



# **Audit and Scrutiny Committee**

## **Agenda**

### **Part One**

Council Chamber - Town Hall

Tuesday, 28 October 2014 at 7.00 pm

#### **Membership (Quorum – 3)**

##### **Councillors**

Cllrs Clark (Chair), Barrett (Vice-Chair), Chilvers, Mrs Hones, Kerslake, Dr Naylor, Sleep and Mrs Squirrell

**Committee Co-ordinator:** Claire Hayden (01277 312741)

#### **Additional Information:**

##### **Substitutes**

The names of substitutes shall be announced at the start of the meeting by the Chair and the substitution shall cease at the end of the meeting.

Substitutes for quasi judicial Committees must be drawn from members who have received training in quasi-judicial decision making. If a casual vacancy occurs on a quasi judicial Committee it will not be filled until the nominated member has been trained.

##### **Rights to attend and speak**

Any Member may attend any body to which these Procedure Rules apply.

A Member who is not a member of the committee may speak at the meeting if they have given prior notification by no later than one working day before the meeting to the Chair and advised them of the substance of their proposed contribution.

The member may speak at the Chair's discretion, it being the expectation that a member will be allowed to speak on a ward matter.

## **Point of Order/Personal explanation/Point of Information**

### **8.3.14 Point of order**

A member may raise a point of order at any time. The Chair will hear them immediately. A point of order may only relate to an alleged breach of these Procedure Rules or the law. The Member must indicate the rule or law and the way in which they consider it has been broken. The ruling of the Chair on the point of order will be final.

### **8.3.15 Personal explanation**

A member may make a personal explanation at any time. A personal explanation must relate to some material part of an earlier speech by the member which may appear to have been misunderstood in the present debate, or outside of the meeting. The ruling of the Chair on the admissibility of a personal explanation will be final.

### **8.3.16 Point of Information or clarification**

A point of information or clarification must relate to the matter being debated. If a Member wishes to raise a point of information, he/she must first seek the permission of the Chair. The Member must specify the nature of the information he/she wishes to provide and its importance to the current debate. If the Chair gives his/her permission, the Member will give the additional information succinctly. Points of Information or clarification should be used in exceptional circumstances and should not be used to interrupt other speakers or to make a further speech when he/she has already spoken during the debate. The ruling of the Chair on the admissibility of a point of information or clarification will be final.

## **Information for Members of the Public**

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Where members of the public use a laptop, tablet device, smart phone or similar devices to make recordings these devices must be set to 'silent' mode to avoid interrupting proceedings of the council or committee.

If you wish to record the proceedings of a meeting and have any special requirements or are intending to bring in large equipment then please contact the Communications Team before the meeting.

The use of flash photography or additional lighting may be allowed provided it has been discussed prior to the meeting and agreement reached to ensure that it will not disrupt proceedings.

The Chair of the meeting may terminate or suspend filming, photography, recording and use of social media if any of these activities, in their opinion, are disrupting proceedings at the meeting.

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## Part I

(During consideration of these items the meeting is likely to be open to the press and public)

### Contents

Agenda Item No.	Item	Wards(s) Affected	Page No.
1	<b>Apologies for Absence</b>		
2	<b>Minutes of the previous meeting</b>		<b>7 - 14</b>
3	<b>Risk Management Training and Awareness</b> Sue Fretwell, Strategic Risk Consultant, Zurich Risk Engineering UK, will attend the Committee. <i>This replaces the provisionally scheduled session from 30 October 2014.</i>	All Wards	
4	<b>Report of the William Hunter Way Lessons Learned Task and Finish Group</b> Councillors Clark, Kerslake and Mynott.	Brentwood North	<b>15 - 22</b>
5	<b>Report of the Hutton Community Centre Task and Finish Group</b> Councillors Barrett, Faragher, Hubbard and Sanders.	Hutton North	<b>23 - 30</b>
6	<b>Scrutiny Work Programme</b> The Chair will invite feedback from task and finish group Members.	All Wards	<b>31 - 38</b>
7	<b>Urgent Business</b>		<b>39 - 42</b>
8	<b>Local Government Act 1972 - Exclusion of Press</b>		

and Public

A handwritten signature in black ink, appearing to read 'S. H. Hardy', is centered on the page. The signature is written in a cursive style with a large initial 'S'.

