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*St Edmundsbury*  
BOROUGH COUNCIL

# **NINTH ANNUAL SCRUTINY REPORT**



**2010/11**

# St Edmundsbury Borough Council Overview and Scrutiny Annual Report 2010/11

## Contents

	<b>Page</b>
Introduction	2
What does Scrutiny do?	3-4
How does Scrutiny work?	5-6
Review of Past Year – Overview and Scrutiny Committee	7-10
Review of Past Year - Policy Development Committee	11-12
Review of Past Year – Performance and Audit Scrutiny Committee	13-15
2011/12 Work Programmes	16-17

# Introduction

		
<b>Councillor David Lockwood</b>	<b>Councillor Nigel Aitkens</b>	<b>Councillor John Hale</b>
<b>Chairman of the Overview and Scrutiny Committee 2009/10 - 2011/12</b>	<b>Chairman of the Policy Development Committee 2010/11</b>	<b>Chairman of the Performance and Audit Scrutiny Committee 2007/08 - Present</b>

Welcome to the ninth Annual Report on the overview and scrutiny function at St Edmundsbury Borough Council.

Scrutiny is central to the decision-making process of the Council, and this Annual Report sets out the work of the three scrutiny committees which operated in St Edmundsbury Borough Council during 2010/11. The report is not intended to cover all the work of the committees, but to present some examples of where and how scrutiny has contributed to change, challenge and service improvements, and to give you a flavour of the work undertaken, in the hope that you will be encouraged to play more of a role in the scrutiny process in the coming year.

2010/11 was the first year as Chairman of the Policy Development Committee for Councillor Nigel Aitkens, who was previously a member of the Council's Cabinet. The Chairmen of the Overview and Scrutiny and Performance and Audit Scrutiny Committees, who were commencing their third and fourth years in these positions respectively, were pleased to welcome him. Following a review of the scrutiny structure in 2010, the Policy Development Committee has been removed from the structure, with its responsibilities being taken on by a larger Overview and Scrutiny Committee and by the Performance and Audit Scrutiny Committee. However, Councillor Aitkens enjoyed leading the Committee's work from May to December 2010.

2010/11 was a busy year for all three scrutiny committees, with the Policy Development Committee and Overview and Scrutiny Committee carrying out some major policy and scrutiny reviews. The Performance and Audit Scrutiny Committee, in its fourth year of operation, set up a Treasury Management Sub-Committee, and its three members will fulfil the recently enhanced monitoring and scrutiny requirements of treasury management. The Sub-Committee will receive and scrutinise treasury management strategy, performance and monitoring reports at least three times per year. 2010/11 was also another strong year for external involvement in our scrutiny reviews, with a number of representatives from partner organisations attending meetings to help the committees with their investigations.

We hope you find this Annual Report both informative and interesting, and that you will continue to follow the progress of the overview and scrutiny function at St Edmundsbury.

May 2011

## What does Scrutiny do?

The scrutiny function of this and other councils was introduced under the Local Government Act 2000, which required councils to set up new structures to replace the old committee system. The aim of the Government's programme for modernising local government was for local people to know more about how their local council works and get more involved, and for Councillors to have more interesting and rewarding work. As part of this, councils were required to establish at least one "overview and scrutiny committee" to monitor decisions made and, where appropriate, to advise the Council on matters of policy or service delivery.

During most of 2010/11 St Edmundsbury had three such committees. The Overview and Scrutiny Committee looks back at how and why decisions were made, how services are functioning and where improvements can be made, but in its role as community leader also looks at wider issues. During 2010/11 the Policy Development Committee was more forward looking, concentrating on new and evolving policies, and in particular had responsibility for advising Cabinet (the Council's main decision making body) on the Council's budget. The Performance and Audit Scrutiny Committee has particular responsibility for monitoring the performance of services, as well as the Council's budget, internal audit and risk management.

### Overview and Scrutiny Committee

#### Responsibilities:

- Community leadership
- Reviews
- Pre-decision scrutiny
- Post implementation review
- External and joint scrutiny
- Call-ins and Councillor Calls for Action
- Holding the Cabinet to account
- Scrutiny improvement

As the Council's critical friend, the Overview and Scrutiny Committee holds the Cabinet, full Council and staff to account by monitoring the decision making process and testing existing practices to check they are working properly. It can also call in Cabinet decisions to check them before they are put into practice. The Overview and Scrutiny Committee is able to stand back from the decision making process, look at the outcomes for the people of St Edmundsbury and contribute to ensuring improved performance. The Committee has seven scheduled meetings per year.

