

**EXTRAORDINARY PERFORMANCE SELECT COMMITTEE held at  
COUNCIL OFFICES LONDON ROAD SAFFRON WALDEN at 7.30 pm on  
4 APRIL 2006**

Present:- Councillor A Dean – Chairman.  
Councillors T P Knight, E Tealby-Watson and P A Wilcock.

Also present at the invitation of the Chairman Councillors S Flack, D Morson  
and S Jones. Messrs P King and I Davidson (Audit  
Commission)

Officers in attendance: - A Bovaird, P O'Dell, J Mitchell, C Roberts, and T  
Turner.

PS 13 **APOLOGIES**

Apologies for absence were received from Councillors A J Ketteridge, M L  
Foley and M J Savage.

PS 14 **ANNUAL AUDIT LETTER**

*(The Chairman of the Committee has requested that the following paragraph  
of the Audit Commission's Annual letter be printed with the minute for ease of  
reference.*

*"Uttlesford District Council is making mixed progress in Key Priority areas with  
attention having been focussed on building blocks supporting priority areas.  
52 per cent of performance indicators have improved since 2002/03 and 65  
per cent of its indicators are in the upper two quartiles. The Council  
acknowledges that there is still much to do. Work has been undertaken to put  
in place or modify the building blocks necessary for the effective operation of  
the Council. Progress has been made to improve corporate planning and  
prioritisation but links between all service plans levels are not yet in place.  
Performance management, value for money and risk management still require  
further planned attention. Capacity has been increased but remains fragile  
and there is reluctance by some managers to take responsibility for  
performance management of their services. The Council has a number of  
user focus issues that need to be addressed.")*

The Chairman welcomed to the Committee the representatives of the Audit  
Commission and the Members representing the Operations, Community and  
the Review and Petitions Committees. He explained that the intention was to  
consider the Audit Commission's letter in public. He added that it was  
necessary for the Chief Executive to make a response to the letter and that  
consideration could continue at the next meeting of the Performance Select  
Committee on 19 April 2006 if necessary.

The Committee had before it the Annual Audit and Inspection Letter with the  
Audit and Inspection Plan received from the Audit Commission. Messrs King  
and Davidson of the Audit Commission gave a detailed explanation of the

purpose and chronological ambit of the suggestions contained in the letter and of the Council's progress to date..

The Chief Executive made the point that there was no question of querying the accuracy of the Audit Commissions observations. These had already been the subject of discussion and agreement between the Commission and the Chief Executive. He listed key areas, mentioning in particular the necessarily gradual rate of improvement in the action plan, service planning and the links via appraisal to performance. He was also mindful that information systems in the form of PI data and cultural aspects eg autonomy/accountability in work needed further development. Likewise customer focus needed improvement through ICM and the financial systems required to be made more accessible. Finally the skills base was insufficient making the Council very fragile. Constraints were the possibility of capping and the fact that capacity was most limited in areas of low public or political priority.

The Executive Manager (Finance and Asset Strategy) explained that closure and signing off of the accounts should prove an easier exercise than in the previous year as a result of filling of staff vacancies and a consequentially more documented and systematic approach. He anticipated fully compliant accounts in June of 2006.

Members noted the Council had no history of overspending but one Member noted the Audit Commission's statement that "value for money" was not understood by the Council. Another Member stressed the importance also of economy in capital spending.

The Chairman raised the question of a partnership approach to procurement and a councillor asked what Members should do to improve value for money especially since it was difficult to get staff due to low salaries.

The Chief Executive indicated that the suggestion for a "procurement hub" would be taken to the meeting of the Council in April. Following a question from a Member he agreed that there was a case for considering whether or what weighting should be given to local suppliers, and that there should be a group of expert Members including input from the Performance Select Committee to consider what guidelines there should be in procurement matters. This proposal would be included in the report to Council.

A Member referred to concern about outstanding appraisals, staff capability and the staff selection process, but Mr Davidson said that he had seen that staff were of very good quality and the services were as good as those in good and excellent authorities. He felt it was the organisational development and culture relating to staff skills which was of lesser quality, not the staff.

The Chief Executive confirmed that the organisation was boxed in financially; there were nine professional areas in which it had become necessary to apply a pay supplement in order to get staff.

In answer to a question Mr Davidson stressed that the Council's fees were a matter for the choice of the Council but that partnership working was an area where Gershon savings could be generated.

Mr Davidson was asked, in the context of risk management, whether the structure was right and he replied that the question was whether it worked.

A Member was concerned about perceived lack of Member consultation regarding the placement of new staff. The Chief Executive re-iterated that changes would flow from ICM and added that he felt the Management Team at least contained the right people. He anticipated that any re-structuring would not be initiated before 2007, but he hoped to see Uttlesford District Council as the most improved council in 2007.

At the request of the Chairman of the Committee Mr Davidson detailed the Council's "direction of travel" and explained what sort of groups the Council's diversity initiatives should embrace. The Chief Executive felt that Uttlesford was a striving council in this respect. He acknowledged that although the Council was representative of the community in ethnic terms, it was not good on gender.

The Chairman inquired whether Members wished to continue the debate at the next scheduled meeting on 19 April. A Member suggested that a workshop would be a good idea for such topics and the Chief Executive agreed to discuss this with Mr Davidson.

The Chairman of the Council commented that the Audit letter was excellent, showing where the Council had got to and showing that it was progressing with a clear lead from the Chief Executive on its future direction. He also pointed out that the Council had the lowest council tax rates in Essex.

In summary the Chief Executive stated that in a few months time a review would take place using the six clusters of issues identified by the Audit Commission. By 19 April the draft Corporate Plan would be published and pursuit of the four key priorities identified by the Audit Commission would follow.

The Chairman of the Operations Committee asked the Chief Executive to identify opportunities where Members could be helpful to officers, and the Chief Executive suggested a forum to investigate this. The Chairman of the Committee suggested appointment of Member Champions to take things forward.

The meeting ended at 9.55pm