Acting Chief Executive

Town Hall  
Brentwood, Essex  
20.10.2014

## Minutes

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### **Audit and Scrutiny Committee** **Tuesday, 30th September, 2014**

#### **Attendance**

Cllr Clark (Chair)	Cllr Sleep
Cllr Barrett (Vice-Chair)	Cllr Mrs Squirrell
Cllr Dr Naylor	

#### **Apologies**

Cllr Kerlake  
Cllr Mrs Hones  
Cllr Chilvers

#### **Substitute Present**

Cllr Hossack  
Cllr Quirk  
Cllr Reed

#### **Also Present**

Cllr Baker  
Cllr Mynott

#### **Officers Present**

Ben Bix	Corporate and Democratic Services Manager
Christine Connolly	Ernst & Young, External Audit
Claire Hayden	Governance and Member Support Officer
Jo-Anne Ireland	Acting Chief Executive
Gary Moss	Interim Chief Accountant
Rick Steels	Revenues and Benefits Manager
Steve Summers	Head of Customer Services
Sue White	Risk and Insurance Manager
Debbie Hanson	Ernst & Young, External Audit
Liana Nicholson	BDO, Internal Audit
Greg Rubins	BDO, Internal Audit
Christopher Potter	Monitoring Officer and Head of Support Services

## 150. Apologies for Absence

Apologies were received by Cllr Kerslake, Cllr Hones and Cllr Chilvers.

## 151. Minutes of the previous meeting

The minutes of the Audit and Scrutiny Committee meeting held on 1.7.2014 were approved and were signed by the Chair as a correct record.

Cllr Mynott asked for the following amendments to Min. 32 are made to the Overview and Scrutiny Minutes of 25.2.2014 as the sentences were incomplete.

358. William Hunter Way

~~Following a full discussion,~~ Cllr Mrs Hones MOVED and Cllr Tee SECONDED the recommendation in the report and it was **RESOLVED**.

359. Update on Crossrail Project

~~Following a full discussion,~~ Cllr Mrs Hones MOVED and Cllr Dr Naylor SECONDED the recommendation in the report and it was **RESOLVED**.

362. Draft Overview and Scrutiny Annual Report

~~Following a full discussion,~~ Cllr Braid MOVED and Cllr Mrs Coe SECONDED the recommendation in the report and it was **RESOLVED**.

## 152. Statement of Accounts

The Chair informed the Committee that Item 3 and 4 for the agenda will be discussed concurrently and then voting on the items will be taken separately.

The report presents the Council's 2013/14 Statement of Accounts for approval. There are a number of changes to the draft Statement presented to the Committee in July. The external audit results report is elsewhere on the agenda.

A supplementary report (3a) to the Statement of Accounts was presented to members, outlined the following amendments.

Page 13      Penultimate paragraph – replace “19<sup>th</sup> September” with “26<sup>th</sup> September”.

Page 34      Note 3, final bullet point – delete “and there is a contingent liability for future years”.

Page 34      Note 4, Property, Plant and Equipment, final paragraph - delete “decrease”.

Page 35      Note 4, Business Rates (NNDR) appeals – delete “There is also a contingent liability for successful appeals in future years.”



- Page 35 Note 6 – replace “19<sup>th</sup> September” with “26<sup>th</sup> September”.
- Page 60 Note 22.1, 2013/2014. Increase/(decrease) in creditors.. – replace “(587)2 with “(562)”. Other non-cash movement – replace “682” with “657”.
- Page 83 Note 36 – replace existing note with “The Council had no contingent liabilities at 31 March 2014.”
- Page 86 Note 37, penultimate paragraph – replace “However, there would have been a significant increase or reduction (£8 million or £9.8 million) in the fair value of the borrowing. “ with “However, a 1% change in the fair value of the borrowing would result in movement of £709,000.”

A motion was MOVED by Cllr Clark and SECONDED by Cllr Hossack to receive the recommendation set out in the report, subject to an alteration by the mover.

- 2.1 That Members approve the Statement of Accounts for 2013/14 as amended by *Supplementary Agenda Item 3a*.

**RESOLVED UNANIMOUSLY** to:

**That Members approve the Statement of Accounts for 2013/14 as amended by Supplementary Agenda Item 3a.**

### **153. External Audit Results Report 2013/14**

The report updates the Committee on the work undertaken by the External Auditors in respect of the audit of the Council’s Statement of Accounts for 2013/14; and proposes the Council’s responses to some reported adjustments to the accounts.

A motion was MOVED by Cllr Clark and SECONDED by Cllr Quirk to receive the recommendations set out in the report, subject to an additional recommendation by the mover.

- 2.1 To receive and note the contents of the Audit Results Report 2013/14.
- 2.2 To endorse the decision not to adjust the accounts for the uncorrected audit misstatements report as Appendix A to the Audit Results Report, for the reasons set out in this report.
- 2.3 *To agree the Letter of Representation attached as Appendix B to the report.*

**RESOLVED UNANIMOUSLY:**

**To receive and note the contents of the Audit Results Report 2013/14.**

**To endorse the decision not to adjust the accounts for the uncorrected audit misstatements report as Appendix A to the Audit Results Report, for the reasons set out in this report.**

**To agree the Letter of Representation attached as Appendix B to the report.**

*The meeting was adjourned for 5 mins for the Letter of Representation and Statement of Accounts to be signed*

**154. Internal Audit Progress Report**

The report details the progress to date against the internal audit plan that was agreed with in the Audit Committee on March 2014.

The report also includes an update on the progress of the implementation of the recommendations raised by the previous internal auditors.