### Policy Development Committee

- Policy development
- Policy review
- Diversity
- Asset management
- Capital programme
- Budget development

This Committee, whose responsibilities have now been taken on by the two remaining scrutiny committees, took a similar broad view of the Council's work and had the specific role of advising on the development and implementation of new policy and processes, as well as examining proposals for future budgets. Its six meetings per year were based around the budget and corporate planning cycle.

The Policy Development Committee looked at the impact on the community of key plans and strategies within the Council's policy framework, investigating why things are as they are, researching options, challenging assumptions and suggesting improvements. When looking at a new policy, the Committee ensured it would contribute to the Council's corporate priorities, and that any links to other Council policies demonstrated continuity. When reviewing existing policies,

the Committee investigated how successful it had been, whether it achieved its objectives within budget and to timescale, and what needed to change. In all its policy development, the Committee aimed to enhance services and make life better for people living and working in St Edmundsbury, as well as those visiting us.

### **Performance and Audit Scrutiny Committee**

- Performance management
- Improvement planning
- Audit responsibilities
- Budget monitoring
- Strategic risk management

Scrutiny also has an important role to play in monitoring the performance of services. The Performance and Audit Scrutiny Committee looks at how well the Council's services are performing by considering a range of information such as performance indicators and reports from external inspectors, and by monitoring action plans. It does not carry out reviews, but may recommend that a review is carried out by one of the other scrutiny committees where a need has been identified.

This Committee also leads on improvement planning and risk management, as well as monitoring the Council's budget, and recommending the annual accounts to full Council. It has four quarterly monitoring meetings per year, plus one other to consider the annual accounts.

There can be some cross-over between the work of the three committees, with, perhaps, the effectiveness of a new policy being monitored by the Overview and Scrutiny Committee, or a scrutiny investigation leading to the development of a new policy.

## **How does Scrutiny work?**

The scrutiny committees have work programmes which prioritise the investigations they will carry out over the coming year. Further information on how the committees set their work programmes is set out in the Scrutiny Guide available on the Council's website, or by calling 01284 757613.

The committees gather evidence from a variety of sources including the Council's own information, other local authorities, partner organisations, service users, expert witnesses or research carried out by the committees themselves.

Once they have their evidence the committees make their reports, complete with recommendations, usually to the Cabinet. The committees' work programmes include time to check progress on the actions that have been taken following acceptance of scrutiny reports.

### **Call-in**

Any decision by the Cabinet, or a key decision taken by an officer with delegated authority from the Cabinet, may be "called in" by at least five members of the Council, or the Leader of any political group on the Council which has five or more members (with the support of a further three members of that group). Call-in is used where Councillors have evidence which suggests that a decision was not taken in accordance with the principles of good decision making set out in the Constitution, or in the context of the Council's policy or budget framework, and is only used in exceptional circumstances.

The Council sees an average of one call-in per year, however, none were considered during 2010/11.

### **Councillor Call for Action**

Councillor Call for Action (CCfA) is a relatively new scrutiny power which came into force on 1 April 2009, and which enables any member of the Council to refer to the Overview and Scrutiny Committee any local government matter or any crime and disorder matter which affects their ward/division, within certain limitations. These limitations are set out in the Councillor Call for Action Protocol, which is available as part of the Council's Constitution, on our website, or by calling 01284 757613.

Four Councillor Calls for Action were submitted during the first year of operation of the new power, but none were submitted during 2010/11.

### **Training and Development**

We recognise the importance of training and development for both Councillors and officers who support the scrutiny role at St Edmundsbury. Regular targeted training, both internally and externally, has facilitated the development of a successful scrutiny function.

### **Meetings**

Meetings of all three scrutiny committees are held in public (except when exempt or confidential material is being discussed), and in order to prevent whole meetings being taken up by a single topic, "task and finish" groups are sometimes set up to carry out major reviews and report back to the main committee with their recommendations.

