

**PERFORMANCE AND AUDIT COMMITTEE held at COUNCIL OFFICES  
LONDON ROAD SAFFRON WALDEN at 7.30pm on 19 MAY 2016**

Present: Councillor E Oliver (Chairman)  
Councillors G Barker, D Jones, N Hargreaves and B Light.

Officers in attendance: R Auty (Assistant Director Corporate Services), S Bronson (Audit Manager), A Rees (Democratic and Electoral Services Officer) and A Webb (Director of Finance and Corporate Services).

Also Present: Councillor S Howell (Cabinet Member for Finance and Administration), Councillor H Rolfe (Leader) and J Wardle (EY – Audit Manager).

**PA1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors Foley, J Freeman, Gordon and Harris.

**PA2 MINUTES OF THE MEETING HELD ON 11 FEBRUARY 2016**

The minutes were received and signed by the Chairman as a correct record.

**PA3 MATTERS ARISING**

**(i) PA31 – Matters Arising**

Three possible dates had now been circulated for the Community Engagement Member Working Group to meet.

**(ii) PA38 – Urgent Items**

Dates for the self-assessment meeting had been circulated. The meeting had taken place and the report was due to be considered later at the meeting.

**(iii) PA32 – Audit Plan 2015-16**

The Director of Finance and Corporate Services said that he had not been able to provide a figure for Local Plan expenditure, but he would be able to do so after the audit accounts had been submitted to EY. In response to questions by Members he explained that there were currently three vacancies within the Finance department which were currently being filled by agency staff. Due to the time constraints caused by this there would only be time to produce the statutory information required by CIPFA.

The Director of Finance and Corporate Services said that he disagreed with Councillor Hargreaves that there was a £14m discrepancy in the Revenues and

Benefits account. Such a discrepancy would have been picked by EY. Mrs Wardle said that she would meet with Councillor Hargreaves to discuss the account.

In response to further questions by Members about staffing, the Director of Finance and Corporate Services said that pay was not the only reason that the Council had struggled to fill the vacancies. Due to the timing of the Finance Manager vacancy, the Council had been late applying for agency staffing. There was not an increased risk of the account not being submitted for audit, but there was a greater risk of error.

The Chairman noted that all authorities were in the process of preparing their accounts for audit. This meant that there would be few staff moving jobs and agency staff would be in high demand. He would raise the issue of pay at the next Cabinet meeting.

Councillor Rolfe said that the Chief Executive was aware of the concerns surrounding pay and was looking at how the issue could be best managed. She was looking to incorporate the revised pay policy within the draft budget proposals next February.

Councillors Jones said that nine months was too long and the issue needed resolving more quickly. Councillor Hargreaves agreed with this point and added that flexibility on salaries was needed.

In response, the Director of Finance and Corporate Services explained that the salaries were limited by the Council's pay policy and the pay scale, which were approved on an annual basis by Full Council.

PA4

#### **DRAFT ANNUAL GOVERNANCE STATEMENT 2015-16**

The Audit Manager presented her report. She said that the statement was currently in draft form and was based on the previous governance statements. The draft statement had already been agreed by CMT.

This was the last year that the statement would be submitted in its current form as CIPFA was due to publish new guidance. It was not yet known what changes would be made to the guidance.

In response to a question by Councillor Light, Councillor Rolfe said that it was now the responsibility of the Leader to carry out the appraisal of the Chief Executive.

RESOLVED that the draft Annual Governance Statement 2015/16 was approved.

PA5

#### **INTERNAL AUDIT ANNUAL REPORT AND OPINION 2015-16**

The Audit Manager outlined her report, which showed the work carried out by Internal Audit during the previous financial year and gave their opinion on the

Council's control environment. Internal Audit had concluded that overall the identified risks were being adequately managed and controlled.

For 2014/15 there had been no "limited" or "little" assurances given for the audited areas so the overall opinion for that year was that risks had been substantially managed.

The report was noted.

**PA6 INTERNAL AUDIT AND STRATEGY AND PROGRAMME 2016-17**

The Audit Manager presented her report and explained that the Council was required to undertake a risk based internal audit system. This began by examining the Corporate Plan and then looked at departmental objectives.

RESOLVED that the revised Internal Audit Strategy and Work Programme 2016/17 was approved

**PA7 INTERNAL AUDIT PROGRESS REPORT 30 JANUARY TO 6 MAY 2016**

Members considered the report, which detailed work undertaken by Internal Audit since the last report to the Committee and any progress made on recommendations made by Internal Audit.

The report was noted.

**PA8 PERFORMANCE AND AUDIT COMMITTEE SELF-ASSESSMENT 2015-16**

Members considered the report, which detailed the self-assessment undertaken by the Committee for the 2015/16 municipal year.

The report was noted.

**PA9 PROCUREMENT ARRANGEMENTS**

The Assistant Director Corporate Services presented his report which followed requests by Members that a report was brought to the Committee which outlined the Council's approach to procurement, the list of tenders for the previous 12 months, the details of any tenders which fell into higher categories and any instances where the normal procurement rules had been waived. The first three of these requests were covered in the Procurement Strategy which was approved annually by Cabinet. A list of instances where the procurement rules had been waived was attached as an appendix to the report.

