

NORTH HERTFORDSHIRE DISTRICT COUNCIL
PERFORMANCE, AUDIT AND REVIEW COMMITTEE

**Meeting held at the Council Offices,
Gernon Road, Letchworth Garden City, on Thursday 6 April 2006 at 7.30 p.m.**

PRESENT: *Councillors: J. Cunningham (Chairman), Sarah Wren (Vice-Chairman), Fiona Hill, Tony Hartley, Marilyn Kirkland, L. McNamara, Ian Mantle, D. Miller, and Lawrence Oliver.*

Note. Councillor Tony Hartley joined the meeting at 8.07 p.m.

IN ATTENDANCE: *Chief Executive, Head of Financial Services, Head of Policy, Partnerships and Performance, Head of Strategy and Support Services, Performance Manager, and Member and Committee Services Officer.*

99. CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed everyone to the meeting.

100. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors: D.J. Barnard, Simon Bloxham, A.F. Hunter, P. Mardell, Derek Sheard and Mrs C.P.A Strong.

101. SUBSTITUTION OF COMMITTEE MEMBERS

The Chairman confirmed that Councillor A.F. Hunter had tendered his apologies in accordance with the Council's procedures and that Councillor Fiona Hill would act as his substitute.

102. MINUTES – 2 MARCH 2006

RESOLVED: That the Minutes of the meeting held on 2 March 2006 be approved as a true record of the proceedings and be signed by the Chairman.

With reference to Minute 92, Paragraph 2, lines 2 – 4 concerning the NHDC website the Committee queried why the new design of the NHDC website had not 'gone live' at 1 April as stated in the Minute. Members had received a detailed information note concerning the delays, however, it was thought appropriate that the Head of Customer Services and IT should attend a future meeting of PARC with a progress update as this website facility was a vital component within Service@North-Herts.

RESOLVED: That the Head of Customer Services and IT be requested to attend the meeting of PARC to be held on 26 April 2006 with clarification and an update on the NHDC website.

103. DECLARATIONS OF INTEREST AND PARTY WHIP DIRECTIONS

No Declarations of Interest had been made.

No Party Whip directions had been made.

104. HERTFORDSHIRE CONSTABULARY – UPDATE ON CRIME PERFORMANCE INDICATORS

Chief Superintendent G. Kitching and Inspector P. Wright thanked the Chairman for the opportunity to address the Committee.

The presentation concerned three crime sectors: 1. Burglary and dwellings; 2. Violent Crime and 3. Robbery.

In 2004-2005 there had been 571 recorded burglaries, which had fallen to 406 in 2005-2006, this gave an iQuanta rating of 13 out of 15. Of particular note was the closure of a major car theft operation which was based outside Hertfordshire. Following the arrest of the ring leader the number of high value car thefts had reduced dramatically and a large number of stolen vehicles had been recovered including some on a vessel leaving an East Anglian port bound for East Africa. Much of the recorded burglary was in fact linked to distraction burglaries at the homes of old and vulnerable residents and Operation Saturnalia had been very successful in reducing this type of crime. Of particular interest to Members was the feasibility of a 'no cold call' zone in an area or one particular road and Inspector Wright confirmed that Trading Standards Officers were responsible for this facility and enforcement.

There had been 1903 recorded incidents of violent crime in 2004-2005 with a reduction of 30 to 1873 incidents in 2005-2006. The iQuanta rating had improved to a position of 10 out of 15 which was at parity with neighbouring police forces, and for serious violent crime the iQuanta position was 3 out of 15. A concerted effort had been made to issue fixed penalty notices for incident of drunk and disorderly behaviour and/or verbal abuse with 90 notices issued in January 2006. Inspector Wright gave a short update on Pub Watch in Hitchin and Operation Spike dealing specifically with violent crime and the issue of fixed penalty notices to persons apprehended in Market Place and Bancroft Gardens in Hitchin.

Many cases of robbery in North Herts had been by visitors and in January 2006 there had been 12 incidents in Letchworth Garden City. The Committee noted that the vast majority of robberies were linked to the purchase and supply of drugs and a house used by drug dealers in Letchworth had been raided and arrests made. In response to a comment made about the supply of Class A substances the Chief Superintendent stated that the problem would never go away and the police action would be to contain the problem and prevent this crime increasing.