## **Engaging the Public and Stakeholders**

The scrutiny committees work hard to develop and improve the scrutiny process at St Edmundsbury, and continually aim to increase the involvement of stakeholders and public engagement. To this end committees often gather evidence with the involvement of external witnesses, and over the past year, in addition to targeted consultations carried out as part of reviews, the committees have formally invited several people to attend meetings and assist in investigations, including:

- The County Council's Independence at Home Development Manager
- A representative of AFC Sudbury
- A representative of the Young People Afloat project
- Suffolk County Council's West Area Highway Manager
- Representatives from the Audit Commission
- Suffolk County Council's Transport, Planning and Procurement Manager
- Forest Heath District Council's Waste Services Manager
- Bury St Edmunds Volunteer Centre's Operations and Development Manager

If you would like to assist the committees in any future work or reviews, you should obtain a copy of the Council's Abridged Scrutiny Guide from the Council's website, or by calling 01284 757613.

## Review of Past Year – Overview and Scrutiny Committee

 <p><b>Councillor David Lockwood</b> Committee Chairman</p>	<p><b>Committee Members</b>            Cllr Trevor Beckwith            Cllr Jane Bone            Cllr Charles Bradbury            Cllr Terry Buckle            Cllr Robert Clifton-Brown            Cllr Ian Houlder            Cllr Paul McManus            Cllr Tim Marks            Cllr Gavin Price            Cllr Jim Thorndyke            Cllr Christopher Turner            Cllr Frank Warby            Cllr Patsy Warby            Cllr Dorothy Whittaker</p> <p><b>Substitute Members</b>            Cllr Jack Anderson            Cllr Bob Cockle            Cllr Margaret Charlesworth            Cllr Jeremy Farthing            Cllr Allan Jones            Cllr Derek Redhead            Cllr Adam Whittaker</p>	 <p><b>Councillor Stefan Oliver</b> Committee Vice Chairman</p>
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During 2010/11 (May 2010 to April 2011) the Overview and Scrutiny Committee dealt with the following business:

### Community Leadership

- The Committee received its annual report on the work of the **West Suffolk Local Strategic Partnership** and discussed the projects being run by the Partnership, and developments since the last report including the appointment of a new LSP Manager. As part of the six-monthly update in March 2011, the Committee discussed the progress of the shared services agenda with Forest Heath District Council, progress on projects funded during 2009, distribution of funding in 2010, and the future direction of the Partnership and its Community Strategy. The Committee praised the impressive number of projects running, the impact of which could now be evidenced.
- As part of its responsibility as the Council's designated Crime and Disorder Committee to scrutinise the work of the **West Suffolk Community Safety Partnership (CSP)** in achieving the strategic aims set out in its Crime and Disorder Reduction Strategy, the Committee received a review of progress which led to discussions on the Anti-Social Behaviour co-located team, the work of the CSP during 2010/11 and future funding and structure arrangements for CSPs in Suffolk from 2011 onwards.
- The Committee received an update on the position with the introduction of **civil parking enforcement** (CPE) in Bury St Edmunds. The County Council has responsibility for this issue, and the Committee will be kept informed of any developments.
- Following concern from Councillors at the lack of gritting of minor roads during the **2009/10 Severe Winter Weather**, the Committee received details of the County Council's winter



maintenance plan (the County Council has responsibility for winter maintenance of highways), and in particular the criteria used to decide which roads were gritted.

### **Success Story – Suffolk Waste and Street Scene Joint Committee**

A Joint Committee with Forest Heath District Council was established in March 2008 to oversee the delivery of waste and street scene services in West Suffolk. The Committee had considered the development of the West Suffolk Waste and Street Scene Partnership under its last work programme, and had been impressed with the significant developments and progress made in bringing the two councils' operational services closer together.

In November 2010 the Committee received an update on progress made on the specific activities and initiatives that had been undertaken, as well as the priorities of the Partnership, and performance to date against planned actions and performance indicators. The service managers from both councils were present at the meeting to take Councillors' questions.

Key areas of progress noted by the Committee included the implementation of an interim joint waste management structure, aimed at reducing duplication and saving officer time, and a joint round review which had resulted in significant savings and service improvements.

