

BABERGH DISTRICT COUNCIL

FROM: Director of Corporate Services

REPORT NUMBER: **K222**

TO: OVERVIEW AND SCRUTINY
(STEWARDSHIP) COMMITTEE

DATE OF MEETING: 22 March 2011

**ANNUAL REPORT OF THE OVERVIEW AND SCRUTINY (STEWARDSHIP)
COMMITTEE**

1. **PURPOSE OF REPORT**

- 1.1 This paper provides a basis for the Committee's Annual Report to Council.
- 1.2 In accordance with the Constitution, the Committee must report annually to Council on its work during the last year and make recommendations for future work programmes and if appropriate, amended working methods.

2. **RECOMMENDATION**

- 2.1 That the Director of Corporate Services, in consultation with the Committee Chairman, complete the Committee's Annual Report for submission to the next meeting of Council based upon this report and the Committee's views.

The Committee is able to resolve this matter.

3. **FINANCIAL IMPLICATIONS**

- 3.1 There have been no financial implications to date other than the costs of officer time and normal allowances for Members that are included in the budget.
- 3.2 Any development of the work of in-depth scrutiny, including items such as the payment of out of pocket expenses for expert and other witnesses, can be accommodated within existing budgets for 2011/12. The position for future years will be addressed through the Strategic Financial Planning Process, if that is necessary.

4. **RISK MANAGEMENT**

This report is an update on work completed during 2010/11, together with a draft programme for 2011/12. Risk management considerations for individual topics will be included in reports to the Committee as the year progresses.

5. **CONSULTATIONS**

- 5.1 Officers and Members were invited to identify any topics for consideration during 2011/12.

6. **EQUALITY AND DIVERSITY IMPACT**

- 6.1 There are no equality and diversity implications with this report. That is to say, the contents of the report will have no impact on persons covered by the protected characteristics – age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation. However, any engagement with citizens and other stakeholders will need to pay particular attention to equality and diversity implications.

7. **SHARED SERVICE/PARTNERSHIP IMPLICATIONS**

- 7.1 A Joint Scrutiny Committee has been established to keep the overall implementation plan under review.

8. **KEY INFORMATION**

8.1 **WORK IN 2010/11**

The following is a brief summary of the Committee's main achievements during the year:

- The Committee has considered the Audit Commission's Annual Audit Letter for 2009/10 and Annual Audit Plan for 2010/11.
- The Committee considered the Treasury Management Strategy for 2010/11 which included the investment strategy for surplus funds.
- A considerable amount of work has been undertaken by the Strategic Financial Planning (SFP) Task Group and the Overview and Scrutiny Committees to identify savings, efficiencies and additional income generation. A joint meeting of the two Overview and Scrutiny Committees was held and the draft budget proposals for 2011/12 were scrutinised.
- The Committee approved the Annual Governance Statement for 2009/10.
- The Committee has considered the External Auditor's Annual Governance Report and Audit Fee. The grant claim certification for the year ended 31 March 2010 will be considered at this meeting.
- The Committee scrutinised the 2009/10 Financial Outturn and draft Statement of Accounts.
- The Internal Audit annual reports for 2009/10 and 2010/11 were considered. This included the amalgamated plan with those of Mid Suffolk District Council and Suffolk County Council.
- The Committee considered the Council's Annual Report for 2009/10.
- The Committee monitored formal complaints for 2009/10.
- The Committee has considered quarterly reports on financial and performance management.

- The Committee reviewed the significant business and operational risks facing the Council.
- The Committee considered the progress made on implementing the Data Quality Action Plan.
- The Committee noted the on-going work in relation to Business Continuity Management.
- The Committee considered a report on the External Audit Fee for 2010/11 and requested how the fee could be reduced. They also agreed to make representations to Central Government on fees being increased on local authorities.
- The Committee considered a report on the ethical framework and managing the risk of fraud and corruption.
- The Committee monitored progress on achieving outcomes set out in the 2009/10 Delivery Plan.
- The Committee noted the details of the Comprehensive Area Assessment and organisational assessment.
- The Committee noted the proposed approach to dealing with changes to the 2009/10 accounts and agreed to attend a workshop regarding the future scrutiny of treasury management activities.
- The Committee considered and agreed the basket of key performance indicators for 2010/11.
- The Committee recommended the introduction of a 'pool' system of substitutes.
- The Committee considered a review of the governance arrangements.
- The Committee considered the outcome of the pension fund valuation for 31 March 2010.
- The Committee considered the annual report on the Procurement Strategy Action Plan.
- The Committee scrutinised the new IT system to ensure S106 monies are secured and spent.
- The Committee received an update on the delivery of Suffolk's Community Strategy and second Local Area Agreement.