Of particular interest was the way that the problem of Crime and the Fear of Crime could be mitigated by Hertfordshire constabulary when the statistics provided above indicated a low level of crime within North Herts. The Chief Superintendent advised that there would be an increase in local visibility of police officers, an advertising campaign warning about purse robberies, placement of Police Support Community Officers in schools, and an increase in PSCOs in Royston following the establishment of the Royston Alcohol Free Zone.

RESOLVED:

- (1) That the officers from Hertfordshire Constabulary be thanked for the information concerning crime, crime prevention, crime detection and crime performance indicators within North Hertfordshire.
- (2) That an invitation be extended to Hertfordshire Constabulary to attend PARC during the autumn 2006 with another updating presentation.

REASON FOR DECISION:

To ensure that PARC receives regular updating on crime performance indicators in North Hertfordshire.

105. PERFORMANCE INFORMATION MANAGEMENT REPORT, HIGH LEVEL INDICATORS - JANUARY 2006

The Performance Manager (PM) provided an update on the progress towards meeting the targets for the High Level Performance Indicators in January 2006 and as presented at Appendix A.

The Committee noted that at the end of January 2006 there were five indicators at green, two indicators at amber and five indicators at red. At this meeting representatives from Hertfordshire Constabulary were able to provide more detail relating to crime statistics (see Minute 104 above).

With reference to BV 109 'Planning Applications' the Committee were please to note that NHDC had been removed from the OPDM list of planning standards authorities and that the development grant had been increased for 2006/2007. Although the problems associated with BV 76a, 78a, 12 and LC15 were known the Committee requested that the HPPP and PM advised PARC of any dramatic movement in the reported data.

RESOLVED: That the status of the High Level Performance Indicators at January 2006 be noted.

REASON FOR DECISION:

That the recommendation made at Paragraph 9 to the report had been made in accordance with the declared policy of the Council.

106. LOCAL PERFORMANCE INDICATORS 2006-2007

The Performance Manager reminded the Committee that currently 30 local indicators were reported and that following inspection by the Audit Commission the definitions of each indicator was strengthened and would now be in line with the OPDM definition handbook.

The Committee noted that the Performance Team would undertake the following activities: Deletion of inappropriate local indicators, update local indicators, improve the definitions of each local indicator, re-number each local indicator to match the new directorates and introduce new local indicators taking into consideration: the NHDC vision and strategic directives, the Audit Commission library of local indicators and Quality of Life indicators. The activities described above would fall into 3 distinct stages and the PM confirmed that Stage 1 (deletion of indicators, and re-numbering of indicators) would commence during April 2006.

The Committee reviewed the list of local indicators at Paragraph 4.2 and noted the comments made by Performance Team, DMTs and CMT regarding each indicator for: change, amendment or no change. The PM referred the Committee to Paragraph 4.3 which included three new local indicators, and to Appendices A, B and C which provided justification for the deletion of three local indicators.

RESOLVED

- (1) That the three stage review of local performance indicators during 2006-2007 as detailed at paragraph 3.6 to the report be agreed;
- (2) That the proposed deletions (H5, PE33, PE34 and L52) of the local performance indicators as presented at Table 4.2 to the report be agreed;
- (3) That the proposed addition of three new/amended indicators as presented at paragraph 4.3 to the report and detailed as follows be agreed:
 - (i) LPI 21 - Percentage of reported graffiti, bill posters and stickers removed within the allowed time scale from verification on NHDC property;
 - (ii) LPI 22 - Percentage of street cleanliness complaints put right within the timescales allowed under the Environmental Protection Act (1990);
 - (iii) LPI 4 - The percentage of homelessness applications on which the authority made a decision and notified the applicant within 21 working days.

REASON FOR DECISION:

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

107. GOVERNANCE OF PARTNERSHIPS

The Head of Policy, Partnerships and Performance (HPPP) reminded the Committee that this authority had a formal partnership in the North Herts Local Strategic Partnership and the Responsible Authorities Group (RAG) as well as links with the local voluntary sector and elected Member representation at regional or county level.