The next major focus for the Partnership will be a comprehensive joint street cleansing review. This review will build upon the successful joint waste collection project and will lead to benefits including increased efficiency and alignment of policies, as well as the joint procurement of major assets such as street sweepers.

continued to be made on the recommendations. This year no new CCfAs were submitted, and there were also no call-ins.

### **Scrutiny Reviews**

- The Committee had requested a review of the impact on **car parking demand** following the arc development having been open for a year, and also an investigation into the potential for park and ride provision in Bury St Edmunds, and concluded that the impact on parking of the opening of the arc had been as anticipated, and the measures put in place had enabled the additional demand to be managed effectively. Councillors also agreed that there was no current justification for the provision of a permanent park and ride service in Bury St Edmunds.
- The **Environmental Health and Licensing Service self-assessment and peer challenge** was scrutinised by the Committee, in particular the results arising, which had been included in an Improvement Plan for the Service. Councillors confirmed that the Improvement Plan covered all the points which had become apparent during the review process.

### **Call-ins and Councillor Calls for Action**

- Updates on the CCfAs considered during the previous year were considered by the Committee as necessary, to ensure progress

### **Follow-up Work and Post Implementation Review**

When a review is completed, the work of the Committee does not necessarily end there. During 2010/11 the Committee followed up progress on a number of reviews undertaken in previous years.

- An update on the Council's **Section 106** approach was considered, including what funding had been received and used to support transport schemes within the Borough. A further report gave a more in-depth breakdown of contributions on a scheme by scheme basis.

- The Committee carried out a review of the Council's **Enforcement Policy**, and one of the changes in the policy was the introduction of quarterly monitoring of the authority's use of the Regulation of Investigatory Powers Act 2000.
- Following its November 2005 review of the future provision of **Affordable Housing**, the Committee receives regular updates on this important issue. Councillors discussed the housing implications of the government's Comprehensive Spending Review and an update on affordable housing delivery in the Borough, which showed that St Edmundsbury had achieved £617,000 funding for the delivery of 20 new affordable homes in the Borough.
- The Committee reviewed the achievements of the Council's **Cultural Strategy**, and was pleased to see how much had been achieved under the Strategy across the whole Borough, and that such a diverse range of activities and projects had been undertaken.

### Joint Scrutiny

- A member of the Committee, Councillor Beckwith, was re-appointed to the **Suffolk Health Overview and Scrutiny Committee**, which is responsible for the scrutiny of health provision across the County. Councillor Beckwith presented an update of the Health Committee's work to the Committee at its June 2010 meeting.

- Councillor Lockwood was appointed to the **Joint Scrutiny of Flooding and Flood Risk Working Party**, with Councillor Price as substitute Member, and Councillor Thorndyke to the **Joint Emergency Planning Policy Panel**, with Councillor Oliver as substitute Member.
- Councillor F Warby took over from Councillor Levack into the fourth year of the four year term as the Council's representative on the **Joint Local Area Agreement Scrutiny Panel**, although later in the year this Panel was disbanded.

### Scrutiny Development

- All three scrutiny committees worked together with the Democratic Renewal Working Party on a **review of the Council's scrutiny structure**. The Council's overview and scrutiny structure had been in place since 2002, and in the current financial climate where all areas of the Council were being reviewed with regard to efficiency and reduction of bureaucracy it was considered

### **Success Story – Tree and Woodland Strategy**

The Council adopted a Tree and Woodland Strategy in December 2009. In 2010, the Committee reviewed the progress of the implementation of the Strategy, and wished in particular to concentrate on the procedures for planning and budgeting landscaping works.

The Committee was pleased to be able to report that the management of the Council's tree stock was performed in a clear and transparent manner, with programmed inspections and maintenance; inspection and maintenance in response to requests for service; and a planting and aftercare regime.

The inspection and maintenance programme meant that all Council-maintained trees were inspected, and maintained as necessary, at least once every four years. Work was generally only undertaken outside this cycle in order to deal with issues brought to the Council's attention which required prompt remedial work, or if work to young trees would be best undertaken sooner.

This year's budget spend on tree work was around 50% proactive management and 50% reactive. In the long term it was hoped to achieve a level of 70% planned management, as the benefits of pro-active management should result in the volume of enquiries diminishing.

