

# Finance and Audit Scrutiny Panel

Grand Jury Room, Town Hall  
29 June 2010 at 6.00pm

The Finance and Audit Scrutiny Panel deals with the review of service areas and associated budgets, and monitors the financial performance of the Council. The panel scrutinises the Council's audit arrangements and risk management arrangements, including the annual audit letter and audit plans, and Portfolio Holder 'Service' decisions reviewed under the Call in procedure.

# Information for Members of the Public

## Access to information and meetings

You have the right to attend all meetings of the Council, its Committees and Cabinet. You also have the right to see the agenda, which is usually published 5 working days before the meeting, and minutes once they are published. Dates of the meetings are available at [www.colchester.gov.uk](http://www.colchester.gov.uk) or from Democratic Services.

## Have Your Say!

The Council values contributions from members of the public. Under the Council's Have Your Say! policy you can ask questions or express a view to meetings, with the exception of Standards Committee meetings. If you wish to speak at a meeting or wish to find out more, please pick up the leaflet called "Have Your Say" at Council offices and at [www.colchester.gov.uk](http://www.colchester.gov.uk)

## Private Sessions

Occasionally meetings will need to discuss issues in private. This can only happen on a limited range of issues, which are set by law. When a committee does so, you will be asked to leave the meeting.

## Mobile phones, pagers, cameras, audio recorders

Please ensure that all mobile phones and pagers are turned off before the meeting begins and note that photography or audio recording is not permitted.

## Access

There is wheelchair access to the Town Hall from St Runwald Street. There is an induction loop in all the meeting rooms. If you need help with reading or understanding this document please take it to Angel Court Council offices, High Street, Colchester or telephone (01206) 282222 or textphone 18001 followed by the full number that you wish to call and we will try to provide a reading service, translation or other formats you may need.

## Facilities

Toilets with lift access, if required, are located on each floor of the Town Hall. A vending machine selling hot and cold drinks is located on the first floor and ground floor.

## Evacuation Procedures

Evacuate the building using the nearest available exit. Make your way to the assembly area in the car park in St Runwald Street behind the Town Hall. Do not re-enter the building until the Town Hall staff advise you that it is safe to do so.

Colchester Borough Council, Angel Court, High Street, Colchester  
telephone (01206) 282222 or textphone 18001 followed by the full number you wish  
to call

e-mail: [democratic.services@colchester.gov.uk](mailto:democratic.services@colchester.gov.uk)

[www.colchester.gov.uk](http://www.colchester.gov.uk)

# Terms of Reference

## Finance and Audit Scrutiny Panel

- To review all existing service plans and associated budget provisions against options for alternative levels of service provision and the corporate policies of the Council, and make recommendations to the Cabinet
- To have an overview of the Council's internal and external audit arrangements and risk management arrangements, in particular with regard to the annual audit plan, the audit work programme and progress reports, and to make recommendations to the Cabinet
- To monitor the financial performance of the Council, and to make recommendations to the Cabinet in relation to financial outturns, revenue and capital expenditure monitors
- To scrutinise the Audit Commission's annual audit letter
- To scrutinise executive 'service' decisions made by Portfolio Holders and officers taking key decisions which have been made but not implemented referred to the Panel through the call-in procedure

*The panel may a) confirm the decision, which may then be implemented immediately, b) refer the decision back to the decision taker for further consideration setting out in writing the nature of its concerns, or c) refer the matter to full Council in the event that the Panel considers the decision to be contrary to the Policy Framework of the Council or contrary to, or not wholly in accordance with the Budget.*

**COLCHESTER BOROUGH COUNCIL  
FINANCE AND AUDIT SCRUTINY PANEL  
29 June 2010 at 6:00pm**

**Members**

Chairman : Councillor Dennis Willetts.  
Deputy Chairman : Councillor Christopher Arnold.  
Councillors Jon Manning, Kim Naish, Gerard Oxford,  
Nick Cope, Scott Greenhill, Sue Lissimore, Colin Mudie and  
Colin Sykes.

**Substitute Members** : All members of the Council who are not Cabinet members or members of this Panel.

**Agenda - Part A**

(open to the public including the media)

**Members of the public may wish to note that Agenda items 1 to 5 are normally brief and items 6 to 9 are standard items for which there may be no business to consider.**

**Pages**

**1. Welcome and Announcements**

(a) The Chairman to welcome members of the public and Councillors and to remind all speakers of the requirement for microphones to be used at all times.

(b) At the Chairman's discretion, to announce information on:

- action in the event of an emergency;
- mobile phones switched off or to silent;
- location of toilets;
- introduction of members of the meeting.

**2. Substitutions**

Members may arrange for a substitute councillor to attend a meeting on their behalf, subject to prior notice being given. The attendance of substitute councillors must be recorded.

**3. Urgent Items**

To announce any items not on the agenda which the Chairman has agreed to consider because they are urgent and to give reasons for the urgency.

**4. Declarations of Interest**

---

---

The Chairman to invite Councillors to declare individually any personal interests they may have in the items on the agenda.

If the personal interest arises because of a Councillor's membership of or position of control or management on:

- any body to which the Councillor has been appointed or nominated by the Council; or
- another public body

then the interest need only be declared if the Councillor intends to speak on that item.

If a Councillor declares a personal interest they must also consider whether they have a prejudicial interest. If they have a prejudicial interest they must leave the room for that item.

If a Councillor wishes to make representations on an item on which they have a prejudicial interest they may do so if members of the public are allowed to make representations. In such circumstances a Councillor must leave the room immediately once they have finished speaking.

An interest is considered to be prejudicial if a member of the public with knowledge of the relevant facts would reasonably regard it as so significant that it is likely to prejudice the Councillor's judgement of the public interest.

Councillors should consult paragraph 7 of the Meetings General Procedure Rules for further guidance.

## **5. Minutes**

**1 - 3**

To confirm as a correct record the minutes of the meetings held on the 23 March 2010 and 19 May 2010.

## **6. Have Your Say!**

(a) The Chairman to invite members of the public to indicate if they wish to speak or present a petition at this meeting – either on an item on the agenda or on a general matter not on this agenda. You should indicate your wish to speak at this point if your name has not been noted by Council staff.

(b) The Chairman to invite contributions from members of the public who wish to Have Your Say! on a general matter not on this agenda.

## **7. Items requested by members of the Panel and other Members**

---

---

(a) To evaluate requests by members of the Panel for an item relevant to the Panel's functions to be considered.

(b) To evaluate requests by other members of the Council for an item relevant to the Panel's functions to be considered.

***Members of the panel may use agenda item 'a' (all other members will use agenda item 'b') as the appropriate route for referring a 'local government matter' in the context of the Councillor Call for Action to the panel. Please refer to the panel's terms of reference for further procedural arrangements.***

## **8. Referred items under the Call in Procedure**

To consider any Portfolio Holder decisions, taken under the Call in Procedure.

*The panel may a) confirm the decision, which may then be implemented immediately, b) confirm the decision back to the decision taker for further consideration setting out in writing the nature of its concerns, or c) refer the matter to full Council in the event that the panel considers the decision to be contrary to the Policy Framework of the Council or contrary to, or not wholly in accordance with the Budget.*

## **9. Decisions taken under special urgency provisions**

To consider any Portfolio Holder decisions taken under the special urgency provisions.

## **10. Financial Monitoring Report - End of year 2009-10 4 - 23**

See report from the Head of Resource Management.

## **11. 2009-10 Capital Pre-audit Outturn 24 - 41**

See report from the Head of Resource Management.

## **12. Year End Internal Audit Assurance Report 2009-10 42 - 61**

See report from the Head of Resource Management.

## **13. Work Programme 62 - 63**

See report from the Scrutiny Officer.

## **14. Exclusion of the public**

In accordance with Section 100A(4) of the Local Government Act

---

---

1972 and in accordance with The Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).





# **FINANCE AND AUDIT SCRUTINY PANEL**

## **23 MARCH 2010**

*Present:* - Councillors Arnold, Harris, Manning, G Oxford, Scott-Boutell, Taylor and Willetts

*Substitutions:* - Councillor Chillingworth for Councillor Maclean  
Councillor Hazell for Councillor Foster  
Councillor P Higgins for Councillor T Higgins

*Apologies:-* Councillor Goss

### **51. Minute**

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

### **52. Review of 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. The 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. 3<sup>rd</sup> 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.

# ACCOUNTS AND REGULATORY COMMITTEE

## 19 MAY 2010

*Present:-* Councillors Arnold, Cope, Greenhill, Lissimore, Manning, Mudie, Naish, G.Oxford, C.Sykes and Willetts

### **1. Chairman**

*RESOLVED* that Councillor Willetts be appointed Chairman for the ensuing Municipal Year.

### **2. Deputy Chairman**

*RESOLVED* that Councillor Arnold be appointed Deputy Chairman for the ensuing Municipal Year.

29 June 2010

<b>Report of</b>	<b>Head of Resource Management</b>	<b>Author</b>	<b>Sean Plummer</b> ☎ 282347
<b>Title</b>	<b>Financial Monitoring Report – End of Year 2009/10</b>		
<b>Wards affected</b>	Not applicable		

**The Panel is invited to review the financial performance of all  
General Fund services and the Housing Revenue Account for  
2009/10**

## 1. Action required

- 1.1 The panel is asked to note the financial performance of General Fund Services and the Housing Revenue Account (HRA) for the year 2009/10.

## 2. Reason for scrutiny

- 2.1 Monitoring of financial performance is important to ensure that:
- Service expenditure remains within cash-limited budgets.
  - Potential variances at year-end are identified early so that remedial action can be taken to recover the position or 'recycle' any surplus budgets.
  - Performance targets are being met.
- 2.2 This report also gives the panel the opportunity to hold Service Managers and Portfolio Holders accountable for their budgets.

## 3. Background

- 3.1 The Panel last considered the revenue budget position on 24 February 2010. This showed a projected net underspend of £620k against the General Fund. The report also detailed a projected net underspend of £470k against the Housing Revenue Account.
- 3.2 Work is ongoing to complete the accounts for 2009/10 and this report has been prepared using provisional figures, which may be subject to some changes and are still subject to external audit.
- 3.3 All the information presented in respect of General Fund Services shows the position based on net 'direct costs'. The review of the Housing Revenue Account is different in that it shows all costs, both direct and indirect.

## 4. General Fund – End of Year Position

- 4.1 The following table summarises the outturn position for each Service, the effect of the approved requests for carry forward into 2010/11, and a breakdown of the outturn position against the main non service areas. It shows a total net underspend for the Council of £1.883m after proposed carry forward adjustments.

<b>Service Area</b>	<b>Annual Budget £'000</b>	<b>Actual Net Exp. £'000</b>	<b>Variance £'000</b>	<b>C/Fwd / Adjustments £'000</b>	<b>Revised Variance £'000</b>
Corporate & Democratic Core	330	333	3		3
Executive Management Team	751	724	(27)	8	(19)
Corporate Management	6,749	6,450	(299)		(299)
Customer Service Centre	1,149	1,144	(5)		(5)
Env. & Protective Services	2,499	2,186	(313)	28	(285)
Life Opportunities	5,769	5,635	(134)		(134)
Resource Management	3,118	3,267	149		149
Strategic Policy & Regen	3,444	3,253	(191)	135	(56)
Street Services	2,738	2,705	(33)	(60)	(93)
<b>Subtotal Services</b>	<b>26,547</b>	<b>25,697</b>	<b>(850)</b>	<b>111</b>	<b>(739)</b>
Benefits Payments and Subsidy	(1,434)	(1,605)	(171)		(171)
C.L.I.A.(net interest earnings)	(173)	761	934		934
Housing & Planning Delivery Grant	(258)	(1,464)	(1,206)	85	(1,121)
Corporate Savings Targets	(230)	0	230		230
VAT Refund		(657)	(657)		(657)
Other Corporate / Technical Items			(309)	(50)	(359)
<b>Subtotal Non-service Areas</b>	<b>(2,095)</b>	<b>(2,965)</b>	<b>(1,179)</b>	<b>35</b>	<b>(1,144)</b>
<b>Overall Position</b>			<b>(2,029)</b>	<b>146</b>	<b>(1,883)</b>

4.2 The above table shows approved carry forward requests and other adjustments totalling £146k. These relate to the following

- £8k in respect of Colchester 2020 Assembly event postponed until the current year
- £28k in respect of a net underspend on the Joint Museum Service which is carried forward under the terms of the agreement.
- £30k in respect of balance on Travel Plan budget
- £190k in respect of projects funded through HPDG
- £60k in respect of a net overspend on the joint parking service which will be managed within the current year.
- £50k release of balance on Regeneration Reserve.

4.3 **Appendix A** summarises the Council-wide position by expenditure group. **Appendix B** provides a more detailed view of the performance of individual Service Groups. Both reports include traffic light indicators. The thresholds are as follows:

- Green – Variance less than £50k and 5% of budget
- Amber – Variance greater than £50k **OR** 5% of budget
- Red – Variance greater than £50k **AND** 5% of budget

4.4 **Appendix C** shows the major variances and provides comment including whether this is a one-off change or an ongoing impact and if the latter the extent to which action has been taken to either mitigate or allow for this in setting the 2010/11 budget. The majority of these items have been reported to the Panel during the year.

4.5 The 2010/11 budget was based on the plan that the 09/10 outturn would be under budget by £0.7m. The additional surplus will therefore be added to balances and will be considered by Cabinet on 30 June 2010 as part of a report on the 2011/12 budget strategy. The majority of the changes to the forecast outturn position are in respect of technical or non-service area items which are explained in the next section of this report.

## 5. Non Service Areas

- 5.1 In addition to Service budgets it is necessary to review the corporate and technical items in the budget. The following paragraphs detail the most significant of these in terms of budget variances.
- 5.2 The Central Loans and Investment Account (CLIA) comprises the Council's borrowing costs and investment income and has a net income budget of £173k. The position in respect of the Council's net investment earnings has been reported to the Panel throughout the year. The shortfall is due to the historic low investment rates currently available. Steps have been taken to try to minimise the impact of the reduced investment income such as through deferral of new borrowing in favour of disinvestment, however, the shortfall has been due to factors outside our direct control.
- 5.3 The Panel will receive the Annual Report on Treasury Management, including a review of investment and borrowing performance, at the next meeting.
- 5.4 The provisional Housing & Planning Delivery Grant (HPDG) was announced in early December, 4 months later than anticipated. The grant was significantly more than budgeted at £1.46m compared to the budget of £250k. Some funding of specific projects from the increased HPDG was agreed and is being carried forward resulting in net additional income of £1.121m.
- 5.5 The Panel should also note that the Government has recently announced that planned allocation of HPDG for 2010/11 will not now go ahead as the budget has been completely withdrawn as part of the Government budget cuts in 2010/11.
- 5.6 The other main item to comment on is the VAT refund of £657k. This relates to challenge made in respect of VAT paid for areas of sport and leisure income relating to a period from the late 1970's. This item had not been previously reported during the year as the level of any repayment and timing was unclear.
- 5.7 The other remaining technical adjustments include areas such as miscellaneous unallocated receipts, increased funding through area based grant and the impact of changes between the General Fund and Housing Revenue Account.
- 5.8 The 2009/10 budget included corporate savings targets totalling £678k. The outturn position shows a shortfall against these targets of £230k. The targets were as follows:
- **Salary Budgets** – the target of £515k savings was not achieved as forecast during the year. A reduction in staff turnover resulted in fewer salary savings identified during the year. It should, however, be noted that there were other savings on employee costs shown within the service position and actual savings on employee costs were close to the target.
  - **Procurement** – the target of £93k was achieved during the year, mainly through energy price savings
  - **Income Generation** – target not achieved during year due in part to difficult economic environment impacting on potential to achieve extra income. A further £10k of income was achieved and is shown within Corporate Management.