The HPPP advised the Committee that the report 'Governance of Partnerships' from the Audit Commission (AC) as presented at Appendix A which provided a description of a Partnership, the value of partnerships, who is in charge of partnerships?, what public bodies should do, what inspection and audit bodies (regulators) should do, and what Central Government should do. The HPPP also advised that the CPA expected regular financial reporting of significant partnerships which should be linked to outputs and results shared with partners and that compliance with CPA was necessary for the achievement of a Level 2 score. With this in mind the HPPP emphasised the necessity to commence the assessment of the NHDC partnerships to meet this obligation.

In order to test the overall effectiveness of a partnership the HPPP referred the Committee to the toolkit presented at Appendix A (following the AC report). The HPPP advised the Committee that use of this template and additional quantitative data could determine value for money, and that the incorporation of measures for the determination of equality and diversity of partnerships would be part of the NHDC evidence for the Equality Standard for Local Government.

In conclusion the HPPP confirmed that the Corporate Risk Group as part of the overall assessment of risk would consider any projects delivered through partnerships for NHDC.

The Committee congratulated the HPPP on this latest presentation on Partnerships, but despite this improved clarification, doubts still remained as to the value of Partnerships to NHDC. The HPPP advised that the next phase of Comprehensive Performance Assessment would include more emphasis on Local Area Agreements and the Local Strategic Partnership and the Chief Executive confirmed that PARC would be involved with Partnerships for the next 18 months. Members queried the role of partnerships and how would performance be assessed, and if a partner could not provide a service would it be of value to pursue this partnership? It was agreed that due care should be taken before any agreement was made, staff and financial resource could be a 'loss' and that a business approach to each proposal was necessary.

Doubts were also raised about the accountability and value of the LSP not withstanding the fact that all members of the LSP were on an equal footing, and that some members were from the voluntary sector, and not subject to audit in the same way as local authorities and statutory bodies.

RESOLVED:

- (1) That the contents of the Audit Commission report 'Governance of Partnerships' be noted;
- (2) That the proposal to proceed with the identification of partnership involvement throughout North Hertfordshire District Council in order to confirm the partnership performance in terms of risk, Comprehensive Performance Assessment and the equality standard be agreed.
- (3) That the inclusion of the assessment and monitoring effectiveness of partnerships in the Corporate Risk Register was strongly supported by PARC.

REASON FOR DECISIONS:

The consideration of resourcing and measurement of outputs by partnerships was a requirement for evidencing CPA, corporate governance and effective performance management.

108. COMPREHENSIVE PERFORMANCE ASSESSMENT- IMPROVEMENT PLAN, EVIDENCING COMPLIANCE

The Head of Policy, Partnerships and Performance reminded the Committee that an update on the CPA Improvement Plan had been made at the meeting of PARC on 23 June 2005 (Minute 30 refers), and that a complete review of compliance with the CPA Improvement Plan would be presented at the 2 March meeting of PARC (subsequently moved to 6 April 2006). The HPPP advised the Committee that evidence of compliance with the CPA Improvement Plan was required for two specific purposes: to enable PARC to confirm that all work has been completed and to provide evidence to auditors in a suitable format which would allow assessment of the authority's progress against the CPAIP.

The HPPP referred the Committee to Appendix A which included details of actions for ongoing monitoring via performance indicators and details of the performance indicators to monitor such actions.

The HPPP confirmed that six actions (6, 8, 11, 12, 17 and 22) had not been completed at the 23 June 2005 meeting and were subsequently incorporated into the Corporate Plan revision process (PARC 26 January 2006 – Minute 83 refers). The HPPP referred the Committee to Appendices B and C which gave details of the latest position concerning these six actions, and for identification in the overall plan respectively.

The Committee were pleased to note that Action 11 'to improve sport and leisure satisfaction was complete as the target of opening the Royston Leisure Centre had been achieved. The HPPP confirmed that Action 6 'Improve internal and external communication' and Action 22 'Improve the Benefit Compliance Standards' were on target and making good progress towards completion. Actions 8, 12 and 17 were in progress and as set out in Appendices B and C with Action 8 'Lead and support the LSP' subject to further review as part of the development of the Partnership Governance model from the AC (Minute 107 above refers).