The Committee was pleased to see the reduction in enquiries to the service, which had been achieved through the new proactive management and programmed maintenance regime.

an opportune time to look again at the scrutiny structure. The resulting new structure, which came into being from December 2010, removed the Policy Development Committee, with policy reviews being carried out by "task and finish" groups of an enlarged Overview and Scrutiny Committee, and the budget responsibilities of Policy Development Committee (such as delivering a sustainable budget and Policy Based Budgeting) transferring to the Performance and Audit Scrutiny Committee.

### **Cabinet Liaison**

- The Leader of the Council attended the June 2010 meeting of the Policy Development Committee, and presented the **Cabinet's Annual Report for 2009/10**. The Committee questioned the Leader on the report's contents, resulting in discussions on a range of topics, and expressed its broad support for the document and the revised priorities of the Cabinet for 2010/11. The Leader also attended the April 2011 meeting of the Committee, and presented the **Cabinet's Annual Report for 2010/11**. The report reviewed the work of the Cabinet during 2010/11, however, unlike previous years, the Annual Report did not set out the commitments and key activities for the next year, as this would be the responsibility of the new administration following the Borough Council elections on 5 May 2011. The Committee examined the document in detail, questioning the Leader on the report's contents, and expressed its broad support for the document and looked forward to seeing the final document, including the new administration's priorities for 2011/12 and the completion of the Corporate Plan, following the Borough Council elections.
- The Committee discussed the **Cabinet's Forward Plan** at each meeting, and requested further information or involvement as necessary.

### **Other**

- From June 2010 the Committee was given responsibility for scrutinising the Authority's use of its **surveillance powers** under the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010, and received quarterly reports on the use of these powers.

## Review of Past Year – Policy Development Committee

 <p><b>Councillor Nigel Aitkens</b> Committee Chairman</p>	<p><b>Committee Members</b>            Cllr Mrs Jane Bone            Cllr Bob Cockle            Cllr Robert Clifton-Brown            Cllr Gordon Cox            Cllr Helen Levack            Cllr Paul McManus            Cllr Derek Redhead            Cllr Mrs Karen Richardson            Cllr Richard Rout            Cllr Mrs Patsy Warby            Cllr Mrs Dorothy Whittaker</p> <p><b>Substitute Members</b>            Cllr Mrs Sarah Broughton            Cllr Allan Jones            Cllr David Lockwood            Cllr David Nettleton            Cllr Christopher Spicer            Cllr Adam Whittaker</p>	 <p><b>Councillor Charles Bradbury</b> Committee Vice Chairman</p>
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During May to November 2010 the Policy Development Committee dealt with the following business:

### Budgets and Corporate Planning

- The Committee carried out a **Review of the Capital Programme**, an annual responsibility which takes place as part of the budget process which is intended to ensure the Programme is up to date, and to identify any pieces of work which are no longer a priority.
- The Committee again played a significant role in identifying cost reductions and new income for the forward budget, and this work is detailed in the box to the right.

### Policy Development

- In December 2005, full Council approved the St Edmundsbury **Vision 2025** document and action plans, and between 2007 and 2009 each of the document's six themes was monitored to assess progress against the actions. In June 2010 the Committee received an overall review of Vision 2025, and recommended a way forward that

### **Success Story – Scrutiny of Budget Savings**

There were again significant levels of savings to be achieved when seeking to achieve a sustainable budget for 2011/12, and as in previous years the Committee scrutinised all proposals for growth and efficiency savings in the 2011/12 budget before making recommendations to Cabinet.

This work commenced at the Committee's September 2010 meeting with the consideration of a report setting out the context of the 2011/12 budget process and describing the approach which would be taken to deliver the substantial savings required. In November 2010 the Committee considered a number of proposed savings for 2011/12, and recommended that all proposals be considered for inclusion in the 2011/12 budget. The Committee also considered the proposed growth areas for 2011/12, and recommended them all for inclusion in the 2011/12 budget. The Committee also recommended the use of £0.685 from the General Fund reserve to help meet the 2011/12 savings target.

Taking into account this growth, the remaining budget gap for 2011/12 was £242k, and with the removal of the Policy Development Committee from the Council's scrutiny structure in December 2010, the Committee handed over responsibility for filling this gap. At the end of the process commenced by the Policy Development Committee, cost reductions of £1.9 million were taken forward into the 2011/12 budget.

built upon the aims of the original document, but which also reflected recent policy developments.