<b>Saving Area</b>	<b>Target</b>	<b>Actual</b>	<b>Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Salary savings	515	345	170
Procurement	93	93	0
Income	70	10	60
	678	448	230

## **6. Housing Revenue Account**

6.1 **Appendix D** sets out the pre-audit revenue outturn for the Housing Revenue Account (HRA).

6.2 The outturn position is showing a net surplus of £1,091k compared to a budgeted surplus of £143k for the year, a favourable variance of £948k. This variance does not however reflect any carry forward requests, which for 2009/10 are £145k. The outturn underspend is better than forecast at Period 9, which anticipated the outturn position to be an underspend of £470k. The favourable outturn position has arisen as a result of variances in several areas. We received £42k less income than budgeted, primarily due to the combination of less Service Charge income from Tenants and Leaseholders and less income from Court Fees than budgeted.

6.3 There was less expenditure than anticipated on Supervision and Management costs in a number of areas. There was an underspend of £175k on Employee costs, primarily due to the effect of vacant posts but also reflecting the lower than budgeted pay award for 2009/10. There was an underspend of £623k on Premises costs, reflecting the level of Repairs and Maintenance works undertaken in the financial year, lower utility costs than anticipated, savings achieved through re-tendering the cleaning contract and an underspend on grounds maintenance work. There was £233k less interest payable reflecting the reduction in the average rate of interest chargeable to the HRA for its debt, although this was partly offset by an increase of £120k in the amount of negative subsidy payable to the Government to reflect this. Furthermore, we were required to make a smaller contribution to our Bad Debts Provision than budgeted reflecting the reduced level of rent arrears at the year-end, along with a lower revenue contribution to fund HRA capital expenditure.

6.4 The HRA balance at 31<sup>st</sup> March 2010 is £2,609k. However, £1,252k of this balance is currently committed to future years in order to fund revenue expenditure committed to during 2009/10, together with future contributions to the Housing Investment Programme (Capital). This leaves the uncommitted HRA balance at £1,357k. Given that the recommended minimum level of balances for the HRA is £600k, it can be seen that the HRA balance is currently above that prudent level.

6.5 The HRA is a “ring-fenced” account which means that any underspend or overspend in a given year must be retained within the HRA. The effect of the 2009/10 outturn position will need to be reflected within the Medium Term Financial Forecast (MTFF) for the HRA to establish the level of resources for future years. This will be reviewed as part of the forthcoming budget process for 2011/12.

## **7. Strategic Plan references**

7.1 The priorities within the Strategic Plan are reflected in the Budget and Medium Term Financial Forecast.

## **8. Financial implications**

8.1 As set out above.

## **9. Risk management implications**

- 9.1 Risk management is used throughout the budget cycle, and this is reflected in the strategic risk register. The 2010/11 revenue budget report that was approved by Council in February 2010 detailed a number of potentially significant risk areas that had been identified during the budget process. In addition, Heads of Service identify a number of both positive and negative risk areas during the year.

## **10. Other Standard References**

- 10.1 Having considered consultation, publicity, equality, diversity and human rights, community safety, and health and safety implications, there are none that are significant to the matters in this report.

## **Background Papers**

None



### Budget Monitoring Summary - Period 13 2009/10

#### Current Period - March 2010

Variance (fav) /  
adv  
£'000

Budget to  
Period 13  
£'000

Actual to  
Period 13  
£'000

Change in  
Variance  
£'000

#### Account Description

#### By Subjective Group

Employees	27,624	27,456	(168)	(26)	amber
Premises Related	8,133	7,545	(588)	(89)	red
Transport Related	1,646	1,566	(80)	(3)	amber
Supplies & Services	11,642	11,132	(510)	274	amber
Third Party Payments	2,038	1,964	(74)	(21)	amber
Transfer Payments	2,537	2,566	29	-	green
Capital Financing Costs	147	133	(14)	-	amber
<b>Subtotal Expenditure</b>	<b>53,767</b>	<b>52,362</b>	<b>(1,405)</b>	<b>135</b>	<b>amber</b>

#### Government Grant

Government Grant	(2,209)	(2,211)	(2)	(69)	green
Other Grants & Reimbursements	(4,588)	(4,715)	(127)	(119)	amber
Customer & Client Receipts	(20,327)	(19,693)	634	15	amber
Income-Interest	(24)	(21)	3	-	amber
Inter Account Transfers	(72)	(25)	47	-	amber
<b>Subtotal Income</b>	<b>(27,220)</b>	<b>(26,665)</b>	<b>555</b>	<b>(173)</b>	<b>amber</b>

#### Total General Fund Services

<b>26,547</b>	<b>25,697</b>	<b>(850)</b>	<b>(38)</b>	<b>amber</b>
---------------	---------------	--------------	-------------	--------------

#### By Service Group

Corporate & Democratic Core	330	333	3	-	green
Executive Management Team	751	724	(27)	1	green
Corporate Management	6,749	6,450	(299)	(34)	amber
Customer Service Centre	1,149	1,144	(5)	-	green
Environmental & Protective Services	2,499	2,186	(313)	(2)	red
Life Opportunities	5,769	5,635	(134)	(1)	amber
Resource Management	3,118	3,267	149	4	amber
Strategic Policy & Regeneration	3,444	3,253	(191)	-	red
Street Services	2,738	2,705	(33)	(6)	green
<b>Subtotal General Fund Services</b>	<b>26,547</b>	<b>25,697</b>	<b>(850)</b>	<b>(38)</b>	<b>amber</b>
<b>TOTAL NET</b>	<b>6,020</b>	<b>4,238</b>	<b>(1,782)</b>	<b>(3,218)</b>	

#### Housing Revenue Account

(142)	(1,091)	(949)	364	red
-------	---------	-------	-----	-----

**Budget Monitoring Report for All Services - Period 13 2009/10**

Account Description	Corp & Democratic Core		EMT		Corporate Mgt		CSC		Env. & Protective		Life Opps		Resource Mgt.		Strategic Policy and Regen		Street	
	£'000		£'000		£'000		£'000		£'000		£'000		£'000		£'000		£'000	
<b>EXPENDITURE</b>																		
<b>EMPLOYEES</b>																		
Profiled Budget to Date	-	698	-	2,629	1,083	5,431	5,650	3,430	1,787	6,916	27,624							
Actual to Date	-	699	-	2,603	1,082	5,342	5,661	3,413	1,737	6,919	27,456							
Variance to Date	green	1	green	(26)	(1)	(89)	11	(17)	(50)	3	(168)	amber						
<b>PREMISES</b>																		
Profiled Budget to Date	-	-	-	1,599	-	853	3,884	324	88	1,385	8,133							
Actual to Date	-	-	-	1,495	-	749	3,665	255	84	1,297	7,545							
Variance to Date	green	-	red	(104)	-	(104)	(219)	(69)	(4)	(88)	(588)	red						
<b>TRANSPORT</b>																		
Profiled Budget to Date	-	5	-	28	-	100	34	14	52	1,413	1,646							
Actual to Date	-	3	-	30	-	94	25	11	29	1,374	1,566							
Variance to Date	green	(2)	amber	2	-	(6)	(9)	(3)	(23)	(39)	(80)	amber						
<b>SUPPLIES &amp; SERVICES</b>																		
Profiled Budget to Date	330	717	3,325	141	1,073	2,088	1,259	1,507	1,202	11,642								
Actual to Date	333	668	3,166	137	928	1,999	1,308	1,381	1,212	11,132								
Variance to Date	green	(49)	amber	(4)	(145)	(89)	49	(126)	10	(510)	amber							
<b>THIRD PARTY</b>																		
Profiled Budget to Date	-	109	74	-	63	249	107	801	635	2,038								
Actual to Date	-	119	68	-	62	199	103	770	643	1,964								
Variance to Date	green	10	amber	(6)	(1)	(50)	(4)	(31)	8	(74)	amber							
<b>TRANSFER PAYMENTS</b>																		
Profiled Budget to Date	-	-	-	-	-	55	2,482	-	-	-	2,537							
Actual to Date	-	-	-	-	-	87	2,479	-	-	-	2,566							
Variance to Date	green	-	green	-	green	32	(3)	green	green	green	29	green						

### Budget Monitoring Report for All Services - Period 13 2009/10

Account Description	Corp & Democratic Core £'000	EMT £'000	Corporate Mgt £'000	CSC £'000	Env. & Protective £'000	Life Opps £'000	Resource Mgt. £'000	Strategic Policy and Regen £'000	Street £'000	£'000
<b>CAPITAL FINANCING</b>										
Profiled Budget to Date	-	-	6	-	-	-	141	-	-	147
Actual to Date	-	-	3	-	-	-	130	-	-	133
Variance to Date	-	-	(3)	-	-	-	(11)	-	-	(14)
	green	green	amber	green	green	green	amber	green	green	amber
<b>TOTAL EXPENDITURE</b>										
Profiled Budget to Date	330	1,529	7,661	1,224	7,520	11,960	7,757	4,235	11,551	53,767
Actual to Date	333	1,489	7,365	1,219	7,175	11,636	7,699	4,001	11,445	52,362
Variance to Date	3	(40)	(296)	(5)	(345)	(324)	(58)	(234)	(106)	(1,405)
	green	green	amber	green	amber	amber	amber	red	amber	amber
<b>INCOME</b>										
<b>GOVERNMENT GRANT</b>										
Profiled Budget to Date	-	-	-	-	(801)	(486)	(810)	(112)	-	(2,209)
Actual to Date	-	-	-	-	(820)	(480)	(823)	(88)	-	(2,211)
Variance to Date	-	-	-	-	(19)	6	(13)	24	-	(2)
	green	green	green	green	green	green	green	amber	green	green
<b>OTHER GRANTS</b>										
Profiled Budget to Date	-	(767)	(32)	(50)	(1,039)	(701)	(25)	(210)	(1,764)	(4,588)
Actual to Date	-	(754)	(50)	(50)	(1,091)	(678)	(35)	(232)	(1,825)	(4,715)
Variance to Date	-	13	(18)	-	(52)	23	(10)	(22)	(61)	(127)
	green	green	amber	green	red	green	amber	amber	amber	amber
<b>CUST &amp; CLIENT RECPTS</b>										
Profiled Budget to Date	-	(11)	(860)	(25)	(3,177)	(5,004)	(3,804)	(465)	(6,981)	(20,327)
Actual to Date	-	(11)	(846)	(25)	(3,075)	(4,843)	(3,574)	(426)	(6,893)	(19,693)
Variance to Date	-	-	14	-	102	161	230	39	88	634
	green	green	green	green	amber	amber	red	amber	amber	amber
<b>INCOME-INTEREST</b>										
Profiled Budget to Date	-	-	(20)	-	-	-	-	(4)	-	(24)
Actual to Date	-	-	(19)	-	-	-	-	(2)	-	(21)
Variance to Date	-	-	1	-	-	-	-	2	-	3
	green	green	green	green	green	green	green	amber	green	amber

### Budget Monitoring Report for All Services - Period 13 2009/10

Account Description	Corp & Democratic Core	EMT	Corporate Mgt	CSC	Env. & Protective	Life Opps	Resource Mgt.	Strategic Policy and Regen	Street	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>INTER ACCOUNT TRANS</b>										
Profiled Budget to Date	-	-	-	-	(4)	-	-	-	(68)	(72)
Actual to Date	-	-	-	-	(3)	-	-	-	(22)	(25)
Variance to Date	-	-	-	-	1	-	-	-	46	47
	green	green	green	green	amber	green	green	green	amber	amber
<b>TOTAL INCOME</b>										
Profiled Budget to Date	-	(778)	(912)	(75)	(5,021)	(6,191)	(4,639)	(791)	(8,813)	(27,220)
Actual to Date	-	(765)	(915)	(75)	(4,989)	(6,001)	(4,432)	(748)	(8,740)	(26,665)
Variance to Date	-	13	(3)	-	32	190	207	43	73	555
	green	green	green	green	green	amber	amber	amber	amber	amber
<b>TOTAL NET</b>										
Profiled Budget to Date	330	751	6,749	1,149	2,499	5,769	3,118	3,444	2,738	26,547
Actual to Date	333	724	6,450	1,144	2,186	5,635	3,267	3,253	2,705	25,697
Variance to Date	3	(27)	(299)	(5)	(313)	(134)	149	(191)	(33)	(850)
	green	green	amber	green	red	amber	amber	red	green	amber

## Appendix C Major Outturn Variances

Note: Underspends and additional income variances are shown in brackets.

Service / Area	End of Year Variance			One off / Recurring impact	Comment on Variance
	Spend £'000	Income £'000	Net £'000		
<b>EMT</b>					
Executive Management Team	(27)		(27)	One-off	Budget savings including reductions in marketing and customer excellence. Colchester 2020 Assembly moved from March to June 2010 resulting in an under-spend of £8k. A carry-forward has been requested for this item.
<b>Corporate Management</b>					
Head of Service / Policy and Projects	(27)	0	(27)	Recurring: 2010/2011 general services, stationery, consultancy & IT budgets have been adjusted down accordingly.	The underspend of £15k within the Head of Service cost centre relates to other general services. Further underspends are due to Hub IT costs, Head of Service stationery and Diversity Consultancy for CBH.
Legal & Land Charges	1	33	34	Possibly recurring: 2010/2011 Legal income budget has not been significantly adjusted.	Income from Legal Services is £34k below budget due to drop in Section 106 agreements but also a shortfall on CBH and Braintree income.
Human Resources	(7)	(16)	(23)	One-off	Underspend on cost of Leadership Days due to external funding. Underspend on Central Training.

Service / Area	End of Year Variance			One off / Recurring impact	Comment on Variance
	Spend £'000	Income £'000	Net £'000		
Democratic Services		(55)	(55)	2010/2011 Members Expenses budget has been adjusted down accordingly.	The underspend is due to Members allowances & training and also savings made on elections final claims due to a change in rules of what can be claimed.
Facilities	(153)	42	(111)	Recurring: 2010/2011 budgets have been adjusted accordingly.	The underspend is due to not occupying Angel Court from January to March 2010 and a saving on Rowan House service charge offset in part by increased rental. Functions and vending income was lower than budgeted but offset by reduced costs. £62K utilities savings due to reduced fuel costs.
Way We Work Programme	0	(9)	(9)	Recurring: although the budget for Roundabout advertising income sits in the Technical area.	The underspend is due to unbudgeted roundabout advertising income.
Communications and MFDs (copiers / printers)	(45)	(4)	(49)	Recurring: 2010/2011 Communications budget has been reduced accordingly.	Underspends on Multi-functional Devices due to savings on rental, printing & software costs. Underspends on Communications postage, other general services and unbudgeted income for advertising in the Courier.
Information and Communication Technology	(61)	5	(56)	One-off apart from new applications budget which has been removed for 2010/2011.	Underspend is due to £33k saving on software licenses, £21k on new applications and £10k on telephone costs.
Customer Service Centre	(4)		(4)	One-off	Small underspend on supplies and services.

