

NORTH HERTFORDSHIRE DISTRICT COUNCIL
PERFORMANCE, AUDIT AND REVIEW COMMITTEE

MINUTES

**Meeting held at the Council Offices,
Gernon Road, Letchworth Garden City, on Thursday 7 September 2006 at 7.30 p.m.**

PRESENT: *Councillors: J. Cunningham (Chairman), D. Miller (Vice-Chairman),
Monica Bloxham, Marilyn Kirkland, David Levett, Bernard Lovewell,
Lawrence Oliver, Derek Sheard, and M.E. Weeks.*

IN ATTENDANCE: *Strategic Director of Customer Services,
Head of Financial Services, Head of Human Resources,
Learning & Development Manager,
Risk Manager, Temporary Performance Manager and Member and
Committee Services Officer.*

ALSO PRESENT: *Hertfordshire Constabulary:
Chief Superintendent G. Kitchin
Chief Inspector D. Partridge*

*Audit Commission:
Debbie Hanson – District Auditor
Kay McClennon – Audit Manager*

38. CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed everyone to the meeting, the representatives from Hertfordshire Constabulary and the Audit Commission and the newly appointed temporary Performance Manager.

39. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors: A.F. Hunter, Lawrence MacNamara, Diane Proudlove, Deepak Sangha and Mrs C.P.A. Strong.

40. MINUTES – 20 JULY 2006

RESOLVED: That the Minutes of the meeting held on 20 July 2006 be approved as a true record of the proceedings and be signed by the Chairman.

41. SUBSTITUTION OF COMMITTEE MEMBERS

The Chairman confirmed that there were no substitutions.

42. DECLARATIONS OF INTEREST AND PARTY WHIP DIRECTIONS

No Declarations of Interest had been made.

No Party Whip directions had been made.

43. HERTFORDSHIRE CONSTABULARY – CRIME STATISTICS UPDATE

The representatives from the Hertfordshire Constabulary presented an update of crime statistics and measures that were being taken to reduce crimes in the North Hertfordshire district, which included the following:

- Burglary – in particular distraction crimes perpetrated on the elderly;
- Saturnalia Initiative – which investigates stolen high value cars being transported to other countries, e.g. Africa;
- Violent crime – this was the number one priority with increasing incidents of domestic violence e.g. in the Westmill estate;
- Vandalism and criminal damage – these offences had also increased following the changes to the licensing laws, especially after public houses had closed. A map was produced for Councillor's information showing various routes away from public houses with crimes committed along the way pinpointed. However, the detection rate for violent crimes overall had improved and the Police were working with local licensees to root out persistent troublemakers;
- Drug abuse and related crimes – the SWITCH programme designed to wean drug users off the drug was in place but was very expensive.

RESOLVED:

- (1) That the representatives from Hertfordshire Constabulary be thanked for their presentation;
- (2) That the representatives for Hertfordshire Constabulary be invited to the meeting of PARC to be held on 22 March or 5 April 2007 to provide the next update on crime statistics.

REASON FOR DECISIONS:

To allow PARC receive updates on crime statistics that relate to Performance Indicators BV 126, BV 127a, BV 127b and BV 128.

44. THE AUDIT COMMISSION – ISA 260 GOVERNANCE REPORT

The District Auditor presented the Annual Governance Report to the Committee and explained that the principal purpose of the report was:

- To reach a mutual understanding of the scope of the audit and the respective responsibilities of the auditor and the Performance, Audit and Review Committee (PARC);
- To share information to assist both the auditor and those charged with governance to fulfil their respective responsibilities;
- To provide PARC with recommendations for improvement arising from the audit process.

The District Auditor advised the Committee that the report was in advance of the deadline of 30 September 2006 but that she was satisfied that in all significant respects, North Hertfordshire District Council had made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2006. She added that she did not anticipate that any significant matters would arise before the deadline that would impact upon this decision.