### **Policy Reviews**

- Following the recommendation of adoption of the **Empty Homes and Wasted Space Strategy** by the Committee in September 2009, progress against the Action Plan arising from the review was considered. Councillors concluded that good progress was being made, and that the right properties were being targeted.
- The Committee reviewed the **policy, effectiveness and management of Article 4 Directions in Bury St Edmunds** following concerns being raised that residents may be unaware of the requirements of the Directions. The Committee recommended offering further seminars and workshops for residents, contacting letting agencies and landlords, and producing newsletters and updates, rolling out these actions across all the conservation areas in the Borough, in order to make the public aware of what they could and could not do, whilst at the same time protecting the heritage of these important areas. The Committee also recommended that consideration be given to extending Article 4 Directions to other conservation areas in the Borough, with the support and co-operation of residents and parish councils.

### **Cabinet Liaison**

- The Leader of the Council attended the June 2010 meeting of the Policy Development Committee, and presented the **Cabinet's Annual Report for 2009/10**. The Committee questioned the Leader on the report's contents, resulting in discussions on a range of topics, and expressed its broad support for the document and the revised priorities of the Cabinet for 2010/11.
- The Committee discussed the **Cabinet's Forward Plan** at each meeting, and requested further information or involvement as necessary.

### **Diversity**

- The Committee is responsible for **Diversity** across the Council, through the work of its Diversity Group, and at its first meeting of the year received a progress report on the implementation of the **Equality Action Plan** over the past year. Additionally, Councillors were advised of the Equality Peer Review which was undertaken in March 2010, to provide an independent analysis of the Council's progress. The new Equality Action Plan for 2010-11 was recommended for approval.



### **Asset Management Plan and Capital Strategy**

- The annual report on the **performance of the Asset Management Plan** for 2009/10 and proposals for implementation in 2010/11 were scrutinised by the Committee, prior to submission to the Cabinet, and the recommendations supported.

### **Other**

- The Committee had an input into the **review of the scrutiny structure**, which is detailed under the Overview and Scrutiny Committee section earlier in this Annual Report.

## Review of Past Year – Performance and Audit Scrutiny Committee

 <p><b>Councillor John Hale</b> Committee Chairman 2010/11</p>	<p><b>Committee Members</b> Cllr Sarah Broughton Cllr Gordon Cox Cllr Helen Levack Cllr David Nettleton Cllr Derek Redhead Cllr Karen Richardson Cllr Richard Rout Cllr Marion Rushbrook</p> <p><b>Substitute Members</b> Cllr Nigel Aitkens Cllr Trevor Beckwith Cllr Jane Bone Cllr Paul Farmer</p>	 <p><b>Councillor Christopher Spicer</b> Committee Vice Chairman 2010/11</p>
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During 2010/11 (May 2010 to April 2011) the Performance and Audit Scrutiny Committee dealt with the following business:

### Performance Management

- The Committee continued to monitor the Council's **Key Performance Indicators**, based on the National Indicators plus additional local indicators identified by the Committee. From April 2011 National Indicators were abolished, and the Council was now able to choose which indicators it wished to report and manage. The Policy Team is working to develop a list of KPIs for monitoring during 2011/12.
- The Committee received a **Biannual Corporate Complaints and Compliments Digest**, which enabled it to monitor the Council's effectiveness at responding to complaints and learning from any mistakes which may have been made. Throughout the year the level of corporate complaints was outweighed by the number of compliments received. The Committee was also pleased to note that none of the complaints referred to the Ombudsman had resulted in a finding of maladministration.

### Inspection and Improvement Planning

- The Committee discussed progress against the 2010/11 **Council Improvement Plan**, which brought together a range of actions to help the Council achieve further improvements in its performance. Some actions in the Plan were no longer relevant due to changes in national policy, and where necessary amendments to the Plan

### **Success Story – Treasury Management**

Following a recommendation from the Chartered Institute of Public Finance and Accountancy (CIPFA) that Councils should consider putting in place increased scrutiny of their treasury management activity, the Committee set up a Treasury Management Sub-Committee to take forward this enhanced scrutiny role.