Service / Area	End of Year Variance			One off / Recurring impact	Comment on Variance
	Spend £'000	Income £'000	Net £'000		
<b>Environmental and Protective Services</b>					
Planning	62	(329)	(267)	Recurring impact. 10/11 income budget has been increased by £270k to reflect change in the economy.	Large increase in planning income. Over-spend due to additional staff costs and increased cost of appeals process.
Building Control	(7)	(2)	(9)	One-off	Agreed budget savings on general office costs to offset over-spends within the service.
Env. Services (incl. Cemetery and Crematorium)	(220)	291	71	Recurring impact. 10/11 Cem and Crem income budget has been reduced by £99k	Income for both cemetery and crematorium £252k below budget with the latter the most significant. There are a number of factors that have contributed to this including the opening of a new crematorium in Braintree and a fall in the national death rate. Savings totalling over £170k offset the shortfall this year including reducing grounds work, repairs and maintenance, reduced purchasing of memorials, reduction in cleaning and large reduction in R and R contribution.
				Recurring impact. Animal control fee income budget has been reduced by £13k in 10/11	Income for Animal/Pest Control £25k below budget. This is due to an increase in free treatments for those claiming benefits. Also a shortfall of £9k in budgeted income for Sponsorship of dog bins (advertising)
Protective Services	(19)	4	(15)	One off	General budget savings within Food & Safety team, mainly due to maternity leave and reductions in publicity and testing costs. Less income than budgeted for Licensing of £4k.

Service / Area	End of Year Variance			One off / Recurring impact	Comment on Variance
	Spend £'000	Income £'000	Net £'000		
Museums	(104)	71	(33)	One off	Less income than budgeted mainly due to Admissions (£55k), Retail sales (£50k), Valuation/Survey Fees (£8k) and General Lettings (£8k) offset by receipt of unbudgeted Box Grant of £55k. Shortfall in income offset by reduction in expenditure including Marketing (£35k) and Business Development (£19k) and reductions in general costs. Reduced employee costs of £45k due to vacant posts and delayed recruitment in year. Under the terms of the Joint Museum agreement any unspent budget, up to £100k, is carried forward into next year's budget. So the impact overall between the two years is nil.
PSU (Professional Support Unit)	(57)	(3)	(60)	One off	Budget savings including £50k on training and staff costs (vacancies) and £15k on printing and general office expenses.
<b>Life Opportunities</b>					
Head of Service & Support	(15)	0	(15)	One-off	General underspends made on office expenses and IT.
Community partnerships	(38)	23	(15)	1011 budget has been adjusted to reflect true costs of the Activity centres so large variances are not expected in 10/11.	Community Partnerships produced employee savings of £21k including the removal of the Community Health Co-ordinator post, and the movement of staff to cover the Housing FSR. Some savings within Community Safety and Community Development. Activity centres were over budget by £21k.



Service / Area	End of Year Variance			One off / Recurring impact	Comment on Variance
	Spend £'000	Income £'000	Net £'000		
Housing Needs and options (incl. B & B costs)	178	(82)	96		There was a £58k overspend on employee costs, which included salary and maternity costs and the use of temporary staff. There was a £127k overspend on Bed & Breakfast/ Homelessness Initiatives, but this was offset by £126k of additional income relating to this expenditure, resulting in a net overspend of £1k. There was a £34k under-recovery of income within Private Sector Housing.
Sport & Leisure	(239)	274	35	Impact of the recession is continuing to affect the income levels for 1011, coupled with increased income targets for the service will prove to be challenging.	Loss of income includes temporary closure of fitness pool, plus general downturn in income for most, but not all, services. These losses were offset by reductions in some costs, including energy, employees, marketing and equipment.
Parks and Recreation	(208)	(27)	(235)	Direct budget has effectively been reduced for 1011 by maintaining the spend levels at the same as 0910.	Majority of the variance on spend relates to grounds work £135k and playgrounds £22k. During 0910 £144k of savings was offered up corporately, although by the year end the service under spent a further £64k, mostly on grounds, general repairs and equipment as well as energy and water costs, Some of this further under spend was due to adverse weather conditions which delayed, and in some places prevented the ability to carry out certain schemes. Income was higher than budget across all services in areas – about £12k due to one-off gains.

Service / Area	End of Year Variance			One off / Recurring impact	Comment on Variance
	Spend £'000	Income £'000	Net £'000		
<b>Resource Management</b>					
Head of Service	4		4	One-off	Overspend is due to casual staff cover.
Financial Management	(5)		(5)	Recurring: 2010/2011 budget has been adjusted accordingly.	Net underspend is due to changes made to software systems.
Collections & Control	(13)	2	(11)	One-off	Underspend due to saving on Concessionary Fares (mainly Tokens & Postage) offset by smaller overspends on licenses, employees & postage.
Local Taxation	36	121	157	Provision adjustment is a one-off. Court Fees Recovered & NNDR Reliefs are potentially recurring. 2010/2011 NNDR relief budget has been increased.	Overspend is due to £90k Council Tax bad debt provision adjustment due to review of old debt, £55k less Court Fees recovered than budgeted and an overspend of £21k on NNDR Reliefs because groups that are eligible to claim has increased.
Benefits (excluding benefit payments and subsidy)	(7)	(5)	(12)	One-off	Underspend relates to savings on employee costs due to maternity leave and saving on training costs. Unbudgeted overpayments costs were recovered.
Estates	(70)	85	14	Some one-off, potentially some areas may continue depending on market conditions.	Underspends due to NNDR at harbour buildings & Layer Road and electricity at Cuckoo Farm South of £26k as previous bill was over-estimated, grounds mowing and repair & maintenance. Less income than budgeted due to rent refund and lower income levels at Enterprise Centre, St Runwalds Street, Plot 700 Business Park, Colchester Business Park and Culver Centre. This is partly offset by unbudgeted income from Orange mast at St James House, and various rent reconciliations.

Service / Area	End of Year Variance			One off / Recurring impact	Comment on Variance
	Spend £'000	Income £'000	Net £'000		
<b>Strategic Policy &amp; Regeneration</b>					
Head of Service & Support Teams incl. Business Development	(6)	1	(5)	One-off	General underspends made on office expenses and IT to reflect savings offered.
Spatial Policy	(147)	(5)	(152)	One-off	The budget mainly reflects the delayed HPDG projects and a carry forward request has been made for the balance of these budgets. Tour Series costs over budget £14k but savings made to reflect the £32k savings already offered up.
Enterprise	(62)	44	(18)	One-off	The VIC accounts for £53k of the under spend and £43k of income resulting in a net £10k saving. Initiative Funding produced savings of £7k mainly on un-renewed subscriptions.
19 Regeneration	26	(32)	(6)	One-off	The variance is in respect of final settlement of European projects and reflects additional income received in year offset by the accrual of an outstanding invoice.
Cultural services	4		4		A £5k corporate saving was not made within this area due to cost pressures from a redundancy and all other budgets fully spent.
Strategic Housing	(46)	35	(11)		There was a £33k under-spend on the Greater Haven Gateway Partnership, which primarily relates to employee costs and was matched by £33k less income being required from contributing partners. There were savings on employee costs arising from an unfilled vacant post pending the implementation of the Fundamental Service Review, and an underspend on the training budget.

Service / Area	End of Year Variance			One off / Recurring impact	Comment on Variance
	Spend £'000	Income £'000	Net £'000		
<b>Street Services</b>					
Head of Service	(5)		(5)	One-off	Saving to help mitigate other pressures across the wider service.
Waste Policy	(35)	(1)	(36)	One-off – budget reduced in 2010/2011	Savings on consultancy and on cost of the recycling calendar.
Community Operations	(4)		(4)	One-off	Small Works Team generated more costs than budgeted (£36k), but this was offset by additional income.
				One-off (due to vacancies)	Underspend on staff costs in Community Street Wardens (£26k).
				Potentially recurring	Shortfall of income in Community Alarms (£42k).
Recycling	(8)	(111)	(119)	One-off	Net underspend is due to underspends on fuel costs (£68k), equipment & materials (£35k) and trade tipping charges (£60k), and overspends on occasional hire (£93k) and contractor payments (£59k).
				One-off – budget for recycling credits increased in 2010/2011	More income than budgeted received for recycling credits (£68k), Workshop (£26k) and trade refuse (£22k).
Street Care	(52)	10	(42)	One-off	Underspend is due to savings on expenditure across the service area to mitigate pressures faced by the wider service. Main savings on diesel fuel, contractor payments, repair & maintenance and occasional vehicle hire.
				Potentially recurring – Budget for market income increased in 2010/2011 to reflect options to improve income .	Less income than budgeted from market.

Service / Area	End of Year Variance			One off / Recurring impact	Comment on Variance
	Spend £'000	Income £'000	Net £'000		
Car Parking	99	74	173	One-off  Recurring	Overspend is due to equipment & material costs (£52k), audit costs for the joint committee (£17k) and court fees (£15k). The surplus generated by the on-street account (£64k) was transferred to reserves and also shows as an overspend. Underspend on electricity (£41k). Less income than budgeted was received from off street car parks (£263k). Penalty Charge Notices generated less income than budgeted (£31k). Mitigated in part by income from NCP being higher than budgeted (£218k), although part of this was in respect of 2008/09.



Current Period – March 2010				
End Of Year 2009/10	Budget	Actual	Variance	
Account Description	for Year	for Tear	(under) /	
	£'000	£'000	over	
	£'000	£'000	£'000	
<b>HRA - Direct &amp; Non-Direct</b>				
<b>EXPENDITURE</b>				
Employees	774	599	(175)	Red
Premises Related	6,363	5,740	(623)	Red
Transport Related	4	4	0	Green
Supplies & Services	735	632	(103)	Red
Third Party Payments	5,875	5,952	77	Amber
Transfer Payments	62	49	(13)	Amber
Support Services	2,694	2,848	154	Red
Capital Financing Costs	11,558	10,260	(1,298)	Red
<b>TOTAL EXPENDITURE</b>	<b>28,065</b>	<b>26,084</b>	<b>(1,981)</b>	<b>Red</b>
<b>INCOME</b>				
Government Grant	-	(6)	(6)	Amber
Other Grants & Reimbursements	(152)	(153)	(1)	Green
Customer & Client Receipts	(24,157)	(24,103)	54	Amber
Income-Interest	(19)	(24)	(5)	Amber
Inter Account Transfers	(3,879)	(2,889)	990	Red
<b>TOTAL INCOME</b>	<b>(28,207)</b>	<b>(27,175)</b>	<b>1,032</b>	<b>Amber</b>
<b>TOTAL NET - HRA</b>	<b>(142)</b>	<b>(1,091)</b>	<b>(949)</b>	<b>Red</b>



# Finance and Audit Scrutiny Panel

Item  
**11**

29 June 2010

<b>Report of</b>	<b>Head of Resource Management</b>	<b>Author</b>	<b>Graham Coleman</b> ☎ 282741
<b>Title</b>	<b>Capital Expenditure Monitor 2009/10</b>		
<b>Wards affected</b>	Not applicable		

**The Panel is invited to review the progress against all capital schemes during 2009/10**

## 1. Action Required

1.1 To note the level of capital spending during 2009/10 and forecasts for future years.

## 2. Reason for scrutiny

2.1 Monitoring capital spending is important to ensure:

- Spending on projects is within agreed scheme budgets.
- The overall programme is delivered within budget.

2.2 This report also gives the Panel the opportunity to hold Service Managers and Portfolio Holders accountable for their budgets.

## 3. Background

3.1 This report sets out details of spending for the financial year 2009/10 (April 2009 to March 2010) and revised forecasts for future years.

3.2 The report includes new capital funding and changes to the capital programme as revised by Cabinet on 18 March 2009, 13 July 2009, 9 September 2009, 2 December 2009 and 27 January 2010, and by Council on 14 October 2009.

3.3 The report includes capital expenditure in respect of the Housing Investment Programme, including expenditure on the Council's housing stock.

## 4. 2009/10 review

4.1 Capital spending in the year totalled £12.8 million. This represents 33.7% of the total programme, and 83.2% of the projected spend for 2009-10. New funding has been added to the capital programme including £4.9 million for the 2010/11 HIP programme, together with some smaller contributions from external parties and Section 106 monies. It should be noted that the programme includes a number of major schemes where spending is planned across more than one year and that spending to date is broadly in line with expectations.

4.2 In total, forecast spending for this year was £15.4 million. The remainder of the programme, including unspent funding in 2009/10 as been re-profiled into 2010/11 and beyond. The table below sets this out by service area:



Summary	Current Total Programme	2009/10 Expenditure for year	Expected Expenditure per last FASP report 2009/10 (as amended)	Expected Expenditure 2010/11 and Future years
	£'000	£'000	£'000	£'000
Corporate Management	2,168.9	1,234.0	1,567.4	934.9
EMT	236.7	62.5	236.7	174.2
Resource Management	609.0	298.5	469.5	310.5
Street Services	435.5	317.7	363.5	117.8
Environmental & Protective Services	1,352.8	115.0	287.4	1,237.8
Strategic Policy & Regeneration	15,984.0	5,212.6	6,319.6	10,771.4
Life Opportunities	4,542.3	1,883.5	2,405.0	2,745.9
Completed Schemes	251.3	238.8	242.1	11.9
<b>Total – General Fund Services</b>	<b>25,580.5</b>	<b>9,362.6</b>	<b>11,891.2</b>	<b>16,304.4</b>
Housing Revenue Account	12,261.5	3,390.5	3,433.0	8,871.0
<b>Total Capital Programme</b>	<b>37,842.0</b>	<b>12,753.1</b>	<b>15,324.2</b>	<b>25,175.4</b>

4.3 **Appendix A** sets out details of spending and forecasts on all schemes. Comments are provided on the schemes' progress and future forecasts. The schedule includes budgets for all approved and funded schemes and some existing projects that, whilst approved, are not yet available to spend until resources are secured to enable funding to be released. These amounts are shown in the unfunded columns and reflect the Capital Programme approved by Council on 18 February 2009, and revised on 18 March, 13 July, 9 September 2009, 2 December 2009 and 27 January 2010, and by Council on 14 October 2009.

4.4 The scheme for Colchester Leisure World Fitness Pool LACM and Modernisation is currently forecast to be overspent by a maximum of £125.5k. It is hoped that the final figure will prove to be less than this. Contract retention payments on the St Anne's Community Centre were less than expected, resulting in an underspend. Additionally, there are a couple of minor under/overspends on other completed schemes.

Scheme	Over/ (Under)
	£'000
Colchester Leisure World – Fitness Pool LACM & Modernisation	125.5
St Annes Community Centre	(38.4)
Other minor (under)/overspends	(0.6)
<b>Total Net Overspend</b>	<b>86.5</b>

4.5 This sum will be referred to Cabinet for consideration when the final position is known. Cabinet will also consider a revised forecast of capital receipts as well as the outcome of the current review of schemes within the Capital Programme.

