

# Public Document Pack



Ian Vargeson – Democratic Services Manager  
General Enquiries: Telephone No. 01362 656870  
Committee Services Fax No. 01362 690821  
DX 45058 Dereham

To The Members of the Council

Our Ref: JB/L. 18  
Contact: Julie Britton  
Direct Dial: 01362 656343  
E-mail: Julie.britton1@breckland.gov.uk  
Date 04 April 2008

## **AGENDA SUPPLEMENT**

Dear Sir/Madam

### **COUNCIL - THURSDAY 10 APRIL 2008**

I refer to the agenda for the above-mentioned meeting and enclose the following items:

<b>Item No</b>	<b>Report Title</b>	<b>Page Nos</b>
8.	<b><u>General Purposes Committee Minutes</u></b>  Unconfirmed minutes of the meeting of the General Purposes Committee held on 26 March 2008.	51 - 56
10	<b><u>Audit Committee Minutes</u></b>  (b) Unconfirmed minutes of the meeting of the Audit Committee held on 25 March 2008	57 - 63

Yours faithfully

*Julie Britton*

Committee Officer

**BRECKLAND COUNCIL**

**At a Meeting of the**

**GENERAL PURPOSES COMMITTEE**

**Held on Wednesday, 26 March 2008 at 10.00 am in  
Norfolk Room, The Conference Suite, Elizabeth House, Dereham**

**PRESENT**

Mr R.W. Duffield (Chairman)	Mr D.S. Myers
Mr P.J. Duigan (Vice-Chairman)	Mr I. Sherwood
Mr G.P. Balaam	Mrs L.S. Turner
Mrs K. Millbank	Mrs S.R. Howard-Alpe

**Also Present**

Mrs D.K.R. Irving

**In Attendance**

Rachel Beswick	- Senior Accountant
Julie Britton	- Senior Committee Officer
Mark Broughton	- Scrutiny Officer
Neil Fordham	- Payroll and Reward Manager
Trevor Holden	- Chief Executive
Ray Johnson	- Asset Manager
Tim Leader	- Deputy Chief Executive
Tracy Miller	- PA to Business Transformation Director
Ian Vargeson	- Democratic Services Manager
Karen Hitchcock	- Human Resources Assistant

**Action By**

**16/08 MINUTES (AGENDA ITEM 1)**

The Minutes of the meeting held on 30 January 2008 were confirmed as a correct record and signed by the Chairman.

**17/08 APOLOGIES (AGENDA ITEM 2)**

Apologies for absence were received from Messrs. S Chapman-Allen, W Smith and D Williams.

**18/08 LOCAL JOINT CONSULTATIVE COMMITTEE : 19 FEBRUARY 2008 (AGENDA ITEM 5)**

a) Right to Request Flexible Working Guidelines (Minute No. 4/08)

**RESOLVED** that the amended Right to Request Flexible Working Guidelines as presented to the Local Joint Consultative Committee meeting on 19 February 2008 be adopted.

b) Adoption

**RESOLVED** that the unconfirmed Minutes of the Local Joint Consultative Committee meeting held on 19 February 2008 be adopted.

**19/08 ELECTION FEES: COUNTY DISTRICT AND PARISH COUNCILS (AGENDA ITEM 6)**

The Democratic Services Manager presented the report and explained that the proposed scale of fees recommended for the County, District and Parish Elections for the year commencing 1 April 2008 had been agreed by the Chief Executives of Norfolk District Councils.

There were no County, District and Parish ordinary elections scheduled for 2008; therefore, the revised fees would only apply to any casual vacancies that might occur during the year.

In reply to a question from the Chairman, the Democratic Services Manager confirmed that the major fees, those payable to polling day staff, did comply with the minimum wage.

**RESOLVED** that the recommended Scale of Fees for County, District and Parish Elections for the year commencing 1 April 2008 be adopted.

**20/08 STAR CHAMBER - ADJUSTMENT TO POSTS (AGENDA ITEM 7)**

The Senior Accountant presented the report which concerned approval to proceed with changes to posts recommended through the Council's Star Chamber process.