The Sub-Committee met 3 times during 2010/11, scrutinising the annual Treasury Management and Investment Strategy, the mid year treasury management review and reports on treasury management performance and investment activity. In October 2010 the Sub-Committee recommended variations to the Council's lending criteria, and in January 2011 recommended the Annual Treasury Management and Investment Strategy 2011/12 and Prudential Indicators for approval.

Officers have found this specialised scrutiny of the Council's treasury management activity extremely useful, and value being able to obtain Members' views on this important area of work.

were made. An end of year progress report was considered in April 2011, which concluded that significant progress had been made against the Plan, where actions were still relevant. The Committee accepted that it was sensible for the new Administration following the Borough Council elections to take responsibility for developing an Improvement Plan for the coming year.

### **Audit Responsibilities**

- The Committee scrutinised the work of the **Internal Audit Team** towards achieving the 2010/11 audit plan, with updates at each meeting during which the results of completed audits were discussed. At its meeting in April 2011 Councillors approved an outline **Audit Plan for 2011/2012**.
- Various reports from the **Audit Commission** were considered over the year, commencing with the Audit Opinion Plan, which set out the audit work which the Commission proposed to undertake for the audit of financial statements 2009/10, and the fee for that work. In September 2010 the District Auditor presented the Annual Governance Report to the Committee, and advised that he intended to issue an unqualified financial statements opinion and value for money conclusion. In January 2011 the Commission presented its Annual Audit Letter, which summarised the Audit Commission's findings from its audit of the Council's financial systems, and its assessment of the Council's arrangements to achieve value for money in its use of resources. The Committee was pleased to see another positive report from the Audit Commission, stating that the Council had good arrangements for preparing the Council's accounts, and for achieving value for money. Finally, in April 2011 a report was received from the Commission which set out the 2010/11 audit work which it proposed to undertake for the audit of financial statements and the value of money conclusion. A proposed timetable for the audit was noted by Councillors, as well as details of fees to be charged, and reports to be received by the Committee across the coming year.
- The annual report on the **capital programme audited accounts** notified the Committee of variations in cost between tenders and completed schemes. The report included key projects (over £25K) undertaken by Property Services for which the accounts had been audited during the financial year 2009/10. Three schemes were reported, showing an overall underspend of 5.83% (£71,111 below budget).
- An update on progress made in relation to actions arising from the **National Fraud Initiative (NFI) Strategy** was discussed, and the Committee recommended endorsement of the revised Strategy.
- The Committee is responsible for monitoring the Council's procurement activities, and considered the **Annual Procurement Report 2010/11**, which updated the Committee on progress with the Council's procurement in 2010/11. Progress achieved during 2010/11 included procurement savings of £433,071.
- The Committee recommended approval of an **Anti-Money Laundering Policy**, which would ensure the Council complied with all relevant legal and regulatory requirements provided for by the UK's anti-terrorist financing and anti-money laundering regimes.

### **Budget and Risk Management**

- The Committee received quarterly **Corporate Risk Register** monitoring reports and focussed its attention on those risks showing higher residual risks (the risk levels remaining after certain actions had been put in place to reduce them). Various changes were made to the Register across the year.

- **Budget Monitoring** reports were brought to the Committee quarterly, in order for it to flag up any areas of concern to the Cabinet.
- The Committee considered an update on the Council's preparations for implementation of **International Financial Reporting Standards (IFRS)**, and information on the changes in arrangements for the reporting of financial statements to Councillors. The Committee was pleased to note that the Audit Commission had indicated that the Council's IFRS preparations were assessed as on track.
- The Committee scrutinised the Council's 2009/10 **Annual Accounts** before their adoption by full Council at its meeting in June 2010. Then in September the Committee held a dedicated meeting to receive the Audit Commission's Annual Governance Report, which stated that the Commission would be issuing an unqualified audit opinion on the Council's financial statements. The District Auditor had also assessed the Council's value for money arrangements, and as a result of his assessment intended to issue an unqualified value for money conclusion.
- The **Treasury Management Sub-Committee** of three members, who fulfil the recently enhanced monitoring and scrutiny requirements of treasury management, held 3 meetings, at which scrutiny of the treasury management strategy and performance and monitoring reports took place. Further detail on the work of the Sub-Committee can be found in the box on Page 13.

