council's service delivery and performance management frameworks, Best Value improvement and Best Value Performance Indicators verification, and a continuing assessment of corporate governance measures.

Particular relevance is placed on an external assessment of this work as undertaken by the Audit Commission in support of their statutory reviews (see comments below). The Internal Audit Section also continued to facilitate the completion of the "use of resources" component of the CPA reassessment which was again validated by the Audit Commission.

On the basis of the above, assurance can be gained that the Authority is committed not only to properly managing its affairs but to striving to improve on its "excellent" CPA categorisation. This is particularly evident in the key areas of risk management, performance management, service planning and corporate governance. **In conclusion, it is the opinion of the Director of Finance and IT that the Authority operates an effective overall internal control environment.**

This opinion is supported by the independent review work performed by external agencies as outlined below:

External Audit

The current Annual Audit and Inspection letter presented to Performance Panel by the Audit Commission on 26th January 2006 commented positively on the Authority's internal control and performance frameworks as follows : -

- *"The Council's financial arrangements are sound and it is in a healthy financial position."*
- *"We gave an unqualified opinion on the Council's accounts on the 28th October 2005."*
- *"We are required by professional standards to report to those charged with governance certain matters before we give an opinion on the financial statements. We reported to the Audit Committee on 20th October 2005 that there were no significant issues to bring to their attention."*
- *"We have not identified any significant weaknesses in the overall control framework other than those identified in the Statement on Internal Control."*
- *"We found that Internal Audit has many strengths and delivers a good standard of service, most of the practices contained in the CIPFA code are in place at Wigan."*
- *"We have not identified any significant weaknesses in your arrangements to prevent and detect fraud and corruption."*
- *"On the basis of the work we have carried out, we have not identified any significant weaknesses in the framework established by the Council for ensuring the legality of its significant financial transactions."*
- *"We issued an unqualified report on the Council's Best Value Performance Plan on 15th December 2005."*
- *In respect of the Norfolk Property Services Partnership "the Council has developed a sound framework to ensure effective governance and delivery of services in respect of the procurement of work."*
- *"Wigan Council is a four-star Council and is improving well. It has maintained or improved the previous high quality of services it provides for most people."*
- *"The Council's Use of Resources score of "3" reflects that it is performing well with regard to use of resources, including value for money."*



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Comprehensive Performance Assessment (and Direction of Travel)

The Authority was subject to reassessment by the Audit Commission in November 2005 and maintained its overall "excellent" categorisation and was classed as a "council that is improving well and demonstrating a 4 star overall performance". The Audit Commission's methodology had been revised for this assessment to provide a more "stringent test" with more emphasis on outcomes for local people and value for money.

The Council's internal control and performance management frameworks were assessed under the revised Use of Resources assessment (previously Auditors Judgements) which is a new assessment which focuses on financial management and control but explores the key linkages with the Council's strategic management framework. The assessment determines how financial management is integrated with Council strategy and corporate management, supports Council policies and demonstrates the attainment of value for money.

The five elements of the assessment are financial reporting, financial management, financial standing, internal control and value for money. The scoring methodology meant that it was more difficult to achieve a high level score than previously with the requirement to attain all individual scores in each element to progress to the next score level. It was accepted that it was harder to achieve an overall score of "3" than an overall score of "4" under the previous methodology.

The Council achieved an overall score of "3" for the Use of Resources assessment which meant that the Council was performing well in all areas assessed. It was considered that this assessment represented improvement on the 2005 assessment.

Key Positive Comments from the Audit Commission include :-

- "Wigan has maintained or improved the previous high quality of services it provides for most people."
- "Wigan is mostly achieving improvement as planned in its priority areas and in other areas that the public say are important to them and their communities."
- "The Council has good intelligence on which to base its plans or improvements."
- "The Council has a comprehensive approach to developing departmental plans, this ensures that plans reflect corporate priorities and address equality and diversity risk management issues."
- "The Council's capacity to deliver its plans is increased through a strong focus on performance management – the "golden thread" project is identifying performance measures for the goals and targets of the community plan."
- "In respect of value for money there is a commitment to delivering services that represent value for money from the top of the organisation, and this is reflected in the Council's published values."
- "There is evidence that Wigan is fully engaged with new procurement methods, including PFI, Egan principles and through work with public and private sector partners."

Areas where the Council recognises Audit Commission concerns and is seeking to make improvements include:-

- Public accessibility
- Disability Discrimination Act compliance
- Achievement of floor targets in neighbourhood renewal areas

Other Inspectors and Regulators

Local authorities generally achieve assurance from other external inspectorates, however, because the Authority continues to be classified as "excellent" within the comprehensive performance assessment (CPA) framework it is exempt from most inspections. Inspection activity for 2005/2006 was restricted to :-

Benefit Fraud Inspectorate

The September 2005 Benefit Fraud Inspectorate report confirmed that the Council had improved its overall performance level to "Good" (previously "Fair to Good") or CPA "3". The BFI assess current performance primarily on the basis of performance standards which are divided into four themes. The Council's performance was assessed as :-



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Claims Administration	Good
Security	Excellent
User Focus	Fair
Resource Management	Excellent

The assessment demonstrated further year on year improvement in Benefits administration.