During the debate, Members asked that the Business Case for the Customer Contact Centre be circulated to the Committee Members and that a report is presented to the Audit and Scrutiny Committee on 26<sup>th</sup> November 2014.

A motion was MOVED by Cllr Clark and SECONDED by Cllr Barrett to receive the recommendation set out in the report.

**RESOLVED UNANIMOUSLY:**

**To receive and note the contents of the report.**

**155. Full Risk Review**

The Strategic Risk Register has been reviewed and is submitted to the Committee for approval.

The report updates members of the Audit and Scrutiny Committee on new, closed or changes to the strategic and operational risks in accordance with the agreed strategy.

The report updates the Committee on recent risk management activity undertaken by the Council.

After a full discussion an additional recommendation was suggested by Cllr Sleep, the Chair accepted the amendment.

A motion was MOVED by Cllr Clark and SECONDED by Cllr Sleep to receive the recommendations set out in the report.

- 2.1 To agree the revised Strategic Risk Register and that the risk scores recorded for each risk accurately represents the current status of each risk.
- 2.2 To agree the amendments to the Council's Operational Risk Register and that the risk scores recorded for each risk accurately represents the current status of each risk.
- 2.3 *To continually monitor the process and examine and prioritize the risks indentified.*

**RESOLVED UNANIMOUSLY:**

**To agree the revised Strategic Risk Register and that the risk scores recorded for each risk accurately represents the current status of each risk.**

**To agree the amendments to the Council's Operational Risk Register and that the risk scores recorded for each risk accurately represents the current status of each risk.**

**To continually monitor the process and examine and prioritize the risks indentified.**

**Termination of Meeting**

During the preceding item, in accordance with Rule 28 of Part 4.1 – Council Procedure Rules, the business of the meeting not having concluded by two hours after its start, Members voted to agree to continue with the meeting for a further 30 minutes.

**156. Corporate Complaints Monitoring**

The report is before Members to monitor and review the complaints received through the Council's formal complaints process and provide information on the number of Freedom of Information requests received to date. It is intended through the introduction of a Customer Relationship Management (CRM) system the council will be able to understand, monitor and manage better customer's complaints and requests.

A motion was MOVED by Cllr Clark and SECONDED by Cllr Sleep to receive the recommendation set out in the report.

**RESOLVED UNANIMOUSLY:**

**That the Committee noted the complaints received through the Council's formal complaints process and the number of Freedom of Information Requests received.**

**157. Fraud Statistics**

The report provides Members with details of the work of the Fraud Investigation team for the period June 2014 through to August 2014. The number of completed investigations and the subsequent sanctions applied to offenders bears no relation to the number of investigations opened during the same period.

215 referrals of potential fraud were reported between June 2014 and August 2014. With the exception of 1 potential housing tenancy fraud, 214 of the referrals were for suspected Housing Benefit (HB) and/or Local Council Tax Support (LCTS) fraud.

7 cases were successfully investigated during this period, all for benefit fraud. The Fraud Investigation team applied sanctions to all 7 cases, 2 of which were successful prosecutions.

Cllr Quirk requested that Appendix A is updated to show the totals for each column and is circulated to the Committee and remains part of future Fraud Statistic Report presented to this Committee.

A motion was MOVED by Cllr Clark and SECONDED by Cllr Mrs Squirrell to receive the recommendation set out in the report.

**RESOLVED UNANIMOUSLY:**

**That Members note the contents of this report.**

**158. RIPA Update**

The Office of Surveillance Commission conducts periodic inspections of local authorities' use of their powers under the Regulation of Investigatory Powers Act 2000 (**RIPA**). The purpose of these inspections – usually conducted by a High Court judge – is to examine the Council's policies, procedures, operations and administration in relation to directed surveillance and covert human intelligence sources (**CHIS**) under RIPA.

Prior to the current OSC inspection, which took place on 21 July 2014, the previous inspection was in 2010. This report provides an update as to: the positive outcome of the current OSC inspection; a revised RIPA policy for the Committee's consideration (which addresses the 2010 recommendations as well as the intervening changes in the law); and finally an annual report of the Council's use of RIPA over the previous 4 years.

A motion was **MOVED** by Cllr Clark and **SECONDED** by Cllr Sleep to receive the recommendation set out in the report.

**RESOLVED UNANIMOUSLY:**

**That the Committee note the outcome of the 2014 OSC Inspection report.**

**That the Committee approves the amendments to the Corporate RIPA policy in order to address the 2010 Inspection recommendations and intervening changes in the law.**

**That the Committee note the statistical information relating to the use of RIPA over the preceding 4 years.**

**159. Scrutiny Work Programme**

The work of the Audit and Scrutiny Committee will be delivered both by Members working in groups and through formal Committee reports. The Audit and Scrutiny Committee will make recommendations to decision making committees and Council as necessary. The Audit and Scrutiny Committee is invited to consider its 2014/15 scrutiny work programme.

