

**THE MINUTES OF THE MEETING OF THE  
AUDIT COMMITTEE**

**HELD ON THURSDAY 22 FEBRUARY 2007**

Present: Councillor G. Pinkney (Chair)  
Councillors B. Bates, E. Bell,  
Mrs. G. Bleasdale, R. Davison  
and B. Quinn.

Apologies: Councillors D. Armstrong, M. Nicholls,  
Mrs. M. Nugent and P. Stradling

1. **THE MINUTES OF THE LAST MEETING** held on 25th January 2007, a copy of which had been circulated to each Member, were confirmed.

2. **INTERNAL AUDIT STRATEGIC PLAN 2007 - 2010**

Consideration was given to the report of the Audit Manager which gave details of the updated three year Internal Audit Strategic Plan, a copy of which had been circulated to each Member.

G. Fletcher, Audit Manager advised that the rolling strategic internal audit plan was reviewed each year, and complied with the standards within the current CIPFA Code of Practice and any new regulations under the Accounts and Audit Regulations.

An initial needs assessment was carried out with due regard given to the long term Council's corporate objectives and the Risk Register. This identified all the areas required to be examined by Internal Audit in order to give assurance to the Audit Committee that there was a programme of work in place to ensure that all the Council's systems with internal control were being examined.

It was expected that all areas could be adequately covered within three years, however, unexpected audit work may have an impact on the plan and adjustments would have to be made.

The three year strategic plan from April 2007 was set out as Appendix 1 to the report.

**RESOLVED** that the Internal Audit Strategic Plan for 2007 – 2010, be approved.

3. **INTERNAL AUDIT PLAN FOR 2007/2008**

Consideration was given to the report of the Audit Manager which advised of the Internal Audit Plan for 2007/2008, a copy of which had been circulated to each Member.

G. Fletcher explained that the plan ensured that the main systems of the Council were audited every year as required, that all activities carried out at the Council were audited within three years and that audit work was in accordance with the Council's aims and objectives.

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There were 861 actual planned days of audit work for the year. Some of these were allocated to the operation of the Internal Audit Section, some days were set aside for contingency and the remaining areas covered were set out in Appendix A to the report.

There would be a number of audits that were ongoing at the end of March 2007 and some that were not completed last year and these had been included in the annual plan.

To conclude, he advised that the direction, focus and relevance of the Section was very much dependent upon a well formulated plan. The planning process used ensured that the Internal Audit Section was able to meet the requirements placed upon it and also provided a valuable service for Members and Officers of the Council.

A Member asked if the Unit would be able to manage those audits that were not completed by the end of March 2007 and the impact this would have on the 2007/8 plan. G. Fletcher confirmed that the situation was manageable but would be monitored closely throughout the year.

**RESOLVED** that the Internal Audit Plan for 2007/08, be approved.

#### **4. QUARTERLY PERFORMANCE REPORT AGAINST BEST VALUE PERFORMANCE INDICATORS (BVPs)**

Consideration was given to the Principal Corporate Development Officer which gave details of performance against BVPs for the third quarter of 2006/7, a copy of which had been circulated to each Member.

M. Readman, Principal Corporate Development Officer explained that of the 102 statutory BVPs against which the Council was required to measure progress, 35 were either satisfaction indicators only measured every 3 years, were only measured annually or there was currently no data available to measure them. In relation to the Satisfaction Indicators which were due to be reported this year, the Planning and the General Survey had been completed and Benefits and Housing were ongoing. Once the results were available from the Consultants who had been commissioned to carry out this work, a further report with analysis would be submitted to Audit Committee.

This left 67 indicators on which performance could currently be tracked on a quarterly basis and a full performance table up to the end of December was included as Appendix 1.

The report also provided details of how the BVPs had performed at the end of the third quarter.

Targets were set at the beginning of the year for all of the performance indicators and these were based on previous performance and what was expected from that service area in terms of improvement. As previously discussed for next year, the Unit was looking to set targets for each of the quarterly periods in order that it would be possible to track the performance of each indicator more closely.

Of the 67 indicators identified, 28 had either met or exceeded the targets set, 6 were within a 5% tolerance level and 5 were currently within a 10% tolerance

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level. This left 28 indicators which were more than 10% outside of the target figures set.

Of the 22 indicators which showed deterioration from the year end, a number of these were minor variations which were not significant and did not cause concern, as the performance indicators either remained in a good quartile position or had fluctuated slightly due to seasonal variations, or some other reason outside of the Council's immediate control. This left a number of indicators which had declined and needed consideration. M. Readman took Members through the current position on each of these which related to the Housing, Benefits, Environment (Waste and Cleanliness) and Planning services.

M. Readman advised that it was pleasing to report some notable improvements in a number of BVPIs particularly in recycling, waste collection, cleanliness, fly-tipping and graffiti, all of which had performed well to date. With regard to the 8 areas identified for particular focus, details were set out in the report showing the currently quarterly figures and the actions being taken to try and improve performance in each of these areas.

