

**THE MINUTES OF THE MEETING OF THE
AUDIT COMMITTEE
HELD ON THURSDAY, 2ND AUGUST, 2007**

Present: Councillor Mrs. G. Bleasdale (Chair)

Councillors R. Davison, G. Johnson
and K. McGonnell

Apologies: Councillor G. Pinkney and B. Quinn

1. **THE MINUTES OF THE LAST MEETING** held on 12th July, 2007, together with those of the **SPECIAL MEETING** held on 27th June, 2007, copies of which had been circulated to each Member, were confirmed.

2. **RISK MANAGEMENT PROGRESS REPORT**

Consideration was given to the report of the Principal Administrative Officer which gave details of progress on the Council's approach to managing risk, the use of the Risk Register, Risk Management training and the implementation of the Council's Risk Management Strategy. A copy of the report had been circulated to each Member.

S. Wardle, Principal Administrative Officer, explained that the Council's updated Risk Management Policy and Risk Management Strategy adopted by the Council on 2nd November, 2006 continued to be up to date and fit for purpose.

The 2007 Use of Resources Key Lines of Enquiry (KLOE) required the Council's risk management process to specifically consider the risk of fraud and corruption and risks in relation to "significant" partnerships.

The Council already had detailed arrangements in place for the identification and management of fraud and corruption procedures, however to ensure it complied with the Use of Resources assessment, the Risk Management Strategy Steering Group recommended that the Council's 'STORM' methodology be amended to specifically include fraud and corruption, as shown in Section 4.4 of the report. He added that the Council's data quality arrangements had been reviewed by the Audit Commission (as reported to Audit Committee on 12 July 2007) and these arrangements had also now been included within the methodology to ensure that they were embedded within the Council's risk management process.

With regard to "significant" partnership arrangements he advised that these were being actively managed in accordance with the Council's partnership framework although additional work was required to provide the assurance required for existing "significant" partnerships. This had been an area identified where further attention was required which would be dealt with in accordance with the Risk Assurance Work Plan developed for the forthcoming year and would be considered by the Committee.

He added that there continued to be some slippage in the completion of the Management Action Plans and the use of the Risk Register by Managers. This was being reinforced by both Management Team and Executive Members and had been dealt with as part of the corporate and service planning and review processes. It was also suggested that the Chair and Vice-Chair of Audit Committee liaise with the

Audit Committee - 2nd August, 2007

Executive Member for Improvement to seek an assurance that adequate arrangements were in place to prevent further slippage by ensuring that the Action Plans were completed and that Managers used the Risk Register.

Notwithstanding this S Wardle advised that most risks were being effectively managed and risk management was well embedded across the Authority. The deadline for completing all Service Plans was 20th July, 2007 and thereafter would be considered by Management Team to ensure they accorded with the Council's corporate priorities. The Service Risks would be captured as part of this process and a Corporate Risk Review carried out once the Risk Register had been fully updated to take account of Service Plans.

With regard to training he advised that a comprehensive training programme for all Members and Officers was being developed in-house and a Risk Management training session dedicated to Members of the Audit Committee was also being programmed. Details of the full programme would be included in the next quarterly report.

A Risk Management Performance Work Plan was being developed which took account of all the work undertaken in the Risk Management Function and also included the relevant Action Plans required to meet the judgement criteria under the Use of Resources KLOE, a copy of which was attached at Appendix 1. He intended to liaise with the Chair and Vice-Chair of Audit Committee to ensure that the Work Plan was relevant, fit for purpose and could be used as a tool by the Audit Committee to measure performance and progress on initiatives and actions within the Risk Management Function.

Following discussion it was **RESOLVED** that the information given, be noted and the Chair and Vice-Chair of the Committee liaise with the Executive Member for Improvement in relation to slippage in the completion of Management Action Plans and the use of the Risk Register by Managers.

3. QUARTERLY PERFORMANCE REPORT AGAINST BEST VALUE PERFORMANCE INDICATORS (BVPIs)

Consideration was given to the report of the Principal Corporate Development Officer which gave details of performance against BVPIs for the first quarter of 2007/8, a copy of which had been circulated to each Member.

M. Readman, Principal Corporate Development Officer, explained that the report provided the latest information in relation to overall performance in terms of the BVPIs. Particular focus had been given to the areas earmarked for special focus through Performance Improvement Teams.

In 2007/8 there were 95 statutory BVPIs against which the Council was required to measure progress. Of these, 21 were satisfaction indicators only measured every three years and 14 were either reported annually, cumulative or with no data this quarter (2 racial incidents PIs and the composting PI), leaving 57 indicators on which the Council could currently track progress on a quarterly basis. A full performance table up to the end of June 2007 was included as Appendix 1 to the report.

In terms of improvement, 38 indicators were improving or remained static in the top quartile and those showing good improvement were set out in the report for Members' information.

Audit Committee - 2nd August, 2007

In relation to hitting targets, most areas were on track although M Readman advised that the following areas may merit further attention:

BV 12	Sickness levels
BV 156	Buildings open to the public accessible by disabled people
BV 66a	Proportion of rent collected
BV 78a	Average time to process new benefit claims
BV 79b(i)	
and (ii)	Housing Benefit overpayments recovered
BV 126 -	Domestic burglaries per 1000 population
BV 127a -	Violet crimes per 1000 population

For those 13 PIs the Council had identified to move into the top quartile during 2007/8 alongside those already achieving this, she explained that the current picture was positive. Three areas which needed attention if the top quartile target was to be achieved was BV 12 - average working days lost due to sickness, BV 78a - benefits, new claims turnaround and BV 66a - rent collected.

M. Readman continued that as in previous years the Council had identified a number of PIs for special focus through performance improvement team activity. The report gave details of performance against these after the first quarter. She made specific reference to PI 66b - Council housing tenants with more than seven weeks of rent arrears and explained that the current performance exceeded the year-end target due to additional resources being put in place by EDH to tackle rent arrears. PI 66c - Council tenants in arrears with notices seeking possession had achieved top quartile positioning in the first quarter, however it would continue to be monitored to ensure this performance was sustained. Overall performance with the planning indicators BV109a, b and c was pleasing.

In relation to PI 156 - DDA compliance in public buildings, M Readman explained that it had been hoped that the year end target for 2006/2007 could have been achieved by the end of the first quarter of 2007/2008, however this had not been possible as additional essential works not related to DDA compliance had been identified in the Aged Persons Units (APUs). The Asset and Property Manager was to prepare a report for Management Team which would include a revised Action Plan to reflect this. It was hoped that the works on the APUs would be completed by the end of September 2007.

To conclude, M Readman stated that the first quarter of 2007/8 showed an encouraging start in terms of improvement in line with the targets set. The Council's services needed to maintain this trend throughout 2007/8.

RESOLVED that the information in relation to the Council's performance in the first quarter of 2007/8, be noted.

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