

BUSINESS EFFICIENCY BOARD

At a meeting of the Business Efficiency Board held on Wednesday, 3 June 2009 at the Civic Suite, Town Hall, Runcorn

Present: Councillors Lloyd Jones (Vice-Chair, in the Chair), D. Inch, Jones, A. Lowe, Murray, Norddahl and Philbin

Apologies for Absence: Councillors Leadbetter, Swift and Worrall

Absence declared on Council business: None

Officers present: B. Dodd, I. Leivesley, M. Murphy, M. Simpson M. Thomas and C. Williams.

Also in attendance: None

ITEMS DEALT WITH UNDER DUTIES EXERCISABLE BY THE BOARD

BEB1 MINUTES

The Minutes of the meeting held on 25th February 2009 having been printed and circulated were agreed as a correct record.

BEB2 EXTERNAL AUDIT FEE

The Board considered a report of the Strategic Director, Corporate and Policy which outlined the Business Efficiency Board's External Auditors Audit Fee Letter for the 2009/10 financial year. It was noted that the Board received the letter on behalf of the Council.

It was advised that all local authorities were required to be audited by an Auditor appointed by the Audit Commission under the terms of the Audit Commission Act 1998. The Board was informed that at Halton Borough Council, the audit was undertaken by the Audit Commission's own staff. The Audit Fee Letter for 2009/10 was attached to the report for Members' consideration.

It was further advised that the proposed fee for

Action

2009/10 audit was £239,408 which was 6.8% below the scale fee. It was noted that the Auditor must conduct the audit under the Code of Audit Practice approved by Parliament. The fee was mainly set as a result of the following;

- continued pressure to achieve financial balance,
- changes to SORP and the need to comply with these;
- issues around the categorisation of expenditure between capital and revenue;
- new funding accountability arrangements for the Adults with Learning Disabilities pooled budget; and
- planning for the implementation of IFRS and the potential impact on this capacity within the finance team.

RESOLVED: That the Audit Fee Letter for 2009/10 be received and approved.

BEB3 EFFICIENCY PROGRAMME - UPDATE ON PROGRESS TO DATE AND NEXT STEPS

The Board received a report of the Strategic Director, Corporate and Policy which outlined the progress made to date with the Efficiency Programme and detailed the next steps to be taken. The report outlined the following:

- objectives of the Efficiency Programme;
- scope of the Efficiency Programme;
- management structures workstream;
- non-transactional and transactional support services workstream;
- service delivery options workstream;
- customer relations and ICT improvement workstream;
- property workstream; and
- staffing protocol.

It was advised that the Efficiency Programme looked closely at how the Council undertook its business and how costs could be decreased without reducing the quality of services provided.

Members requested further details on the programme. In response, it was suggested that a seminar be held in order for Members to examine the proposals contained within the programme in more detail.

RESOLVED: That

- (1) the Board notes the contents of the report;
- (2) further update reports be brought to the Board;
and
- (3) a seminar be held in the near future to examine the questions and process of the Efficiency Programme in more detail.

Strategic Director
- Corporate and
Policy

BEB4 OFFICERS DECLARATIONS OF INTEREST

The Board received a report of the Strategic Director, Corporate and Policy which provided information about the declaration of interest arrangements that applied to all Officers in order to maintain the values of good governance and ethical behaviour.

It was advised that the same underlying reasons for the basis for the legal duties on Members also applied to Officers but the rules were different. It was reported that whilst the law made it clear that Members must declare any personal and/or prejudicial interest at meetings, there was no such detailed statutory requirement on Officers or consultants. That said, contractual arrangements with consultants and the duty of Officers under the Local Government Act 1972 provided related but not identical duties.

The Board was advised of a specific duty under Section 117 of the 1972 Act that if it came to the knowledge of an Officer employed by a local authority that a contract in which he had any financial interest whether direct or indirect, had been or was proposed to be, entered into by the Authority he must as soon as was practicable give notice, in writing, to the Authority of the fact. It was also noted that Officers must not under any colour of office or employment accept any fee or reward at all other than proper remuneration.

The Board was also informed of the Officer Registers of Hospitality and Gifts which was held with each of the Council's Strategic Directors. It was noted that the Officers responsible for their maintenance were set out in the table included in the report. It was also noted that they were completed as a duty of the individual Officer and Officers' offers of hospitality were also required to be entered in the

register. Also outlined in the report for Members' consideration were the relevant extracts from the Officer Code of Conduct (part of the Constitution).

RESOLVED: That the report be noted.

BEB5 INTERNAL AUDIT PLAN - QUARTER 4

The Board received a report of the Operational Director – Financial Services which provided a summary of Internal Audit work for the period January to March 2009.

In receiving the report the Members felt that further investigation was required in one of the areas reviewed. It was noted that a follow-up visit was scheduled for October and the report would be brought back to the Board for information.

RESOLVED: That the Internal Audit work completed in the 4th Quarter be received.

BEB6 INTERNAL AUDIT ANNUAL REPORT 2008-2009

The Board considered a report of the Operational Director – Financial Services which provided an opinion of the adequacy and effectiveness of the Council's control environment. It was advised that the CIPFA Code of Practice for internal audit in Local Government required the Head of Internal Audit to provide a written report to the Council's Audit Committee timed to inform the Council's Annual Governance Statement. It was advised that the "control environment" was the collective term used to describe the Council's risk management, control and governance processes.

The report set out the annual opinion on the adequacy and effectiveness of the Council control environment and enabled the Business Efficiency Board to consider the review of the effectiveness of the system of the internal audit.

RESOLVED: That

(1) Members endorse the Head of Internal Audit's opinion on the Council's control environment; and

(2) Members endorse the findings of the review of the

effectiveness of the system of internal audit.

Meeting ended at 8.39 p.m.