Except for the permanent Arts Officer and the Technical Admin Officer (Housing and Homelessness), which were self funding, (see Appendix A of the report), funding for the posts had been agreed through the base budget which had been approved by Council at its meeting held on 17 January 2008

Members were informed that all these posts sat outside the organisational restructure paper that was to be discussed later in the meeting (Minute No. 11/08 refers).

**RESOLVED** that the recruitment of posts as listed at paragraph 1 of the report be approved.

**21/08 REDUNDANCY POLICY AND COMPENSATION (AGENDA ITEM 8)**

The Deputy Chief Executive presented the report.

A Redundancy Policy was required to provide clarity and transparency to all those involved in organisational change. The policy should incorporate the redundancy compensation that would apply to all employees if they should find themselves in such an unfortunate situation.

A draft Redundancy Policy had been produced summarising the approach that was currently used in practice in Breckland Council. The only contentious issue was the way that the Council dealt with the statutory allowance compared to what other authorities were doing. Other local authorities provided much higher levels of redundancy remuneration by applying a higher multiplier to the level of redundancy compensation. The multiplier applied by Breckland Council was one.

**Action By**

The policy had been accepted by the Local Joint Consultative Committee but not by Unison. Unison believed that Breckland Council should apply a higher multiplier which would be in keeping with other local authorities. Unison further believed that Breckland's current redundancy package had an impact on staff morale and recruitment. The Deputy Chief Executive stated that there was no evidence to back that up and that any further enhancement of the redundancy remuneration could lead to a future drain on Breckland's resources.

A Member was pleased to hear that management had taken a sensible view on this matter and agreed with the Deputy Chief Executive's remarks that people did not look at the redundancy package when taking on a new job. He felt that current terms and conditions gave a very good deal to staff at Breckland.

After further discussion, it was

**RESOLVED** that the Redundancy Policy and the existing redundancy remuneration approach incorporated in the policy be adopted, subject to the inclusion of the additional wording in section 3 of the Policy as follows:

"All redundancies must have the authorisation of full Council **or the General Purposes Committee if this function is delegated from the full Council**".

**22/08 RIGHT TO REQUEST FLEXIBLE WORKING (AGENDA ITEM 9)**

The Payroll and Reward Manager stated that the Right to Request Flexible Working – Guidelines had been accepted by the Local Joint Consultative Committee at its meeting on 20<sup>th</sup> March 2008. The Policy had simply been updated to reflect statutory guidelines.

**RESOLVED** that the amended Policy be adopted.

**23/08 STANDBY/OUT OF HOURS PAYMENTS (AGENDA ITEM 10)**

The Payroll and Reward Manager presented the report which concerned options and recommendations for the formal adoption of an out-of-hours standby provision procedure.

Since May 2007, Housing, Building Control and Environmental Health had been taking part in a pilot scheme to establish the volumes and types of activity undertaken 'out of hours' and payments made under this scheme. During the pilot period, officers who had been on standby had received a single flat payment of £100 per week. This method had proved to be a convenient and low cost way of dealing with out of hours working.

The Chairman wished for it to be noted that he had been most disappointed that the information that he had requested at previous meetings from certain managers had not been forthcoming. The Deputy Chief Executive advised that the HR Team had done its best to obtain this information.

The Chairman asked how many staff the Environmental Health Manager required to be on call. The Payroll and Reward Manager referred Members to Appendices B to D of the report which provided a breakdown of

**Action By**

individual officers per service area. A Member asked about the rota system and asked whether there had been any complaints about the out of hours service not being met. In response, Members were advised that Breckland Council had not received any calls about the service not being provided at all hours. The Deputy Chief Executive felt that there was a need to try and stand back from this type of payment and advised that this option would be reviewed as part of the compensation and rewards packages at a later date.

The Committee was ensured that officers would not transgress the Working Time Directive.

**RESOLVED** that the Standby/Out of Hours Payments be approved as set out in option C of the report, subject to the amount payable as a Standby Payment being reviewed in 2010.

**24/08 CAR LEASING SCHEME FOR BRECKLAND COUNCIL EMPLOYEES (AGENDA ITEM 11)**

The purpose of the report was to secure the approval of minor amendments to the Council's car leasing scheme to render it more fit for purpose.

