FULL COUNCIL
Thursday, 2 October 2008

SUPPLEMENTARY PAPERS ENCLOSED

Item 8 (b) Audit and Risk Management Committee - Tuesday, 23 September 2008  (Pages 1 - 4)

Item 8 (e) Environment Scrutiny Panel - Thursday, 18 September 2008  (Pages 5 - 12)

TO:   Councillors Airey, Bloom, A Broadhurst, Mrs Broadhurst, Broughton, Caldwell, Craig, Cross, Davidovitz, Davies-Dear, Day, Mrs Fraser, Goodall, Holden-Brown, Holes, House, Mrs Hughes, M Hughes, Ingram, Irish, Kyrie, Luffman, McNulty, Mignot, Millar, Moore, Norgate, Noyce, Olson, Pretty, Roling, Skinner, G Smith, R Smith, Mrs Sollitt, Sortwell, Spearey, Tennent, Thomas, Thornton, Wall, Mrs Welsh, Winstanley and Wright

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AUDIT AND RISK MANAGEMENT COMMITTEE

Tuesday, 23 September 2008 (5:00 pm – 6:35 pm)

PRESENT:

Councillor Wright (Chair); Councillors Holes, Caldwell and Spearey

Apologies for absence were received from Councillors Tennent and mmr Greg Rubins, Director, PricewaterhouseCoopers.

RESOLVED ITEMS (SUBJECT TO QUESTIONS ONLY)

340. MINUTES

The Committee considered the Minutes of the last meeting. Arising from these, the Chair circulated proposed working terms of reference for the Committee, and suggested that these be finalised at the Committee's next meeting.

The Chair also circulated a glossary of terms to assist the Committee Members in their role. He explained that this should be seen as a living document, and be updated regularly.

RESOLVED -

That the Minutes of the meeting held on 24 June 2008 be confirmed as a correct record.

341. DECLARATIONS OF INTEREST

Members were invited to declare interests in relation to items of business on the agenda. Any interests declared are recorded in the relevant minute below.

342. ISA260: 2007/08 REPORT TO THOSE CHARGED WITH GOVERNANCE

The Chair welcomed Michelle Hillman, Manager of Public Services at PricewaterhouseCoopers (PwC), to the meeting. Michelle introduced the ISA260 report and highlighted key areas of interest and concern for the Committee, as well as setting out those issues which PwC was formally required to report under the Audit Commission’s Code of Audit Practice and International Standard of Auditing.

The report summarised the results of PwC’s audit work from the 2007/08 audit of accounts. PwC considered that the overall quality of the accounts and working papers were of a good standard and so expected to issue an unqualified opinion on the financial statements. A few significant
accounting adjustments and disclosure (wording) discrepancies had been identified and so had been adjusted by the Council’s management, and internal procedures reviewed where necessary. These included the joint purchase of Ashtrim Nurseries land and buildings and the accounting treatment of housing right to buy and land covenant receipts.

Michelle Hillman then confirmed that the Council’s financial monitoring systems had improved, and also that the Council received a creditable achievement in terms of its Use of Resources at the last assessment. Some areas for improvement in financial matters had been identified. In response to questions, Martin Murphy, the Council’s Head of Financial Services, confirmed that he was satisfied that related processes and procedures for financial monitoring were appropriately vigorous and robust, and that the Council had responded well to financial challenges during the financial year 2007/08.

In terms of systems of internal control, and the legal requirement that the Council break even on building control chargeable works over a rolling three-year period, the picture was encouraging and the Council was certainly heading in the right direction. Martin Murphy confirmed the three year trading position was on-course in this respect, and detailed the thorough process of monitoring done in conjunction with Southampton City Council, with whom the service was being operated under a partnership arrangement.

Michelle Hillman drew to the Committee’s attention the need to include details of the Council’s complaints procedure and whistleblowing process in future Annual Governance Statements. In addition, a new code of governance should be produced and approved in 2008/09.