Commission for Social Care Inspection

Adult Services

The 2005 annual assessment by the CSCI confirmed that the Council attained two star status, was serving most adults well and had an excellent capacity for improvement. This converts to a CPA score of "3".

The performance review report considered that :-

- *"The Council continues to serve most adults well. With partners it is implementing a coherent strategy for responding to national priorities and can show good progress year on year and in some areas, sustained high performance."*
- *"There is evidence of clear links between strategic objectives and front-line performance and an established culture of continuous improvement."*
- *"The Council has a strong track record of delivering year on year efficiencies for social care services in terms of investing in quality, choice and coverage of adult services, while maintaining comparatively low unit costs."*

Education and Children's Social Care

The 2005 annual assessment by the CSCI and OFSTED confirmed that the Council attained two star status, was serving most users well and had a good/promising capacity for improvement. This converts to a CPA score of "3".

The performance review report commended the *"Council's vision and track record of effective prioritisation and performance management."* The report also considered that :-

- *"The Council also invests in quality management and monitoring arrangements so that it has a good awareness of its own performance and challenges."*
- *"It focuses distinctly on vulnerable groups and considers the wider issues facing them. In many areas there is significant activity taking place with partners to deliver improved performance."*

7. Significant Internal Control Issues

No significant internal control issues have been identified, however, with the introduction of the Authority's Local Code of Corporate Governance (Council 6th August 2003) it was recognised that certain issues would be introduced incrementally and this action was agreed with the Audit Commission. The recent review by Internal Audit assessed each issue and its implementation status, and concluded that *"Wigan Council's position against their Local Code of Corporate Governance is again considered to be excellent and has further developed in key areas. However, there are still areas where further detailed work is required or is being carried out to ensure full compliance with the code. This review determined that appropriate work is being carried out to address the outstanding areas within an agreed timescale and continued year on year improvement with the detailed requirements of the local code."*

A summary of progress and further agreed action is included at Appendix 2. It also highlights some sensitive issues within the public arena that the Council is addressing and which provide practical illustrations of the Council's commitment to effective governance.



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On the basis of the opinion of the Director of Finance and IT as detailed above, we are satisfied that Wigan Council's internal control/corporate governance arrangements are adequate and are operating effectively.

We are satisfied that the enhancements identified will further improve our governance and internal control arrangements. We will assess their implementation and the effectiveness of dealing with the issues outlined as part of the formal risk management process.