It was proposed to remove the distinction between private and official mileage allowances. Instead, a supplemental charge would only be applied if the hirer exceeded the total annual mileage allowance as specified in the contract. If approved, this would take immediate effect on both existing and new lease contracts.

The current scheme was explained.

A Member asked whether the 'green' agenda had been taken into consideration within the car leasing scheme. In response, the Chief Executive advised that this had already been taken into account; there was already a ceiling on the size of the car that an individual could obtain.

The Process Flow Chart at Appendix 2 of the report was highlighted and it was explained that this would be subject to review following the recent changes in the organisation.

**RESOLVED** that the Car Leasing Scheme be amended in accordance with paragraph 28a of the document attached to the report so that a supplemental charge falls to be paid upon the hirer exceeding the annual mileage agreed under an agreement irrespective of whether it is incurred in the course of Council business or personal use.

**25/08 EXCLUSION OF PRESS AND PUBLIC (AGENDA ITEM 11A)**

**RESOLVED** that, under Section 100(A)(4) of the Local Government Act 1972, the press and the public be excluded from the meeting for the following item of business on the grounds that it might involve the likely disclosure of exempt information as defined in paragraphs 1, 2 and 3 of Part 1 of Schedule 12A to the Act.

**26/08 ORGANISATIONAL REVIEW (AGENDA ITEM 12)**

**Action By**

The Deputy Chief Executive presented the report which described the results of the review of Cabinet Office, Service Directorate and elements of the Transformation Directorate and sought the Committee's authority to implement consequential adjustments of the establishment by:

- creating the new posts as specified in Appendix A of the report;
- declaring redundant a number of existing posts specified as 'deleted' in Appendix A of the report; and
- changing the scope, terms and conditions of a number of existing posts as specified in Appendix A of the report.

The Corporate Management Team (CMT) had carried out a thorough review of all Cabinet Office, and Services Directorate functions to establish whether there was potential to enhance their efficiency and effectiveness and reduce costs. This had highlighted a range of improvement opportunities, which in turn necessitated further adjustments to the establishment, involving the creation of a small number of new posts and the deletion of and changes to some existing posts.

The CMT had also identified the need to make provision for the continued funding of a number of fixed term posts within the Transformation Directorate to safeguard the capacity and skills that were required to complete the transformation of the Anglia Revenues Partnership and the Council's Environmental Health, Planning and Building Control Services. Proposals relating to all three Directorates had therefore been rolled into a single, integrated organisational review.

Members were informed of a number of amendments to pages 83 and 90 of Appendix A.

A Member asked about timescales, and asked how restructuring would relate to the forthcoming Local Government Review. In response, the Deputy Chief Executive advised that the Council had a pretty ambitious change agenda ahead and to implement these changes the Council needed to have capacity and talent in the right place. Breckland was getting on with the transformative approach, and if no changes were made, this authority would grind to a halt.

Members were given the opportunity to go through the appendix page by page. A number of questions were asked with regard to typing functions, changes to job descriptions, delivering the Green Agenda and future recruitment.

The Chairman wanted reassurance that the finances of the review "stacked up" and that the Council would still achieve its aims objectives, would still provide service to the public and that it benefited all staff. The Chief Executive explained that in next year's budget, the Council had already made a 3% staff saving. With the LGR around the corner, the worst thing the Council could do was nothing. This review should be seen as a really positive piece of work for most staff. The LGR would not stop this authority getting on with the business of the day.

**RESOLVED** that:

- 1) the creation of new posts as specified in Appendix A of the report be

approved;

- 2) the existing posts specified as “deleted” in Appendix A of the report be declared redundant;
- 3) the changes to the scope, terms and conditions of the existing posts specified in Appendix A of the report be approved; and
- 4) that the Deputy Chief Executive in consultation with the Chairman of the General Purposes Committee be given delegated authority to take any action that is necessary to give effect to the proposals contained in the report (Including authority to alter, amend or correct any part of the proposals) provided the budgeted costs of the overall proposal set out in the Proforma B are not exceeded.

**Action By**

**27/08 NEXT MEETING (AGENDA ITEM 13)**

The next meeting of the General Purposes Committee would be held on Wednesday, 23 April 2008 at 10.00am in the Norfolk Room.