The Committee then worked through the appendices attached to the report, and asked detailed questions of both Michelle Hillman and Martin Murphy. The Committee was assured that the management response to each of the findings would provide the necessary corrective action.

The Chair thanked the officers for all their hard work and efforts in ensuring that such creditable responses had been received, and offered the Committee’s support wherever needed to help make the required improvements. Thanks were also expressed to Michelle Hillman and the PwC team for their thorough report.

RESOLVED -

That the report be accepted, and areas of improvement be monitored through the Internal Audit quarterly monitoring report and/or action list as appropriate.
343. INTERNAL AUDIT MONITORING STATEMENT - 1 APRIL - 30 JUNE 2008

Consideration was given to the report of the Head of Internal Audit which summarised the performance of Internal Audit for the period 1 April to 30 June 2008. This was the first monitoring statement for the period.

The level of internal audit resource in the first quarter of 2008/09 had remained constant with additional resource, at auditor level, being provided by Gosport Borough Council through the current partnership arrangement.

Chris Davis, the Head of Internal Audit, commented that this partnership was working extremely well, and staff had demonstrated real enthusiasm and flexibility on both sides to offer a very effective Internal Audit service at both sites. The Chief Financial Officers from both authorities were monitoring progress, and Chris was now planning the staffing and other resource requirements for next year in the light of the first few months’ experiences of the partnership.

In respect of the preparation of the Annual Governance Statement, Chris thanked Legal and Democratic Services for commencing this work prior to his arrival. The aim now was to put in place review and updating procedures so as to enable the Committee to input into future Statements at an earlier stage.

In response to a question of who would audit building control matters under their new partnership with Southampton City Council, Chris confirmed that the audit review and cycle will be discussed with his peer at Southampton and they will decide a common approach and share the resource of this audit. This shared approach already exists between Gosport and Fareham within an existing partnership.

RESOLVED -

(1) That the contents of the report and Appendix One be noted;

(2) That the progress made in the first quarter against the agreed audit plan be noted; and

(3) That the success of the partnership approach with Gosport Borough Council in the first quarter of 2008/09 also be noted.

344. CORPORATE RISK MANAGEMENT

Consideration was given to the joint report of the Corporate Director (CFO) and the Head of Financial Services which gave an update on risk management progress to date, as well as identifying further action to be taken.
Members noted the forthcoming procedure in respect of Council events management, and the measures introduced in respect of addressing increased vehicle claims.

The Chair asked that the location and current status of the Council’s Risk Management Policy and supporting documentation be ascertained, recirculated for comment, and then posted onto the intranet.

**RESOLVED -**

(1) That progress to date be noted;

(2) That proposed future action be noted; and

(3) That the risks detailed in Appendix A be noted.

### 345. WORK PROGRAMME

The Panel considered its current Work Programme.

It was AGREED -

That the Work Programme be noted.

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**DECLARATIONS OF INTEREST**

Declarations of interest were made as follows:

None

M3894
ENVIRONMENT SCRUTINY PANEL

Thursday, 18 September 2008 (7:00 pm – 9:00 pm)

PRESENT:

Councillor Kyrle (Chairman); Councillors Day (from 7.25 pm), Holden-Brown, Norgate, Noyce, G Smith and Tennent

Apologies for absence were received from Councillors Mignot and Skinner, and from Councillor Airey, Cabinet Member for Transport and StreetScene

RESOLVED ITEMS (SUBJECT TO QUESTIONS ONLY)

346. MINUTES

It was AGREED -

That the Minutes of the meeting of the Panel held on 10 July 2008 be confirmed and signed by the Chairman as a correct record.

347. DECLARATIONS OF INTEREST

Members were invited to declare interests in relation to items of business on the agenda. Any interests declared are recorded in the relevant minute below.

348. CHAIRMAN’S REPORT

The Chairman had no items to report on this occasion.