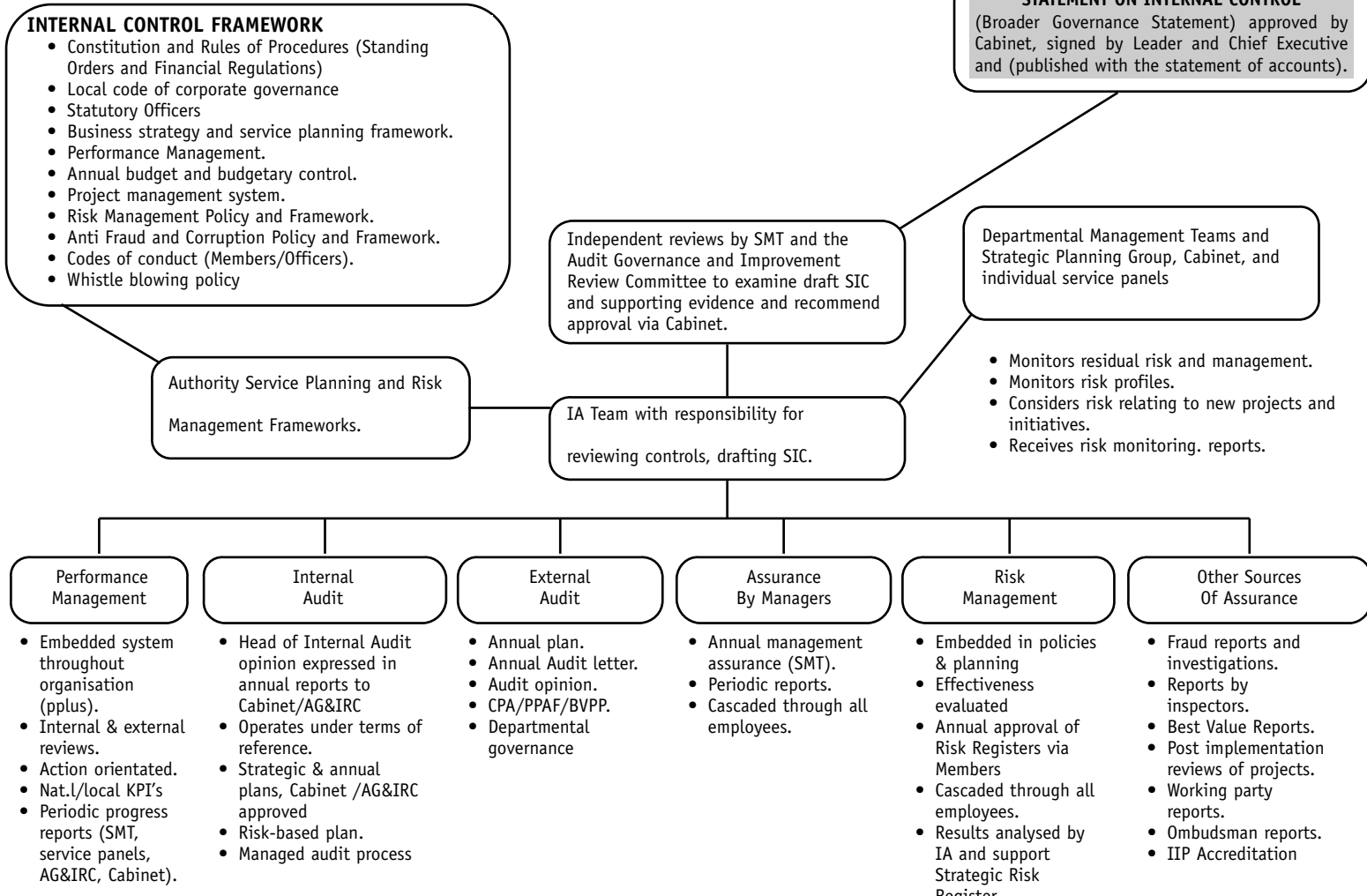
Signed:

Lord Smith, Leader of the Council & Joyce Redfearn, Chief Executive on behalf of the Members and Senior Officers of Wigan Council.

Date: 15th June 2006

STATEMENT ON INTERNAL CONTROL FRAMEWORK

APPENDIX 1





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Appendix. 2

Corporate Governance Annual Statement of Assurance

Community Focus

One area of further improvement is the establishment of an Audit, Governance and Improvement Review Committee which will build on the role previously performed by Cabinet and will provide a dedicated focus on issues relating to Audit and Governance. The Committee has been set up in line with the CIPFA guidance on audit committees and the terms of reference were agreed by Council on 1st March 2006.

Service Delivery Arrangements

Performance monitoring is an area where significant work continues to be undertaken and will continue as follows:

- A set of strategic level key performance indicators for the top level vision objectives is to be agreed by Strategic Management Team/Corporate Delivery Team. This is to be completed by 30th June 2006 in order to review year end performance.
- Significant progress has been made again during 2005/2006 on the roll out of the Performance Plus system as part of the "Golden Thread" project. However, the position has not yet been reached where the corporate system is used for monitoring, reporting and managing performance throughout the organisation.
- A strength of the Council has been its rigorous Best Value process. Performance Panel has now agreed that any tasks which remain relevant and outstanding from Best Value Improvement Plans will be incorporated into the 2006/2007 departmental service plans.
- A timetable of quarterly panel reporting of progress against service plans has been agreed for 2006/2007. Report templates are being produced by the Policy and Performance Improvement Team to aid clear reporting.

Significant progress has been made with business continuity planning. A corporate business continuity planning steering group has been established and departments have completed their analysis of individual functions and the associated hazards (potential internal and external interruptions for each). The risk assessment of these hazards then feeds into the departmental risk registers with necessary remedial actions being included in service plans. One of the next stages is to work at the corporate level through Strategic Management Team prioritising functions in a Corporate Business Continuity Plan.

The Council is currently developing a People Strategy and Workforce Plan which will be presented to the Strategic Management Team at the end of May 2006.

With regard to partnerships, the Council is currently reviewing its community leadership approach. A draft protocol on "participation and engagement" is being produced. This is based on the following core settings where the Council maintains a high profile community leadership role :-

- LSP (setting strategic level)
- Partnerships
- Townships
- Neighbourhoods
- Individuals (motivating them to get involved)

Work has been completed on establishing a partnership database. A website has been established at communityship.org.uk. The site allows all voluntary and community groups to register but has not been widely used. An alternative method of collating partnership details through contact management software is currently being pursued.

Work is ongoing on the implementation of the Wigan Procurement Strategy (based on the National Model). This includes the production of an Annual Procurement Report and Key Performance Indicators for procurement.

Public accessibility concerns are being addressed by the Council.

