

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 3 March 2010

- PRESENT - Councillor Sparks (Chairman)
Councillors Bennett (Vice-Chairman) Birch, Ensor, Gadd, Ost 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 - John Morris, Assistant Director - Property for item 5 (see minute 36)
Tim Stevens, Construction Framework Manager for item 5 (see minute 36)
Karl Taylor, Assistant Director, Operations, Transport and Environment for item 12 (see minute 43)
Liz Rugg, Assistant Director, Children's Services for item 12 (see minute 43)
David Liley, Programme Manager, Putting People First, for item 13 (see minute 44)
Rawdon Phillips, Insurance and Risk Manager for item 14 (see minute 45)
- Richard Bint, PKF External Auditors for items 7, 8 and 9 (see minutes 37, 38 and 39)

33. MINUTES

33.1 RESOLVED – to approve as a correct record the minutes of the meeting of the Committee held on 18 November 2009.

34. APOLOGIES FOR ABSENCE

34.1 Apologies for absence were received from Councillor Lambert. Councillor Ost was substituting for Councillor Lambert.

35. REPORTS

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

36. BUILD EAST SUSSEX

35.1 The Committee (a) considered a report by the Deputy Chief Executive and Director of Corporate Resources updating Members on the development of a construction supply chain readiness network now known as "Build East Sussex"; and (b) received a presentation demonstrating how the Build East Sussex website (www.buideastsussex.co.uk) could be used as the route through which local Small and Medium Sized Enterprises (SMEs) can gain support and bid for work.

35.2 In response to Members' suggestions that the Key Performance Indicators (KPIs) should focus more on outcome measures, the Deputy Chief Executive and Director of Corporate Resource undertook to monitor progress against the KPIs listed and report to Audit and Best Value Scrutiny Committee in due course.

35.3 RESOLVED – to (1) note the launch of Build East Sussex and thank the officers for the helpful demonstration; and

(2) endorse the suggested key performance indicators and note that a further report will be brought to the Committee in due course on progress.

36 RECONCILING POLICY AND RESOURCES

36.1 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 2009/10.

36.2 RESOLVED – To note (1) the outcomes of scrutiny input into the RPR process in 2009/10; and

(2) that the issue of cross service RPR scrutiny issues will be addressed in the future.

37. ANNUAL AUDIT LETTER 2008/2009

37.1 The Committee considered a joint report by the Chief Executive and Deputy Chief Executive and Director of Corporate Resources appraising the Committee of the External Audit Letter for 2008/09. The Chairman welcomed Richard Bint, from the Council's External Auditors, to the meeting.

37.2 Members noted the areas for further improvement in the Council's use of resources, highlighted at paragraph 1.4 of the Annual Audit Letter particularly in relation to diversity and equalities considerations.

37.3 RESOLVED – to note the External Audit Letter for 2008/09 and consider how the Council's Reconciling Policy and Resources process can be developed further.

38. EXTERNAL AUDIT PLAN 2009/10

38.1 The Committee considered a report by the Deputy Chief Executive and Director of Corporate Resources submitting the External Audit Plan for 2009/10.

38.2 RESOLVED – to note the External Audit Plan for 2009/10.

39. EXTERNAL AUDIT PLAN FOR EAST SUSSEX PENSION FUND 2009/10

39.1 The Committee considered a joint report by the Chief Executive and Director of Corporate Resources submitting the External Audit Plan for East Sussex Pension Fund 2009/10.

39.2 RESOLVED – to note the External Audit Plan for the East Sussex Pension Fund for 2009/10.

40. 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. Members noted two amendments to the report: (a) the last line of paragraph 3.3 should refer to Members, rather than Chief Officers; and (b) the heading for paragraph 6 should refer to Quarter 4, rather than Quarter 2.

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 partial assurance in respect of the Review of Business Continuity/Disaster Recovery Follow Up. They sought reassurance that, in the light of the significant amount of change currently being experienced by the County Council, particularly the pending appointment of a new Chief Executive, sound contingency measures were in place should a major incident occur.