RESOLVED:

- (1) That the relevant performance indicators used to monitor some of the strategic actions of the CPA Improvement Plan and as presented at Appendix B be noted;
- (2) That the details provided to confirm completion of CPA Improvement Plan actions as presented at Appendix C be noted;
- (3) That the progress to date against outstanding actions of the CPA Improvement Plan be noted;
- (4) That the completion of Action 11 'Improve Sport and Leisure Facilities and Attendance' be agreed.
- (5) That a vote of thanks be recorded to acknowledge the excellent support provided by The Head of Policy, Partnerships and Performance, The Performance Team and individual officers during implementation of the CPA Improvement Plan.

REASON FOR DECISIONS:

To allow full compliance by North Hertfordshire District Council with the Comprehensive Performance Assessment Improvement Plan and confirmed to Members and externally.

109. AUDIT AND CONSULTANCY SERVICES TEN MONTH POSITION AGAINST THE ANNUAL PLAN 2005-2006

The Head of Financial Services (HFS) reminded the Committee of its practical responsibilities in terms of Audit and the consequences of failing to report internal audit progress information to a Member body.

The HFS referred the Committee to Appendix A which included completed and ongoing audits in the period 4 April 2005 to 29 January 2006. The Committee noted the non-audit projects that had been completed, work carried out on financial evaluations and attendance at corporate groups and tender openings. Of specific interest were the changes made to the 2005-2006 audit plan as presented at Paragraph 2. The Committee next reviewed the summaries of projects completed by Audit between 3 October 2005 and 29 January 2006 as presented at Appendix C and noted that each audit had been assigned an assurance level as described at Appendix B. The HFS confirmed that formal audit reports had been issued for: Parking services, Property services contracts and Petty cash with high level, medium to level and medium to high levels of assurance respectively.

The Committee reviewed all outstanding projects and works that were expected to be completed in the last two months of the financial year 2005-2006 and noted that at least 90 per cent of the current proposed amended plan would be completed within the audit year 2005-2006. The Committee were pleased to receive confirmation that Audit and Consultancy Services had performed very well against the three key performance indicators identified by the Hertfordshire Audit Partnership as presented at Appendix E.

RESOLVED

- (1) That the progress of Audit and Consultancy Services against the agreed annual audit plan for 2005-2006 be noted;
- (2) That the performance of Audit and Consultancy Services against the Hertfordshire Audit Partnership performance indicators for the ten month period ended 29 January 2006 be noted;
- (3) The PARC fully supports the endeavours of Audit and Consultancy Services in its progress towards a shared audit resource with Welwyn Hatfield and Hertsmere Councils.

REASON FOR DECISIONS

To ensure that the Performance Audit and Review Committee meets its obligations as the Audit Committee for North Hertfordshire District Council.

110. AUDIT PLAN – 2006-2007

The Head of Financial Services (HFS) referred the Committee to the three year Rolling Audit Plan as presented at Appendix A which covered the period 2006-2007 to 2008-2009 and specifically the forthcoming Annual Audit Plan for 2006-2007.

The HFS reminded the Committee that Audit and Consultancy Services planned audits that would match the Managed Audit Protocol developed with the Audit Commission, and the audit programme would comply with International Auditing Standards for Key Systems which in turn would meet Government Accounting timescales. The Committee noted that the draft Rolling Audit Plan had been reviewed by the Corporate Management Team on 21 March 2006.

The HFS advised the Committee that the audit programme would be under-resourced by 124 hours in 2006-2007 and that this shortfall was within acceptable tolerance levels as there would be access to a shared audit resource/agency auditor for upto 300 hours in 2006-2007. The Committee reviewed the specific audit areas and allocation of resources as presented at Paragraph 4.11 to the report.

The Committee noted that PARC would receive updating reports on the Rolling Audit Plan at six month, nine month and year end positions and that performance against the Hertfordshire Audit Partnership Performance Indicators (Appendix B) would be presented to PARC at the same intervals.

RESOLVED

- (1) That the Rolling Audit Plan for the period 2006-2007 to 2008-2009 as presented at Appendix A be endorsed;
- (2) That the data presented at 'column 2006-2007' at Appendix A be agreed as the Annual Audit Plan for Audit and Consultancy Services for the financial year 2006-2007;
- (3) That the performance targets for the Hertfordshire Audit Partnership in 2006-2007 as set out at Appendix B be agreed.

REASON FOR DECISIONS

To ensure that North Hertfordshire District Council meet the requirements of the Accounts and Audit Regulations 2003.

The meeting closed at 9.08 p.m.

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Chairman