After a full discussion, a motion was **MOVED** by Cllr Clark and **SECONDED** by Cllr Barrett to receive the recommendations set out in the report.

A vote was taken by a show of hands and was **RESOLVED** to:

**The Audit and Scrutiny Committee agree its scrutiny work programme 2014/15;**

**An additional meeting of the Audit and Scrutiny Committee be scheduled for 28 October 2014.**

**Termination of Meeting**

During the preceding item, in accordance with Rule 28 of Part 4.1 – Council Procedure Rules, the business of the meeting not having concluded by two hours after its start, Members voted to agree to continue with the meeting for a further 30 minutes.

**160. Local Council Tax Support - Report of the Task and Finish Group**

At the previous meeting of this Committee on 1<sup>st</sup> July 2014, it was agreed to form a Member's Task & Finish Group to consider changes to the current Local Council Tax Support (LCTS) scheme for 2015/16 and also to consider changes to the current policy regarding awards of Council Tax discounts and exemptions.

The Task & Finish Group met on 28<sup>th</sup> August 2014 and agreed to propose a number of technical changes to the current LCTS scheme and to propose the introduction of a 50% empty homes premium to properties that have been empty for more than two years increasing the average Council Tax on these properties from £1,465 per annum to £2,197.50.

These proposals are currently subject to public consultation and on completion of the consultation period; officers will submit a report to Council recommending the adoption of the agreed amendments.

A motion was MOVED by Cllr Clark and SECONDED by Cllr Quirk to receive the recommendation set out in the report.

**RESOLVED UNANIMOUSLY:**

**To agree that the contents of this report are presented to Ordinary Council, 10 December 2014.**

**161. Urgent Business**

There are no items of urgent business.

**162. Local Government Act 1972 - Exclusion of Press and Public**

Not applicable.

**28 October 2014**

## **Audit and Scrutiny Committee**

### **William Hunter Way - Lessons Learned Report**

**Report of:** *The William Hunter Way Lessons Learned Task and Finish Group*

**Wards Affected:** *Brentwood North*

**This report is:** *Public*

#### **1. Executive Summary**

1.1 This Lessons Learned Report was created by the William Hunter Way Lessons Learned Task and Finish Group of Councillors Clark, Kerlake and Mynott. This report records and shares lessons learned from the William Hunter Way project 2005-2014. The purpose of this report is to:

- Describe the areas where issues arose;
- Propose mitigation against those issues arising again;
- Improve on project delivery standards by adopting proven good practice; and
- Contribute to organisational growth and maturity by effecting long-term improvements in the way the organisation embeds and shares project management best practice

1.2 The themes considered by the group included:

- Project management processes;
- Risk management;
- Resource issues;
- Strategic issues that could be of use to the next William Hunter Way project

#### **2. Recommendation(s) That:**

**2.1 The report be received by the Audit and Scrutiny Committee;**

**2.2 The report be presented by the Acting Chief Executive to the William Hunter Way Delivery Group; and**

**2.3 A report detailing the implementation of the future actions identified be added to the work programme of the Audit and Scrutiny Committee in October 2015 or at the next meeting thereafter.**

### 3. Introduction and Background

- 3.1 In order to strengthen Brentwood’s town centre retail and visitor offer, the Council historically held an aspiration to achieve the redevelopment of the surface car park at William Hunter Way for a high quality, mixed use scheme. The intention was to provide a cinema, large retail units, a food store, housing, and a new multi storey car park, supported by a strong pedestrian link between the new development and the High Street.
- 3.2 The Council entered a Development Agreement with Stockland Halladale UK Ltd in 2007 to develop the site. The Development Agreement contained nine conditions precedent which were originally to be satisfied by the longstop date of 7 December 2013. The responsibility for achieving the conditions precedent laid between the Council and Stockland.
- 3.3 Due to a variety of reasons, centred on the financial return to the Council, the Development Agreement with Stockland was terminated in February 2014. An options analysis was presented to Council on 7 April 2014 where it was resolved that Council would re-market the site for development using a new refreshed development brief.
- 3.4 The Council is currently undertaking a public consultation on the future of the site.

### 4. Issue, Options and Analysis of Options

- 4.1 The group undertook its review in accordance with guidance from the Centre for Public Scrutiny as summarised below.