Concern was expressed regarding the level of Council Tax bad debt and the Committee was advised that North Herts District Council (NHDC) had the highest collection rate in the County. The Committee were further advised that not all of the debt was attributable to NHDC but that this had to be accounted for in its budget and that the issue of uncollectible debt was being looked at.

The Head of Financial Services added that the audit had gone smoothly but it would be helpful if the September meeting of PARC could be scheduled for later in the month to enable the audit to be more fully completed. It was agreed that a request be made to the relevant officer to look at the forthcoming September schedule of meetings of PARC with a view to moving the date back to later in the month.

RESOLVED:

- (1) That the representatives from the Audit Commission be thanked for their presentation;
- (2) That the Annual Governance Report be noted;
- (3) That any significant issues that might arise before the deadline of 30 September 2006 be delegated to the Chairman of PARC for a decision.

REASON FOR DECISIONS: To allow PARC to receive the outcome of the Audit and Inspection Plan.

45. PERFORMANCE, AUDIT AND REVIEW COMMITTEE – ANNUAL REPORT FOR 2005 - 2006

The Chairman of Performance, Audit and Review Committee (PARC) presented his annual report to members which looked back over the year and highlighted particular issues:

- Activity during the year;
- Performance;
- Best Value/CPA/Improvement Planning;
- Policy & Review
- Audit & Risk.

The Committee expressed concern regarding the governance of the Local Area Agreement and of the Local Strategic Partnership and requested that these be drawn to the attention of Cabinet.

RESOLVED:

- (1) That the Chairman be thanked for the presentation of the PARC Annual report for 2005-2006;
- (2) That the views expressed in the report be endorsed.

RECOMMENDED TO CABINET: That:

- a) the views of PARC be noted at the next meeting on 12 September 2006 with particular reference to comments in respect of the governance of the Local Area Agreement and of the Local Strategic Partnership;
- b) Cabinet note the areas selected for Fundamental Service Reviews and prepare to act in respect of the results of those Reviews.

REASONS FOR DECISIONS

- (1) To allow PARC to receive the report of the Chairman of PARC;
- (2) To bring the views of PARC to the attention of Cabinet.

46. PROGRESS IN THE SERVICE@NORTH-HERTS - PROGRAMME

The Strategic Director of Customer Services (SDCS) gave the apologies of Chris Nolan, the newly appointed Head of Information Technology and Transformation and presented a report that reminded the Committee that the Access to Services Action plan had been approved by the Performance, Audit and Review Committee (PARC) at its meeting held on 22 May 2003 (Minute 38 refers) and had last been reviewed at the meeting of PARC held on 2 March 2006 (Minute 92 refers).

The SDCS provided a brief summary of progress on the 6 key strands of Service@North-Herts with confirmation that Year 1 had been completed and that the Year 2 Implementation Plan had commenced. The Committee noted that two key programmes of Document Management and GIS system deployment were integral to the development of a mobile and home working capability for this authority.

The SDCS summarised the main areas of progress: 1. The vast majority of hardware and software had been installed, 2. The Intranet and Internet content review now had a Project Manager working closely with CST and MSU managers to expand the information available in a phased approach that would co-incide with the CSC go-live programme, 3. Seventy processes (information based services) for Phase 1 had been identified following prioritising by volumes of received calls, 4. A mobile working survey of all service areas had been completed and all service managers would consider roles for mobile/remote working and the possibility of moving in certain areas to hot desking, 5. A scoping study had commenced for an Electronic Document Management System with the major objective of converting a significant number of paper files in Planning and Building Control to electronic files.

RESOLVED: That the progress to date of the [Service@North-Herts](#) programme be noted

REASON FOR DECISION:

To allow PARC monitor the progress of the [Service@North-Herts](#) programme.

47. PERFORMANCE INFORMATION MANAGEMENT REPORT – HIGH LEVEL INDICATORS APRIL TO JUNE 2006

The Strategic Director of Customer Services (SDCS) gave the apologies of the Head of Policy, Partnerships and Performance and advised the Committee that this was the first Performance Information Management report in the 2006-2007 financial year.