## 5. Strategic Plan references

5.1 The Council's Capital Programme is aligned to the Strategic Plan.

## 6. Financial implications

6.1 As set out above.

## 7. Risk management implications

7.1 Risk management issues are considered as part of all capital projects.

**8. Other Standard References**

Having considered consultation, publicity, equality, diversity and human rights, community safety, and health and safety implications, there are none that are significant to the matters in this report.

**Background Papers**

None

## Capital Programme 2009/10

Service / Scheme	New monies				Funded				
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Total Funded Prog. £'000	Spend Apr- Mar 2009/10 £'000	09/10 Forecast (Qtr 3 FASP) £'000	10/11 £'000	11/12 £'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>SUMMARY</b>									
Corporate Management	1,877.9	291.0	0.0	2,168.9	2,168.9	1,234.0	1,567.4	934.9	0.0
EMT	236.7	0.0	0.0	236.7	236.7	62.5	236.7	174.2	0.0
Resource Management	534.0	55.0	20.0	609.0	609.0	298.5	469.5	310.5	0.0
Street Services	396.0	(112.5)	152.0	531.5	435.5	317.7	363.5	117.8	0.0
Environmental & Protective Serv.	286.6	475.0	591.2	1,652.8	1,352.8	115.0	287.4	1,237.8	0.0
Strategic Policy & Regeneration	14,793.1	215.4	975.5	16,529.0	15,984.0	5,212.6	6,319.6	10,771.4	0.0
Life Opportunities	2,790.0	195.3	1,557.0	4,597.3	4,542.3	1,883.5	2,405.0	2,745.9	0.0
Completed Schemes	696.1	(414.3)	(30.5)	251.3	251.3	238.8	242.1	11.9	0.0
<b>Total (General Fund)</b>	<b>21,610.4</b>	<b>704.9</b>	<b>3,265.2</b>	<b>26,576.5</b>	<b>25,580.5</b>	<b>9,362.6</b>	<b>11,891.2</b>	<b>16,304.4</b>	<b>0.0</b>
Housing Revenue Account	7,915.5	4,346.0	0.0	12,261.5	12,261.5	3,390.5	3,433.0	5,853.4	3,017.6
<b>Total Capital Programme</b>	<b>29,525.9</b>	<b>5,050.9</b>	<b>3,265.2</b>	<b>38,838.0</b>	<b>37,842.0</b>	<b>12,753.1</b>	<b>15,324.2</b>	<b>22,157.8</b>	<b>3,017.6</b>

Key to Status column:

Fully Funded	FF
Partly Funded	PF
Unfunded	U

N.B. Summary does not include cost of accommodation from reserve

### Reconciliation to previous FASP report

Programme reported to FASP 23 February 2010

Add:

Redevelopment of Castle Museum - funding transferred from building maintenance programme

HIP Programme 2010-11

Additional Section 106 funding (including Castle Museum and Public Square)

Additional external funding

**£'000**

32,324.9

260.0

4,895.0

298.8

63.3

**Current Funded Programme**

**37,842.0**

## Capital Programme 2009/10

Service / Scheme	New monies				Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr-Mar 2009/10 £'000	09/10 Forecast (Qtr 3 FASP) £'000
<b>CORPORATE MANAGEMENT</b>								
<b>Town Hall</b>	86.8	20.0	0.0	106.8	FF	106.8	70.6	105.3
<i>Description of Scheme:</i> Works to the Town Hall associated with the Business Plan. Access work to the Old Library/works to the Moot Hall Kitchen.								
<i>Comments:</i> Works now complete. The final account for the project has yet to be agreed however it is anticipated that despite some variations, works have been delivered within budget. The balance remaining on DDA Measures Project.								
<b>E-Government</b>	43.8	0.0	0.0	43.8	FF	43.8	34.0	43.8
<i>Description of Scheme:</i> Works to comply with Government's E-Gov agenda								
<i>Comments:</i> Budget committed - waiting on supplier to invoice. Final Invoices expected end of Q1, following completion of last project.								
<b>GIS/Gazetteer</b>	11.3	0.0	0.0	11.3	FF	11.3	11.1	11.3
<i>Description of Scheme:</i> Cleansing of LLPG database								
<i>Comments:</i> Now completed.								
<b>Electronic Service Delivery</b>	190.0		0.0	190.0	FF	190.0	69.9	190.0
<i>Description of Scheme:</i> Customer Service Centre. Furtherance of electronic service facilities includes areas identified in business case for CSC								
<i>Comments:</i> Balance of monies now committed to Government Connect Issues in Q4 2009/10 and Q1 2010/11 and changes required to CRM solutions and integrations as part of the Customer								
<b>Customer Service Centre Redesign</b>	0.0	100.0	0.0	100.0	FF	100.0	0.0	100.0
<i>Description of Scheme:</i> Work required following the completion of the flexible working project and sale of Angel Court, and development of infopoint@colchester.								
<i>Comments:</i> New scheme added by Cabinet on 27 January 2010.								

## Capital Programme 2009/10

Service / Scheme	New monies				Funded					
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr-Mar 2009/10 £'000	09/10 Forecast (Qtr 3 FASP) £'000		
<b>EMT</b>										
<b>Support for Parish Councils and Community Groups</b>	236.7	0.0	0.0	236.7	FF	236.7	62.5	236.7		
<i>Description of Scheme:</i> Grants scheme to provide funding to Parishes in delivering projects in their areas										
<i>Comments:</i> All funds are fully committed to previous year projects. However, spending depends on organisations completing schemes then claiming funds, so most expenditure will inevitably 2009/10 was allocated at a meeting in March 2010. There is currently no further funding in this scheme.										
<b>TOTAL - EMT</b>	<b>236.7</b>	<b>0.0</b>	<b>0.0</b>	<b>236.7</b>		<b>236.7</b>	<b>62.5</b>	<b>236.7</b>	<b>174.2</b>	<b>0.0</b>
<b>RESOURCE MANAGEMENT</b>										
<b>Financial Systems Migration</b>	3.1	0.0	0.0	3.1	FF	3.1	0.0	0.0	3.1	0.0
<i>Description of Scheme:</i> Upgrade of Financial Systems										
<i>Comments:</i> Final phase is to integrate CLW & CBH Debtors. This will be delayed until the eProcurement upgrade is completed.										
<b>DDA Measures</b>	427.9	55.0	20.0	502.9	FF	502.9	246.3	407.9	256.6	0.0
<i>Description of Scheme:</i> Works to civic buildings to comply with requirements of the Disability Discrimination Act (incl. Town Hall lift and sensory access)										
<i>Comments:</i> The Town Hall lift project is now complete and the final account has been agreed. Project completed well within existing budget and it is expected that there will be a balance of ar which has been undertaken in conjunction with the main project have been paid and these are due imminently. Final retention release of approximately £20k is now due pending c other operational buildings were completed in 2007/08. £20k has been transferred from this budget to the Town Hall project to meet the shortfall on that scheme. £75k added by C reported as a separate scheme in future reports.										
<b>Site Disposal Costs</b>	61.6	0.0	0.0	61.6	FF	61.6	52.2	61.6	9.4	0.0
<i>Description of Scheme:</i> Costs of securing capital receipts										
<i>Comments:</i> Angel Court sale completed March 2010. On-going security costs for the Layer Road football ground will be incurred until transfer to the extra-care village scheme. Other disposal required.										
<b>Moler Works Site</b>	41.4	0.0	0.0	41.4	FF	41.4	0.0	0.0	41.4	0.0
<i>Description of Scheme:</i>										

## Capital Programme 2009/10

Service / Scheme	New monies				Funded		
	Funded Prog. B/fwd	CBC	Ext. Funding	Total Prog.	Total Funded Prog.	Spend Apr-Mar	09/10 Forecast
	£'000	£'000	£'000	£'000	£'000	2009/10	(Qtr 3 FASP)
<b>STREET SERVICES</b>							
<b>Public Conveniences</b>	210.8	(110.3)	0.0	100.5	100.5	98.4	100.5
<i>Description of Scheme:</i>	Toilet refurbishment works.						
<i>Comments:</i>	Refurbishment complete at Lion Walk, including the creative convenience design, and final valuation certificate was received in March and has been paid. Dedham toilets have also been refurbished. The rest of the public conveniences programme has now been reviewed by the Portfolio Holder in line with the cabinets wishes and no further refurbishments are planned. £139k						
<b>PowerPerfector Voltage Optimisation Equipment</b>	132.9	0.0	0.0	132.9	132.9	114.3	132.9
<i>Description of Scheme:</i>	Installation of equipment at top ten electricity usage sites						
<i>Comments:</i>	Equipment installed at Crematorium, St Marys and St John's MSCP, Colchester Castle, Museum Resource Centre, Mile End Sports Pavilion and CLW. Equipment delivered to Town of Colchester.						
<b>Flat Recycling Extension</b>	0.0	(2.2)	80.0	77.8	77.8	67.5	77.8
<i>Description of Scheme:</i>	New phase delivering recycling facilities for residents living in flats						
<i>Comments:</i>	This is being used to support the expansion of recycling services to residents living in flats in financial year 09/10. The spend so far has been on recycling sacks, bins, frames and benefit from the scheme and stocks of equipment will be in place to reflect this. The remaining funding of £26.5k under the Waste Diversion/Green Waste scheme has now been used for equipment.						
<b>Surface Water Early Actions</b>	0.0	0.0	72.0	72.0	72.0	0.0	72.0
<i>Description of Scheme:</i>	Funding received from the Environment Agency for remedial flood prevention works						
<i>Comments:</i>	Capital works to be carried out this year and before November will be: (1) London Road Copford flooding roads and properties, (2) Bergholt Rd flooding properties and golf course, (3) Bergholt Rd flooding properties and golf course.						
<b>Upgrade of CCTV Equipment</b>	52.3	0.0	0.0	148.3	52.3	37.5	52.3
<i>Description of Scheme:</i>	Upgrade of equipment to digital format						
<i>Comments:</i>	1st phase of CCTV upgrade completed March 07. Matrix upgrade now fully completed - final invoice in 2010/11.						

## Capital Programme 2009/10

Service / Scheme	New monies					Funded	
	Funded Prog. B/fwd	CBC	Ext. Funding	Total Prog.	Total Funded Prog.	Spend Apr-Mar 2009/10	09/10 Forecast (Qtr 3 FASP)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>ENVIRONMENTAL &amp; PROTECTIVE SERVICES</b>							
<b>Heritage Fund - incl. Roman Walls</b>	138.6	20.0	0.8	359.4	159.4	105.4	159.4
<i>Description of Scheme:</i>							
Heritage Fund used to enhance public spaces and historic sites, and protect key buildings							
<i>Comments:</i>							
Work on the Roman Road stretch is largely completed with only one small area still outstanding. Attention has now moved to an area of emergency repairs at Priory Street. Asses Hill and Priory Street East) have demonstrated that around £550,000 of further repair will be required over the next few years.							
<b>Heritage Fund - Castle Park Interpretation</b>	50.0	0.0	0.0	50.0	50.0	6.7	50.0
<i>Description of Scheme:</i>							
Heritage Fund used to enhance public spaces and historic sites, and protect key buildings							
<i>Comments:</i>							
This scheme is not progressing as fast as hoped and subject to progress this summer the scheme may need to be reviewed and consideration given to reallocation the funding.							
<b>Heritage Fund - St Nicholas Square</b>	20.0	(20.0)	0.0	0.0	0.0	0.0	0.0
<i>Description of Scheme:</i>							
Heritage Fund used to enhance public spaces and historic sites, and protect key buildings							
<i>Comments:</i>							
This scheme has now been formally discontinued and the money has been transferred to the Town Walls Scheme to help with urgent work in Priory Street.							
<b>Contaminated Land</b>	0.0	0.0	9.2	9.2	9.2	0.0	9.2
<i>Description of Scheme:</i>							
Defra Grant received to undertake intrusive soil investigation to establish the source of hydrocarbons at Westwood Drive, West Mersea							
<i>Comments:</i>							
Grants conditions require grant to be spent in the qtr 1 of 2010/11. The freeholder of the land has indicated a willingness to undertake the works at their own expense, but as yet, the							
<b>Cemetery Extension</b>	0.0	125.0	0.0	125.0	125.0	0.0	125.0
<i>Description of Scheme:</i>							
Acquisition of land and provision of infrastructure to enable continuation of burial services							
<i>Comments:</i>							
MOD have indicated that they will gift 5 acres of the cemetery extension land in return for residential planning permission for the remaining 1 acre. Estates are currently in negotiation interests and requirements and it is hoped that a proposal will be put to the Development Team in the foreseeable future. The capital funding identified here is required to undertake landscaping and fencing, along with any access roads that may need to be built.							
<b>Replacement of Cremators</b>	0.0	350.0	0.0	350.0	350.0	0.0	350.0
<i>Description of Scheme:</i>							
Replacement of Cremators at Colchester Crematorium to deliver mercury abatement in compliance with environmental legislation.							
<i>Comments:</i>							
The decision was made at Council on 14 October 2009 to proceed with the replacement of the two cremators at the Crematorium. The inclusion of the item assumes that we will							

## Capital Programme 2009/10

Service / Scheme	New monies				Funded		
	Funded Prog. B/fwd	CBC	Ext. Funding	Total Prog.	Total Funded Prog.	Spend Apr-Mar 2009/10	09/10 Forecast (Qtr 3 FASP)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>STRATEGIC POLICY &amp; REGENERATION</b>							
<b>Park &amp; Ride</b>	124.4	0.0	0.0	124.4	124.4	0.0	124.4
<i>Description of Scheme:</i>							
Costs of achieving a Colchester Park & Ride.							
<i>Comments:</i>							
Funding of £10.2m has been granted through CIF2 for the delivery of a new junction onto the A12 which would mean completion of these infrastructure works by 2011 and works a delivery of the 1000 space permanent park and ride site at North Colchester and ECC have commenced work on a planning application and carried out consultation for the scheme Colchester Rapid Transit link is now complete, funded through Haven Gateway Partnership, and which identifies options for future infrastructure improvements.							
<b>Community Stadium Pre-development</b>	71.3	0.0	0.0	71.3	71.3	6.1	65.2
<i>Description of Scheme:</i>							
Preliminary work on construction details, costs and business planning to progress the project.							
<i>Comments:</i>							
A final reconciliation of invoices has yet to take place, but current underspend has already been committed.							
<b>Community Stadium - Build</b>	80.3	0.0	(24.2)	56.1	56.1	11.0	45.1
<i>Description of Scheme:</i>							
Construction of new Community Stadium							
<i>Comments:</i>							
Now 1 year post Practical Completion but retention still being held until final snagging items cleared and discharge of final planning conditions such as lighting. Although underspend							
<b>Cuckoo Farm</b>	(9.1)	9.1	0.0	(0.0)	(0.0)	3.0	(3.0)
<i>Description of Scheme:</i>							
Predevelopment activity (such as specialist input on legal, highway and environmental issues) to facilitate the commencement of the development of Cuckoo Farm.							
<i>Comments:</i>							
All funding now committed and small overspend which possibly can be reduced through other related projects. There is still a need to review Severalls Landowners Agreement for enabling land, but no funding currently exists for this.							
<b>B I C North</b>	2,360.2	0.0	0.0	2,360.2	2,360.2	678.3	1,681.9
<i>Description of Scheme:</i>							
Business Incubator Units in North Colchester							
<i>Comments:</i>							
Planning consent now received and construction has commenced on site. Work due to be completed by the end of 2010.							
<b>Hythe Station Environmental Improvements</b>	606.4	31.3	60.0	697.7	697.7	632.6	65.1



