

**NORTH HERTFORDSHIRE DISTRICT COUNCIL**

**PERFORMANCE, AUDIT AND REVIEW COMMITTEE**

**Meeting held at the Council Offices, Gernon Road, Letchworth Garden City  
on Thursday 28 July 2005**

**PRESENT:** *Councillors: Mrs Sarah Wren (Chairman), A. Hartley, A.F. Hunter,  
R. Inwood, Lawrence McNamara, Ian Mantle, D. Miller,  
Lawrence Oliver, Derek Sheard, and Mrs C.P.A. Strong,*

**IN ATTENDANCE:** *Strategic Director of Financial and Regulatory Services, Strategy and  
Community Services Manager, Head of Community Development,  
Acting Head of Human Resources, Risk Manager, Project Manager –  
Leisure, Markets Manager, Performance Officer, and Member and  
Committee Services Officer.*

**30. CHAIRMAN'S ANNOUNCEMENTS**

The Vice - Chairman Councillor Sarah Wren welcomed everyone to the meeting and confirmed that as Councillor J. Cunningham had tendered his apologies for this meeting she would be Chairman.

**31. APOLOGIES FOR ABSENCE**

Apologies for absence had been received from Councillors: S. Bloxham, D.J. Barnard, J. Cunningham, and P. Mardell.

**32. SUBSTITUTION OF COMMITTEE MEMBERS**

The Chairman announced that Councillor Fiona Hill would attend the meeting as substitute for Councillor J. Cunningham and that Councillor Hill had been appointed in accordance with the Council's procedures.

**33. MINUTES – 23 JUNE 2005**

**RESOLVED:** That the Minutes of the meeting held on 23 June 2005 be approved as a true record of the proceedings and be signed by the Chairman.

**34. DECLARATIONS OF INTEREST AND PARTY WHIP DIRECTIONS**

No Declarations of Interest had been made.

No Party Whip directions had been made.

**35. KEY FINDINGS AND ACTIONS FROM CITIZENS' PANEL – FEBRUARY 2005**

The Consultation Officer reminded the Committee that the 2005 Citizens' Panel survey had covered the following issues: How well this authority is performing; Use of and satisfaction with Council services; Gallery, Heritage and Museum provision; Public Conveniences; Consulting and Strategic Objectives. The Committee noted that the new Consultation Strategy as agreed by Cabinet at its meeting held on 19 April 2005 (Minute 211 refers) did not include a Citizens' Panel and that the 2006 District Wide Survey would recruit 1100 residents for focus groups as well as Citizens' Panel type exercises.

The Committee noted the key findings as presented at Paragraph 4.1 to the report, which had been reported to Corporate Management Team on 24 May 2005. There were high levels of satisfaction for; museums, theatres, refuse collection, parks and open spaces, benefits administration and sports and leisure facilities. Satisfaction was also high for the way this authority is organised, keeps residents well informed about services and effective consultation with residents.

The Consultation Officer advised the Committee that the survey identified a number of areas for improvement e.g. swimming pool and sports centre provision at Royston, childrens' play areas in Letchworth Garden City and public conveniences across North Herts. The Committee were pleased to note the actions listed at Paragraph 4.2 to address these concerns and in particular the opening of the Royston Leisure Centre in September 2005.

**RESOLVED:**

- (1) That the Action Plan as presented at Paragraph 4.2 to the report be noted;
- (2) That the Monitoring Process as detailed at Paragraph 4.3 to the report be noted.

**REASON FOR DECISION:**

To ensure the continued involvement of residents in future consultation exercises and the avoidance of disengagement and scepticism with the consultation process.

**36. NORTH HERTFORDSHIRE DISTRICT COUNCIL MARKETS – UTILISATION AND PERFORMANCE**

The Leisure Project Manager reminded the Committee that Minute 83 (4) from the meeting of PARC held on 3 February 2005 had requested an update report on market stalls utilisation throughout North Hertfordshire.

The Committee reviewed Appendix A and a summary of utilisation presented at Paragraph 4.2 and noted that there had been an overall decrease of four per cent from 2004 in the take up of market stalls which was in keeping with a national decrease in outdoor markets. Royston Markets had not changed significantly in the last 12 months but markets in Baldock and Hitchin had seen a higher decrease. The Markets Manager was pleased to advise that the new Traffic Regulation Order in Baldock had seen five new traders using the better environment for the market area.