Members were asked to consider whether they wanted to receive information about procurement activity on a regular basis, and if they would, how frequently they would like to receive it.

Councillor Hargreaves said that he was pleased to see the report. The information provided was beneficial and he would like to see a report presented regularly. Members considered how frequently the report should be brought before the Committee. Given that the number of exceptions to procurement rules was relatively low it was agreed that the report should be considered on a six monthly basis.

RESOLVED that a report on procurement activity would be brought to the Committee on a six monthly basis.

PA10

#### **Q4 PERFORMANCE 2015-16**

The Assistant Director Corporate Services presented his report which the Key Performance Indicators (KPIs) and Performance Indicators (PIs) for quarter four.

i) KPI 09 – Number of accidents that are reportable under RIDDOR (Min)

He said that it was recommended that KPI 09 was deleted and that instead the Committee received either a quarterly or twice yearly report on health and safety matters. This would provide Members with more information and would help to raise the profile of health and safety amongst Members.

The Chairman said that it would be beneficial to have more information. He recommended that a report was brought to the Committee on a six monthly basis with the first report going to the next meeting. He also asked that the health and safety officer was invited to present the report.

The Director of Finance and Corporate Services said the health and safety officer was keen to present the report to the Committee. A Member champion for health and safety was being appointed and he recommended that they were also invited to the meeting.

Councillor Barker asked how the continuity of information from KPI 09 would be preserved. In response, the Director of Finance and Corporate Services said the report would still contain all the information gathered for the KPI, but would also include more information such as near misses. The information in the report would be similar in nature to that presented to CMT.

The Chairman suggested that to help with consistency of measurement, the health and safety report should be presented on a quarterly basis.

Councillor Howell spoke as a former chairman of the Committee. He said that he welcomed the recommendation. The RIDDOR measurement was a blunt instrument, so further information would provide the Committee with a fuller picture.

ii) KPI 14 – Percentage of household waste sent for reuse, recycling and composting (LAA) (Max) and KPI 15 – Number of return visits to collect

bins that have been missed on the first visit (per 100,000 collections)  
(Min)

Councillor Rolfe said that there appeared to be no significant improvement in either of the KPIs and recommended that both of the matters were referred to Cabinet.

Members discussed KPI 15. In response to a question by Councillor Barker, the Assistant Director Corporate Services said that the National Indicator system established by the previous Labour government set the calculation of missed bins per 100,000 collections. The KPI had been continued on that basis so that the figures remained consistent.

Councillor Jones noted that the Council would be notified of missed bins on a weekly basis. An absolute figure for missed bins would be useful and it would also be helpful if the number of missed bins was broken down by round. In reply to the points raised by Councillor Jones, the Assistant Director Corporate Services said it would be possible to provide an absolute figure for missed bins. Breaking down the number of missed bins by round would require a lot of administration, so he would speak to the service about the feasibility of doing this.

iii) PI 39 – Number of written customer complaints against leisure centre usage (Min)

The Assistant Director Corporate Services explained that this PI was going to be replaced with a more effective indicator during the year.

iv) PI 30 – Percentage of planning applications validated within 5 days (Max)

Councillor Hargreaves said that from examining some validated applications and speaking to officers it did not appear that all applications were thoroughly checked before they were validated. In response the Assistant Director Corporate Services said he would get someone from the Planning Department to speak to Councillor Hargreaves about his concerns.

RESOLVED that a report on health and safety in the Council would be brought to the Committee on a quarterly basis.

PA11

#### **Q4 CORPORATE RISK REGISTER 2015-16**

The Assistant Director Corporate Services presented his report. He said that the Council's approach to risk management was due to be revised to better reflect the main risks facing the Council regarding delivering key projects, as well as external factors.

In response to a question by Councillor Barker, the Assistant Director Corporate Services said that a prototype of the new report would not be circulated before

the next meeting of the Committee. However, Members would be able to suggest further revisions to any future reports to the Committee.

The report was noted.

PA12

### **ANY OTHER ITEMS**

The Assistant Director presented the annual report of the Committee, which was presented to Annual Council by the Chairman on 17 May. In the future it was recommended that the draft annual report was brought to the February meeting.

Councillor Jones asked for clarification as to whether the annual report of the Committee had to be presented at Annual Council, or whether the requirement was just for an annual report.

In response to Councillor Jones, the Assistant Director Corporate Services said that the Council's constitution only required the report to be presented annually. However, it was conventionally presented to Annual Council. This was also the case with the annual report from the Scrutiny Committee

The Chairman reminded Members that the Committee meeting originally scheduled for 21 July was now going to take place on 28 July.

RESOLVED that the draft annual report would be considered at the Committee meeting in February.

The meeting ended at 8.40pm.

## **ACTION POINTS**

Minute PA3 Matters Arising	After the Council had submitted its accounts to external audit, the Director of Finance and Corporate Services to provide Members with a figure for Local Plan expenditure at the end of the financial year.
Minute PA3 Matters Arising	Mrs Wardle to meet with Councillor Hargreaves regarding the Revenues and Benefits account
Minute PA10 Q4 Performance 2015/16	The Assistant Director Corporate Services would speak to Street Services about recording missed bin collections as an absolute number, and by route.
Minute PA10 Q4 Performance 2015/16	The Assistant Director Corporate Services would speak to Planning about the validation process.