

# **EAST DEVON DISTRICT COUNCIL**

## **Minutes of a Special Meeting of the Executive Board held at Knowle, Sidmouth on Wednesday, 11 April 2007**

### **Present:**

Councillors:

Miss S M Randall Johnson (Chairman)  
R G Franklin (Vice Chairman)

P A Diviani  
Miss J M Elson  
S Hughes  
A T Moulding  
Mrs P A Stott  
A J Wilkinson

### **Also Present**

Councillors:

Miss V Ash	G K Liverton
Mrs C E Drew	Mrs F I Newth
J E D Falby	Mrs H E Parr
A E Liverton	

Kieron Marston – Audit Manager	(Audit
Kathryn Rees - Performance Specialist	Commission)

### **Apologies**

Councillor J B Nicholson

Peter Lawrence, Audit Commission

The meeting started at 5.00 pm and ended at 5.35 pm.

### **\*201 Annual Audit and Inspection Letter**

The Leader welcomed Kieron Marston and Kathryn Rees of the Audit Commission who had been invited to present the Annual Audit and Inspection Letter.

Kieron and Kathryn highlighted the key messages within the Letter which gave an overall audit summary of the Council for the year. The Letter included details of how well the Council had progressed (Direction of Travel), how the Council had managed its resources (Use of Resources), and the challenges facing the Council. The work carried out by the Council to foster improvement was acknowledged as was the way the Council had addressed key messages from the last Letter. This was a credit to the Council and was reflected in the overall assessment score. The Council had benefited from the processes put in place which had positively improved service delivery. The Council was preparing to undertake a visioning exercise and the Letter would be used as a key element of this process.

The Council's Direction of Travel included good use of resources. This was reflected in improved performance (measured by Performance Indicators). There was much improvement in financial planning and good progress had been made in the delivery of improvement plans to achieve value for money.

**\*201 Annual Audit and Inspection Letter (cont)..**

The Council had work to do in balancing its costs with outcomes and a more formal process of monitoring against efficiency targets should be set up together with robust financial plans for partnership working.

The Council's Use of Resources status had improved and had now achieved 3 (performing well) as a result of improved capacity, good and innovative procurement and effective monitoring. This had helped the Council's decision making process.

The Audit Commission advised that the accounts had been well presented and that the working papers were a credit to the staff involved in the process. Stronger financial planning was now in place. The Executive Board's increased focus on performance and financial decisions was positively acknowledged. The Council was encouraged to keep developing a clear and, possibly, more simplified means of financial reporting to the Board.

It was important for the impact of initiatives and projects on the Capital Programme to be factored in at an early stage of planning. Longer term planning would achieve improved financial arrangements and would help the Council to achieve Gershon efficiencies.

The required Gershon efficiencies would be harder to achieve year on year and it was suggested that monitoring throughout the year would be helpful and would mean that the Council could respond quickly to any deviations in efficiencies. It was acknowledged that efficiencies were not just about saving money but improving service delivery at no additional cost.

Improvements to major income streams were noted - particularly the improvement in Council Tax collection. The Council needed to continue to improve its collection methods for Council Tax and Business Rates.

The Audit Commission had raised concerns in respect of the quality of the Council's data. These concerns had been considered in detail by the Audit and Governance Committee and as a result, the Council was developing new management systems and processes, including recording and reporting, specific to data collection processes, to improve data quality.

Members were advised that the Audit and Governance Committee deserved credit for the work it had undertaken over the last year and the approach adopted. Its role was to enhance public trust and confidence. It was important to maintain the momentum now established by the Committee to achieve continual financial improvement.

The Audit Commission recognised the effort involved in managing the transfer of most of the Council's leisure services to the Leisure Trust. Most of the change-over was now complete but there were still residual matters that the Council needed to address. These included the impact on the Council's support services, the Council's position should the Trust start providing services to another authority and how it would respond to potential cross subsidisation issues. It was suggested that the Council should now work out a strategy for the on-going provision of leisure services which would set out the Council's business relationship with the Trust.

The Letter included a summary of action needed to be taken by the Council and how it could build on the use of resources outcome score.

\*201 **Annual Audit and Inspection Letter (cont)..**

The Council was praised for the work done, for recognising and taking steps to address identified weaknesses, for its focus on service delivery and on balancing its budgets.

The Leader thanked Kieron and Kathryn for their helpful and detailed presentation and for answering questions raised by the Board.

The Board also congratulated and thanked the Chief Executive and his team for their efforts which had achieved very positive results. Special thanks were extended to Councillor Tony Wilkinson for his valued contribution as Portfolio Holder – Resources (2002-2006) and as Chairman of the Audit and Governance Committee.

Chairman ..... Date .....