<p style="text-align: center;"><b>Scope</b></p> <ul style="list-style-type: none"> <li>• To examine the William Hunter Way development project up to 7 April 2014</li> <li>• To prepare a report detailing any lessons learned using the Prince 2 methodology</li> <li>• Presentation of this report to the Audit and Scrutiny Committee</li> </ul>	<p style="text-align: center;"><b>Indicators of Success</b></p> <ul style="list-style-type: none"> <li>• That the review group come to a cross party consensus on its conclusions</li> <li>• That this review report has been made public and debated in an open and transparent way at an Audit and Scrutiny Committee</li> <li>• That future matters relating to the William Hunter Way project can be informed by the publication of this independent review</li> <li>• That the review group are satisfied that they have completed their scope within a reasonable time and used the governance structure at the council appropriately</li> </ul>
<p style="text-align: center;"><b>Methodology</b></p> <ul style="list-style-type: none"> <li>• The group met 7 times</li> <li>• The group prepared a timeline and reviewed documentation</li> <li>• The group conducted discussions</li> <li>• The group proceeded with regard to coming to a consensus</li> </ul>	<p style="text-align: center;"><b>Principles of Effective Public Scrutiny</b></p> <p>This review demonstrated the discharge of the Overview and Scrutiny function at Brentwood Borough Council by:</p> <ul style="list-style-type: none"> <li>• Being led by independent people who take responsibility for their role; and</li> <li>• Providing constructive ‘critical friend’ challenge</li> </ul>



- 4.2 The findings of the group are presented as Appendix A of this report. During the course of its work, the group found a number of apparent contradictions in the documents made available to it. Due to constraints on time and the scope of the task, it was decided not to investigate those.

## **5. Reasons for Recommendation**

- 5.1 To demonstrate the effective discharge of the Overview and Scrutiny function at Brentwood Borough Council.

## **6. Consultation**

- 6.1 The group met 7 times in preparation of this report. The Audit and Scrutiny Committee will receive this report on 28 October 2014.

## **7. References to Corporate Plan**

- 7.1 The priority area *A Prosperous Borough* provides the 2013-14 action to: '*Deliver the William Hunter Way development scheme*'.

## **8. Implications**

### **Financial Implications**

**Name & Title: Jo-Anne Ireland, Acting Chief Executive and S151 Officer**

**Tel & Email** 01277 312712 / [jo-anne.ireland@brentwood.gov.uk](mailto:jo-anne.ireland@brentwood.gov.uk)

- 8.1 The financial implications of '*Overview and Scrutiny*'<sup>1</sup> recommendations would only be assessed if those recommendations were to be accepted by the decision maker (Council, Committee, Sub Committee or an Officer). Should recommendations be accepted by a decision making body, a separate report may be produced by that body to enact those recommendations.

### **Legal Implications**

**Name & Title: Chris Potter, Monitoring Officer and Head of Support Services**

**Tel & Email** 01277 312860 / [christopher.potter@brentwood.gov.uk](mailto:christopher.potter@brentwood.gov.uk)

- 8.2 A successful overview and scrutiny function makes recommendations to the Council's decision making bodies.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

- 8.3 None.

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<sup>1</sup> As per the Local Government Act 2000

**9. Background Papers** (include their location and identify whether any are exempt or protected by copyright)

9.1 Publicly available reports on William Hunter Way are available on the Council's website.

**10. Appendices to this report**

- Appendix A – Lessons Learned

**Report Author Contact Details:**

**Name:** Ben Bix, Corporate and Democratic Services Manager

**Telephone:** 01277 312550

**E-mail:** [ben.bix@brentwood.gov.uk](mailto:ben.bix@brentwood.gov.uk)

Description and Issue	Commentary	Future Action
<p><b>Business Case</b>  <i>Was a Business Case formulated at the start of the project?</i></p>	<p>The group were unable to find a Business Case (by the current definition) prepared at the start of the project, however financial information is referred to in the documents the group reviewed.</p>	<ul style="list-style-type: none"> <li>• Formulate a Business Case at the start of the project, informed by public consultation</li> <li>• Identify stakeholders</li> <li>• Set outcomes clearly</li> <li>• Change control application should be rigorously applied</li> <li>• Regular detailed review by appropriate body within the project governance structure</li> </ul>
<p><b>Consultation</b>  <i>Was a full consultation undertaken at the start of the project?</i></p>	<p>Stockland undertook various consultations in 2006/7 with Brentwood Borough Council input. It is not clear what the role of the council was in those consultations. There was no independent Brentwood Borough Council public consultation.</p>	<ul style="list-style-type: none"> <li>• Brentwood Borough Council should consult the public at the start of the project</li> <li>• Inform the Business Case with the outcome of the public consultation</li> <li>• Include a consultation and communication plan within the Business Case</li> </ul>
<p><b>Communication and Engagement</b>  <i>Were regular updates given to stakeholders?</i></p>	<p>The timeline showed substantial gaps between decision points and it was not clear which of those were planned and which unforeseen. The economic downturn contributed to gaps in the timeline by bringing development to a halt as with many other development projects across the UK.</p>	<ul style="list-style-type: none"> <li>• Provide regular updates to all stakeholders</li> <li>• Application of consistent messages</li> <li>• Regular engagement with all sectors of the community</li> <li>• Update key stakeholders of approaches made that have the potential to change the business case (subject to confidentiality)</li> </ul>
<p><b>Financial Modelling</b>  <i>Was a single consistent financial model prepared at the start of the project?</i></p>	<p>RPI emerged as a decisive factor leading to the close of the project.</p>	<ul style="list-style-type: none"> <li>• Single consistent model to be applied for the lifespan of the project</li> <li>• Adaptability and change mechanism should be clear</li> <li>• All changes should be documented</li> </ul>
<p><b>Procurement Process</b>  <i>Was the procurement process clearly identified at the start of the project?</i></p>	<p>The initial procurement process was compliant with standing orders. Local authority procurement processes have changed over time.</p>	<ul style="list-style-type: none"> <li>• The procurement process should be agreed at the very start of the project</li> <li>• Raise awareness of procurement process</li> <li>• Deploy appropriate skill sets</li> </ul>
<p><b>Project Governance</b>  <i>Was project governance adequate?</i></p>	<p>Initial project governance was not described. The working group benefitted from cross party membership. Future project governance was described by report to Council in April 2014.</p>	<ul style="list-style-type: none"> <li>• Establish rules that the project should follow and apply consistently</li> <li>• The Delivery Group should be cross party and ward members should have the opportunity to be involved</li> <li>• Manage the expectations of Councillors through the governance structure</li> </ul>
<p><b>Risk Management</b>  <i>Was the project included on the strategic risk register?</i></p>	<p>The project was included on the strategic risk register (RSK/2). Three risks were identified.</p>	<ul style="list-style-type: none"> <li>• The strategic risk register should include the risk of the failure of the William Hunter Way project</li> </ul>