The Committee noted that all local performance indicators had been re-numbered with an LPI prefix for identification, also that six new local indicators had been included in the performance management data sets (LPI 21, LPI22, LPI 16a, LPI 16, LPI 17a and LPI 17b).

The Committee reviewed the performance data pertinent to each Directorate as presented at Paragraph 4.4 with a cross reference to Appendix A which included their status at red or amber. The SDCS was pleased to advise the Committee that over fifty per cent of performance indicators had improved during the period under review with the prospect of 67 per cent improvement since 2002 – 2003. In addition to this NHDC has 32 per cent of its PI's in the best quartile (graph at paragraph 4.5).

The following documents were appended to the report:

Appendix A – Performance Information Management Report, April 2006 to June 2006;

Appendix B – List of responsible officers, collators and portfolio holders for each performance indicator;

Appendix C – BVPI 183b recovery action plan and performance update.

- (1) That the performance information for the period April 2006 to June 2006 be noted;
- (2) That the areas of under-achievement as well as good performance be noted;
- (3) That the information provided at Appendix B by each Directorate for responsible officers, collators and portfolio-holders for each performance indicator be noted;
- (4) That the completion of the recovery plan for BVPI 183b 'The average length of stay in bed and breakfast accommodation of households that are unintentionally homeless and in priority need be agreed;
- (5) That the Head of Revenues & Benefits be requested to bring a report detailing software problems experienced by the supplier Northgate regarding BV79, 'Housing Benefit Overpayments' to the October meeting of PARC.

REASON FOR DECISIONS:

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

48. LP 124 - MONITORING OF APPRAISALS

The Learning and Development Manager (LDM) presented a report of the Head of Human Resources that reminded the Committee that at its meeting held on 20 July 2006 (Minute 37 (3) refers) officers had been requested to report back with an update on the progress with the completion of appraisals in NHDC.

The LDM provided a summary of the activities involved in meeting the targets for LP 124: Reporting, Process Review Workshop, Learning Management IT system, Learning and Development and Communications. The LDM advised the Committee that in June 2005 29.73 per cent of appraisal forms had been logged by HR and that in June 2006 the figure had improved to 36.12 per cent. In response to an enquiry the LDM confirmed that at 31 August 2006 76 per cent of appraisals had been logged by HR.

The LDM referred the Committee to Paragraph 5 which included proposed actions raised against issues relating to the completion and recording of all staff appraisals and the proposed actions were accepted as the way forward to improve the completion and more importantly the recording of appraisals by HR.

- (1) That the updating information in the report be noted;
- (2) That the proposed actions presented at Paragraph 5 to the report be agreed;
- (3) That That the Head of Human Resources be requested to provide a breakdown of appraisals completed by Heads of Service and senior officers to the October meeting of PARC.

REASON FOR DECISIONS:

The proposed actions once implemented will add considerable benefits to a consistent and effective appraisal process.

49. THE 2005 STAFF SURVEY - KEY FINDINGS AND PROPOSED ACTION PLAN

The Head of Human Resources (HHR) reminded the Committee that at its meeting held on 20 July 2006 (Minute 36 (1) (a), (b) and (c) refers) officers had been requested to report back with an update on the revised Staff action plan for 2005 incorporating comments made on targets and allocated budgets by PARC at the above meeting.

The HHR provided a brief summary of the background to the bi-annual staff survey and the four main areas of concern raised by respondents to the 2005 survey. The Committee reviewed the 2005 revised staff action plan as presented at Appendix A and agreed the actions, targets and noted the allocated budgets.

The HHR proposed and it was agreed that an updating Information Note on the Appraisal Performance Indicators would be distributed separately to PARC Members as soon as possible.

The following documents were appended to the report:
Appendix A – 2005 Revised Staff Survey Action Plan;
Appendix B – Report to PARC July 2006;
Appendix C – Staff Survey Corporate Action Plan.