## Capital Programme 2009/10

Service / Scheme	New monies					Funded			
	Funded Prog. B/fwd	CBC	Ext. Funding	Total Prog.	Total Funded Prog.	Spend Apr-Mar	Forecast (Qtr 3)	09/10	
	£'000	£'000	£'000	£'000	£'000	2009/10	FASP)	10/11	
<b>St Botolphs Regeneration</b>	946.0	(50.0)	0.0	1,441.0	896.0	86.7	100.0	809.3	0.0
<i>Description of Scheme:</i>									
Fund to progress elements within the St Botolphs regeneration area.									
<i>Comments:</i>									
Funding allocated to specific projects as follows: £170k Temporary Bus Station, £125k Vineyard Gate, £96k Cultural Qtr, £75k MSCP, £100k public realm. Work continues on key September 2009 and work ongoing to complete the development agreement and agreed design for planning application. Developers for Vineyard Gate remain in place but the spend is delayed. Options being explored to move scheme forward.									
<b>St Botolphs Public Realm Phase 1</b>	387.2	0.0	0.0	387.2	387.2	178.7	107.0	208.5	0.0
<i>Description of Scheme:</i>									
Public Realm Improvements									
<i>Comments:</i>									
Works to Priory now on site and due for completion end of June 2010. Discussions ongoing with the school and ECC in respect of Berryfield. Final aspect of Phase 1 relates to lan works into VAF logistics programme, so earliest spend not until September 2010. Haven Gateway Partnership are aware of this delay.									
<b>St Botolphs Public Realm Phase 2</b>	0.0	175.0	180.0	355.0	355.0	11.3	180.0	343.7	0.0
<i>Description of Scheme:</i>									
Public Realm Improvements									
<i>Comments:</i>									
See above comments relating to VAF landscaping.									
<b>Historic Town Centre Improvements</b>	160.0	0.0	0.0	160.0	160.0	0.0	160.0	160.0	0.0
<i>Description of Scheme:</i>									
Works to Historic Core Zone.									
<i>Comments:</i>									
This scheme now jointly led by CBC/ECC as project outputs will be social, economic rather than just transportation related. Most of the current work is being funded through HGP project which includes transport improvements and the Public Realm Strategy work. Work is ongoing in respect of the wider Town Centre objectives and short, medium and longer of these. Initial projects funded from Growth Point monies (scheme below).									
<b>Town Centre Improvements Phase 1</b>	50.8	0.0	0.0	50.8	50.8	50.8	50.8	0.0	0.0
<i>Description of Scheme:</i>									
<i>Comments:</i>									
Phase 1 complete.									
<b>Town Centre Improvements Phase 2</b>	0.0	0.0	150.0	150.0	150.0	112.3	150.0	37.7	0.0
<i>Description of Scheme:</i>									
<i>Comments:</i>									
This is the second phase of match funding from CLG Growth Point with specific elements to reduce traffic flows through the town centre core, improve the pedestrian environment									

## Capital Programme 2009/10

Service / Scheme	New monies				Funded		
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Total Funded Prog. £'000	Spend Apr-Mar 2009/10 £'000	09/10 Forecast (Qtr 3 FASP) £'000
<b>A12 Junction Facilitation</b>	0.0	0.0	350.0	350.0	350.0	353.0	350.0
<i>Description of Scheme:</i>							
Contribution towards A12 Junction Facilitation costs							
<i>Comment</i>							
This phase of the scheme is complete and funded from Haven Gateway. Awaiting confirmation of 2010/11 Haven Gateway funding at which point £3k overspend will be reclaimed.							
<b>Creative Business Hub</b>	0.0	0.0	65.0	65.0	65.0	10.3	65.0
<i>Description of Scheme:</i>							
Contribution to Creative Business Centre							
<i>Comments:</i>							
This Haven Gateway Growth Area funding is a contribution to the creative Business Centre to be formed in Roman House which will be refurbished by Garbe under the terms of the operator have led to delays in respect of the adjacent creative hub building and most spend is now likely to occur in 2010/11. There has also been a reduction in the amount due to 2009/10.							
<b>Visual Arts Facility (VAF) Main Scheme</b>	2,429.5	0.0	0.0	2,429.5	2,429.5	2,411.7	2,429.5
<i>Description of Scheme:</i>							
New Visual Arts Facility							
<i>Comments:</i>							
Work started again in November 2009 on this mainly building phase and is due for completion in July 2010.							
<b>Visual Arts Facility (VAF) Fit-out</b>	6,750.0	0.0	0.0	6,750.0	6,750.0	90.6	333.0
<i>Description of Scheme:</i>							
<i>Comments:</i>							
Currently funding in capital programme for fit-out works (£2m from CBC, and £4.75m from funding partners). Some of this funding is being used for pre-fit-out and procurement work Construction Management. Council has agreed to allow a further £1.1m borrowing if required in advance of bond payment. Funding partners are considering a further £3m contribution.							
<b>Assistance to Registered Social Landlords</b>	688.9	0.0	0.0	688.9	688.9	492.0	492.0
<i>Description of Scheme:</i>							
Support to affordable housing schemes							
<i>Comments:</i>							
The funding of £407k to Colne housing to secure 83 new affordable homes for Colchester (PH Report of 20 March 2009 refers) has now been released. Funding of £85k to enable The remaining budget is available to fund projects in 2010/11.							
<b>TOTAL - STRAT POLICY &amp; REGEN</b>	<b>14,793.1</b>	<b>215.4</b>	<b>975.5</b>	<b>16,529.0</b>	<b>15,984.0</b>	<b>5,212.6</b>	<b>10,771.4</b>
							<b>0.0</b>

## Capital Programme 2009/10

Service / Scheme	New monies					Funded		
	Funded Prog. B/fwd	CBC	Ext. Funding	Total Prog.	Total Funded Prog.	Spend Apr-Mar	Forecast (Qtr 3)	09/10
	£'000	£'000	£'000	£'000	£'000	2009/10	£'000	£'000
<b>LIFE OPPORTUNITIES</b>								
<b>Community Development - St Annes</b>	29.3	0.0	0.0	29.3	29.3	(9.1)	(9.1)	0.0
<i>Description of Scheme:</i>	Contribution towards community centre in Harwich Road							
<i>Comments:</i>	This building is now completed. The final invoice has been paid, final account checked and the surplus funding can be re-allocated within the capital programme.							
<b>Improving Life Opportunities</b>	55.4	(15.0)	0.0	95.4	40.4	14.0	40.4	26.4
<i>Description of Scheme:</i>	A general provision to enable the Council to support work in improving life chances such as the provision of new community facilities.							
<i>Comments:</i>	Total commitment for loop systems of £5K has now been spent. Of the £21k allocated for works to improve pathways in Monkwick, £9,082.90 has been spent and there is £11,917							
<b>Hythe Community Centre</b>	0.2	0.0	10.6	10.8	10.8	10.6	10.8	0.2
<i>Description of Scheme:</i>	S106. Improvements incl. conversion of garage to storage, works to windows and doors and boiler replacement.							
<i>Comments:</i>	S106 funds released in first phase = £3,960.32. S106 funds released in 2nd phase = £2,026.87. A third release of £1,821.25 was made in January 2008. Remaining unreleased S							
<b>Priority Street Community Hall</b>	0.0	0.0	20.0	20.0	20.0	0.0	0.0	0.0
<i>Description of Scheme:</i>	S106 scheme - contribution towards the refurbishment of the Community Hall							
<i>Comments:</i>	Awaiting quote from Cardinal Vaughan Hall before we can issue funds. We expect to hear by the end of June.							
<b>Mandatory Disabled Facilities Grants</b>	1,111.6	350.0	348.6	1,810.2	1,810.2	569.0	810.2	1,241.2
<i>Description of Scheme:</i>	Disabled Facility Grants							
<i>Comments:</i>	We are obliged to approve any grant requests for this budget that meet the criteria. There is, however, a time lag between approving grants and paying monies as we pay after add							
<b>Private Sector Renewals - Loans and Grants</b>	389.4	0.0	680.7	1,070.1	1,070.1	155.3	220.1	914.8
<i>Description of Scheme:</i>	Loans and grants to private householders							
<i>Comments:</i>	A prioritised approach to this grant scheme has recently been approved by the Portfolio Holder, which ensures this capital allocation contributes to our life opportunities targets.							
<b>Highwoods Community Facilities</b>	19.0	0.0	0.0	19.0	19.0	18.5	19.0	0.5
<i>Description of Scheme:</i>								

## Capital Programme 2009/10

Service / Scheme	New monies				Funded				
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr-Mar 2009/10 £'000	Forecast (Qtr 3 FASP) £'000	09/10
<b>Old Heath MUGA Installation &amp; Landscape Improvements</b>	75.0	0.0	0.0	75.0	FF	75.0	0.0	0.0	0.0
<i>Description of Scheme:</i>									
Works to recreation ground									
<i>Comments:</i>									
Designs and layout has been discussed with local resident representatives. Scheme agreed, order placed . Work to commence in early June for completion before summer holiday									
<b>Castle Park - Playground Refurbishment</b>	110.0	0.0	8.7	118.7	FF	118.7	0.0	118.7	118.7
<i>Description of Scheme:</i>									
Refurbishment of Playground									
<i>Comments:</i>									
Refurbishment of existing play area has been delayed by English Heritage concerns over the possible disturbance of archaeological remains on the current play area site if new play proposed 2010 subject to English Heritage Consent. Additional £48k has been secured from DCFS Play builder programme for play provision for 8 - 13s. Requirement to spend by Borough funds to fund the infrastructure changes required for the new play area location.									
<b>Messing Village Hall Refurbishment S106</b>	28.2	0.0	0.0	28.2	FF	28.2	0.0	28.2	28.2
<i>Description of Scheme:</i>									
Parish Council proposes to refurbish village hall from section 106 agreement from local development.									
<i>Comments:</i>									
S106 funds to be released to Messing Parish Council on receipt of invoices associated with the refurbishment work.									
<b>St Leonard's Church Wall</b>	334.7	(239.7)	0.0	95.0	FF	95.0	51.4	95.0	43.6
<i>Description of Scheme:</i>									
Repair & rebuild boundary walls to a closed churchyard									
<i>Comments:</i>									
Phase 1 completed. Phase 2 has commenced Spring 2010. £239.7k funding not now required has been returned for reallocation in the capital programme.									
<b>Repairs to walls of closed churchyards</b>	0.0	75.0	0.0	75.0	FF	75.0	0.0	0.0	75.0
<i>Description of Scheme:</i>									
Health & safety works to walls of closed churchyards.									
<i>Comments:</i>									
New scheme added by Cabinet on 27 January 2010.									
<b>Resource Centre - Highwoods Country Park</b>	181.0	0.0	0.0	181.0	FF	181.0	26.2	23.0	154.8
<i>Description of Scheme:</i>									
S106. Provision of Resource Centre.									
<i>Comments:</i>									

**Capital Programme 2009/10**

Service / Scheme	New monies				Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr-Mar 2009/10 £'000	09/10 Forecast (Qtr 3 FASP) £'000
<b>adiZone</b>	0.0	25.0	129.1	154.1	FF	154.1	153.5	154.1
<i>Description of Scheme:</i>								
Provision of an outdoor games area with Olympic branding								
<i>Comments:</i>								
Works Completed. Retention fee only outstanding. Total cost is £153,500 including an Activation Package of £3,500 (£15,000 50/50 split between CBC and DCSF). £47,800 of CB £25,000 from LO Capital funding, £1,200 from S106 (originally requested £1,800) and £1,000 from CDRP. The remaining £78,500 (including an Activation Package of £3,500) is a then transferred to CBC.								
<b>TOTAL - LIFE OPPORTUNITIES</b>	<b>2,790.0</b>	<b>195.3</b>	<b>1,557.0</b>	<b>4,597.3</b>		<b>4,542.3</b>	<b>1,883.5</b>	<b>2,405.0</b>
								<b>2,745.9</b>
								<b>0.0</b>

## Capital Programme 2009/10

Service / Scheme	New monies					Funded		
	Funded Prog. B/fwd	CBC	Ext. Funding	Total Prog.	Total Funded Prog.	Spend Apr-Mar	Forecast (Qtr 3)	09/10
	£'000	£'000	£'000	£'000	£'000	2009/10	FASP)	10/11
						£'000	£'000	£'000
<b>COMPLETED SCHEMES (OR WHERE RETENTION ONLY OUTSTANDING)</b>								
<b>Angel Court Atrium Roof</b>	(3.0)		7.8	0.0	4.8	4.8	4.8	0.0
<i>Description of Scheme:</i>								
Replacement of Atrium Roof								
<i>Comments:</i>								
Works complete.								
<b>Rowan House</b>	(0.7)		0.7	0.0	0.0	0.0	0.0	0.0
<i>Description of Scheme:</i>								
Purchase of Rowan House								
<i>Comments:</i>								
Purchase of Rowan House completed on 16 December 2008.								
<b>Waste Diversion / Green Waste</b>	26.5	(26.5)		0.0	0.0	0.0	0.0	0.0
<i>Description of Scheme:</i>								
General provision for recycling initiatives including green waste trials etc								
<i>Comments:</i>								
The remaining amount has been used to support the expansion of recycling services to residents living in flats in financial year 09/10. This has been added to the £80,000 funding capital scheme (above).								
<b>Car Park Ticket Machines</b>	1.4	(1.4)		0.0	(0.0)	(0.0)	0.0	0.0
<i>Description of Scheme:</i>								
Supply & installation of new pay on foot machines at St. Mary's, St. John's and Leisure World Car Parks								
<i>Comments:</i>								
Complete.								
<b>SOS Bus</b>	3.5	0.0	0.0	0.0	3.5	3.5	3.5	0.0
<i>Description of Scheme:</i>								
To provide a mobile medical / health and customer service centre for the residents, visitors, pupils and businesses of Colchester								
<i>Comments:</i>								
Complete								
<b>Museum Store</b>	(0.2)	0.2		0.0	(0.0)	(0.0)	0.0	0.0
<i>Description of Scheme:</i>								
Purchase, fit-out and relocation to new store.								
<i>Comments:</i>								
Complete.								
<b>Public Art - Section 106</b>	1.3	0.0	0.0	0.0	1.3	1.3	1.5	0.0