<b>Description and Issue</b>	<b>Commentary</b>	<b>Future Action</b>
<p><b>Consistency</b> <i>Were there identified lead officers and members throughout the project?</i></p>	<p>Senior staff had moved on from Brentwood during the lifespan of the project. The current project manager (from 2013) would have benefitted from complete documentation and an appropriate handover.</p>	<ul style="list-style-type: none"> <li>• There should be a lead officer and a lead member</li> <li>• There should be a formal documented handover when either the lead officer or lead member changes</li> </ul>
<p><b>Design</b> <i>Were alternative designs considered at an early stage in the process and was there potential for the design to become outdated?</i></p>	<p>The group did not find evidence of alternative design proposals being considered simultaneously. The elongated timescale raised the potential for the design to become outdated.</p>	<ul style="list-style-type: none"> <li>• Consultation on a range of designs should be considered</li> <li>• Develop awareness of timescales</li> <li>• Manage expectations with regard to the timescale</li> </ul>
<p><b>Negotiation and transparency</b> <i>Were sensitive negotiations conducted in private?</i></p>	<p>Sensitive negotiations must be undertaken in private to protect the negotiating position of the Council</p>	<ul style="list-style-type: none"> <li>• Consider carefully whether the meetings of the Delivery Group should be webcast on a case by case basis</li> <li>• Public meetings should be welcomed, but it is the responsibility of Councillors to work constructively in public meetings and protect the reputation of the Council</li> </ul>
<p><b>Timescale</b> <i>Was the timescale realistic?</i></p>	<p>Expectations of the timescale may not have been realistic. Gaps in the timeline may not have been understood. The next steps in the project were not clearly identified so it was unclear whether a gap in the timeline was planned or was delayed for reasons outside the Council's control.</p>	<ul style="list-style-type: none"> <li>• Set a realistic timeline in the Business Case, taking account of the need for governance and planning decisions and contingency for unforeseen circumstances, such as the economy, impacting upon the timeline.</li> <li>• A major planning application would be likely to exceed 13 weeks to approval</li> <li>• Add the project to the corporate programme monitoring report so that expectations can be managed</li> <li>• Ensure decisions are informed by adequate information</li> <li>• Members should be aware that statements about the future remain inherently unreliable however apparently expert their source</li> </ul>
<p><b>Legal Advice</b> <i>Was adequate legal advice taken?</i></p>	<p>The Council benefitted latterly from focused, consistent, specialized, external legal advice as part of the project team.</p>	<ul style="list-style-type: none"> <li>• The project team should make provision for specialized legal advice as required</li> </ul>
<p><b>Programme Management</b> <i>Was the project part of an integrated programme of projects?</i></p>	<p>The project was not seen as part of a wider programme of projects.</p>	<ul style="list-style-type: none"> <li>• A programme management approach would permit the shifting of resources to priority areas within the programme</li> <li>• Resources should be prioritized to the delivery of the project</li> </ul>
<p><b>Synchronization with the Local Development Plan</b> <i>Did the project accord with the Local Development Plan?</i></p>	<p>The group noted a planning document which stated that the planning brief accorded with the Replacement Local Plan (Ref 12.32 and TC10 of the Replacement Local Plan, (August 2005). However, the</p>	<ul style="list-style-type: none"> <li>• The development of the William Hunter Way project should inform the preparation of the Local Development Plan</li> <li>• The preparation of the Local Development Plan should inform the William Hunter Way project</li> </ul>