The meeting closed at 12.00 pm

CHAIRMAN

At a Meeting of the

AUDIT COMMITTEE

Held on Tuesday, 25 March 2008 at 2.15 pm in  
Anglia Room, Conference Suite, Elizabeth House, Dereham

PRESENT

Mr C.R. Jordan (Chairman)      Mr P.J. Hewett  
Mr R.P. Childerhouse            Mr R.G. Kybird

In Attendance

Melanie Buttery                    - Accountancy Officer Technical  
Mark Finch                         - Chief Accountant (Breckland)  
Tim Leader                         - Deputy Chief Executive  
Susan L. Smith                    - Senior Accountant  
Ian Vargeson                      - Democratic Services Manager (Breckland)  
Elaine Wilkes                      - Senior Committee Officer

**9/08 MINUTES**

The minutes of the meeting held on 20 February 2008 were confirmed as a correct record and signed by the Chairman.

**10/08 APOLOGIES**

Apologies for absence were received from Mr. M. Fanthorpe and Mrs. S.C. King, Audit Manager.

**11/08 RISK MANAGEMENT (AGENDA ITEM 8)**

The Deputy Chief Executive presented an overview of Risk Management to inform Members of the background to the Council's present position, details of the systems and methodology introduced for controlling the risk management process, monitoring risk through the use of the performance management system and the framework provided through the newly adopted Risk Management Strategy. A copy of the Strategy document was circulated to Members at the meeting.

Historically, Breckland had been scored low by the Audit Commission on the grounds of an inadequate risk management framework and structure that was also under-resourced and not embedded within the Council. Since then, the Council had adopted a new Risk Management Strategy.

The new risk management system identified key risks in the following areas:

- Corporate & Partnership
- Services
- Decisions
- Projects and Programmes

Action By



**Action By**

The risk management methodology was based on a risk cycle, which had at its core the Risk Management Strategy, around which there was a continuous cycle of risk identification, analysis, control and monitoring.

All Directorates had identified high risk areas. The highest area of risk concerned corporate governance, particularly in the area of Partnerships where limited risk management had been undertaken, either at the strategic level or with key partners.

Service area risks were reviewed by Directors and recorded on the TEN management performance system.

So far as decision making was concerned, the reporting template had been revised to provide more specific information to aid that process.

Risk management of projects and programmes had been a real issue of concern and action had been taken through the new methodology to address these concerns through the establishment of a formal corporate framework to be managed by the Corporate Management Team.

Performance management was controlled and monitored through regular reporting to portfolio meetings with Executive Members and officers, through the Risk Management Group and Risk Board, through performance clinics and the Hothouse process.

Risk management was continuing to be embedded throughout the Council, through training, monitoring through the TEN performance management system, with strategic direction being provided through the Audit Committee.

Issues to be addressed related to:

- The significant weaknesses remaining in the areas of projects and programmes risk and partnership risks.
- The understanding of how to identify and analyse risk was patchy and there was a need for further training and quality control.
- To ensure there were adequate resources and skills in risk management.
- How risk issues were selected, prioritised and escalated to Member level.

The latest Direction of Travel statement from the Audit Commission noted the improvements being made by the Council.

During the discussion that followed, a member suggested that an intrinsic element of risk management was that of wider management and capability or competence in that area. It was a difficult area and many larger businesses, including banks, had found themselves lacking in this field. But it could be a way to help the Council advance from the present level 1 score to level 3 score on risk management, which should be the aim.

A key to developing the role of risk management was considered to be the need to have a real understanding of risk. In this connection, a member suggested a starting point might be to ask service areas to carry out a prioritising exercise to establish their understanding of risk.

So far as partnership risk was concerned, it was noted that discussions were taking place with Norfolk County Council in this area, although this excluded the Local Strategic Partnership which was being dealt with as a separate exercise.

It was suggested that, as a first step, it would be useful if the Council was to undertake a partnership case study. There were three types of existing partnership with which the Council was involved:

- Statutory (e.g. LSP)
- Contractual (e.g. Serco, Steria)
- Hybrid (e.g. ARP)

It was suggested that, because of its unique set-up as a three-Council partnership, the ARP presented itself as a good area for a case study. Although it would be a fairly difficult task, it was felt that establishing a risk framework for such a body would be of interest to all three partners and could provide a valuable learning tool.