349. LOCAL DEVELOPMENT FRAMEWORK SUSTAINABILITY APPRAISAL SCOPING REPORT

The Panel considered a report of the Head of Regeneration and Planning Policy which set out the baseline data and the framework for undertaking a Sustainability Appraisal (SA) and Strategic Environmental Assessment of the Development Plan Documents (DPDs) and Supplementary Planning Documents (SPDs) that formed part of the Local Development Framework.

The first SA Scoping Report had been adopted by the Council in April 2007 and this report contained an updated version, including a revised Sustainability Appraisal Framework. The Framework consisted of the sustainability objectives, criteria and indicators. The 13 Objectives had been updated in line with the updated Regional Sustainability Framework 2008 and in line with the principles of the Eastleigh Community Plan. DPDs and SPDs would be appraised using these objectives and criteria.
The updated Scoping Report was to be sent to the statutory consultees, Natural England, the Environment Agency and English Heritage, for comment in October and the feedback from this process would be incorporated into the Scoping Report for future reference.

During discussion of the report, Panel members were particularly concerned that the minimisation of flood risk in the Borough was highlighted sufficiently. The Planning Officer replied that flood risk had been included in the Framework as a stand alone issue and that certain processes, such as a flood risk assessment, had to be carried out in accordance with Planning Policy 25: Development and Flood Risk, which addressed all types of flooding including fluvial, tidal and surface water. The appraisal and assessment process had to be considered from a strategic perspective and, in this context, it would not be possible to strengthen references to flood risk.

It was AGREED -

That it be recommended to Cabinet that the updated Scoping Report and revised Sustainability Framework be approved.

350. REPORT FROM THE DRAINAGE SUB-GROUP

Councillor Norgate, on behalf of the Drainage Sub-Group, reported that the Sub-Group had collected good evidence of problems with flooding in the Borough. The Sub-Group had approached Southern Water with a view to setting up a meeting to discuss these issues, but had so far received no response.

Panel members were disappointed that a meeting could not be arranged, and it was suggested that the Cabinet Member for Transport and Streetscene be approached for help in contacting Southern Water and arranging a meeting with the Drainage Sub-Group.

It was AGREED -

That the Drainage Sub-Group liaise with the Cabinet Member for Transport and Streetscene with regard to arranging a meeting between Southern Water and the Drainage Sub-Group.

351. ENVIRONMENTAL HEALTH ISSUES

(a) Bonfires

The Panel considered a report of the Acting Head of Environmental Health concerning the current situation regarding bonfires.

Domestic bonfires were becoming less socially acceptable, particularly as there were now many other ways to dispose of waste.
The Council did not have any bye laws in place controlling bonfires or smoke and there were no set or agreed times when smoke from a bonfire was not a nuisance. Legislative controls were directed at the effects of smoke on persons in their property, the burning of materials liable to give rise to black smoke by industry and business and the recovery of metal by cable burning.

Complaints regarding domestic bonfires were mainly received in spring and autumn when garden tidying took place. These accounted for a very small percentage of complaints per year; 89 out of a total of 3,000 received by the Environmental Health Unit. A prosecution had been taken in 2005, after which the number of complaints had reduced for a time. However, numbers had now slowly returned to previous levels. The Environmental Health Community Team provided education and advice regarding domestic bonfires, but it would be difficult to reduce the number of complaints further without a high level of investment.

During discussion of the report, the following issues were raised:

- The number of complaints regarding developers burning materials: the Principal Environmental Health Officer reported that these accounted for approximately six out of the 89 complaints received per year

- Liaison with Parish and Town Councils: the Principal Environmental Health Officer confirmed that educational information regarding bonfires would be included in publications provided to Parish and Town Councils.

It was AGREED -

That the report be noted.

(b) Stray Dogs

The Panel considered a report of the Acting Head of Environmental Health concerning the Council's current provision for stray dogs.

Blue Cross Kennels had provided accommodation for stray dogs for the Council for a number of years, but had terminated the contract in March 2006. Simultaneously, the Council had been advised that the police would no longer have any responsibility for stray dogs, including out of hours cover.