The market at Hitchin is the largest outdoor market with just over 200 stalls. Although the Saturday market performed well (a 14 per cent decrease since 2003) the Tuesday and Friday markets had declined by 10 per cent and 14 per cent respectively since 2003. The Committee noted that a change in shopping trends had played its part in the fall off in stall utilisation, with a greater range of shops, a similar quality and price and shops are open for longer hours on a seven-day week. The use of internet shopping was a major development and as a consequence fewer people visited markets and therefore it was harder to attract stallholders and keep customers. The Project Manager provided a short summary of the recent National Retail Market Survey released on 15 July 2005 undertaken by the National Association of British Market Authorities. This survey had covered all public and privately operated retail markets in the United Kingdom (excluding wholesale and livestock markets) and the average stall occupancy rates stood at 75 per cent and falling.

In order to meet this challenge of lower utilisation the Markets Manager had produced a Marketing Plan for 2005 – 2006 as presented at Appendix B to the report. Also, three main events had been programmed to try and improve stall utilisation: Easter Eggstravaganza, a charity hat day for NSPCC in October and a Christmas Craft Fair in November and December.

A survey by Officers on the location and day of the Farmers Market had shown that both location and day could be reviewed. The fourth Tuesday of each month was considered with no change but the location had been proposed as Market Place and the re-launch had taken place on Tuesday 26 July 2005.

The Chairman welcomed the Markets Manager to the meeting and a wide ranging discussion followed on all aspects of the North Herts Markets, especially variable utilisation and the promotion of markets. The Committee welcomed the opportunity to receive upto date information and clarification of market days, parking regulations, Farmers' Markets, improvements to NHDC markets and the difficulty in persuading traders to a long-term commitment, for example Hitchin Market with uncertainty

about the development of Hitchin Town Centre.

The Chairman confirmed that a Task and Finish Group would be set up by the Scrutiny Committee to examination markets and market stalls utilisation in North Hertfordshire and this Committee looked forward to the results from this Scrutiny Group.

**RESOLVED:**

- (1) That the progress reported on the current performance and utilisation of markets in North Hertfordshire be noted;
- (2) That officers be requested to attend the meeting of PARC in July 2006 with an updating report on market stall utilisation throughout North Hertfordshire.

**REASON FOR DECISION:**

To ensure that PARC are regularly informed of market utilisation in order to review current performance and attainment of Performance Targets.

**37. FINDINGS OF THE REVIEW OF THE NORTH HERTS MUSEUMS SERVICE**

The Strategy and Community Services Manager reminded the Committee that the NHDC Museums and Galleries service staff had raised their concerns as to the provision of a clear medium to a long term plan and that the scope of the officer led review of the North Herts Museum Service had been agreed at the meeting of PARC held on 29 July 2004 (Minute 22 refers).

Comparison with other Museums and Galleries had been via a benchmarking exercise involving 107 facilities in the Eastern Region where NHDC had been below and above mean as detailed at Paragraph 4.1.3. In addition four museums were visited for direct comparison i.e. Banbury, Bedford, Reading and Mill Green near Hatfield. Also, a lot of consultation had taken place with for example: visitors to museums, feedback from the NHDC Comments, Compliments and Complaints process, the Citizens' Panel, stakeholders and NHDC staff. The consultation process confirmed that the two most important factors of concern were: easy access to a building and easy mobility in a building. The Committee noted that despite strong support expressed for the museum service that unfortunately the existing museum buildings were not ideal for the 21<sup>st</sup> Century, and agreed that it was important to have a museum that was customer focussed, easy to travel to and easy to move around. Other features considered to be essential were: good access for people with disabilities, toilets, café, multi-function room and improved storage, display and research facilities.

The Manager confirmed that the Review Group had recommended that the three ageing museums buildings at Burymead, Hitchin Museum and Letchworth Museum should be closed and be replaced by one purpose built district wide museum, gallery and community centre located in a town centre. The Review Group also recommended that a new storage, resource and research centre at an out of town location be established. The Committee noted that these recommendations had the full support of many of the Museums staff and stakeholders with a general concern of the loss of a local focus.

The Manager clarified the advantages and disadvantages as presented at Paragraph 5.5 to the report and advised the Committee that additional work would be required on the development of detailed plans, service specifications and costs. The Committee noted that a Business Case should be identified, including proposals for increasing visitor and usage numbers and how customer satisfaction levels could be maintained in order to meet the NHDC strategic objective of 'to promote first class leisure and cultural facilities to contribute to healthy living for all our citizens'.