The purpose of such a case study would be to:

- Establish details of the existing governance and risk framework for that partnership area
- Identify current risks
- To learn from the model and apply results to the Council's risk management model

**RESOLVED** that a report be submitted to the next meeting with

- (1) outline proposals for a case study of the ARP;
- (2) a list of all existing partnerships; and
- (3) details of the proposed consultancy with Norfolk County Council for undertaking an assessment of risk management for all partnerships.

**12/08 INTERNAL AUDIT – TERMS OF REFERENCE, CODE OF ETHICS, AUDIT STRATEGY, STRATEGIC AND ANNUAL AUDIT PLANS (AGENDA ITEM 6)**

The Chief Accountant presented the report on behalf of the Audit Manager.

Members highlighted that the statement on risk in paragraph 4 of the report was unclear. It was explained that it was a standard wording where the risk assessment identified no new or additional significant risks. It was agreed that this could be clarified and that the template should be amended to delete the words "in terms of

**Action By**

**Mark Finch**

**Mark Finch**

risk” at the end of this statement.

In answer to a question, it was explained that there were two half-year reports which gave details of progress on whether recommended actions had been implemented or not. The TEN performance management system also enabled regular monitoring to ensure follow-up actions were carried out, as well as regular follow-up work by internal audit.

On another question, it was explained that the Council received full background information on internal audit reports but that the picture was not so clear in regard to external audit reports. The Chief Accountant offered to discuss this with the Audit Manager.

Members felt that a glossary of terms used in the documents would be helpful.

In this connection, the Committee sought clarification of the relationship between the Audit Strategy and the Strategic and Annual Audit Plans and it was agreed to bring further information on this to the next meeting, together with information on how costs are applied with the appointment of new contractors to allow for the time needed for them to learn their new client’s systems.

**RESOLVED** that

- (1) the revised Internal Audit Terms of Reference be approved;
- (2) the Code of Ethics for Internal Audit be approved;
- (3) the Internal Audit Strategy 2008-09 be approved;
- (4) the Strategic Audit Plan 2008/09 – 2012/13 be approved;
- (5) the Annual Audit Plan 2008-09 be approved;
- (6) the Audit Manager be requested to report back to the next meeting to explain the relationship between the Audit Strategy and Strategic and Annual Audit Plans.

**13/08 AUDIT JOINT WORKING PROTOCOL (AGENDA ITEM 7)**

The Chief Accountant presented the report.

As for the previous item, it was explained it was a standard wording where the risk assessment identified no new or additional significant risks. It was agreed that this could be clarified and that the template should be amended to delete the words “in terms of risk” at the end of this statement.

The Committee otherwise supported the adoption of the Protocol and accordingly it was

**RESOLVED** that the Audit Joint Working Protocol be adopted.

**14/08 VALUE FOR MONEY (AGENDA ITEM 9)**

The Chief Accountant gave a presentation on how value for

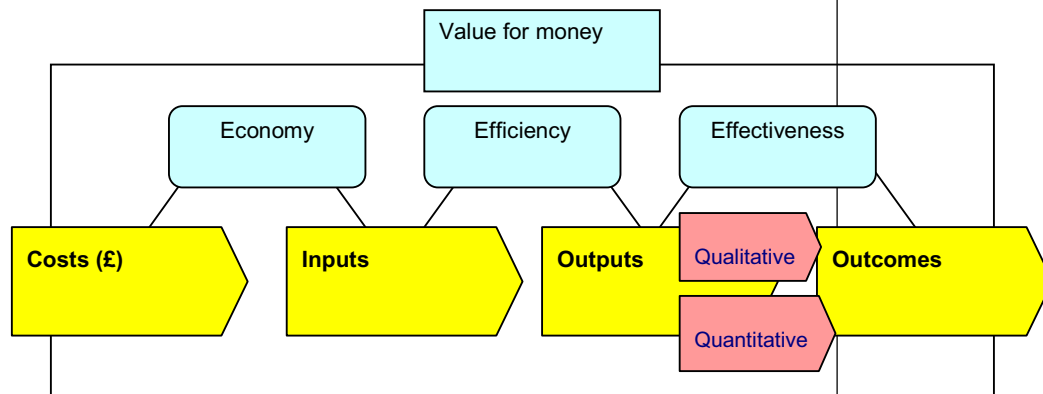
**Action By**

**Sandra C.  
King**

money was delivered by the Council and a copy of the Value for Money Strategy was circulated which described and explained how the Council ensured it delivered value for money services.