8.2 WORK PLAN FOR 2011/12

Appendix 1 sets out a list of items of work that Members and Officers have identified for consideration by the Committee during 2011/12. It is recommended that Members should identify which, if not all, of the matters they consider should be addressed by the Committee in 2011/12 and importantly, what other areas it thinks should be considered for inclusion in the work programme. If any such areas are identified, an assessment sheet will need to be completed, a copy of which is attached at Appendix 2. In doing so, Members are asked to consider the principles of PICK analysis which have been approved by the Committee. A summary is attached at Appendix 3. Further guidance on the selection of issues for inclusion in the annual work programme can be found in the Overview and Scrutiny Handbook.

9. APPENDICES

Title	Location
Appendix 1 – Overview and Scrutiny (Stewardship) Committee: Proposed Work Plan for 2011/12	Attached
Appendix 2 – Planning Assessment Sheet	Attached
Appendix 3 – PICK Analysis	Attached

10. BACKGROUND PAPERS REFERRED TO

None.

Authorship:

Steve Ellwood
Democratic Services Manager

Tel: 01473 825876
Email: steve.ellwood@babbergh.gov.uk

BABERGH DISTRICT COUNCIL**FROM:** Director of Corporate Services**REPORT NUMBER:****TO:** OVERVIEW AND SCRUTINY
(STEWARDSHIP) COMMITTEE**DATE OF MEETING:****DRAFT WORK PLAN FOR 2011/12****DATE OF COMMITTEE – 14 JUNE 2011**

Topic	Purpose	Decision or Recommendation to Strategy/Council	Lead Officer
RIPA	Quarterly Monitoring Report	Decision	Kathryn Saward
Annual Audit Report 2010/11	To consider findings	Decision	John Snell
Review of Significant Business Risks	To consider significant risks facing the Council	To be determined	John Snell
2010/11 Annual Governance Statement	To consider and review 2010/11 Statement	To be determined	Barry Hunter
Finance and Performance Management 2010/11 – Quarter 4 Monitoring	To monitor key budget and performance variations	To be determined	Jon Seed Sue Smith
2010/11 Statement of Accounts	To consider draft statement	Recommendation to Council	Barry Hunter
Managing the Risk of Fraud and Corruption	Annual report on the progress and actions taken	Decision	John Snell

DATE OF COMMITTEE – 12 JULY 2011

Topic	Purpose	Decision or Recommendation to Strategy/Council	Lead Officer
Annual report on the Council's Procurement Strategy	To consider findings.	Decision	Ryan Jones

DATE OF COMMITTEE – 30 AUGUST 2011

Topic	Purpose	Decision or Recommendation to Strategy/Council	Lead Officer
Complaints	Annual Monitoring Report	Decision	Peter Quirk
External Audit and Inspection Reports	To receive any reports	To be determined	Barry Hunter
Finance and Performance Management 2011/12 Quarter 1 Monitoring Report	To monitor key budget and performance variations	To be determined	Jon Seed Sue Smith

DATE OF COMMITTEE – 11 OCTOBER 2011

Topic	Purpose	Decision or Recommendation to Strategy/Council	Lead Officer
RIPA	Quarterly Monitoring Report	Decision	Kathryn Seward
Review of Significant Business Risks	To consider significant risks facing the Council	To be determined	John Snell
Treasury Management	Mid – Year Review	To be determined	Barry Hunter/ Sue Smith
External Auditors – Annual Governance Report	To consider findings	To be determined	Barry Hunter

DATE OF COMMITTEE – 29 NOVEMBER 2011

Topic	Purpose	Decision or Recommendation to Strategy/Council	Lead Officer
Interim Internal Audit and Fraud Report 2011/12	To consider current position	Decision	John Snell
Finance and Performance Management 2011/12 Quarter 2 Monitoring Report	To monitor key budget and performance variation	To be determined	Jon Seed Sue Smith

DATE OF COMMITTEE – 6 DECEMBER 2011
JOINT MEETING WITH OVERVIEW AND SCRUTINY
(COMMUNITY SERVICES) COMMITTEE (IF REQUIRED)

Topic	Purpose	Decision or Recommendation to Strategy/Council	Lead Officer
Report of the Strategic Financial Planning Task Group	To consider the Group's recommendations	To be determined	Barry Hunter

DATE OF COMMITTEE – 24 JANUARY 2012

Topic	Purpose	Decision or Recommendation to Strategy/Council	Lead Officer
Treasury Management Strategy 2012/13	To scrutinise the TM Strategy, Investment Strategy and Prudential Indicators	Recommendation	Barry Hunter
RIPA	Quarterly Monitoring Report	Decision	Kathryn Seward
Review of Significant Business Risks	To consider significant risks facing the Council	To be determined	John Snell
Budget Scrutiny	To scrutinise draft budgets for 2012/13	Recommendation to Strategy	Barry Hunter

Topic	Purpose	Decision or Recommendation to Strategy/Council	Lead Officer
External Auditors – External Inspection and Audit Reports (Annual Audit Letter and Audit Plan)	To consider findings	To be determined	Barry Hunter