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

(2) request that a presentation by the Emergency Planning Team be given at the next Scrutiny Committee meeting on 2 June 2010 to provide reassurance that, given the partial assurance, appropriate contingency measures are in place should a major incident occur particularly in the period following the appointment of a new Chief Executive.

42. SCRUTINY REVIEW OF HIGHWAY COMPENSATION CLAIMS

42.1 The Committee considered a report by the Chairman of the Scrutiny Project Board which presented the outcomes of the Scrutiny Review of Highway Compensation Claims.

42.2 RESOLVED – to (1) note the findings and conclusions of the Review Board's deliberations contained in the appendix to the report and endorse the Board's recommendations:

- That a guidance note, explaining how the council handles public liability claims be reissued to all Members to ensure they are kept abreast of the law and County Council procedures; and
- That the planned improvements in the process for handling highway compensation claims be endorsed.

(2) agree that no further scrutiny work be undertaken on this issue at present.

43. HOME TO SCHOOL TRANSPORT BUDGET

43.1 The Committee considered a joint report by the Directors of Children's Services and Transport and Environment setting out the current status of the Home to School Transport budget; the measures being taken to reduce the current overspend; and improvements proposed for the 2010/11 budget following the Audit report in 2009.

43.2 RESOLVED – to (1) note the actions which have been taken, or are being taken, to improve the management of the Home to School Transport Budget;

(2) request the Director of Transport and Environment to write to the Members of the Committee to clarify:

- The amount of discretionary spend on meeting denominational home to school transport and parental choice and the extent to which this had been reduced following the recommendations agreed as part of the Executive Review;
- The scope to expand the use of bus places and sell the vacant seats;
- The extent to which 'unsafe routes' impact upon home to school transport;
- The timescale for implementing the actions set out in Appendix 2

44. PUTTING PEOPLE FIRST, RISK MONITORING AND GOVERNANCE

44.1 The Committee considered a report by the Director of Adult Social Care updating Members on the actions in place to manage risk in the 'Putting People First (PPF) Programme in Adult Social Care.

44.2 RESOLVED – to note the actions that have been put in place to mitigate risk in the Putting People First Programme in Adult Social Care.

45. STRATEGIC RISK MONITORING

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

45.2 Members noted that, since publication of the report, it had been amended prior to its submission to Cabinet to include an additional paragraph (3.5) stating “While no particular “risk” has been added in relation to the forthcoming national elections it is recognised that the results of this could have significant policy implications for the County Council and then inevitably the risk log would need to be reviewed accordingly.”

45.3 RESOLVED – to note the current strategic risks, the update of their status and the mitigation actions proposed and implemented by Chief Officers.

46. QUARTER THREE PERFORMANCE MONITORING REPORT AGAINST THE COUNCIL PLAN

46.1 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.

46.2 RESOLVED – to note the achievements and the actions being taken to address underperforming indicators.

47. FUTURE SCRUTINY WORK PROGRAMME

47.1 The Committee considered a report by the Director of Law and Personnel setting out the Scrutiny Committee's programme of work for the forthcoming year

47.2 RESOLVED – to (1) note the Committee's programme of work for 2010;

(2) establish a Scrutiny Review Board to explore the costs of employing agency staff and consultants, the membership of the Board to comprise Councillors Sparks, Bennett and Gadd; and

(3) agree that Emergency Planning should be included in the programme for the next meeting (see also minute 41.3)

48. FORWARD PLAN

48.1 The Committee considered the Forward Plan for the period 1 March to 30 June 2010.

48.2 RESOLVED – to note the Forward Plan.

49. ANDREW OGDEN AND RICHARD HEMSLEY

49.1 The Chairman reminded the Committee that this was the last Audit and Best Value Scrutiny Committee meeting that Andrew Ogden, Director of Law and Personnel, would attend before his retirement. On behalf of the Members, the Chairman thanked Andrew for all his help and guidance to the Committee and wished him well in his retirement.

49.2 The Chairman also asked that the Members' thanks and best wishes be given to Richard Hemsley, Deputy Director of Corporate Resources for all his help and support to the Committee.