## Capital Programme 2009/10

Service / Scheme	New monies					Funded		
	Funded Prog. B/fwd	CBC	Ext. Funding	Total Prog.	Total Funded Prog.	Spend Apr-Mar	Forecast (Qtr 3)	09/10
	£'000	£'000	£'000	£'000	£'000	2009/10	FASP)	10/11
<b>Mill Road</b>	4.4	0.0	(4.4)	0.0	0.0	0.0	0.0	0.0
<i>Description of Scheme:</i>								
Provision of Play Area and Youth Facilities								
<i>Comments:</i>								
Complete.								
<b>Westlands Country Park Playground</b>	70.0	0.0	(5.4)	64.6	64.6	64.6	64.6	0.0
<i>Description of Scheme:</i>								
Work completed.								
<b>West Mersea</b>	2.0	0.0	0.0	2.0	2.0	0.2	2.0	1.8
<i>Description of Scheme:</i>								
S106 works. Construction of disabled viewing platform, extension to groynes, and reclamation of grass area.								
<i>Comments:</i>								
Works completed.								
<b>Shrub End Sports Ground</b>	(1.3)	1.3	0.0	0.0	0.0	0.0	0.0	0.0
<i>Description of Scheme:</i>								
Installation of all weather pitch & improvements to Pavilion								
<i>Comments:</i>								
Scheme complete.								
<b>Computer Upgrade</b>	0.8	0.0	0.0	0.8	0.8	0.0	0.0	0.0
<i>Description of Scheme:</i>								
Personal Computer Upgrade (including Councillors Computers) To keep personal computer stock updated								
<i>Comments:</i>								
Scheme removed from capital programme by Cabinet on 27 January 2010.								
<b>Backlog Repairs</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Description of Scheme:</i>								
Required maintenance to civic buildings								
<i>Comments:</i>								
Scheme removed from capital programme by Cabinet on 27 January 2010.								
<b>Shrub End Waste Transfer Plant</b>	89.7	0.0	(41.1)	48.6	48.6	48.6	48.6	0.0
<i>Description of Scheme:</i>								
Complete.								
<b>East Colchester, Hythe Regeneration</b>	253.4	(253.4)	0.0	0.0	0.0	0.0	0.0	0.0

## Capital Programme 2009/10

Service / Scheme	New monies					Funded		
	Funded Prog. B/fwd	CBC	Ext. Funding	Total Prog.	Total Funded Prog.	Spend Apr-Mar	Forecast (Qtr 3 FASP)	09/10
	£'000	£'000	£'000	£'000	£'000	2009/10	£'000	£'000
<b>St Annes MUGA</b>	2.2	0.0	(2.2)	0.0	0.0	0.0	0.0	0.0
<i>Description of Scheme:</i>	Provision of multi use games area							
<i>Comments:</i>	Complete.							
<b>Opportunity Purchases</b>	53.0	(53.0)	0.0	0.0	0.0	0.0	0.0	0.0
<i>Description of Scheme:</i>	Fund for purchase of open space land and other opportunity purchases							
<i>Comments:</i>	Remaining funds removed from the capital programme by Cabinet on 27 January 2010.							
<b>Boada Skatebowl</b>	97.4	0.0	20.0	117.4	117.4	108.8	108.8	8.6
<i>Description of Scheme:</i>	Provision of new activity area targeted at young people							
<i>Comments:</i>	The skate park has been constructed and now open.							
<b>TOTAL - COMPLETED SCHEMES</b>	<b>696.1</b>	<b>(414.3)</b>	<b>(30.5)</b>	<b>251.3</b>	<b>251.3</b>	<b>238.8</b>	<b>242.1</b>	<b>11.9</b>
								<b>0.0</b>



## Capital Programme 2009/10

Service / Scheme	New monies				Funded			
	Funded Prog. B/fwd £'000	CBC £'000	Ext. Funding £'000	Total Prog. £'000	Status	Total Funded Prog. £'000	Spend Apr-Mar 2009/10 £'000	09/10 Forecast (Qtr 3 FASP) £'000
<b>HOUSING REVENUE ACCOUNT</b>								
<b>Decent Homes &amp; Upgrades</b>	6,797.5	3,706.0	0.0	10,503.5	FF	10,503.5	2,572.9	2,500.0
<i>Description of Scheme:</i>								
Scheme to bring council housing stock up to Decent Homes standard together with other upgrade works								
<i>Comments:</i>								
The full Decent Homes programme recommenced in May 2010. As agreed by Cabinet, the HCA and CLG the Decent Homes programme will be completed by December 2012. Di								
<b>Adaptations</b>								
<i>Description of Scheme:</i>								
Improvements made to Council housing stock to meet specific tenants needs								
<i>Comments:</i>								
The remainder of the 2009-10 allocation will be carried forward to this year to cover spending commitments. The 2010-11 allocation is being apportioned month by month and sho								
<b>Housing ICT</b>	291.9	140.0	0.0	431.9	FF	431.9	74.5	141.9
<i>Description of Scheme:</i>								
Improvements to Housing IT systems								
<i>Comments:</i>								
There were two main reasons why actual outturn was less than forecast. Firstly a major cost element projected as being £100k for the implementation of VDI has run over as a pro housing service resulted in some projected implementations being postponed. As the new structure for housing services commences in June it will become clearer on projected ou and the cost of the implementation of VDI estimated expenditure would be £175k.								
<b>TOTAL - HRA</b>	<b>7,915.5</b>	<b>4,346.0</b>	<b>0.0</b>	<b>12,261.5</b>		<b>12,261.5</b>	<b>3,390.5</b>	<b>3,433.0</b>
<b>Note: The schemes above are funded from HRA resources only and therefore do not form part of the General Fund Capital Programme</b>								



## Finance & Audit Scrutiny Panel

Item  
**12**

29 June 2010

Report of

Head of Resource Management

Author

Elfreda Walker  
282461

Title

Year End Internal Audit Assurance Report 2009/10

Wards  
affected

Not applicable

**This report summarises the performance of Internal Audit during 2009/10 and details Internal Audit work undertaken during Quarter 4 - January to March 2010**

### 1. Actions Required

- 1.1 To note and comment upon the Council's performance relating to:
- Executing the internal audit plan for 2009/10;
  - Performance of internal audit by reference to national best practice benchmarks;
  - Status of outstanding recommendations.

### 2. Reason for Scrutiny

- 2.1 The Accounts and Audit Regulations 2003 require local authorities to maintain an adequate and effective system of internal audit.
- 2.2 Internal audit is a key element of the Council's corporate governance framework. Robust implementation of audit recommendations gives assurance to members and management that services are operating effectively, efficiently and economically and in accordance with legislative requirements and professional standards.

### 3. Key Messages

- The Council has continued to provide an effective internal audit service during the 2009/10 financial year.
- The assurance rating for the Fleet Management audit has improved from "Limited" to "Substantial".
- There have been no Priority 1 recommendations raised in respect of finalised audits during quarter 4. 50 Priority 2 and 12 Priority 3 recommendations have been made.
- One Priority 2 recommendation in respect of Creditors and one priority 3 recommendation in respect of Fleet Management audits have not been accepted by management. All other recommendations have been accepted.
- There continues to be excellent progress made in implementing and verifying outstanding recommendations.

### 4. Summary of 2009/10

- 4.1 There continues to be a very positive relationship between the officers of the Audit and Governance team and the Internal Audit provider; and regular meetings take place to discuss various issues including internal audit briefs, recommendations and audit planning.

4.2 There are also regular meetings with the external audit provider. This helps to ensure that the work of the internal and external auditors is complementary.

## 5. Supporting Information

5.1 This report has been designed to show:

- Detailed information concerning audits finalised in the quarter
- Details of the effectiveness of the Internal Audit provider in delivering the service

5.2 Using a risk-based approach, Internal Audit generates reports for all audits, with recommendations to improve the effectiveness of the internal control framework and maximise potential for service improvement across the Council. The audit plan consists of a mix of regularity, systems and probity audits. Only systems audits generate an assurance level and these are categorised as follows:

- Full Assurance – a sound system of control
- Substantial Assurance – basically a sound system with some weaknesses
- Limited Assurance – weaknesses that may put the system objectives at risk
- No Assurance – control is generally weak leaving the system open to error or abuse

5.3 Internal Audit categorises recommendations according to their level of priority as follows:

- Priority 1 – Major issues for the attention of senior management
- Priority 2 – Other recommendations for local management action
- Priority 3 – Minor matters

5.4 Internal audit categorise the tracking of recommendations as follows:

- Fully implemented
- Partially implemented
- Not implemented

## 6. Internal Audit Performance 2009/10

### 6.1 Use of Audit Resources:

	<b>Days</b>	<b>%</b>
Audit days delivered – Q4	131	26
Audit days delivered – Q3	100	20
Audit days delivered – Q2	144	28
Audit days delivered – Q1	115	23
Remaining Days – per agreed Audit Plan	15	3
	<b>505</b>	<b>100</b>

One audit in respect of Management of Expenditure has been delayed due to staff availability. This audit has been undertaken in June.

### 6.2 Summary of Audits undertaken during 2009/10:

During 2009/10 a total of 55 audits have been finalised.

The assurance rating improved in 9.5% of the systems audits carried out, remained the same in 81% and decreased in 9.5%.

	Total No. of Reports		Level of Assurance – Systems Audits*				Change in Assurance Level – compared to last audit		
	Other	Systems	Full	Substantial	Limited	No	▲	▶ (or 1 <sup>st</sup> Audit)	▼
<b>Audits finalised – Q4</b>	<b>2</b>	<b>8</b>	-	<b>6</b>	<b>2</b>	-	<b>1</b>	<b>7</b>	-
<b>Q3</b>	<b>3</b>	<b>16</b>	-	<b>11</b>	<b>4</b>	<b>1</b>	-	<b>12</b>	<b>4</b>
<b>Q2</b>	<b>3</b>	<b>13</b>	<b>1</b>	<b>6</b>	<b>6</b>	-	<b>2</b>	<b>11</b>	-
<b>Q1</b>	<b>5</b>	<b>5</b>	-	<b>4</b>	<b>1</b>	-	<b>1</b>	<b>4</b>	-
<b>Work in progress Q4</b>	<b>1</b>	<b>4</b>							

\*Only systems audits are given an assurance level.

Please see Appendix 1 for a summary of results and outcomes of the ten audits finalised in Quarter 4.

## 7. Status of all recommendations as at 31<sup>st</sup> March 2010:

- 7.1 Following the completion of each audit, a report is issued to management, incorporating recommendations for improvement in controls and management's response to those recommendations.
- 7.2 The table below provides a breakdown of the outstanding recommendations as at the end of Q4 - 31<sup>st</sup> March 2010 and Q1 - 1<sup>st</sup> July 2009; the baseline.

Date	Outstanding Recommendations That Are:							
	Not Due		Overdue		Awaiting Verification		Implemented & Verified	
Q4	30	12%	8	3%	58	22%	162	63%
Q1	37	18%	130	64%	36	18%	-	-

- 7.3 At the end of Q1 there were a total of 203 recommendations outstanding of which 130 (64%) were overdue, 36 (18%) were not due and 36 (18%) had been implemented and were awaiting verification from internal audit. At the end of Q4 there were a total of 258 recommendations outstanding of which only 8 (3%) were overdue, 30 (12%) were not due, 58 (22%) were awaiting verification and 162 (63%) had been implemented and verified.
- 7.4 Please see Appendix 2 for details of outstanding recommendations. Progress in implementing these recommendations will continue to be closely monitored with priority being given to the recommendations awarded a higher priority rating and / or those that have been outstanding the longest. Progress will continue to be reported to the panel each quarter.

## 8. Performance of Internal Audit 2009/10 to date – Key Performance Indicators (KPIs):

KPI	Target	Actual
<b>Efficiency:</b>		
Percentage of annual plan completed (to at least draft report stage)	<b>100%</b>	<b>98%</b>
Average days between exit meeting and issue of draft report	<b>10 max</b>	<b>9</b>
Average days between receipt of management response and issue final report	<b>10 max</b>	<b>1</b>
<b>Quality:</b>		
Meets CIPFA Code of Practice – per Audit Commission	<b>Positive</b>	<b>Positive</b>
Results of Client Satisfaction Questionnaires (Score out of 10)	<b>7.8</b>	<b>8.2</b>
Percentage of all recommendations agreed	<b>95%</b>	<b>97%</b>
Improved assurance for 2 <sup>nd</sup> & subsequent audit reviews – as a percentage of all recurring reviews	<b>25%</b>	<b>9%</b>

- 8.1 The key performance indicators show that the internal audit provider is successfully meeting or exceeding the majority of standards. One target that has not been met is the percentage of annual plan completed. As mentioned in 6.1 one audit has been delayed due to staff availability.
- 8.2 The percentage of audits that have shown an improved assurance rating for the 2<sup>nd</sup> or subsequent review is also below the expected level, which is due to the number of audits which attained a 'substantial' assurance at the previous audit and have maintained that level, as it is very difficult to improve upon what is already a very high standard.

## 9. Colchester Borough Homes Limited

- 9.1 Colchester Borough Homes Limited has its own agreed audit plan which is administered by Deloitte who are also the Council's auditors. The coverage of the plan, and the scope of the audits, is decided by Colchester Borough Homes Limited and in general the audits do not affect the systems operated by the Council.
- 9.2 However, there are a few audits that, whilst they are carried out for either Colchester Borough Homes Limited or the Council, have a direct relevance and impact on the other organisation and in these circumstances it is appropriate that the results of the audit are reported to both organisations. These are known as joint audits.
- 9.3 There has been no joint audit finalised in the fourth quarter.

## 10. External Audit

The last item to be received from the external auditors was the Annual Audit Letter, which was reported to this Panel on the 26<sup>th</sup> January 2010.

Appendix 3 details the progress made in implementing the external audit recommendations made in the Benefits Service Diagnostic and the Colchester Visual Arts Facility reports, which were issued in the final quarter of 2008/09. The Colchester Visual Arts Facility report has recently been followed up by the Audit Commission and the report is currently being finalised.

## **11. Proposals**

To note and comment upon the Council's progress and performance relating to:

- Performance of Internal Audit by reference to national best practice benchmarks
- Executing the Internal Audit plan for 2009/10
- Status of outstanding recommendations.

## **12. Strategic Plan Implications**

The audit plan has been set with due regard to the identified key strategic risks to the Council. The strategic risk register reflects the objectives of the strategic plan. Therefore, the audit work confirms the effectiveness of the processes required to achieve the strategic objectives.

## **13. Risk Management Implications**

The failure to implement recommendations may have an effect on the ability of the Council to control its risks and therefore the recommendations that are still outstanding should be incorporated into the risk management process.

## **14. Other Standard References**

Having considered consultation, equality, diversity and human rights, health and safety and community safety and risk management implications, there are none that are significant to the matters in this report.

**Summary of Audits Finalised in Quarter 4:**

409 – Council Property Exchange and CBL	Days	Assurance Substantial ▶	Priority of Recommendations			Agreed
			1	2	3	
	10		-	2	1	3

**Scope of Audit:** This review examined the following areas:

- Policies and Procedures;
- Property Exchanges;
- Applications;
- Categorisation of Prospective Tenants according to the Banding;
- Appeals Process;
- Advertising of Properties; and
- Management Information.

**Key Outcomes:** The recommendations resulting from this review are summarised as follows:

- The CBH Tenancy Management Team should ensure that a mutual exchange checklist is completed for all exchange cases. (3)
- Management should remind staff in the Assessment and Options team that all new applications should be processed in a timely manner to ensure that performance targets are met. (2)
- An internal appeal procedure should be developed and all appeal cases should be monitored with relevant supporting documents being retained on file. (2)

428 – Fleet Management	Days	Assurance Substantial ▲	Priority of Recommendations			Agreed
			1	2	3	
	10		-	3	2	4

**Scope of Audit:** This review examined the following areas:

- Procurement;
- Contract Management;
- Maintenance of Vehicles;
- Insurance Arrangements, and
- Payment Process.