'Value for Money' was defined as: *The optimum combination of whole life cost and quality (or fitness for purpose) to meet the user's requirement.*

The Audit Commission's 'Value Chain' was illustrated as follows:



At present, the Council stood as follows:

- Cost – Lowest Council Tax
- Performance – Improving
- Customer Satisfaction – Improving

However, on the use of resources, the Audit Commission had scored the Council at a rating of 2, which was 'adequate'. The reason for this rating was felt to be that the Council needed to better document how it achieved value for money.

The Audit Commission's annual inspection letter stated that, while overall performance was improving and the commitment to value for money was strong, the Council sometimes failed to effectively identify and document its progress.

The Council's value for money strategy was designed to:

- Demonstrate the corporate commitment to ensure value for money was an integral part of the Council's everyday business
- To ensure integrated service, performance and financial planning through the Annual Delivery Plan and Service Team Plans which was performance monitored
- To ensure the capital strategy directed capital investment decisions and that the property portfolio continued to consistently deliver substantial income
- To ensure effective decision making by requiring significant decisions to be based on a full business case that demonstrate they accord with the tenets of value for money and through the role of the Audit Committee to provide a strategic overview of the performance of the Council's financial systems, performance management,

**Action By**

- risk management and internal audit arrangements
- To provide for the role of scrutiny and review
- To undertake regular surveys of customer satisfaction and to action feedback, to ensure that the Council continued to listen, learn and share

So far as the question of economy/cost was concerned, specific measures had been taken to enhance procurement of goods and services and maximise resources through effective raising and collection of income, fees and charges.

On efficiency, the Strategy involved a review of services and a business process review and transformation, together with monitoring and reviewing performance.

On effectiveness of value for money, the Strategy provided for monitoring user satisfaction and feedback to guide the redesign of functions.

A baseline review had also been undertaken. This took the form of workshops with small groups of managers and explained the concept of value for money, introduced the value for money strategy and the toolkit to be used for annual value for money reviews. Information was captured covering costs and efficiency measures, performance, customer satisfaction and benchmarking results.

The conclusions from the review showed that:

- Services should make better use of financial information to better understand the relationship between costs and performance.
- Some areas had few performance measures and should develop meaningful ways of assessing performance.
- Benchmarking for improvement should become a routine part of service management.

Services to be reviewed were:

- Leisure, Culture and Community
- Street Scene
- Asset Management
- Commercial Property
- ICT
- Development Services and Building Control
- Environmental Planning

The next steps were to carry out:

- A review of services using the value for money toolkit
- A comprehensive review of fees and charges
- To develop a financial reporting system to assist managers
- Development and monitoring of performance measures
- Benchmarking

A member suggested that benchmarking could be made against the Council's audit partners and the Chief Accountant agreed to take this idea up with the Audit Manager and the partner authorities.

Members of the Committee concurred with the view that although the Council achieved good value for money, it had not been good at backing this up through its evidence base.

It was suggested that a service area be selected as a case study to review the reporting mechanisms and how effective they were. The Chief Accountant proposed, in response, that the results of the service area reviews be reported back in due course for that purpose.

**RESOLVED** that the position on the value for money strategy be noted and the results of the service area reviews be reported back in due course.

**15/08 NEXT MEETING**

The arrangements for the next meeting on 11 June 2008 and the training day on 18<sup>th</sup> April were noted.

The following Items were noted for the next meeting:

- Internal Audit Annual Report
- Annual Governance Statement
- Risk Management (Minute 11/08 refers)
- Draft Statement of Accounts

The meeting closed at 4.20 pm

**Action By**

**Mark Finch**

CHAIRMAN