

SCRUTINY COMMITTEE FOR AUDIT AND BEST VALUE

MINUTES of a meeting of the Scrutiny Committee for Audit and Best Value held at County Hall, Lewes on 4 March 2009.

- PRESENT - Councillor Tutt (Chairman)
Councillors Birch, Ensor, Gadd, Murphy, Sparks, and Whetstone
- OFFICERS - Andrew Ogden, Director of Law and Personnel
Duncan Savage, Assistant Director, Audit and Performance
Russell Banks, Principal Audit Manager
Paul Dean, Scrutiny Manager
- ALSO PRESENT - Cheryl Miller, Chief Executive for item 5 (see minute 38)
Becky Shaw, Director of Policy and Communications for item 5
(see minute 38)
Lorayne Ferguson and Paula Kirkland, Age Well PFI Project
Directors for item 9 (see minute 42)
Rawdon Phillips, Insurance and Risk Manager for item 10 (see
minute 43)
- Sandra Prail, Audit Commission
Richard Bint, PKF External Auditors

36. MINUTES

36.1 RESOLVED – to approve as a correct record the minutes of the meeting of the Committee held on 20 November 2008.

37. REPORTS

37.1 Copies of the reports on the matters dealt with in the minutes below are contained in the minute book.

38. EXTERNAL AUDIT AND INSPECTION ANNUAL LETTER

38.1 The Committee considered a report by the Chief Executive submitting the Audit Commission's Audit and Inspection Annual Letter. The Chairman welcomed Sandra Prail from the Audit Commission and Richard Bint, from PKF the Council's External Auditors, to the meeting. Copies of the final Annual Audit and Inspection Letter were circulated to Members.

38.2 The Chairman, on behalf of the Committee, welcomed the news that the County Council was now a "four star" authority and thanked the Members and officers for all their work on the Committee in helping to achieve this result.

38.3 Members noted the five key actions for the Council, set out in paragraph 7, of the Annual Letter, and asked that the relevant Scrutiny Committees be kept updated on progress.

38.4 RESOLVED – to (1) note the Audit Commission's Audit and Inspection Letter with pleasure and thank the Council's staff for all their efforts in achieving such an excellent result;

(2) request the relevant Directors to ensure that mid year reports on the five key actions for the Council be reported to the appropriate Scrutiny Committees.

39. SCRUTINY REVIEW OF COUNCIL PROCUREMENT WITH SMALL AND MEDIUM SIZED ENTERPRISES

39.1 The Committee considered an interim report by the Chairman of the Project Board carrying out a scrutiny review of procurement with local, small and medium sized enterprises (SMEs) in East Sussex.

39.2 The Chairman thanked the Board Members and the Scrutiny Manager for all their work on the Review.

39.3 RESOLVED – To (1) endorse the interim report of the Project Board with the addition of the following recommendation:

“Contracting departments should publish forward plans for procurement, in particular to include lists of contracts awarded along with opportunities available; this will assist SMEs to assess whether to engage in the procurement processes of the County Council.”

(2) forward the report to the Cabinet for comment and to County Council for approval.

40. RECONCILING POLICY AND RESOURCES: FEEDBACK

40.1 The Committee considered a report by the Director of Law and Personnel which provided feedback on the outcomes of scrutiny input into the Reconciling Policy and Resources (RPR) process in 2008/09.

40.2 Members suggested that, whilst the 2008/09 RPR process had worked successfully in that it had enabled the Committee’s RPR Board to be engaged in the process, the Scrutiny Committee’s input could give greater value if its Members were involved earlier in the process.

40.3 RESOLVED – to (1) agree that the 2008/09 RPR process had enabled the Scrutiny Committee to be involved and facilitated its input into the process; and

(2) request that the RPR Board be involved earlier in the 2009/10 RPR process in order to maximise the scrutiny input and add greater value to the process.

41. INTERNAL AUDIT PROGRESS REPORT: QUARTER THREE

41.1 The Committee considered a report by the Deputy Chief Executive and Director of Corporate Resources summarising the key audit findings, progress on delivery of the audit plan and the performance of the Internal Audit Service during Quarter 3.

41.2 Officers reported on, and responded to, questions from Members about the key audit findings set out in Appendix A to the report. Members’ concerns focussed, in particular, on the findings highlighted in relation to the key audit findings on Accounts Payable (Corporate Resources Directorate).

41.3 RESOLVED – to (1) receive the report; and

(2) endorse the actions being taken to address the issues raised in the key audit findings; and

42. AGE WELL PFI PROJECT

42.1 The Committee considered a report by the Director of Adult Social Care updating Members on the progress of the Age Well Project. Paula Kirkland and Lorayne Ferguson, the Project Directors, reported on and responded to questions from Members

42.2 The Committee discussed whether PFI projects would necessarily be the most appropriate way forward for the future in the light of the current economic climate and agreed that this issue should be raised with Cabinet.

42.3 RESOLVED – to (1) note the progress of the Age Well Project and the risks to the Project associated with the current economic climate; and

(2) recommend to Cabinet that thought be given to the future of PFI projects and whether they would necessarily be the best way forward in the current economic climate.

43. STRATEGIC RISK MONITORING LOG

43.1 The Committee considered a report by the Deputy Chief Executive and Director of Corporate Resources updating Members on the current strategic risks and key departmental risks faced by the Council, their status and mitigating actions.

43.2 RESOLVED – to note the current strategic risks, the update of their status and the mitigating actions being proposed and implemented by Chief Officers

44. QUARTER THREE PERFORMANCE MONITORING REPORT AGAINST THE COUNCIL PLAN

44.1 The Committee considered a report by the Director of Policy and Communications providing updated information on performance against the Council Plan for the Third Quarter of 2008/09.

44.2 RESOLVED – to note the achievements made.

45. FUTURE SCRUTINY WORK PROGRAMME

45.1 The Committee considered a report by the Director of Law and Personnel setting out the Committee's planned programme of work for the forthcoming year (see also minute 46 below).

45.2 RESOLVED – to note the Committee's programme of work for 2008 (see also minute 46.2 (2) below)

46. FORWARD PLAN

46.1 The Committee considered the Forward Plan for the period 1 March to 30 June 2009.

46.2 RESOLVED – to (1) note the Forward Plan; and

(2) include the issue of Treasury Management Stewardship in the Committee's Programme of Work.

47. LAST MEETING

47.1 The Chairman reminded the Committee that this had been the last Audit and Best Value Scrutiny Committee meeting of the present County Council. He thanked the Members and officers for their support and work over the last four years.