In respect of improving compliance with public buildings access under the Disability Discrimination Act, the Council is working with departmental managers to effectively reduce compliance barriers as opposed to undertaking remedial work.

To increase the level of floor target achievement the Council is undertaking a review of all associated projects to concentrate available resources on health, education, skill and employment.



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Risk Management and Internal Control

Further developments to more fully embed risk management are planned for 2006/2007 as follows :-

- Purchase and implementation of an integrated risk management and internal audit management system.
- More frequent and structured reporting to Members through the new Audit, Governance and Improvement Review Committee.
- Review and update of the Council's Risk Management Policy.

Financial Management

The CIPFA Financial Management model is currently being used as a tool to further develop financial management practices across the Council and ensure consistently high standards are maintained. An area recently discussed at Senior Management Team is to ensure capital projects are closely monitored to minimise slippage and ensure maximum value is obtained from the capital programme.

Standards of Conduct

Several key policy documents are currently being reviewed as follows :-

- Internal Audit are updating the Fraud related policies (including the Anti Fraud and Corruption Strategy, Anti Fraud and Corruption Policy Statement and the Whistleblowing Policy). This will be approved and publicised in the near future.
- A corporate working group is updating the Contract Procedure Rules.

Exhibiting high standards of personal conduct was specifically encouraged in the 2004/2005 Audit and Inspection Letter, so the profile of the Standards Committee has been raised to provide general and specific guidance, particularly in relation to cases referred to the Standards Board. Formal training is actively encouraged and learning points and examples of good practice are disseminated to all Members.

Other "significant" Issues

A range of issues, involving the Authority, has attracted significant public interest during the financial year. All the issues have been recognised as major risks to the Council and are included in the Strategic Risk Register which outlines the mitigating actions along with providing a high level mechanism to monitor the effectiveness of the actions being taken.

A précis of the issues with the remedial action taken is detailed below, viz. :-

- **Land contamination at Ince Central Estate**
Heavy metal contamination has been discovered on the Ince Housing Estate; this is a historical problem which Wigan Council will need to ensure is remedied. Officers from Wigan & Leigh Housing (W&LH) and the Council have worked together with specialist surveyors and contractors, tenants' groups and their legal representatives and with Central Government to devise a safe and permanent solution. Excavation and removal of contaminated soil is due to commence in June 2006 and work is ongoing to ensure the risks associated with such a unique situation are managed as effectively as possible. W&LH and the Council continue to maintain public awareness of the situation through a series of public meetings and newsletters. The intention is to maintain a balanced approach between keeping residents informed, avoiding panic and unnecessary disturbance but ensuring the problem is dealt with as quickly and effectively as possible.

In addition to the addressing the public health and awareness issues, the remedial works will have a significant cost so negotiations are ongoing with the Government for specific grant funding.

- **Broomfield Tip Fire**
The coal spoil that burned underground for a long period was finally extinguished in October 2004. The problem caused considerable public concern and a number of compensation claims have subsequently been received. The Council and its legal advisors are working to ensure a speedy and equitable solution.



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Although the above situations were not of the Council's making, they have obviously been distressing for the local communities. The Council has worked as openly as possible to retain public confidence and ensure the problems are dealt with efficiently, with any learning points taken on board. Given Wigan's industrial heritage, further survey work is currently underway or being considered across the borough to identify whether other potentially problematic sites exist.

- **Westwood Park / A5225 Link Road**

This £8.4m scheme to connect two key development sites in Wigan, assist in the creation of up to 2000 jobs and reduce town centre congestion was commenced on the basis of additional funding provisionally allocated by the North West Development Agency. The funding commitment was subsequently rescinded as alternative schemes in the Region were given a higher priority. Significant resources have already been invested in the preliminary stages of the scheme so alternative methods of financing the scheme are currently being investigated, which may mean some disruption to the capital programme as major schemes are prioritised.

- **Procurement – VFM**

Within its assessment of the Council's CPA assessment, the Audit Commission recognised that the Council has a commitment to delivering services that represent value for money from the top of the organisation. However, there was also recognition that there were some areas within services which had unintentionally high costs leading to pressure on the budget. Although it was recognised that progress on procurement was "generally good" certain areas were considered to be underdeveloped.

One such area of procurement that is undergoing detailed review is in respect of Adult Services, where a consultant has been engaged to support the ongoing process and identify "opportunities for efficiencies and provide a suggested improvement strategy". An updated procurement and contracting strategy is being developed and is scheduled for submission to Members in the near future.

The Council's governance and risk management arrangements enable it to deal openly and effectively with situations such as those highlighted above. The nature of the organisation means that there will always be difficult situations to deal with, but its internal control mechanisms ensure that actions are taken promptly and it is accountable for those actions. This is a major strength of the Council and a significant factor in its "Excellent" categorisation.