

NORTH HERTFORDSHIRE DISTRICT COUNCIL

PERFORMANCE, AUDIT AND REVIEW COMMITTEE

**Meeting held at the Council Offices,
Gernon Road, Letchworth Garden City, on Thursday 31 January 2008 at 7.30 p.m.**

MINUTES

PRESENT: *Councillors: Julian Cunningham (Chairman), David Miller (Vice-Chairman), Allison Ashley, John Booth, Tom Brindley, Marilyn Kirkland, David Levett, Ian Mantle, Lawrence Oliver, and Deepak Sangha.*

IN ATTENDANCE: *Chief Executive
Strategic Director of Customer Services,
Head of Financial Services,
Head of Strategy and Customer Services
Head of Revenues and Benefits
Head of Planning and Building Control
Policy Manager
Senior Member and Committee Services Officer.*

53. CHAIRMAN'S ANNOUNCEMENTS

- (1) The Chairman welcomed everyone to the meeting, including Debbie Hanson and Peter Finn from the Audit Commission.
- (2) The Chairman advised that the Head of Policy, Partnerships and Performance has been on sick leave for some time, and undertook to write to her on behalf of the Committee to convey Members' best wishes for a full and speedy recovery.

54. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillors: Clare Body, Allison Dear, Arthur Jarman and Michael Weeks.

55. MINUTES – 22 NOVEMBER 2007

RESOLVED: That the Minutes of the meeting held on 22 November 2007 be approved as a true record of the proceedings and be signed by the Chairman, subject to an amendment to the wording of the second sentence of the fifth paragraph of the preamble to Minute 46 – Delivery of the Local Area Agreement for Hertfordshire: Progress Update, which would now read as follows:

“The Committee discussed at length the progress of the LAA1 and how NHDC had been involved. The Leader of the Council was the District Council Leaders' representative on the Herts Forward Group. The Chief Executive chaired the Hertfordshire Chief Executives' Group, which also considered LAA issues.”

56. SUBSTITUTION OF COMMITTEE MEMBERS

The Chairman confirmed that there were no substitutions.

57. DECLARATIONS OF INTEREST AND PARTY WHIP DIRECTIONS

No declarations of interest were made.

No Party Whip directions were made.

58. REFERRAL FROM THE AUDIT AND RISK PANEL: RISK MANAGEMENT UPDATE AT 30 NOVEMBER 2007

The Head of Financial Services advised the Committee that the Audit and Risk Panel, at its meeting held on 10 January 2008, had considered a update report on Risk Management, and had made recommendations to the Performance, Audit and Risk Committee in respect of the 'Future of the Meals Service' Top Risk and the 'Risk Management Strategy and Policy Statement' (Minute 20 refers).

In response to a question, the Head of Financial Services confirmed that the version of the Risk Management Strategy presented to Cabinet would contain the amendments proposed by the Audit and Risk Panel.

RECOMMENDED TO CABINET:

- (1) That the deletion of the Cabinet Top Risk 'The Future of the Meals Service' be agreed;
- (2) That the proposed amendment to 'Risk Management Strategy and Policy Statement' be agreed.

REASON FOR DECISIONS:

To allow PARC continue in its overview and scrutiny function for Risk Management matters as proposed by the Audit and Risk Panel.

59. REFERRAL FROM THE AUDIT AND RISK PANEL: REVISED CODE OF CORPORATE GOVERNANCE

The Head of Financial Services advised the Committee that the Audit and Risk Panel, at its meeting held on 10 January 2008, had considered a report on the Revised Code of Corporate Governance, and had made a recommendation to the Performance, Audit and Risk Committee that the Revised Code be approved (Minute 22 refers).

RESOLVED: That the revised Local Code of Corporate Governance, as presented at Appendix B to the report, be agreed.

REASON FOR DECISIONS:

To allow PARC review the Local Code of Corporate Governance and ensure that Members, officers and the public are aware of the new Local Code.

60. ANNUAL AUDIT LETTER ACTION PLAN UPDATE AND THE PERFORMANCE MANAGEMENT AUDIT REPORT

The Chief Executive presented a report providing an update on progress with the implementation of the recommendations contained in the 2007 Audit Commission Annual Audit and Inspection Letter, as contained in the Action Plan set out at Appendix A to the report. The Audit Commission Performance Management Audit report was included as Appendix B to the report, and a number of the actions in that report had been included in the Annual Audit Letter Action Plan.