**Key Outcomes:** The recommendations resulting from this review are summarised as follows:

- The Council should develop a Fleet Management Strategy that is aligned to the strategic objectives of the organisation. The Strategy should include the status of the current fleet, future procurement plans, and how the Council hopes to achieve these plans. (2)
- The Council should develop a policy on the use of fleet vehicles / service level agreement for departments using fleet vehicles. It should clearly set out the expectations on users and the requirements for vehicle maintenance. Where a service level agreement is adopted, an agreement should be in place with the manager for each department that uses vehicles from the Council's fleet and this should be signed by both the departmental manager and the Fleet and Workshop Manager. (2)
- Supporting documentation should be retained for all items procured in accordance with the Contract Procedure Rules. This should include quotes obtained, an evaluation of the results and a justification for the final decision made. (2)
- Daily checklists should be signed by the driver and supervising officer to ensure all required checks have been carried out correctly. (3)

- The Council should consider the implementation of a rolling programme of checks to verify eligibility to drive Council vehicles. (3) Not Agreed

431 – IT Project Management	Days	Assurance Limited (First Audit)	Priority of Recommendations			Agreed
			1	2	3	
	10		-	13	-	13

**Scope of Audit:** This review examined the following areas:

- Project Organisation;
- Business Context;
- Project Summary;
- Project Team;
- Third Parties;
- Project Management;
- Project Support;
- Change Management and Control;
- System Requirements;
- Conversion Approach; and
- Contingency Arrangements.

**Key Outcomes:** The recommendations resulting from this review are summarised as follows:

- A representative should be appointed for the Senior Supplier or internal Technical Role on the Project Board for all projects. (2)
- Project Teams (staff resources) and resource time to implement specific projects should be identified as soon as known on a project to help ensure that project resources are available to the project. (2)
- The Council should ensure that all projects complete a review of business processes affected by systems implementations, to ensure that existing business processes can be developed to support improvements delivered by new functionality. (2)
- The Council should ensure a process exists to prioritise projects and co-ordinate the status of delivery of all projects. This should help to identify where critical project dependencies lie that may impact across all projects being implemented. (2)
- Detailed roles and responsibilities of the Project Team, Project Board, Project Sponsor and other relevant staff should be documented and agreed in the Project Initiation Document (PID) for all projects. (2)
- A contract should be in place with each third party supplier involved in a Council project. The following should be considered to be included in the contract:
  - the third party's responsibilities;
  - obligations towards achieving deadlines;
  - testing requirements;
  - knowledge transfer arrangements; and
  - post implementation support. (2)
- Consideration should be given to establishing Corporate Project Management Procedures to assist Project Sponsors and Managers in adopting a standardised approach to project management. The procedures should lay out the key stages in project management. This could include, though not be limited to:
  - Obtaining strategic approval for projects;
  - Development and approval of a PID and Business Case;
  - Budget and Timeline monitoring;
  - Regular reporting on project status;
  - Identifying system requirements;
  - Testing Plans;
  - Data Conversion processes; and
  - Contingency Plans. (2)
- The Council should consider establishing a Project Office function or consider an alternative solution to be able to support Council projects. (2)



- The Council should develop a change control procedure to ensure changes to project deliverables are authorised in terms of the impact on quality, time & cost and recorded. This should include both local internal changes and requests to the supplier. (2)
- Performance, reliability, usability and availability requirements for the system should be considered for all projects and identified and developed where applicable. (2)
- The requirement for user training, including training resource requirements and user manuals, should be included for all projects. (2)
- Conversion Plans for the transfer of data between systems should be considered for each project and developed where necessary. (2)
- The Council should consider including the contingency plans and fall-back arrangements as a standard part of the project planning process. Specifically when plans are made for system go-live, the process for falling back to a previous system should be identified. (2)

434 – Leisure World	Days	Assurance Limited (Last Audit Regularity)	Priority of Recommendations			Agreed
			1	2	3	
	15		-	12	-	12

**Scope of Audit:** This review examined the following areas:

- Cash Collection;
- Scale of Charges;
- Pitch and Court Hire;
- Machine Income;
- Credits and Refunds;
- Lifestyles;
- Expenditure;
- Catering Function;
- Lost Property;
- Stock Control;
- Charge Setting;
- Selection and Vetting of Instructors; and
- Security of Premises and Insurance Arrangements.

**Key Outcomes:** The recommendations resulting from this review are summarised as follows:

- The reason for individual till differences should be recorded on the Cashier Daily Return with the outcome of an investigation recorded by the cashier if the amount exceeds £3. (2)
- As recommended at the previous audit, the closing summaries relating to the tills in Reception should be signed by the Duty Manager to confirm a review of the totals and any differences. (2)
- The receipt obtained from the courier should be retained for reference purposes in the event there is a query with the day's takings being subsequently received by staff at the Cash Office. (2)
- As recommended at the previous audit, copies of completed block booking forms should be retained on file in all cases. Bookings should not be made unless the form has been signed to confirm agreement with the terms and conditions. (2)
- As recommended at the previous audit, a booking checklist should be introduced for outside clubs and organisations using the centre's facilities and signed off to confirm the receipt all the required documentation. (2)
- As recommended at the previous audit, staff should review the list of outstanding accounts on a monthly basis to ensure that all reasonable recovery action has taken place in each case, with the report being signed off by a senior manager as confirmation. (2)
- As recommended at the previous audit, cash should be emptied from all vending machines on a weekly basis. (2)
- Cash should be emptied from vending machines by both the designated member of staff and the Bar and Catering Manager or his deputy. (2)
- The un-issued stock of gift vouchers held should be reconciled on a monthly basis. (2)

- As recommended at the previous audit, checks of catering and swimming equipment stock should be carried out on a monthly basis with the reconciliation between orders received and sales made. Any variances identified should be documented and investigated. (2)
- As recommended at the previous audit, completed weekly wastage sheets should be checked by the Bar and Catering Manager or his deputy and signed in evidence. (2)
- As recommended at the previous audit, checks should be completed to ensure that all current employed instructors possess the required qualifications in the form of copies of the appropriate certificates held on file. (2)

442 – Windows Operating System	Days	Assurance Substantial (First Audit)	Priority of Recommendations			Agreed
			1	2	3	
	10		-	5	8	13

**Scope of Audit:** This review examined the following areas:

- System-wide Security Policies;
- Audit Policy Settings;
- Event Log Settings;
- Registry Key Security Option Settings;
- User Accounts and Passwords;
- Rights and Privileges;
- Trusts and Remote Access;
- Services and Drivers;
- Logical Drives and Network Shares;
- Security Updates and Patches;
- Discretionary Access Controls; and
- Default Accounts.

**Key Outcomes:** The recommendations resulting from this review are summarised as follows:

- Management should enable the 'Allow Lockout of Local Administrator Account' setting. (2)
- Management should consider improving the 'Audit Directory Service Access' auditing by auditing events by 'Success and Failure'. (3)
- Management should consider using the 'By Days' retention method for the Application, Security and System logs. (3)
- Management should establish formal documented procedures for dealing with amendments to existing users and deactivating leavers in a timely manner. (2)
- Management should ensure that user passwords expire after a predefined and agreed period by not enabling the "passwords set to never expire" setting on any user account. (2)
- Management should investigate all user accounts where the individual security settings on the account allow the administrator to set the account to not require a password to logon. These settings should then be disabled to ensure that users are required to logon to the network using a password that meets the complexity requirements as defined in the 'Domain Accounts Policy'. (3)
- Management should undertake a review of user accounts to ensure that expired user accounts and disabled accounts that are no longer required are removed. (3)
- Management should establish a formal process for the regular review of locked out user accounts. Any user accounts that have been locked out due to suspicious activities should be investigated and corrective actions taken. (2)
- Management should review the users that have been assigned rights that Microsoft recommend should be assigned to no-one or only to administrators. Where these rights have been incorrectly assigned or are no longer required, they should be removed. We also recommend that the number of administrators should be confirmed to ensure that only those users who are required to administer the system are defined on the Colchester Domain. (2)
- Management should review the users that have permissions to dial-in to the network through RAS and remove these where no longer required. (3)

- Management should ensure that the services and drivers installed on the network are reviewed to ensure that only the essential services are running. A process for regular review should be developed, and those services no longer required, should be removed. (3)
- Management should review the Discretionary Access Control Lists (DACL) to ensure that the listed permissions over objects are appropriate and in line with the users' job function. (3)
- Management should rename the default built-in account 'Administrator' using the 'Default Domain Security Settings – Security Options'. (3)

443 – Cash Office Procedures	Days	Assurance	Priority of Recommendations			Agreed
			1	2	3	
	7	Regularity	-	1	-	1

**Scope of Audit:** This review examined the following areas:

- Contracts;
- Coding of Payments;
- Reconciliation;
- Clearance of the Holding Account;
- Contract Payments; and
- Management Information.

**Key Outcomes:** The recommendations resulting from this review are summarised as follows:

- Management should be reminded that the independent review of reconciliations should be completed in a timely manner. (2)

444 – Creditors	Days	Assurance	Priority of Recommendations			Agreed
			1	2	3	
	10	Substantial (Last Audit Regularity)	-	3	-	2

**Scope of Audit:** This review examined the following areas:

- Policies and procedures;
- Validity, documentation and approval of transactions;
- Safeguarding of documents;
- Processing of invoices;
- Supplier details;
- Credit notes;
- Cheque requisition system
- Authorisation levels; and
- Documentation held to support the deduction or non-deduction of tax from payments to subcontractors.

**Key Outcomes:** The recommendations resulting from this review are summarised as follows:

- The procedures for those invoices that will fall outside of the pending E-procurement system be reviewed and updated at the earliest possible convenience. It is also recommended that these procedures be annotated with version control documentation which will help to identify when the procedures were last subject to review and approval. (2)
- It is recommended that all staff operating within the Control Team are prevented from being able to access E-Financials. (2) Not Agreed.
- The specimen signatures and signatory limits should be reviewed at the earliest possible opportunity. (2)

445 – Debtors	Days	Assurance	Priority of Recommendations			Agreed
			1	2	3	
	10	Regularity	-	3	1	4

**Scope of Audit:** This review examined the following areas:

- Policies and Procedures;
- Raising of Sundry Debtors, including those raised in Departments;
- Posting of Receipts to Appropriate Accounts;
- Suspense Items;
- Processing of Outstanding Debts;
- Recovery of Outstanding Debts;
- Write Off of Bad Debts;
- Management Information; and
- IT Security

**Key Outcomes:** The recommendations resulting from this review are summarised as follows:

- The Trade Waste Section should retain supporting documentation for the debtor agreements that require recurring billings. (2)
- It is recommended that a sample of movements out of suspense is reviewed by an independent officer, on a quarterly basis. (2)
- It is recommended that the monthly Aged Supplier Balances report is signed off by the officer responsible for reviewing and actioning them. (2)
- A register of Council Member's signatory details should be communicated to the Accounts Receivable Section for their reference when processing a debt write-off which breaches the £5k limit. (3)

446 – General Ledger	Days	Assurance	Priority of Recommendations			Agreed
			1	2	3	
	5	Substantial	-	4	-	4

**Scope of Audit:** This review examined the following areas:

- Processing of individual transactions;
- Balancing and checking of exception reports;
- Reconciliation with feeder systems;
- Cash and bank reconciliations;
- Processing of journals;
- Processing of virements;
- Access privileges to the General Ledger;
- Clearance of suspense items;
- Management information and budgetary reports; and
- Control over data posted from feeder systems

**Key Outcomes:** The recommendations resulting from this review are summarised as follows:

- The Financial Procedure Rules should be reviewed at the earliest possible opportunity, with particular consideration given to what constitutes a technical virement and the levels of authorisation required for the processing of virements. (2)
- The ability to process, view and authorise all journals electronically should be investigated. In the interim, it is recommended that a retrospective sample check of journals be undertaken monthly to check their validity. (2)
- Virements should be subject to a periodic retrospective sample check, in order to identify issues where virements may not have been authorised. Where persistent issues occur, this should be communicated to the relevant Head of Service for action. (2)

- A bi-annual review of user access rights should be undertaken and all those staff who have left or moved post should have their access removed or amended, as appropriate. (2)

447 – Risk Management	Days	Assurance Substantial (Regularity)	Priority of Recommendations			Agreed
			1	2	3	
	10		-	4	-	4

**Scope of Audit:** This review examined the following areas:

- Policies and procedures;
- Identification, recording, evaluation and assessment of risks;
- Elimination of potential risks;
- Informing senior management within the Council; and
- Management information and reporting.

**Key Outcomes:** The recommendations resulting from this review are summarised as follows:

- Consideration should be given to introducing a standardised scoring system for risks. (2)
- The risk register should be updated to include a matrix as to how the risks have been scored, and a key to whether they are deemed low, medium or high risk. (2)
- Managers should be reminded that the risk registers should be fully completed, to include risk scores, full narrative, etc. (2)
- Risks should be reviewed in line with agreed timescales. In addition, consideration should be given to setting dates for reviews / action as opposed to having ‘on-going’ deadlines. (2)

# Colchester Borough Council

Report – June 2010

## Executive Summary

Following the completion of each audit, a report is issued to management, incorporating recommendations for improvement in controls and management's response to those recommendations. During the year, recommendations are followed up to ensure they are implemented in accordance with the agreed timescales. Audits that are undertaken annually (Managed Audits) are followed up at the time of the next audit, unless the recommendation raised is rated as a Priority 1.

This schedule details the outstanding internal audit recommendations reported to the Finance and Audit Scrutiny Panel in 2009/10 and those brought forward from prior years.

### 54 Key issues to bring to the attention of the FASP

Outstanding recommendations that need to be brought to the attention of the Finance and Scrutiny Audit Panel are those where the agreed deadline has passed. The recommendations for these areas are highlighted in the table below.

Significant issues that remain outstanding have been raised with the Back Up Procedures, Pest Control and Payroll audits. In additional significant issues were identified in the Security of Premises audit which are to be verified as implemented in the forthcoming audit.