Description and Issue	Commentary	Future Action
	group did not come to an agreement that this was necessarily an accurate statement.	
<b>Planning</b> <i>Was the Planning department engaged as the relevant junctures of the project?</i>	The progress of the project was dependent on planning considerations. A 2007 planning application was withdrawn. A second planning application was made and approved, two years later in 2009.	<ul style="list-style-type: none"> <li>• Acknowledge the importance of planning considerations within the Business Case</li> <li>• Ensure the timeline for the project allows sufficient time for planning considerations</li> </ul>

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**28 October 2014**

## **Audit and Scrutiny Committee**

### **Report of the Hutton Community Centre Task and Finish Group**

**Report of:** *The Hutton Community Centre Task and Finish Group*

**Wards Affected:** *Hutton North*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.1 The Hutton Community Centre now exists as a community asset that is welcomed and appreciated by local residents. Its use is steadily increasing and the commitment of both Council staff and volunteers is clear. It is hoped and expected that the centre will go on to be an unqualified success. The project was delivered in a reasonable timeframe and within allocated budget. The Hutton Community Centre Working Group functioned well with significant contributions from the local community.
- 1.2 The Hutton Community Centre Task and Finish Group found some significant challenges in understanding the entire process due to the lack of availability of webcasts and the timeframe between the start of the project and the review. However, officers and those involved should be commended for making available all the information that they had.
- 1.3 Despite the overall positive outcome of the project, the roof at the Centre has areas that are in need of urgent replacement (though the majority is secure for five years or more). The Council also currently has a financial liability for staffing and business rates at the time of this report, though this could be overcome by granting of a lease to a community group.

#### **2. Recommendation(s) That:**

- 2.1 **The Audit & Scrutiny Committee note the content of this report and the conclusions made;**
- 2.2 **The Finance and Resources Committee consider the financial implications of the elements of roof replacement indicated in the independent report of August 2014;**
- 2.3 **The budgetary implications of the Council's liability for Business Rates whilst operations still lie within the Council's remit, be considered by the Finance and Resources Committee;**
- 2.4 **The Finance & Resources Committee should further consider the staff costs currently being supported by Brentwood Borough Council for the Centre; Manager and Assistant when ownership is transferred to a community group.**
- 2.5 **The Housing Committee consider the costs of developing the former cellar into a resource for tenants and the community regarding council services; and**
- 2.6 **The Asset & Enterprise Committee should offer assurance on the future management and operation of the centre at the earliest opportunity to offer stability and confirm the long term future of the Centre.**

### **3. Introduction and Background**

- 3.1 Hutton Community Centre is a building in Harrison Close, Hutton. A history of neglect saw the centre close in 2012 and the building became unoccupied. In turn this led to vandalism and the property had attracted undesirable attention from vandals, drug users and binge drinkers.
- 3.2 The Asset, Infrastructure and Localism Panel of 21 November 2012 agreed to the surrender of the lease with Hutton Community Association. A surrender deed and the keys to the Centre were given to the Council on 17 January 2013.
- 3.3 A Hutton Community Centre working group was established which comprised members of Hutton Community Partnership, Hutton Residents Associations, All Saints Primary School, Hutton Football Club, local residents and representatives from Brentwood Borough Council.
- 3.4 At the Community Services Committee on 5 June 2013 it was agreed that a phased approach to the re-opening of Hutton Community Centre was to be undertaken. Phase 1 was to ensure the building was repaired/rebuilt opened and managed by the Council. Phase 2 was the development of a community based organisation to support the Centre. Phase 3 was to lease the Centre to an independent organisation for future management.
- 3.5 The Performances and Resources Committee on 6 November 2013 agreed to accept the tender for the renovation works to the Centre. The Committee also noted the Hutton Community Centre forecast and requested that the Community Group submit a detailed budget (to include a summary narrative) for approval by the Community Services Committee.
- 3.6 The decision of the Performance and Resources Committee of 6 November 2013 was subject to 'call-in' to the Overview and Scrutiny Committee 15 December 2013.
- 3.7 The Community Services Committee of 26 February 2014 agreed the Community Group's business plan and budget forecast.
- 3.8 Works began at the site in February 2014 and the Community Centre re-opened in May 2014.
- 3.9 The Audit and Scrutiny Committee set its work programme for 2014/15 at its meeting of 30 June 2014.
- 3.10 The Asset and Enterprise Committee of 15 July 2014 resolved that:
  1. An investigation to be taken by the Audit and Scrutiny Committee on how, why and whether the funds were allocated in the correct fashion for the refurbishment of the building
  2. Report to a future Finance and Resources Committee with regard to the funding of any necessary further repairs
  3. To undertake a Health and Safety inspection on Hutton Community Centre immediately and report back to either the Audit and Scrutiny or Asset and Enterprise Committee.
- 3.11 Following the resolution of the Asset and Enterprise Committee, the Scrutiny work programme was amended under Overview and Scrutiny procedure rule 5.4 and a task and finish group was formed. As emphasized by the Centre for Public Scrutiny, a review should be *led by independent people who take responsibility*



*for their role.* The Chair and the Shadow Chair of the Audit and Scrutiny Committee nominated Councillors Barrett (Chair), Faragher, Hubbard and Sanders to form, with their agreement, the task and finish group.