The Council had subsequently entered into a Service Level Agreement with Southampton City Council, with provision of stray dog kennels being located at Warren Avenue Kennels, including an out of hours element for the reception and collection of stray dogs. The Agreement had been renewed each subsequent year and
currently cost £22,000 per annum. The out of hours element was the same as that provided to the City Council; 9am – 9pm Monday to Friday and 10am - 4pm on Saturday. The Agreement was based on a maximum of 18 dogs per month or 180 per annum.

The Council made efforts to trace owners of dogs and a fee was paid to the Council when a dog was collected. Unclaimed dogs were re-homed where possible after seven days.

Panel members made reference to the recent Dog Fun Day, organised by Environmental Health, and congratulated staff on an excellent initiative, which had been very well received.

**It was AGREED -**

**That the report be noted.**

(c) **Food Safety**

The Principal Environmental Health Officer (PEHO) provided a presentation on the ‘Safe2eat’ scheme, which had been in place in Eastleigh and in some other Hampshire authorities since June 2007.

The scheme scored food premises on the activities being carried out and how well these were being undertaken, and thence rated them ‘excellent’, ‘satisfactory’ or ‘unsatisfactory’. These ratings were initially solely used for informing the public of the standard of food premises, but were now also being used as a tool for prioritising food premises inspections.

The Environmental Health Unit had concentrated firstly on the ‘unsatisfactory’ band, which in February 1997 comprised 63 premises. A letter was sent advising each proprietor of their rating and informing them that a visit would be undertaken and that their rating would be put on the Council’s website in June. Visits were made, and revisits as necessary, and by June the number had reduced to four.

The same process had then been applied to ‘borderline unsatisfactory’ and ‘borderline excellent’ premises, with similar success. As at September 2008, there were 92 ‘excellent’, 675 ‘satisfactory’, 3 ‘unsatisfactory’ and 67 unlisted premises.

The next step was to look at the unlisted premises and to focus attention on those premises which, with a little more time, could improve even more.

It was also hoped that a national scheme would be in place in the next two years.
During discussion of the presentation the following questions were asked:

- How do the public know that the food from premises is safe? The PEHO replied that the greatest attention was focussed on food handling processes. Food handling at premises was investigated and proprietors questioned about processes. Food safety management documentation was also required. However, there was no absolute guarantee that food was safe.

- Were unsatisfactory premises prosecuted? The PEHO replied that prosecution was not undertaken lightly. Questions had to be asked as to whether public health would be protected as a result, and whether it was of public benefit to spend what could be a substantial length of time on one case. It had been found that the scoring system on the website was an incentive for improvement.

- Were awards given to those premises scoring well? The PEHO confirmed that all ‘excellent’ and ‘satisfactory’ premises received a certificate, which they could display or not as they chose.

It was AGREED -

That the report be noted.

352. DOMESTIC REFUSE SERVICE - POLICY ON CHRISTMAS/NEW YEAR COLLECTIONS CATCH UP

It had been agreed at a previous meeting of the Panel that a programme of review and development policies for Waste and StreetScene services would be undertaken by a sub-group of the Panel.

The Panel had met and produced recommendations for formal policies for the collection of waste and recyclables following the Christmas/New Year period, and the Recycling and Development Manager introduced a report containing this policy for consideration by the Panel.

Options for collections were considered each year, and varied depending on which days Council and Public Holidays fell. Staff and Unions were invited to comment on the options and put forward an alternative. Specific guidelines were required to ensure minimal disruption to residents and to provide a framework for officers when detailing possible options.

The post Christmas holiday season collection of waste and recyclables policy was recommended as follows:

- All households will receive a collection of waste (residual or domestic) equivalent to one per week i.e. (usually) 52 collections per year;
- Collections should be no more than 2 (working) days late;
Ordinarily collections will not be brought forward although from time to time, dependent on which days the public holidays fall, this will be unavoidable.