RESOLVED:

- (1) That the revised 2005 Staff Survey Action Plan as presented at Appendix A be agreed;

REASON FOR DECISIONS:

To allow the continuation of the bi-annual staff survey and the proposed actions in Appendix A which are essential for the maintenance of engagement and satisfaction with the staff survey process.

50. RISK MANAGEMENT UPDATE

The Risk Manager (RM) reminded the Committee that the latest report on Top Corporate /Strategic Risks and the first Annual report at the meeting held on 22 June 2006 (Minute 22 refers) and that a peer review on Risk Management at NHDC was reported to PARC at its meeting held on 25 May 2006 (Minute 12 refers). The RM also confirmed that PARC had to consider regular reports on the NHDC top risks as part of the overall Risk Management Strategy.

The RM advised the Committee that this report did not include any amendments to assessment scores for the Top Risks, however, there had been alterations to the description and risk management measures for these risks. The Committee noted that the title of Risk Number 8 had changed to 'Financial Management' and that the scope of the Community Strategy risk had been amended to reflect the risks following the rewriting of this document. The Committee also noted that the CMT risk of 'programme management' had been incorporated within the description of the risk of 'Delivering the Corporate Plan'.

The Committee received a recommendation and justification from the RM that the two Top Risks of: 'Waste Management' and 'The future of the Meals Service' as shown at Appendix B be agreed.

The following documents were appended to the report:
Appendix A – Risk Matrix at September 2006;
Appendix B – NHDC Top Risks.

RESOLVED:

- (1) That the amendments to the Top Risks as presented at Appendix A be agreed;
- (2) That the two new proposed Top Risks of 'Waste Management' and 'The Future of the Community Meals Service' as presented at Appendix B be agreed;
- (3) That the two new Top Risks of 'Waste Management' and 'The Future of the Community Meals Service' be referred to the meeting of Cabinet on 12 September 2006.

RECOMMENDED TO CABINET: That the two Top Risks of 'Waste Management' and 'The Future of the Community Meals Service' be approved.

REASON FOR DECISIONS

The recommendations made at Paragraph 8 had been made in accordance with the adopted risk management strategy of North Hertfordshire District Council.

51. STATEMENT ON INTERNAL CONTROL

The Risk Manager (RM) reminded the Committee that the 2005-2006 Statement on Internal Control had been presented to the Performance, Audit and Review Committee (PARC) at its meeting held on 25 May 2006 (Minute 13 refers) and the Committee had agreed that this statement be included in the Statement of Accounts for 2005-2006, including the Action Plan and quarterly monitoring by PARC.

The RM advised the Committee that the following projects within the Action Plan had been completed at 31 July 2006: 1. The acquisition and implementation of new electoral software, 2. The implementation of a Health and Safety Strategy and local performance indicators (with progress against these performance indicators to be reported to CMT quarterly) and 3. An equalities/social inclusion standard has been built into the 2006-2007 service review/toolkit.

The RM referred the Committee to Appendix A which gave details of outstanding work in the Action Plan. Although there had been some slippage on key dates the RM assured the Committee that with revised target dates the Action Plan would be completed satisfactorily.

Disappointment was expressed at the slippage of items and the Committee was advised that; Data Protection Act training was included as part of the induction programme; that a draft document for Programme governance had been completed and was to be looked at by Anite; that the payroll systems would be installed by the end of December 2006 with data transferred by March 2007 and that the two systems would run in tandem.

The following document was appended to the report:
Appendix A – Outstanding work from the Action Plan arising from 2005/6 SIC.

RESOLVED:

- (1) That the progress against the Action Plan arising from the 2005-2006 Statement on Internal Control be noted;
- (2) That the Risk Manager be requested to present an updating report on progress against the Statement on Internal Control Action Plan at the meeting of PARC to be held on 7 December 2006.

REASON FOR DECISIONS

To ensure that PARC are able to monitor progress against the action plans for the 2005-2006 Statement on Internal Control.

The meeting closed at 10.20 p.m.

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Chairman