

**FINANCE AND AUDIT SCRUTINY PANEL
23 MARCH 2010**

Present :- Councillor Dennis Willetts (Chairman)
Councillors Christopher Arnold, Dave Harris,
Jon Manning, Gerard Oxford, Lesley Scott-Boutell
and Nick Taylor

Substitute Members :- Councillor Pauline Hazell
for Councillor Wyn Foster
Councillor Peter Higgins
for Councillor Theresa Higgins
Councillor Peter Chillingworth
for Councillor Jackie Maclean

51. Minutes

The minute of the meeting held on the 23 February 2010 was confirmed as a correct record.

52. Free bulky waste special collections

Mr. Dave McManus, Street Care and Recycling Manager attended the meeting for this item.

Mr. McManus gave an overview of the current scheme from its introduction, its extension in June 2009 and to the present. Mr. McManus said officers had identified that the scheme had available spare capacity to be extended without the need for further resources, showing graphs to illustrate that the take-up of the scheme since last year had not been as high as was originally anticipated. Mr. McManus said that in the last year the number of fly tipping incidents reported had dropped from 613 in 2008-09 to 370 in 2009-10.

Mr. McManus advised the panel that part of this review was to agree to the Portfolio Holder for Street Services approving the service provision and extension for the scheme, based upon the information contained within the report.

In response to Councillor Manning, Mr. McManus said it was unlikely that with the current capacity within the scheme and with more publicity, that there would be any further extensions

Councillor Young, Portfolio Holder for Street and Waste Services addressed the panel to say the purpose of the extension to the scheme was to maximise the potential, and that following discussions with the panel in 2009 it was agreed that the next area to be included within the scheme would be Shrub

End. Councillor Young said the overall provision of this scheme would be included with all the other services, to be subject to the forthcoming Street Services Fundamental Service Review (FSR), and confirmed to Councillor Higgins that fly tipping, still a problem in the New Town area, will reduce as a result of the new Safer Colchester initiative.

Mr. McManus confirmed that the proposed extended scheme would be publicised by ward councillors', newsletters, the Courier and the Council website.

Councillor Young, in response to Councillor Arnold, clarified that the Portfolio Holder decision would be for the extension of the current scheme only.

RESOLVED that the panel commented upon and noted the review of free bulky waste special collections and the recommendation for the Portfolio Holder for Street and Waste Services to authorise the agreed extension to the scheme.

53. Annual Governance Statement briefing paper

Ms. Hayley McGrath, Risk and Resilience Manager presented the report on the Annual Governance Statement Briefing Paper, an annual process that informs members of their responsibilities towards reviewing the Council's Annual Governance Statement (reviewed by the Accounts and Regulatory Committee) in preparation for authorisation by the Leader of the Council and the Chief Executive Officer.

In response to Councillor Arnold, Ms. McGrath said that the Annual Governance Statement requires specific areas of review to be carried out, including Partnership arrangements, and specifically Colchester Borough Homes and the Colchester Community Stadium Company (CCSC). In regards to the CCSC, Ms. McGrath said there is a duty to report on how well the Council manages the relationship. Ms. McGrath acknowledged the proposals from the Strategic Overview and Scrutiny meeting on 9 February 2010 in respect of the CCSC, saying these would be followed up upon and developed over the coming year. Councillor Arnold welcomed and appreciated these comments.

Ms. McGrath responded to Councillor Chillingworth, explaining that the Annual Governance Statement is reported annually to the Audit Commission, and the Audit Commission do examine and feed back comments for the next year's process. The feedback by the Audit Commission in the last two years has generally been very good, that they are happy with the direction, though they would like to see more information provided from the partnership companies.

Ms. McGrath told Councillor Harris that the processes covered by the Annual Governance Statement are vast, but an action plan is being developed with key milestones built into the process, plus implementation dates, and this information will be fed back to the panel in due course.

RESOLVED that the panel noted the requirement to produce an Annual Governance Statement and the role of the Accounts and Regulatory Committee in the process.

54. Third quarter Internal Audit Assurance report.

Ms. Elfreda Walker, Finance Manager, and Mr. Alan Woodhead, Internal Audit provider (Deloitte) attended the meeting for this item.

Ms. Walker presented the report, focusing on the key areas, appendix 1 the Internal Audit Terms of Reference, and the Key Messages within the report, including details on the priority 1, 2 and 3 recommendations made, and accepted / not accepted, and a breakdown of outstanding recommendations as at 1 July 2009 and 31 December 2009 by way of comparison.

Mr. Woodhead gave further updates on audits detailed within the Summary of Audits finalised in quarter 3, and the Executive Summary, a follow up of previous recommendations, bringing the key issues to the attention of the panel. Mr. Woodhead confirmed that all outstanding recommendations are being followed-up.

Ms. Walker confirmed to Councillor Taylor that the Terms of Reference are now a separate document reported to the panel, whereas previously they had been set out within the Council's overall financial regulations.

Officers confirmed to Councillor Willetts that for audit 424, Renaissance Project Management, that monthly financial reports had in actual fact been submitted to the Renaissance Steering Group, but in an informal way, whereas in the future, this would be as a formal standing agenda item.

Mr. Charles Warboys, Head of Resource Management addressed the panel, and in response to Councillor Arnold, and to the audit 203, Audit of Officers Expenses, confirmed that there are now no unauthorised claims being processed, and whilst there had been an unacceptable delay in implementing the audit recommendation, it had now been rectified. Councillor Arnold was reassured by these comments because the system was there to protect staff.

RESOLVED that the panel noted the revised Internal Audit Terms of Reference and commented upon and noted the Council's performance relating

to executing the third quarter of the Internal Audit Plan for 2009-10 and the performance of Internal Audit by reference to national best practice benchmarks.