### Other

- All three scrutiny Committees were consulted on options for changes to the Council's overview and scrutiny structure, and the Committee's recommendation, that it should take on responsibility for achieving a sustainable budget and monitoring growth and savings, was agreed and taken through to the new structure.



## 2011/12 Work Programmes

Whilst wishing to set timetabled work programmes covering the months ahead based on issues of public interest and the potential for scrutiny to make real improvements, the work programmes for the committees also leave time for innovative work as the year progresses, when local events, the Cabinet's Forward Plan and other factors may influence the committees' choice of priorities.

With the demise of the Policy Development Committee, and the subsequent taking on of responsibility for policy development by the Overview and Scrutiny Committee, that Committee intends to carry out more of its work in "task and finish" groups, which will carry out investigations and reviews and report back to the main committees. The Performance and Audit Scrutiny Committee works slightly differently in that the bulk of its work is set around its quarterly monitoring responsibilities, so it does not have a written work programme as such.

A joint budget of £5,000 will be available to the committees to assist them in their work which can be used, for example, in engaging specialist assistance, obtaining evidence, site visits, meeting accommodation, training and development. This budget provides an opportunity for the committees to build upon their successes to date and to develop innovative approaches to scrutiny in St Edmundsbury, and constructive relationships with the Cabinet and the Council's partners.

### Overview and Scrutiny Committee

As 2011 is a Borough Council election year, the members of the current Committee have suggested a work programme for the first six months of 2011/12, to give the newly-appointed Committee following the elections time to find its feet and get used to the way scrutiny works. This will also allow time for any necessary training to take place (in fact, the usual June Committee meeting has been replaced by the first module of a three-module scrutiny training programme to be delivered during 2011). The new Committee will set the remainder of the 2011/12 work programme itself later in the year.

In addition to any call-ins or Councillor Calls for Action which may arise, during the first half of 2011/12 the Overview and Scrutiny Committee will consider the following issues. Annual work is also included.

<b>Indicative timescale</b>	<b>Review</b>	<b>Anticipated outcomes</b>
July 2011	Leisure Facilities Asset Management Review	An update from the review group will be received in July, and the review will continue through to September (see September for review details).
	Diversity	The Committee ensures a Councillor lead on diversity across the Council and receives periodic reports/policies. In July 2011 the Committee will review the Equality Action Plan and consider the revised Equality Scheme.
September 2011	Annual Report on the impact of the West Suffolk Local Strategic Partnership (WSLSP) and Community Strategy	The Committee is responsible for monitoring the Strategy and how the Partnership is developing, and receives an annual report in September each year, and a six-month update in February/March.

Indicative timescale	Review	Anticipated outcomes
	Review of the system of Disabled Facilities Grants	This review, which is being carried out by Suffolk County Council and Mid Suffolk District Council, is being followed by the Committee, in order that lessons learned from the review, and in particular from a pilot scheme, which is due to finish in July 2011, may be rolled out to other Districts.
	Leisure Facilities Asset Management Review	Following consideration of an issue regarding the funding and ownership of play facilities in January 2011, a Councillor/officer task and finish group was set up which was later widened to include an asset management review of leisure facilities. The recommendations from the scrutiny of the play facilities issue will feed into the wider review.
October 2011	The new social housing reforms and development of a Tenancy Strategy	This piece of work will ensure the Committee remains up to date on the introduction of new affordable rents and flexible tenancies for social housing, and the Committee will also assist in the development of a Tenancy Strategy.
November 2011		
January 2012		
February 2012	6 month update on the WSLSP	An update following the full annual monitoring report received in September 2011.
April 2012	Monitoring the West Suffolk Community Safety Partnership	The Committee reviews the progress of the Strategy and the work of the Partnership on an annual basis.
	Cabinet Annual Report	To provide an input into this important document, as required by the Constitution. May take place in April or June 2012.

### Performance and Audit Scrutiny Committee

The Performance and Audit Scrutiny Committee will have the following responsibilities and will consider quarterly monitoring reports along these lines, as well as additional meetings to scrutinise the Council's annual accounts, and to make recommendations on delivering a sustainable budget for 2012/13.

- Performance Management
- Strategic Risk Management
- Budget Monitoring and Development
- Improvement Planning
- Internal and external audit

**For more information about how scrutiny works at St Edmundsbury Borough Council, please contact the Scrutiny Manager on 01284 757613.**