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CABINET

23 April 2008 – 6.30 pm

PRESENT:

Councillor B Coleman (in the Chair); Councillors Peck, Plant, Shrimplin and Stone.

Councillors Castle, Wainwright and Williamson attended by invitation.

An apology for absence was received from Councillor Smith.

Mr R Packham (Managing Director), Mr P Hardy (Executive Director – Economy and Environment), Mr T Howard (Head of Regeneration and Environment), Mr P Vickers (Service Manager – Financial Services) and Mr R Hodds (Member Services Manager and Scrutiny Officer).

Ms S Jewkes (Audit Commission) attended for Item 2.

1. MINUTES

The minutes of 19 March 2008 were confirmed.

2. ANNUAL AUDIT AND INSPECTION LETTER – AUDIT COMMISSION

Members considered a presentation from Ms S Jewkes from the Audit Commission in respect of the Annual Audit Letter 2006/07. Cabinet was advised that the letter provided an overall summary of the Audit Commission's assessment of the Council.

Ms Jewkes reported that the key messages for the Council included in the Commission's report were:-

- Services continue to improve in many areas the Council identified as its priorities. Local people are becoming more satisfied with the services they receive, but a number of these services are not of a consistent high quality and overall performance, as gauged by performance indicators (PIs), remains below average.
- Despite Council efforts, weaknesses remain in key corporate areas such as finance, procurement and managing sickness absence. The Council is aware of what it needs to do to improve and better management of performance is beginning to impact. However, its capacity to improve on all fronts as quickly as it would like remains stretched.

- The Council did not prepare and approve its 2006/07 Statement of Accounts by 30 June 2007 as required by the Accounts and Audit Regulations 2003. Insufficient evidence was provided for a number of the balances in the statements and material amendments were required to the Accounts submitted for audit. A qualified (disclaimer) Audit Opinion was issued on 18 December 2007. The Auditor has notified Members and Chief Officers that he will consider more formal audit reporting if the Council cannot demonstrate that significant improvements are achievable for 2007/08.
- The Commission concluded that the Council had not made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2007. The Commission issued an adverse opinion to reflect the fact that these arrangements are inadequate. This opinion draws on a number of elements from their 'use of resources' assessment.
- The Commission assessed the Council as performing at level 1 in their 'use of resources' judgement which represents an inadequate level of performance. There is significant scope for improvement in financial reporting, financial management, financial standing and internal control.
- The Council's internal control framework needs strengthening and further work is necessary to develop risk management arrangements and improve the process for providing information on the sources of assurance for the Annual Governance Statement.
- Overall data quality arrangements are satisfactory but further work is necessary to fully embed these arrangements across the Council.

Cabinet was advised that the action needed by the Council was as follows:-

- Continue to drive forward the Council's improvement programme to address areas of poorer performance.
- Ensure that it has sufficient capacity to deliver its improvement agenda.
- Ensure that the recommendations made in the Auditor's Annual Governance Report are implemented.
- Take the necessary steps to address the matters set out in the Commission's Use of Resources Report and improve the council's 'use of resources' assessment.
- Monitor the progress on the implementation of agreed recommendations in the Commission's Data Quality Report.

In discussing the Inspection Letter, the Chairman referred to improvements that had already been put in place with regard to issues relating to worklessness and flytipping. The point was also made that the Council had recently appointed a temporary Head of Service to deal with issues relating to Local Government Review and on Equalities and Diversity.

RESOLVED:

That the Audit Commission's Annual Audit Letter 2006/07 be received, and the action points as detailed in the letter be referred to Council for approval.

3. ISSUES ARISING FROM SCRUTINY, ADVISORY GROUPS AND REGULATORY COMMITTEES

(a) Strategy to Help Fight Fraud and Corruption

Cabinet agreed to defer consideration of this matter to its next meeting.

(b) Risk Management Strategy

Cabinet agreed to defer consideration of this matter to its next meeting.

(c) Audit and Risk Committee – Terms of Reference

On reference from the Audit and Risk Committee of 10 March 2008, Cabinet was asked to recommend to Council the endorsement of the revised Terms of Reference for the Audit and Risk Committee.

RESOLVED:

That Council be recommended to agree the revised Terms of Reference for the Audit and Risk Committee.

(d) Local Code of Corporate Governance

On reference from the Audit and Risk Committee of 10 March 2008, Cabinet was asked to recommend to Council the endorsement of the Revised Code of Corporate Governance.

RESOLVED:

That Council be recommended to agree the Revised Code of Corporate Governance.

4. FORWARD PLAN – 1 APRIL – 31 JULY 2008

Cabinet was advised that there were no issues for inclusion in the Forward Plan.

5. COMMITTEE TIMETABLE – 2008/09

Members considered the Member Services Manager and Scrutiny Officer's report in respect of the proposed Committee Timetable for 2008/09.

RESOLVED:

That the proposed Committee Timetable for 2008/09 as amended be agreed, and referred to Council for approval.

6. 2007/08 BUDGET MONITORING

Cabinet considered the Head of Financial Services' report which presented the General Fund Revenue Budget Performance Review as at 29 February for the 11 months from 1 April 2007 to 29 February 2008.

RESOLVED:

That the Head of Financial Services' report be noted.

7. EXCLUSION OF THE PUBLIC

RESOLVED:

That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph of Part I of Schedule 12A of the said Act.

8. ISSUES DETERMINED BY THE CABINET UNDER THE TERMS OF THE CONSTITUTION

- (a) **Former Omni-Pac Premises South Denes Great Yarmouth**

9. CLOSURE OF MEETING

The meeting ended at 7.10 pm.