DATE OF COMMITTEE – 20 MARCH 2012

Topic	Purpose	Decision or Recommendation to Strategy/Council	Lead Officer
Annual Report	To consider draft Annual Report	Recommendation to Council	Steve Ellwood
Integrated Internal Audit Work Programme for 2012/13 with MSDC	To consider proposed Internal Audit Plan for the next financial year	Decision	John Snell
Annual Ethical Framework and Managing the Risk of Fraud and Corruption 2011/12	To consider arrangements in place and proactive measures undertaken to prevent fraud and corruption	Decision	John Snell
Review of Significant Business Risks	To consider significant risks facing the Council	To be determined	John Snell
Finance and Performance Management 2011/12 – Quarter 3 report	To monitor key budget and performance variations	To be determined	Jon Seed Sue Smith
External Auditors Grant Claim report	To consider findings	To be determined	Barry Hunter

CONTACT: Steve Ellwood

EMAIL: steve.ellwood@babergh.gov.uk

OVERVIEW AND SCRUTINY () COMMITTEE

PLANNING ASSESSMENT SHEET FOR REVIEWS

What is to be reviewed?	
Why?	
What benefits are expected?	
What needs to be examined and asked?	
Documents/evidence/research <i>What?</i> <i>Why?</i>	Questions to be asked
Site visits <i>Where?</i> <i>Why?</i>	Questions to be asked
Consultation <i>Who/what?</i> <i>Why?</i>	Questions to be asked
Witnesses <i>Who?</i> <i>Why?</i>	Questions to be asked
What resources will be needed for the review?	
Over what period should it be carried out?	Start Complete
Who will be the lead officer?	

PICK ANALYSIS

In developing its annual work programme, Overview and Scrutiny Committees should be clear about the reasons for selecting particular issues and what they are seeking to achieve.

The list of topics and issues for the work programme can be a very long one if not careful. Some councils use an idea called PICK to prioritise the types of issues to choose. PICK stands for:

- P Public Interest
- I Impact
- C Council Performance
- K Keep it Context

P for Public Interest

Councillors are the eyes and ears of the public, ensuring that the policies, practices and services delivered by both Babergh District Council and external organizations, are meeting local needs and to an acceptable standard. The concerns of local people should therefore influence the issues chosen for scrutiny.

I for Impact

Scrutiny is about making a difference to the social, economic and environmental well-being of the area. Not all issues of concern will have equal impact on the well-being of the community. This should be considered when deciding the work programme and priority be given to those issues that have more impact.

C for Council Performance

Scrutiny is about improving performance and ensuring the people of Babergh are served well. Councillors will need good quality information to identify areas of poor performance both within the Council and externally. There are no shortage of Performance Indicators available in the public service arena, both national and local, although the quality and relevance will vary. There is a need to select the most relevant performance indicators and to seek an interpretation of results.

K for Keep it in Context

To avoid duplication or wasted effort priorities should take account of what else is happening in the areas being considered. Is there a Best Value Review happening or planned? Is the service about to be inspected by an external body? Are there major legislative or policy initiatives already resulting in change? If these circumstances exist councillors may decide to link up with other processes (e.g. Best Value Review) or defer a decision until the outcomes are known or conclude that the other processes will address the issues.

PICK CHECKLIST

More “ticks” across all four categories indicates that the topic is more suitable for in depth review.

<p>Public Interest</p> <ul style="list-style-type: none"> <input type="checkbox"/> There is evidence of significant public interest in this topic <input type="checkbox"/> It is a “high profile” topic for specific local communities or communities of interest <input type="checkbox"/> This is an area where we received a lot of complaints and / or bad press <input type="checkbox"/> The review will need to include participatory events and opportunities for local people and / or organizations to have their say <input type="checkbox"/> Substantial survey or research work is required
<p>Impact</p> <ul style="list-style-type: none"> <input type="checkbox"/> This review will have a significant impact on the “well being” of Babergh <input type="checkbox"/> A local community or community of interest have much to gain or lose <input type="checkbox"/> Work is needed to develop the routes to influencing change (e.g. with partners) <input type="checkbox"/> This could make a big difference to the way services are delivered <input type="checkbox"/> This could make a big difference to the way resources are used
<p>Council Performance</p> <ul style="list-style-type: none"> <input type="checkbox"/> The Council and / or other organizations are not performing well in this area <input type="checkbox"/> We do not understand why our performance differs from others <input type="checkbox"/> We are performing well but spending too much money in this area <input type="checkbox"/> There are few local or national performance measures / targets for this service <input type="checkbox"/> This service is fundamental to the achievement of Council objective(s)
<p>Keep in Context</p> <ul style="list-style-type: none"> <input type="checkbox"/> This service will not be part of a BV Review or external inspection in the next 2 years <input type="checkbox"/> This service will be reviewed or inspected soon but Scrutiny can make a positive contribution by focusing on key areas of interest and making recommendations <input type="checkbox"/> This service has not been recently reviewed or inspected <input type="checkbox"/> There are no current major changes to service that reduce or pre-empt the value of review <input type="checkbox"/> Service changes are planned and Scrutiny can positively influence change