

PRINCIPAL SCRUTINY COMMITTEE

17 October 2005

WINCHESTER ALLIANCE FOR MENTAL HEALTH: FURTHER REPORT BY
PRICEWATERHOUSECOOPERS

REPORT OF CHIEF EXECUTIVE

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RECENT REFERENCES:

CAB1118: Winchester Alliance for Mental Health – 12 September (Principal Scrutiny), 14 September (Cabinet)

EXECUTIVE SUMMARY:

In September Principal Scrutiny discussed an independent report commissioned by Council and prepared by PricewaterhouseCoopers (PwC) into the circumstances surrounding the creating of a debt owed by the Winchester Alliance for Mental Health (WAMH). In discussion Committee Members raised a number of additional matters which are summarised in the minutes of that meeting elsewhere on the agenda. They asked PwC to undertake further investigations on matters specified in the meeting minutes. Cabinet subsequently discussed the PwC report and endorsed Principal Scrutiny's request for further work (Cabinet minutes extract from 14 September meeting attached at A).

The further work requested has now been completed, and PwC's second report is attached at B. The matters PwC have addressed reflect issues raised with them by the Committee, and no further officer comment is necessary. However, Members will wish to bear in mind the issues for the Council which the Chief Executive identified in CAB1118 in discussing this further report. These remain relevant, and in particular the second report highlights the need for the Council to have a clear understanding of the roles and accountabilities of Scrutiny bodies, Cabinet and individual Portfolio Holders.

RECOMMENDATIONS:

- 1 That, having considered the issues raised in CAB1118 and the two reports prepared by PwC, Members discuss how the Council's systems and procedures should be reviewed, revised and strengthened in the light of lessons from this case.

OTHER CONSIDERATIONS:**1 CORPORATE STRATEGY (RELEVANCE TO):**

- 1.1 Acting in a financially prudent manner is one of the Council's core values, as expressed in the Corporate Strategy. The two PwC reports provide an opportunity for critical examination of how we achieve that. Working with and supporting the voluntary sector, a key driver behind supporting WAMH, is one of the key priorities in the Corporate Strategy for the current year.

2 RESOURCE IMPLICATIONS:

- 2.1 As outlined in CAB 1118.

BACKGROUND DOCUMENTS:

CAB1118: Winchester Alliance for Mental Health (covering the first PwC report)

Files held in Finance Directorate (other than exempt papers)

APPENDICES:

Appendix A: Extract from minutes of Cabinet, 14 September 2005

Appendix B: Report prepared for Principal Scrutiny Committee (by Pricewaterhouse Coopers)