### Summary of Findings

Audit Area	Responsibility						
	Internal Audit			Council			
	Verified	Implemented to be verified	Due date not reached	Outstanding past due date			
		H	M	L	H	M	L
<b>2009/10</b>							
402 - Pest Control	3	0	2	0	0	0	0
403 - Museums	8	0	0	1	0	0	0

Audit Area	Responsibility											
	Internal Audit			Council								
	Verified	Implemented to be verified		H	M	L	H	M	L	H	M	L
404 - Corporate Debt	4	0		0	1	0	0	0	0	0	0	0
408 - National Indicators	8	0		0	0	0	0	0	0	0	0	0
410 - Temporary Accommodation	3	1		0	0	0	0	0	0	0	0	0
411 - Decriminalised Parking	0	1		0	0	0	0	0	0	0	0	0
412 - Environmental Health – Rechargeable Works	9	0		0	0	0	0	0	0	0	0	0
413 - CCTV	0	6		0	0	1	0	0	0	0	0	0
415 - Vehicle Workshop	6	0		0	0	0	0	0	0	0	0	0
416 - NNDR	0	3		0	0	0	0	0	0	0	0	0
417 - Council Tax	0	2		0	0	0	0	0	0	0	0	0
418 - Payroll	2	1		1	1	0	0	0	2	0	0	0
420 - Leisure World Cash Up	4	0		0	0	0	0	0	0	0	0	0
421 - IT Security	1	0		0	5	0	0	0	5	1	0	0
422 - Parking Services Income	6	0		0	1	0	0	0	0	0	0	0
423 - Parking Services Partnership	0	0		0	0	1	0	0	0	0	0	0
424 - Renaissance Project Management	0	3		0	0	0	0	0	0	0	0	0
426 - Life Opportunities – Management Arrangements	0	8		0	0	0	0	0	0	0	0	0
427 - Enterprise / Economic Development	4	0		0	0	0	0	0	0	0	0	0
429 - Tiptree Sports Centre	2	4		0	0	0	0	0	0	0	0	0
430 - Resource Management – Management Arrangements	0	0		0	3	0	0	0	0	0	0	0
433 - Corporate Governance	0	3		0	0	0	0	0	0	0	0	0
435 - Treasury Management	0	3		0	1	0	0	0	0	0	0	0
438 - Benefits	0	2		0	1	0	0	0	0	0	0	0
439 - Benefits Overpayments	0	1		0	1	0	0	0	0	0	0	0
440 - Housing Rents and Arrears	0	2		0	0	0	0	0	0	0	0	0
441 - Visitor Information Centre	6	0		0	1	0	0	0	0	0	0	0
<b>2008/09</b>												
303 - Commercial & Investment Property	1	0		0	1	0	0	0	0	0	0	0
304 - Helpline	2	1		0	0	0	0	0	0	0	0	0

Audit Area	Responsibility									
	Internal Audit			Council						
	Verified	Implemented to be verified		Due date not reached			Outstanding past due date			
			H	M	L	H	M	L		
305 - Local Land Charges	3	0	0	1	0	0	0	0	0	0
307 - Transfer Incentive Scheme	9	0	0	0	0	0	0	0	0	0
310 - Building Control Fees	3	1	0	0	0	0	0	0	0	0
316 - Cemetery and Crematorium	5	0	0	0	0	0	0	0	0	0
318 - Corporate Management - Management Arrangements	3	1	0	0	0	0	0	0	0	0
322 - Insurances	3	0	0	0	0	0	0	0	0	0
324 - Security of Premises	0	6	0	0	0	0	0	0	0	0
327 - Food Control	5	1	0	1	0	0	0	0	0	0
337 - Street Services - Management Arrangements	4	0	0	0	0	0	0	0	0	0
340 - Waste Management	5	1	0	0	0	0	0	0	0	0
343 - Debtors	3	0	0	0	0	0	0	0	0	0
348 - VAT	1	0	0	0	0	0	0	0	0	0
349 - Landscape Management	3	2	0	1	0	0	0	0	0	0
350 - Back Up Procedures	4	0	1	0	0	0	0	0	0	0
351 - Corporate Governance CBH	3	0	0	0	0	0	0	0	0	0
352 - IDOX Document Imaging	11	0	0	4	0	0	0	0	0	0
353 - Management of Expenditure	0	1	0	0	0	0	0	0	0	0
<b>2007/08</b>										
201 - Inventories	2	2	0	0	0	0	0	0	0	0
203 - Officers' Expenses	5	0	0	0	0	0	0	0	0	0
205 - Financial Assistance Policy	4	1	0	0	0	0	0	0	0	0
218 - Car Parking Income	7	1	0	0	0	0	0	0	0	0
233 - Museums - Merged Services	10	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>162</b>	<b>58</b>	<b>4</b>	<b>24</b>	<b>2</b>	<b>0</b>	<b>7</b>	<b>1</b>		



# COLCHESTER BOROUGH COUNCIL

Recommendation	Agreed	Priority	Due Date	Management Update
<b>2009/10 - Corporate Management - Reference 418- Payroll - Assurance Level Limited</b>				
All authorised payment documentation, related correspondence and evidence of the background checks carried out should be scanned on the IDOX system.	Y	2	31-Oct-09	<b>16/06/10:</b> All evidence in respect of asylum and immigration checks is now held centrally. We are in the process of collecting the remaining information missing in respect of Leisure world & expect to complete by end Sept 10. All other authorisation for pay changes is now held centrally in idox
As recommended at the previous audit, evidence should be retained on file that changes to data as part of the annual pay review have been independently checked.	Y	2	Immediate	<b>16/06/10:</b> Evidence was not retained for the pay change in April 10 but will be retained in future years. No issues have arisen from the pay award implementation in terms of wrong pay
<b>2009/10 - Corporate Management - Reference 421- IT Security - Assurance Level Limited</b>				
A data classification exercise should be undertaken across the Council to identify data which may be sensitive and requires additional protection. Data should be classified in order to aid with the identification of data retention periods as well as to guide the level of access and security provided to the data. The Retention Policy should also be periodically reviewed to ensure retention periods are in line with data classification.	Y	2	31-Mar-10	<b>17/06/10:</b> This is not practical to achieve given current resources. Advice currently being sought from Government Connect as to whether the instruction applies to movement of data going forward or to archived data. Data classification training to be given to all staff for consideration when moving data from source in the future.
The Council should review the current third parties with which information is shared and ensure that where sensitive				<b>17/06/10:</b> This is not an ICT function, as we have no oversight of any data shared

# COLCHESTER BOROUGH COUNCIL

Recommendation	Agreed	Priority	Due Date	Management Update	
<p>The Council should use the Schedule of Items received from EOL Services to reconcile against the Asset Register disposal list to confirm that all the equipment marked as unsupported and sent to the contractor for disposal has actually been collected and destroyed. The destruction certificate should be received from EOL Services and the reconciliation carried out prior to changing the status of the equipment to “inactive” and “disposed” on the asset register.</p>	Y	2	22-Jul-09	<p><b>17/06/10:</b> SERCO have been reminded to send the most recent list. This was received yesterday (16/06/10) and forwarded to Deloittes. Completed.</p>	<p><b>IA Update 27/05/2010</b> received yet.</p>
<p>The procedures for adding and changing permissions to user accounts should be developed.</p>	Y	2	31-Aug-09	<p><b>17/06/10:</b> This is correct and a procedure is in place. A record of changes to user permissions at folder level (ie which folders they can access) is not possible, but a list of users and their level of access can be provided. This has been requested from SERCO and will be chased today.</p>	<p><b>IA Update 27/05/2010</b> accounts requested by S are only changed by S is signed by the HOS list of who those users</p>
<p>The Council should review the Data Protection notification with Departmental management to ensure that any changes to the processing of personal data are included in the return.</p>	Y	3	31-Dec-09	<p><b>17/06/10:</b> This has not yet been undertaken</p>	<p><b>IA Update 27/05/2010</b> have not been formally</p>
				<p><b>17/06/10:</b> The data protection course</p>	

Benefits Service Diagnostic

Audit Commission Findings and Recommendation	Agreed	Current Position
<p>The Benefits Service should work closely with the Customer Service Centre (CSC) to develop initiatives and monitor progress in delivering improved customer satisfaction and reducing avoidable contacts.</p>	<p>Yes</p>	<p>Members agreed to recommendations for a range of new practices and systems, arising from the fundamental review of the revenues and benefits services, which are now being implemented in line with an agreed action plan. This is currently under scrutiny as part of an inspection by the Audit Commission, in particular to report their view of our current status and prospects for improvement.</p>
<p>SMART customer service standards should be developed in consultation with customers.</p>	<p>Yes</p>	<p>Improving customer experience of our services is essential to the changes we are making, in relation to service standards which Resource Management have established and published. These are based on evaluation of customer preferences from feedback obtained during the fundamental service review.</p> <p>Senior management will be keeping service standards under review to reflect customer feedback, planned to be considered at the next WWW Customer Excellence meeting on 2 August 2010.</p>
<p>The Benefits service should develop:</p> <ul style="list-style-type: none"> <li>• A better understanding of the reasons for its increasing caseload;</li> <li>• An understanding of the point at which its caseload will exceed its capacity and time to train assessment officers; and</li> <li>• A better understanding of the make up of its caseload compared to that of the local community to identify any under claiming groups to enable it to target take-up and publicity effectively and tailor services appropriately.</li> </ul>	<p>No</p>	<p>This finding is now two years old. Since, workload has increased substantially, impacting on capacity to meet demand, in the context of reduced grant from government and general cuts in income. Continuing ability of the service to deliver has been evaluated as part of the fundamental service review, taking account of all known and foreseeable factors, by which a new organisational structure and new practices is being introduced as agreed by members.</p>

## Colchester Visual Arts Facility

Audit Commission Findings and Reconciliation	Agreed	Current Position
<p><b>Colchester Visual Arts Facility</b></p> <p>In order to ensure timely and cost effective completion of the Visual Arts Facility the Council and its funding partners should ensure that they have sufficient capacity to act as an intelligent client throughout the final phase of project.</p>	Yes	<p><b>Completed.</b> Jackson Cole has been appointed as Client Project Director and Mace as Project and Cost Managers to provide expertise in relation to project completion and procurement of relevant contractors. The client project director is responsible to an Executive Director with direct responsibility for the project who also reports to the Chief Executive on this matter and the relevant Portfolio Holder.</p> <p>The funding partners have also appointed a Completion Co-ordinator.</p>
<p>In order to ensure timely and cost effective completion of the Visual Arts Facility the Council and its funding partners should ensure that there are robust costed plans for completion which are SMART and established on a robust and enforceable contractual basis.</p>	Yes	<p><b>In progress.</b> Significant cost review was undertaken by Jackson Coles. Project and Cost Managers - Mace have been appointed and have produced the final costed plan for stage 1a which has been procured and is on site. Mace took 'possession' of the site 4 November 2009. Progress of this work is on budget and due for completion in July. Further work has been undertaken on stage 2 of the project (fit-out) and procurement of that stage are underway following a Value Engineering exercise and finalisation of the cost plan for stage 2.</p>
<p>In order to ensure timely and cost effective completion of the Visual Arts Facility the Council and its funding partners should ensure that risks and plans for their mitigation are accurately detailed and monitored in an open and transparent manner.</p>	Yes	<p><b>Completed.</b> Jackson Cole has issued an up to date Colchester Visual Arts Facility Risk Register. Mace has now taken over the responsibility for the Register which will be updated on a regular basis and mitigation actions are identified on the register. Key actions from the project risk register are reported into the Regeneration Programme risk register and then raised at Renaissance Board, the Funders Group and within the Councils strategic risk assessment as appropriate to the risk.</p>

<b>Audit Commission Findings and Reconciliation</b>	<b>Agreed</b>	<b>Current Position</b>
<p>In order to ensure timely and cost effective completion of the Visual Arts Facility the Council and its funding partners should ensure that progress with the delivery of the plans, against allocated budgets, is monitored in an open and timely manner.</p>	<p>Yes</p>	<p><b>Ongoing.</b> The internal project team meets fortnightly with the responsible Executive Director, Project Director, Finance Manager, Cultural Services Manager, Communications Manager, Legal officer and Clerk of Works in attendance. Funders meetings take place on monthly basis and have budget updates. The Completion Co-ordinator reports to funders on a weekly basis (to be fortnightly going forward) and includes a budget update highlighting any areas of emerging concern. Project progress is also discussed at the Council's monthly Renaissance Steering Group meetings which include the relevant Portfolio Holder and Council Leader. The Councils capital budget including the VAF project is reported to Cabinet and Council.</p>
<p>In order to ensure timely and cost effective completion of the Visual Arts Facility the Council and its funding partners should ensure that improvements to communication lead to the sharing of consistent and accurate information about the project both internally and externally.</p>	<p>Yes</p>	<p><b>On going.</b> Portfolio Holder has been praised for sharing clear information externally. A Completion Coordinator has been brought in specifically to represent funders and to facilitate the exchange of information within the funders group. The sharing of open and up to date information is a key priority for CBC and as a result the following actions have been taken since this audit report.</p> <ol style="list-style-type: none"> <li>1. CBC holds fortnightly internal project meetings which include the Communications Manager, to help ensure consistent internal and external information</li> <li>2. The Chief Executive recently held a series of 'Lifting the Lid' sessions, that provided an update to staff on the progress of this project</li> <li>3. Communication at a strategic level is dealt with as part of the core Funder's Group which meets monthly</li> <li>4. On a day to day basis the external information is disseminated via CBC's communications team with input and comments from the communications leads at the other funding organisations and the Project managers. There is a communications sub – group which now meets on a regular basis and has a Communications Strategy agreed by the Funders group. The communication leads at each of the relevant organisations have roles in implementing the Strategy and CBC has the role of responding to project press inquiries. The sub-group is charged with maintaining the communication strategy.</li> </ol>



## Finance and Audit Scrutiny Panel

Item  
**13**

29 June 2010

Report of	Scrutiny Officer	Author	Robert Judd Tel. 282274
Title	Work Programme 2010-11		
Wards affected	Not applicable		

**This report sets out the rolling 2010/11 Work Programme for the Finance and Audit Scrutiny Panel and Accounts and Regulatory Committee**

### 1. Action Required

- 1.1 The Panel is asked to consider and comment on the rolling 2010-11 work programme.

### 2. Reason for Action

- 2.1 This function forms part of the Panel's Terms of Reference in the Constitution.

### 3. Outstanding items

- 3.1 The Panel is asked to consider the Financial Aspects of a new Park and Ride in North Colchester as an item for review later in the year. This remains an outstanding item from previous reviews.

### 4. Work Programme

#### 29 June 2010

1. Audit Opinion Plan and 2010-11 Audit and Inspection Fee Letter (A&R)
2. Annual review of the Governance Framework and 2009-10 Statement (A&R)
3. Draft Annual Statement of Accounts (A&R)
4. 2009-10 Financial Monitor (FASP)
5. 2009-10 Capital Expenditure Monitor
6. 2009-10 Internal Audit Report

#### 27 July 2010

1. Freedom of Information Update (Head of Corporate Management)
2. Annual Report on Treasury Management
3. 2009-10 Risk Management Summary

#### 17 August 2010

1. Capital Improvement Programme (DHP update to incl. outcomes of pilot scheme)
2. 2010-11 Financial Monitor, period April to June
3. 2010-11 Capital Monitor

**28 September 2010**

1. 2010-11 Internal Audit Monitor, period April to June
2. Annual Statement of Accounts – Annual Governance Report (A&R)
3. International Financial Reporting Standards

**19 October 2010**

1. Report Publication of Audited Statement of Accounts (A&R)
2. Risk Management period April to September
3. Annual Business Continuity Progress report

**23 November 2010**

1. 2010-11 Internal Audit Monitor, period April to September
2. 2010-11 Financial Monitor, period April to September
3. 2010-11 Capital Monitor
4. 2010-11 Treasury Management Monitor

**25 January 2011**

1. Annual Audit Letter (District Auditor)
2. 2010-11 Budget Strategy
3. Treasury Management - Investment Strategy
4. Grounds Maintenance Contract (Hd of Life Opportunities)
5. One Place – Organisation Assessment (Executive Director)

**22 February 2011**

1. Risk Management, period April to December
2. 2010-11 Financial Monitor, period April to December
3. 2010-11 Capital Monitor

**29 March 2011**

1. 2010-11 Internal Audit Monitor, period April to December
2. Annual Governance Statement briefing paper
3. Audit Opinion Plan