To conclude, she stated that the overall picture from these results continued to be encouraging although there was a need to maintain focus on improvement generally and in particular, on formerly low performing areas, (particularly accessible buildings and planning). It was hoped that this trend would continue in order to reach the targets set by the end of the year.

A Member made reference to the turnaround times for void properties and asked what input the Corporate Development Unit had in assisting EDH to improve performance in this area. M. Readman responded that a Joint Delivery Team had been set up to look at specific areas of concern with regard to the delivery of housing services. The Council was represented on the Group by two Officers from the Corporate Development Unit and the Head of Housing. I. Morris also explained that Service Delivery Scrutiny Committee had established a Sub-Committee to look at how the Council scrutinised EDH's performance. He added that the figures shown were for long term void properties which there had not been a demand for previously. Short term void turnaround was around 40 days.

A Member referred to those indicators that were 10% outside the tolerance levels and suggested that emphasis should be placed on improving performance in these areas. M. Readman advised that she would include details of these in her next report and that they would be considered at the year end when making a decision about which indicators should be identified for specific focus in 2007/8.

In response to a further question about responsibility for the performance of individual Units, M. Readman advised that each member of Management Team was responsible for performance indicators within their own Directorate and held regular progress meetings with their Managers. Corporate Development Unit would intervene in areas which were not performing. However, she considered that there was a commitment to improving performance across the board, and that the performance management culture at Easington was now embedded corporately. In addition, the Audit Commission would intervene if there was slippage in performance.

With regard to the slow improvement in certain areas, M. Readman advised that a decision had been taken to focus on the worst performers and this had proved

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to be successful as the majority of these indicators had now improved. Notwithstanding this, work was being carried out to improve performance across all low performing areas.

Reference was made to minor discrepancies in the information presented in the report which were clarified by the Principal Corporate Development Officer.

**RESOLVED** that:

- (a) the quarterly performance of the Council as represented through the BVPIs, be noted;
- (b) the progress in relation to the 8 areas of under performance, be noted.

### **5. AUDITORS REPORT ON THE BEST VALUE PERFORMANCE PLAN (BVPP)**

Consideration was given to the report of the Principal Corporate Development Officer on the Audit Commission's report on the Council's 2006/07 Best Value Performance Plan, a copy of which had been circulated to each Member.

M. Readman explained that in accordance with the Local Government Act 1999, the Council had a duty to prepare and publish an annual Best Value Performance Plan.

The Audit Commission's report on this years Best Value Performance Plan had been received and was attached as Appendix 1 to the report for Members' information. The report concluded that the BVPP for 2006/7 complied in all respects with the relevant legislation and statutory guidance.

**RESOLVED** that the information given, be noted.

### **6. REVIEW OF PRIVATE SECTOR RENEWAL POLICY AND OUTSTANDING CONTRIBUTIONS FOR GROUP REPAIR SCHEME - EASINGTON COLLIERY**

Consideration was given to the report of the Head of Housing which advised Members of the outstanding contributions for group repairs schemes covering the Easington Colliery area and provided an update on the review of the Council's Private Sector Housing Renewals Policy. A copy of the report had been circulated to each Member.

I. Morris outlined to Members the existing policy in relation to group repair schemes advising that there was currently a total of £23,505.32 outstanding contributions from owners within the former scheme in Easington Colliery.

Arrangements had been made with some owners to repay outstanding contributions on a monthly basis and for the remaining amount, land charges had been raised against the properties which meant that the debt would be recovered when the property was sold in the future.

Following a review of the existing procedures and the level of outstanding contributions by the Housing Renewals Manager it was proposed that for all future group repair and housing renewal schemes, owners contributions would be actively pursued through the Council's sundry debtors procedure rather than relying on land charges. Legal action would be taken if an owner failed to make arrangements to pay.

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The Council's existing Private Sector Housing Renewals Policy had been in place for a number of years and was in need of review. This was being undertaken with the aim of introducing a new policy from 1st April 2007. Following adoption of this a wider review of financial assistance packages would be carried out with a view to adopting a new Private Sector Housing Financial Assistance Policy in April 2008.

In response to a Member's request for details of outstanding contributions from the former Dawdon renewal scheme, I Morris advised that he would circulate this information.

Following a number of questions, it was **RESOLVED** that:

- (a) it be noted that provision had been made to recover outstanding contributions on group repair schemes for Easington Colliery through monthly repayments or via a charge on individual properties;
- (b) future contributions for group repair schemes be pursued through the Council's financial services debtors procedure;
- (c) the proposals to develop a new Private Sector Housing Renewal Policy and Financial Assistance Policy for adoption by the Council in April 2007 and April 2008 respectively, be noted and Audit Committee be kept informed of progress.

CERTIFIED TRUE RECORD

CHAIR .....

Date .....

JE/CB/COM/AUDIT/070300  
8th March 2007