In order to adopt the policy, the additional day awarded by the Council at Christmas/New Year would, for those staff required to work, have to be credited as Time Off In Lieu and taken at another time. A formal discussion with Trades Unions on this aspect was to take place at the Joint Consultative Committee in October, after which a report would be prepared for Cabinet.

The proposed policy was consistent with those used by most other Waste Collection Authorities in Hampshire and, once agreed, it would be placed on the Council’s website and included in the Direct Services Guide and the Borough News.

It was confirmed that the arrangements already in place for Christmas 2008 were consistent with the proposed policy.

During discussion of the report, it was confirmed that there would be a relaxation of the side waste policy over the Christmas/New Year period. Additional black sacks would be collected from alongside the grey wheeled bin for the two collections following Christmas and New Year.

It was AGREED -

That it be recommended to Cabinet that the policy relating to the post Christmas holiday season collection of waste and recyclables, contained in paragraph 8 of the report, be approved.

353. WASTE MANAGEMENT AND STREETSCENE PERFORMANCE STANDARDS

Consideration was given to a report of the Head of Direct Services which proposed a revised set of local performance indicators for the Waste Management and StreetScene Services.

Appendices 1 and 2 to the report contained the revised local indicators and the targets for completion. It was noted that the target for missed glass was set at 10 days, as there was only spare capacity every second week. However, residents were told in advance which day the collection would be and it was expected that this target would be reduced following a review of collection and disposal arrangements.

It was also noted that the sack delivery target had been changed to 10 days, as it was planned that clear sacks would be delivered by crews undertaking recycling collections.

During discussion of the report, the following points were raised:

- The Council’s glass collections did not separate different coloured glass: the Waste Services Business Manager replied that, although more money was received for separated glass, it was not possible to do this with kerbside collections, the glass from which was used for processes such as road surfacing.
- Monitoring of day to day performance issues: it was reported that the monitoring of individual crews was as yet in the early stages. However, hotspots were being monitored and information analysed from Viewpoint surveys and other sources.

It was AGREED -

That it be recommended to Cabinet that the set of local performance indicators and standards for the Waste Management and StreetScene Services, contained in Appendices 1 and 2 to the report, be approved.

354. LOCAL ENVIRONMENTAL QUALITY SURVEY OF ENGLAND - BRIEFING PAPER

The Recycling and Development Manager introduced a briefing paper and accompanying detailed information concerning the Local Environmental Quality Survey of England, undertaken by ENCAMS. The survey had been commissioned on an annual basis in 2001, but in 2006 had been extended to include an individual report for all local authorities. The first of these, covering the period 2007-2008, had now been published.

The survey provided a detailed picture of how the Council was performing on a range of environmental quality issues, including litter detritus, graffiti and fly-posting, and provided detailed information on the locations of problem areas.

The results of the survey were shown as a gauge chart divided into four quality categories. It was noted that, in most cases, the Borough was performing higher than the national average, although there was scope for improvement. The highest count of ‘poor’ assessments related to Highways Infrastructure, which was the responsibility of Hampshire County Council, being the Highways Authority, and it was suggested that this be reported back to ENCAMS.

The Recycling and Development Manager reported that the full survey was available on disc, should Members wish to look at the information in more detail.

Panel members were particularly concerned at the poor condition of the bus station, which was owned by Solent Blue Line. It was confirmed that the Cabinet Member for Transport and StreetScene was making arrangements for the hosing of this area.

The survey results would allow the Council to make comparisons with national and regional benchmarks and to focus its StreetScene resources on those areas and issues which would lead to an improvement in environmental quality.

It was AGREED -

That the report be noted.
355. **FORWARD PLAN**

The Panel considered the current Forward Plan of Key Decisions.

**It was AGREED -**

That no items from the current Forward Plan be added to the Work Programme.

356. **WORK PROGRAMME**

Members reviewed the Work Programme for the Panel for the period to March 2009.

**It was AGREED -**

That the Work Programme be noted.

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**DECLARATIONS OF INTEREST**

Declarations of interest were made as follows:

None

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