

AUDIT, PERFORMANCE AND SCRUTINY COMMITTEE
23 FEBRUARY 1998

Present: Councillors Birch (Chairman), North (Vice Chairman), Beadsley, Blatchford, Good, Mrs Hayes, McCormack, Mrs Shillcock and Wade

Also Present: Adrian Rutter, Joy Dagnall, KPMG

22. **Minutes**

The minutes of the Committee held on 10 September 1997 were signed as a correct record.

23. **External Audit 1996/97 and 97/98 (Item 1)**

The Committee received a report from the Director of Corporate Services and Borough Finance Officer enclosing the draft management letter and the audit plan for 1997/98.

The Director of Corporate Services introduced the KPMG Auditors who gave the Committee and presentation on the management letter and its preparation.

The Auditors' view was that the Borough Council was essentially stable, well run and had sound financial systems. Preparations were well underway for unitary status from 1 April 1998. The year 2000 issue for I.T. and the new Best Value regime were highlighted as key issues for the future.

The Committee discussed a number of issues raised by the report including plans to publish full internal information on performance indicators in future and to deal with the introduction of CCT with effect from 1 April 2000.

The Committee emphasised the need to draw relevant service committees' attention to the report's findings on energy management. In addition, the Borough Finance Officer undertook to draw Members' concern about the potential housing benefit over-payments to the attention of Senior Managers. It was also noted that a system of monthly reconciliations had been introduced to deal with the concerns expressed by the Auditor about control Account Reconciliations.

The Committee requested that there be a progress update with the actions set out in Appendix C to the management letter at the Autumn meeting of the Committee.

RESOLVED that the Corporate Management Team's response to the external Auditors' recommendations be endorsed.

24. **Internal Audit Plan 1998-2001 (Item 2)**

The Committee received a report from the Borough Finance Officer detailing a plan for deploying audit resources across the services to be provided by the unitary authority and existing services.

RESOLVED that the internal audit plan 1998-2001 attached to the report be approved.

25. **Audit Commission Publications and Reports (Item 3)**

The Committee received a report from the Director of Corporate Services detailing audit commission reports received by the Borough Council since the last meeting of the Committee and the response by the relevant service departments.

RESOLVED that the report be noted.

26. **Protecting the Public Purse - Audit Commission Update (Item 4)**

The Committee received a report from the Director of Corporate Services outlining the Council's response to the recent audit commission report Protecting the Public Purse. This showed that the Council was addressing the key issues raised by the Committee. In particular, the Council was employing the latest methods for preventing cheque fraud and the use of the banking automated clearing system (BACS) was being considered for some benefits recipients.

The Committee requested that there be a further report to the September meeting of the Committee on the 12 recommendations and responses set out in Annexe A to the report.

27. **Citizen's Charter Performance Indicators (Item 5)**

The Committee received a report jointly from the Head of Policy Development and Borough Personnel Manager outlining current progress on the collation and publication of the Citizen's Charter Performance Indicators. It was noted that this information was likely to form a key component of the Council's approach to Best Value.

RESOLVED that the response to the external Auditor's recommendations set out in the report be endorsed.

28. **The Nolan Report into Standards of Conduct in Local Government - A Member Focus Group (Item 6)**

The Committee received a report from the Director of Services proposing to create a joint Focus Group to consider the Council's response to the Nolan recommendations on Officer/Member protocols, whistle blowing issues and employee Code of Conduct.

RESOLVED that

- (i) the Member Focus Group on Committee Terms of Reference and delegations etc. be requested to consider the draft Member/Officer protocol, revised employee Code of Conduct and whistle blowing procedure;
- (ii) the Strategy & Policy Committee be requested to amend the membership of the Member Focus Group to comprise five members, with two members being nominated by the Audit, Performance & Scrutiny Committee and three by the Strategy & Policy Committee; and
- (iii) further reports be submitted to the Committee following the deliberations of the Member Focus Group and to seek views of the Committee upon the anticipated Government consultation paper on a new ethical framework for Local Government.

29. **The Management of Complaints - Principles and Processes (Item 7)**

The Committee received a report from the Head of Policy Development outlining proposals for a Corporate Complaints Procedure and for the Council to take part in the Local Government Ombudsman's Ultimate Rung pilot study. It was noted that contractors working on behalf of the Borough Council in due course would be covered by the Complaints Procedure. The Committee felt that the procedures needed to be consistent and it was suggested that complainants should be encouraged to be accompanied as necessary to complaints reviews.

The Chairman noted that implementing the report's proposals was likely to result in a statistical increase in the number of complaints reported due to increased monitoring. He expressed the hope that the figures if they did increase would not be used to make political points about the Administration's conduct of the Council's affairs.

RESOLVED that

- (i) the principles set out in the report be incorporated into the Corporate Complaints Procedure;
- (ii) the revised definition of the complaint set out in paragraph 4.3 of the report be adopted and that the Ombudsman's Ultimate Rung pilot study implementation be noted.

30. **Best Value - Pilot and Beyond (Item 8)**

The Committee received a report from the Head of Policy Development on the future implications and issues of the Best Value initiative. It was noted that a letter had been received from the Department of Environment, Transport and the Regions giving positive feedback on the Borough Council's bid to be a pilot study.

It was noted that a member seminar had been arranged for 8 April 1998 to explore the issue further.

RESOLVED that

- (i) the Best Value pilot bid be endorsed; and
- (ii) the Head of Policy Development reports to a future meeting on proposals for a Best Value framework and rolling programme of reviews.

The meeting commenced at 7.30pm and concluded at 8.50pm.

CHAIRMAN