



Cabinet 29 April 2009

Report from the Performance and Audit Scrutiny Committee: 27 April 2009

Below is a summary of the reports considered by the Performance and Audit Scrutiny Committee at its meeting this week, which includes three recommendations to Cabinet. Councillor Spicer, Vice Chairman of the Committee, will attend Cabinet and provide Members with further information on the areas discussed, and take any questions Cabinet may have on the recommendations or the discussions.

1. **Key Performance Indicators (KPI): Fourth Quarter 2008/2009**

1.1 The Committee considered the fourth quarterly KPI report for 2008/2009, covering the period January to March 2009, using the new set of former Best Value Performance Indicators (BVPIs), new National Indicators and local indicators selected by the Committee at the start of 2008/2009. A number of the indicators and contextual information were discussed, including the percentage of planning appeals allowed and levels of sickness absence. Discussion also took place around reduction in CO2 emissions and fuel poverty.

2. **Council Improvement Plan**

2.1 In July 2008 the Cabinet approved the Council Improvement Plan for 2008/2009. This Plan brings together a range of actions to help the Council achieve further improvements in its performance. An end of year progress report on the 2008/2009 Plan was considered by the Committee, which concluded that significant progress had been made against the Plan, with only two of the 35 actions being behind schedule.

2.2 The Committee was also presented with a draft Improvement Plan for 2009/2010, which had been drafted based on 7 drivers for improvement, including the Cabinet's Commitments and the recommendations in the Audit Commission's Audit and Inspection Letter. The Committee **RECOMMENDS that the 2009/2010 Council Improvement Plan, attached as Appendix B to Report Z659, be adopted.**

3. Data Quality Policy: Annual Update

- 3.1 The Committee received an update on the progress being made against the Data Quality Strategy and Data Quality Action Plan approved by the Policy Development Committee in March 2008. The report also included the Audit Commission's findings from its data quality audit for 2007/2008, which concluded that the Council's overall management arrangements for ensuring data quality were consistently above minimum requirements.
- 3.2 For 2009/2010 the actions included in the 2008/2009 action plan will be retained, with the aim of maintaining, and if possible, improving the Council's data quality assessment score. Additionally, the recommendations made by the Audit Commission in its assessment will be included. The Committee **RECOMMENDS that the 2009/2010 Data Quality Action Plan, as detailed in Report Z660, be adopted.**

4. Biannual Corporate Complaints and Compliments Digest

- 4.1 The Committee considered a digest of corporate complaints received between 1 October 2008 and 31 March 2009. The digest gave an overview of the quantity and type of corporate complaints received, as well as monitoring effectiveness at responding, and set out the learning and actions taken following each complaint.
- 4.2 20 corporate complaints had been received during the second half of 2008/2009, making a total of 44 for the year, slightly lower than the previous year's total of 49. The Committee discussed one or two complaints in more detail, and was pleased to note that the quantity of compliments received continued to outnumber complaints.

5. Audit Commission: Presentation of Annual Audit and Inspection Letter 2009

- 5.1 Philip King and Robert Davies from the Audit Commission attended the Committee meeting to present the Annual Audit and Inspection Letter for 2009. This report detailed the audit and inspection work carried out since the last Annual Audit and Inspection Letter, and summarised the significant issues that had arisen from that work.
- 5.2 Key messages in the report were that the Council was making positive progress against its priorities and provided good value for money. The Use of Resources Assessment concluded an overall score of level three, which equated to an assessment of "*consistently above minimum requirements – performing well*", with enhanced performance noted in a number of the themes within the assessment.

6. Annual Internal Audit Report 2008/2009 and Outline Audit Plan 2009/2010

- 6.1 The Committee reviewed the work of the Internal Audit Team during 2008/2009 and approved an outline Audit Plan for 2009/2010. Based on the work undertaken during 2008/2009, Internal Audit could provide reasonable assurance that the systems of internal control within the areas of the Council covered, as well as the risk management systems, were operating adequately and effectively.

- 6.2 The Committee discussed the main areas of work shown in the report, concentrating on those where existing arrangements should be improved.
- 6.3 The outline plan for 2009/2010 provided for the annual review of all the main financial systems, together with the audit of a number of operational areas using a risk based methodology.

7. Corporate Risk Register: Quarterly Monitoring Report

- 7.1 The fourth quarterly risk register monitoring report for 2008/2009 was considered by the Committee, prior to which a presentation was given intended to refresh Members' understanding of risk management.
- 7.2 Significant changes since the last report included the updating of risk due to the opening of the arc, and the move to West Suffolk House. Additionally, a new risk had been added concerning safeguarding of the Council's assets. One risk had been increased to a high residual risk, namely the Asset Management Plan which was unlikely to be achieved due to the current economic situation.
- 7.3 The Committee asked for clarification on some of the risks in this quarter's report, including increases in Council Tax and provision of affordable housing. The Committee was particularly concerned that, despite putting in place 10 actions to mitigate the risk of shortage of affordable housing, the residual risk was still at the highest level. The Committee recognised that the financial climate and downturn in the housing market had a great effect on this risk, and therefore the actions the Council could take to mitigate it would be limited, but Members wanted to ensure that the Council has exhausted all possible avenues to reduce this risk. For this reason the Committee **RECOMMENDS that Cabinet review the actions that the Council has currently planned to mitigate the shortage of affordable housing in the Borough and assess whether any further actions are required.**

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