The Chief Executive commented that many of the recommendations contained in the Performance Management Report related to fieldwork going back as far as 2006, and that significant improvement had taken place in a number of areas since the report was drafted, partly due to the outcome of the subsequent Efficiency Fundamental Service Review (FSR). The Report contained a number of positive comments, including the fact that NHDC was above average for the number of performance indicators in the top quartile.

The Chief Executive referred to the one significant change to the Action Plan concerning Action A1 (b) - Ensure new Equality Impact Assessments are carried out and applied to key services identified by community minority groups. The timescale for completion of this action had slipped from December 2007 to March 2008 in order to allow for finalisation of all of the Equality Impact Assessments.

The Audit Commission representatives answered Members' questions on a number of aspects of the Performance Management Report. In relation to a number of comments made in the report, the Committee considered that these had been made without any evidence to back them up. The Audit Commission representatives assured Members that there had been a significant evidence base upon which the report had been drafted, but that they would not generally refer to this evidence in great detail as part of the finalised report. They acknowledged that the Council had made good progress since the report had been drafted, and were pleased to note the improvements made to the Corporate Planning Process identified through the Efficiency FSR.

RESOLVED:

- (1) That the update on the Annual Audit and Inspection Letter (2007) Action Plan be noted;
- (2) That the requirements for an amendment to the timescale to 31 March 2007 in relation to Action A1 (b) - Ensure new Equality Impact Assessments are carried out and applied to key services identified by community minority groups, be agreed;
- (3) That the information provided in the Performance Management Report be noted;
- (4) That the current arrangements to respond to the recommendations in the Performance Management Report and the linkage to the Efficiency FSR and the Organisational Development Strategy be noted.

REASON FOR DECISIONS:

- (1) To ensure that PARC are made aware of the ongoing response to the Annual Audit and Inspection Letter (2007) and the Performance Management Audit;
- (2) For PARC to monitor, comment and seek additional actions as appropriate to the Action Plan.

61. SUSTAINABLE COMMUNITY STRATEGY

The Chief Executive presented a report outlining progress on the development of a new Sustainable Community Strategy for North Hertfordshire.

The Chief Executive advised that the public consultation exercise on the Strategy had ended on 18 January 2008. Some 700 responses had been received, and a little longer was needed for consideration and analysis of these responses.

The Chief Executive clarified that the major issues for improvement identified through the public consultation process were lack of affordable housing, poor road surfaces and more recycling. Younger people were particularly concerned about the lack of affordable housing.

The Chief Executive commented that the issues highlighted by a review of evidence, based on data held by NHDC, included:

- male life expectancy at age 65 (lower than region average);
- earnings for people working in the district (lower than county average);
- high levels of out commuting;
- relatively high level of local CO₂ emissions, energy consumption and waste generation;
- rising levels of obesity;
- earnings and capital needed to enter the local purchase or private rented housing market e.g. minimum £47,000 pa to buy a two bed terrace with a requirement for a deposit of at least 18% of the asking price;
- six small areas of relative deprivation (out of the 79 in North Hertfordshire).

The Committee acknowledged that detailed analysis of the responses to the consultation exercise was ongoing, but noted that the broad headings and themes emerging were:

- Protecting and enhancing the environment;
- Improving the life chances of children and young people;
- Strengthening communities and involving people;
- Improving health and wellbeing;
- Enriching the lives of our elders;
- Promoting lifelong learning, training and skills development;
- Increasing economic prosperity and employment;
- Providing decent and affordable housing;
- Improving travel and transport;
- Reducing crime and the fear of crime.

RESOLVED: That the emerging themes from the Sustainable Community Strategy consultation, as detailed in the report, be noted;

REASONS FOR DECISIONS:

To allow PARC the opportunity to comment on the development of the Sustainable Community Strategy.

62. ORGANISATIONAL DEVELOPMENT STRATEGY

The Strategic Director of Customer Services presented a tabled report in respect of a draft Implementation Plan for the Organisational Development Strategy, approved by Cabinet at its meeting held on 16 October 2007. In particular, he referred the Committee to the Implementation Plan attached as Annex 2 to the report.