The Committee welcomed the examination of the North Hertfordshire Heritage and Cultural Service, were unanimous in their support for this review to be the beginning of a five year assessment and requested that every effort should be made to include stakeholders wherever possible during the review process. Members also requested that consultation should be as wide-ranging as possible and that all

museums and cultural facilities in North Hertfordshire should be involved in the review. Members also emphasised the need to work with the Letchworth Garden City Heritage Foundation in the provision of a museum service in the Garden City and in response to a question the Manager advised that no choice had been made as to the location of a museum for the District, as this decision would be based on further analysis of planned/existing facilities for Heritage and Culture across the District, but it will have a town location. Members agreed that the proposal to relocate the resource facility currently at Burymead, Hitchin was sound and should proceed.

**RESOLVED:**

- (1) That the proposals made in the review for the future of the North Hertfordshire Heritage and Cultural Service as presented at Appendix A to the report be endorsed;
- (2) That the Strategy and Community Services Manager be requested to ensure that the role and participation of stakeholders is included in the Improvement plan for the North Hertfordshire Heritage and Cultural Service.

**RECOMMENDED TO CABINET:**

- (1) That the proposals made in the review for the future of the North Hertfordshire Heritage and Cultural Service as presented at Appendix A to the report be approved;
- (2) That the implementations of the findings of the review of the North Hertfordshire Heritage and Cultural Service be managed by a project board and that the PRINCE 2 methodology be used.

**REASON FOR DECISION:**

To ensure that PARC are aware of the approach taken in reporting the outcome of the Best Value Service Review and to confirm that the proposed service format is consistent with the NHDC Vision, Mission and Strategic Objectives.

**38. STAFF SURVEY**

The Acting Head of Human Resources reminded the Committee that the Action Plan prepared following the Staff Survey in 2003 had been agreed by PARC at its meeting held on 1 July 2004 (Minute 9 refers), and that an update report be presented in twelve months.

The Committee reviewed the Staff Satisfaction Action Plan as presented at Appendix A and noted that an update and percentage completed column had been included. The Committee noted that progress had been satisfactory except for the introduction of an Intranet which had been delayed due to the late implementation of the Strategic Support Services Contract, and that Succession Planning was now planned for December 2005.

The Acting Head was pleased to confirm that the next Staff Satisfaction Survey would take place in December 2005, and that the promotion of Corporate work undertaken as a result of the 2003 staff survey would help to improve the results of the 2005 staff survey.

**RESOLVED:**

- (1) That the progress made against the Staff Satisfaction Action Plan be noted;
- (2) That the review of the department action plans and the proposed steps for completion of outstanding actions be noted.

**REASON FOR DECISION:**

To ensure that PARC are made aware of the progress of the Staff Satisfaction Survey from 2003 and proposals for completion of outstanding actions.

**39. HIGH LEVEL PERFORMANCE INDICATORS – MAY 2005**

The Performance Officer referred the Committee to the performance data as presented at Appendix A and advised of the May 2005 High Level Indicator Status as follows: Seven indicators at green status; Two indicators at amber status and three indicators at red status.

**BV76a – The number of housing benefit claimants in the local authority per 1000 caseload.**

The Committee noted that the June 2005 results for BV76a presented orally at the meeting had moved to 62.90, which still maintained a red status. The Strategic Director for Regulatory and Financial Services confirmed that a new member of staff had received additional training and it was expected that this indicator would reach the annual target by the end of the year.

**BV78a – The average processing time taken for all new housing and council tax benefit claims submitted to the local authority.**

The Strategic Director for Regulatory and Financial Services advised the Committee that the success of various take – up campaigns had seen a 100 per cent increase in the number of new claims received in the first quarter of 2005/2006 compared to the same period twelve months ago. The Committee noted that additional resources had been allocated and that the implementation of wireless technology would be introduced before the end of 2005 as part of the Access to Services Strategy and Strategic Support Service Contract.

**BV183b – The average length of stay in hostel accommodation which includes dependent children or a pregnant woman and which are unintentional homeless and in priority need.**

The Committee noted that there had been a significant improvement from the April to May data (75.43 weeks and 56.58 weeks respectively) but this indicator was still at red status. The Performance Officer confirmed that the report requested at the meeting of PARC held on 23 June 2005 (Minute 34 refers) would be presented at the meeting to be held on 1 September 2005 and would include proposed actions to improve status and if different performance targets were necessary.

**RESOLVED:**

- (1) That the status of the High Level Performance Indicators as presented at Appendix A be noted;
- (2) That the Action Plans be noted for the following Performance Indicators at red status:
  - (a) BVPI 78a – The average processing time taken for all new housing and council tax benefit claims submitted to the local authority;
  - (b) BVPI 76a – The number of housing benefit claimants in the local authority visited per 1000 caseload.

**REASON FOR DECISION:**

The recommendation contained within paragraph 7 to the report had been made in accordance with the declared policy of North Hertfordshire District Council.

