

Finance & Procedures Overview & Scrutiny Committee - 22 January 2003

Minutes of the meeting of the **Finance & Procedures Overview & Scrutiny Committee** held on 22 January 2003 when there were present:

Cllr T G Cutmore (Chairman)
Cllr T Livings (Vice-Chairman)

Cllr D F Flack
Cllr Mrs J R Lumley
Cllr J R F Mason

Cllr G A Mockford
Cllr C G Seagers
Cllr M G B Starke

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr J Thomass.

VISITING MEMBERS

Councillor Mrs M S Vince and Councillor Mrs M A Weir.

REPRESENTING THE EXTERNAL AUDITORS PKF

Richard Bint and Stuart Frith

OFFICERS ATTENDING

P Warren Chief Executive
R Crofts Corporate Director (Finance & External Services)
R J Honey Corporate Director (Law, Planning & Administration)
S Scrutton Head of Planning Services
S Fowler Head of Administrative and Member Services

27 MINUTES

The Minutes of the meeting held on 12 December 2002 were approved as a correct record and signed by the Chairman, subject to an amendment to Minute no. 618, National Non-Domestic Rates - Consultation, second bullet point, where the final sentence is amended to read "...the proposal for CCTV for which the Rochford Chamber of Trade had been granted £5,300 by the District."

28 EXTERNAL AUDIT - MANAGEMENT LETTER 2001/02

The Committee considered the annual audit letter from the Council's external auditors, PKF, for the year ended 31 March 2002.

Richard Bint from PKF informed the Committee that the audit had been carried out in accordance with the Audit Commission's Code of Audit Practice and Statement of Responsibilities of Auditors and of Audited

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Bodies. The audit letter set out the auditor's conclusions and comments in relation to the Code and contained some suggestions for improvement. The overall conclusion of the auditors was that they were very pleased with the progress that the Council had made in the face of the numerous issues it was facing.

Mr Bint made a number of detailed observations in respect of the annual audit letter, and these are set out below:-

- The Council had a sound performance management framework, but it was suggested that future development should be focused on - establishing a number of key performance indicators; developing further medium term financial planning; and the consideration of benchmarking key performance with nearest neighbours.
- The Authority had adopted a local code of corporate governance, but this needed to be expanded to include the detail of the relevant processes and arrangements in place in one document.
- Work was required to implement a risk management framework, and embed a risk culture across the Authority.
- The Authority had to produce a community strategy and it should ensure that the established timetable for completion by October 2003 was met.
- The Authority needed to complete a full HRA Business Plan.
- There was scope for closer working between internal audit and external audit, and work was already progressing in this area.
- The auditors were pleased that reserves had been stabilised and that the general financial standing had improved. However, there were concerns that a sufficient level of resources should be preserved in the medium term, including in the HRA.
- The overall arrangements for ensuring the legality of the Authority's transactions continued to be strong.

In response to a question, Mr Bint advised that the auditors did not take the size of the Authority into account in the audit. Broadly speaking, Authorities were expected to achieve the same level of performance, regardless of size. However, Mr Bint commented that in his opinion, the smaller the Authority, potentially the more difficult it was to respond corporately to Government initiatives, whilst service delivery was not so affected.

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In response to comments about engagement with the public on performance management issues, Members were advised that the Policy and Finance Committee had recently agreed a process to work with Castle Point District Council and the Primary Care Trust to set up a consultation forum to undertake particular consultation exercises. The auditors commented that they were happy with what the Council was planning to do in terms of consultation and that it appeared to be in accordance with good practice.

The Chairman thanked Mr Bint and Mr Frith for attending the meeting and providing Members with details of the results of the annual audit.

Resolved

That the audit letter issued by the external auditors, PKF, concerning the Council's accounts for 2001/02 be noted.

Exclusion of the Press and Public

Resolved

That the press and public be excluded from the meeting for the remaining business on the grounds that exempt information as defined in paragraph 9 of Part 1 of the Schedule 12A of the Local Government Act 1972 would be disclosed.

29 50 - 54 WEST STREET, ROCHFORD

The Committee considered the exempt report of the Head of Planning Services on options for dealing with the buildings at 50-54 West Street, Rochford, following refusal of consent for a redevelopment scheme at the Planning Services Committee on 17 December 2002.

The Head of Planning Services updated Members on a recent meeting with the site owners and the specialist advisor from Essex County Council.

A motion that the Council should facilitate a meeting between the developers and other interested parties, moved by Cllr. MGB Starke and seconded by Cllr. GA Mockford, was lost on a show of hands.

Resolved

That officers enter into discussions with the developer on the basis of the decision taken at the Planning Services Committee on 17 December 2002 and report back to this Committee on progress. (HPS)

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The meeting closed at 9.15pm.

Chairman _____

Date _____