The Committee supported the arrangements for monitoring implementation of the Strategy, as described in the report. In addition, it was considered that greater understanding of the aims and objectives of the of the Strategy should be promoted through an All-Member Workshop, and that a PARC Working Group should be established to determine, in details, the objectives, milestones and indicators to be included in future monitoring reports.

RESOLVED:

- (1) That the arrangements for confirming objectives, milestones and performance indicators and those for monitoring the Organisational Development Strategy implementation, as detailed in paragraphs 3.1-3.4 of the report, be agreed;
- (2) That an all-Member Workshop be arranged to promote greater understanding of the aims and objectives of the Organisational Development Strategy;
- (3) That a PARC Working Group be established, comprising the Chairman and Councillors Brindley, Oliver and Sangha, to determine in detail the objectives, milestones and indicators to be included in future monitoring reports on the Organisational Development Strategy, and that the outcome be reported to the next meeting of PARC in March 2008.

REASON FOR DECISIONS:

To progress the Implementation Plan for the Organisational Development Strategy.

63. PROPOSED PERFORMANCE INFORMATION REPORTING 2008 - 2009

The Head of Strategy and Customer Services presented a report advising the Committee that the Department of Communities and Local Government had requested consultation on the new national indicator set, as presented at Appendix B to the report. The Head of Strategy and Customer Services also referred the Committee to Appendix A to the report, which included all current Performance Indicators, proposals from Heads of Service, Corporate Management Team and the Performance Team.

The Committee noted that the consultation period for the new set of national performance indicators ended on 21 December 2007. The Government had intended to publish final definitions in early 2008, and the new set would come into effect on 1 April 2008. The Government had yet to publish definitions for these indicators.

In view of the need to consider the consultation results and the final definitions once published by the Government in a timely manner, and in view of the date of the scheduled next PARC meeting being on 27 March 2008, just prior to the new indicators coming into effect, it was agreed that an informal workshop should be arranged, to which all PARC Members would be invited, in order to consider the new national performance indicators in more detail and, if necessary, any changes to the reporting mechanism for performance indicators. This would allow the review of key performance measures to be informed by the outcome of the District Audit inspection report on Performance Management and the refreshed Corporate Plan actions to ensure there was enough information to measure performance in NHDC's priority areas.

RESOLVED:

- (1) That the proposed new national performance indicators, as detailed in Appendix B to the report, be noted;
- (2) That PARC notes the response made by NHDC to the Department of Communities and Local Government concerning National Indicators:
NI 14 – Avoidable contact: The average number of customer contacts per resolved request.
NI 157 – Processing of planning applications as measured against targets for ‘major’, ‘minor’ and ‘other’ application types.
NI 180 – Changes in Housing Benefit/Council Tax Benefit entitlements within the year;
- (3) That the Head of Policy, Partnerships and Performance be requested to submit a further report on the new proposed performance indicators once final definitions were received;
- (4) That the possibility of further adjustments to performance indicators in the light of ongoing work related to the Corporate Plan for 2009 – 2010 and the implementation of recommendations in the recent Audit Commission Performance Management Audit Report be noted;
- (5) That the Strategic Director of Customer Services be requested to arrange an informal workshop, to which all Members of PARC would be invited, in order to consider the new national performance indicators in more detail and, if necessary, any changes to the reporting mechanism for performance indicators.

REASONS FOR DECISION:

The recommendations made at Paragraph 9 to the report had been made in accordance with the declared policy of North Hertfordshire District Council.

64. FUNDAMENTAL SERVICE REVIEW – TRANSPORT – SCOPING DOCUMENT

The Head of Revenues and Benefits presented a report seeking approval to the Scoping Document for the Transport Fundamental Service Review (FSR), attached at Appendix A.

The Head of Revenues and Benefits confirmed that this authority did not have an overall responsibility for transport provision in North Hertfordshire, but explained that the FSR would concentrate on transport-related activities where NHDC could exert some influence. He advised that it was intended that the FSR would take place from February 2008 to September 2008, with the outcome to be reported to the first available PARC meeting thereafter.

RESOLVED: That the Fundamental Service Review – Transport – Scoping Document, as attached at Appendix A to the report, be agreed.

REASON FOR DECISION:

To allow the review to proceed.

The meeting closed at 10.05 p.m.

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Chairman