**40. ANTI – MONEY LAUNDERING POLICY**

The Strategic Director for Regulatory and Financial Services advised the Committee that CIPFA had concluded that although public organisations were not covered as a 'relevant body' as defined in the money laundering legislation but this authority accepted that adherence to the main tenets of the legislation was regarded as good practice and officers had prepared an Anti – Money Laundering Policy for consideration by PARC.

The Committee noted the contents of the Terrorism Act 2000, The Proceeds of Crime Act and Money Laundering Regulations as applicable to relevant businesses and accepted that although certain aspects of the legislation would not necessarily apply to a local authority it would be appropriate to adopt an Anti-Money Laundering Policy for North Hertfordshire District Council.

The Director next outlined the systems and procedures that would require development that would enable this authority to react to, manage and report on any suspicious activity i.e. Policy and Guidance Notes, manage any staff concerns about money laundering, provide targeted training for those officers most likely to be exposed to money laundering situations and familiarise all staff with the legal and regulatory requirements relating to money laundering as they would affect this authority and them as individuals.

**RESOLVED:**

- (1) PARC agreed that the Anti – Money Laundering Policy as set out in Appendix 1 to the report be endorsed;
- (2) PARC agreed that the Guidance Notes to the Anti – Money Laundering Policy as set out in Appendix 2 to the report be endorsed;
- (3) PARC agreed that the Money Laundering Briefing Note as set out in Appendix 3 to the report be endorsed;

**RECOMMENDED TO CABINET:** That the following documents are recommended to Cabinet for approval:

- (1) That the Anti – Money Laundering Policy as set out in Appendix 1 to the report be approved;
- (2) That the Guidance Notes to the Anti – Money Laundering Policy as set out in Appendix 2 to the report be approved;
- (3) That the Money Laundering Briefing Note as set out in Appendix 3 to the report be approved;

**RECOMMENDED TO COUNCIL:** That after approval by Cabinet the following documents are recommended to Council for adoption:

- (1) The Anti – Money Laundering Policy as set out in Appendix 1 to the report;
- (2) The Guidance Notes to the Anti – Money Laundering Policy as set out in Appendix 2 to the report;
- (3) The Money Laundering Briefing Note as set out in Appendix 3 to the report;
- (5) That following adoption of the Anti-Money Laundering Policy by Council:
  - (a) All NHDC staff should be made aware of the Anti –Money Laundering Policy and their own responsibilities under the legislation and regulations;
  - (b) That all officers involved in treasury management, conveyancing activities, cash transactions, issuing of grants or the assessment of claims are given proportionate and appropriate training.

**REASON FOR DECISIONS:**

To allow North Hertfordshire District Council embrace the underlying principles of the Terrorism Act 2000, The Proceeds of Crime Act 2002 and the Money Laundering Regulations 2003.

**41. RISK MANAGEMENT UPDATE ON THE TOP RISK OF PROMOTING EQUALITY AND DIVERSITY**

The Risk Manager reminded the Committee that the CPA review had led to the development of two strategic actions to promote equality and diversity: To embed equalities and social inclusion and to positively engage children and young people. The Risk Manager proceeded to provide the Committee with a synopsis of the progress of this Top Risk via a Risk Management Strategy to the presentation at PARC on 19 May 2005 of an update report on Risk Management (Minute 11 refers). At this meeting the Risk Manager had been requested to provide a separate report on Promoting Equality and Diversity,

The Committee noted that this risk had an impact score of '3' when reviewed in April 2005 which by the corporate definition means that should this risk occur then it would have a catastrophic effect that could result in a significant financial loss or major service disruption or significant impact on the public.

The Risk manager confirmed that significant progress had been made in the management of this risk and identified the areas of improvement as listed at Paragraph 6.2 to the report. The Committee acknowledged that following this improvement the impact score for this risk had now been reduced to a '2' and then reviewed the Action Plan as presented at Paragraph 6.4 to the report. The committee noted that insurance cover was not possible against the cost of employment tribunals and that no specific reserve was in place to cover any litigation costs awarded against this authority for the failure to promote equality and diversity.

And finally the Committee were pleased to note that additional training would be provided to new starters, existing staff and Members to ensure the embedding of equality and diversity in service delivery.

**RESOLVED:**

- (1) That the extent of risk, work completed and the actions taken to manage this risk be noted;
- (2) That the proposal to reduce the impact assessment of this risk to '2' be endorsed.

**REASON FOR DECISION:**

To ensure that the Performance, Audit and Review Committee are aware of the extent of this risk and the measures taken to reduce this risk.

The meeting closed at 9.05 p.m.

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Chairman