- 3.12 Item 3 of the resolution of the Asset and Enterprise Committee of 15 July 2014 was received by the Asset and Enterprise Committee of 17 September 2014.
- 3.13 The task and finish group undertook its review using publicly available guidance from the Centre for Public Scrutiny. The group proceeded to set its scope independently with a view to coming to a consensus as tabulated below.

<p style="text-align: center;"><b>Scope</b></p> <ul style="list-style-type: none"> <li>• To enact the resolutions of the Asset and Enterprise Committee 15 July 2014 (minute 80)</li> <li>• To prepare a report to the Audit and Scrutiny Committee 28 October 2014</li> <li>• To offer independent assurance on the Hutton Community Centre project</li> </ul>	<p style="text-align: center;"><b>Indicators of Success</b></p> <ul style="list-style-type: none"> <li>• That the review group come to a cross party consensus on its conclusions</li> <li>• That the review report has been made public and debated in an open and transparent way</li> <li>• That future matters relating to Hutton Community Centre can be informed by the publication of this independent review</li> <li>• That the review group are satisfied that they have completed their scope within a reasonable time and used the governance structure at the council appropriately</li> </ul>
<p style="text-align: center;"><b>Methodology</b></p> <ul style="list-style-type: none"> <li>• The group met 6 times</li> <li>• The group examined a timeline and reviewed an extensive range of information</li> <li>• The group selected those it wished to approach and prepared a questionnaire</li> <li>• A site visit was undertaken</li> <li>• The group would proceed with regard to coming to a consensus</li> </ul>	<p style="text-align: center;"><b>Principles of Effective Public Scrutiny</b></p> <p>This review demonstrated the discharge of the Overview and Scrutiny function at Brentwood Borough Council by:</p> <ul style="list-style-type: none"> <li>• Being led by independent people who take responsibility for their role; and</li> <li>• Providing constructive 'critical friend' challenge</li> </ul>

- 3.14 The group identified two exclusions to its review: a) matters relating to Hutton Community Centre prior to 18 April 2012, and b) exploration of the charity status of the trust.

#### **4. Issue, Options and Analysis of Options**

- 4.1 The findings of the group were grouped under four headings.
- Governance
  - Commissioning
  - Long-term Planning
  - The Roof

## **Governance**

- 4.2 Decisions were made across committees in a changing governance structure and a range of officers were involved. There was a Hutton Community Centre Working Group made up of members, officers and the community. The task and finish group found that the working group seemed to have functioned well and leadership by Councillors and Officers was highly regarded. Practical decisions were made by officers, within their normal day to day roles, and in consultation with Council leadership, under the direction of Committees of the Council.
- 4.3 The HCC working group was essential in the formation of the Business Case for the project. This group received project updates and provided their views on the designs which officers believed were both helpful and directive.
- 4.4 The scrutiny task and finish group sought evidence relating to the governance of the project, but given that Committee minutes were limited and webcasts unavailable; this was challenging.
- 4.5 At the Community Services Committee of February 2014, a former Councillor asked a specific question about the community centre roof and received a caveated assurance from an officer – who certainly was answering to the best of their knowledge – but did not have the necessary understanding to give a complete answer – Councillors present seemed to accept this answer as sufficient, a reasonable assumption given available information. This was a demonstration that communication of key information to members was sometimes incomplete, with clear decisive information not consistently available to members and on occasion officers may have been ill-equipped to answer pertinent questions regarding the project at appropriate committees.
- 4.6 The movement of the project amongst different committees, by virtue of the terms of reference of each committee, manifested different approaches to various issues, without the necessary continuity of issue management and led to a risk around accountability. Councillors did not request, in advance, pertinent information beyond the agenda and used questions to officers at the committee meeting as the major tool to understand the project. The group noted that Members had the opportunity to ask questions once the agenda had been published, in order to gain a better understanding of the project.
- 4.7 Representatives of the HCC Working Group indicated that there was acceptance that the roof replacement would be part of a later project with the opening of the centre being a priority. However, there was no conclusive evidence of which group or individual decided that the roof replacement should not be within the scope of the project.
- 4.8 Following a range of conflicting accounts, the task and finish group was advised by the Council's Monitoring Officer that the surrender of the lease of the Centre in 2013 to the Council was legally conducted.

### **The group concluded that:**

- a) For the purposes of scrutiny and public access to democracy, webcasts should be held and accessible on request for an indefinite period.
- b) Member induction should inform Members that they can request information in advance of a meeting, for example in the period between the agenda being published and the meeting itself.
- c) Background information should follow a project – minutes of other committee discussions and documents provided to them should be made actively available as background material to inform decisions at future committees

- d) Officers who are central to a project that has multiple committee interests should attend all committees where the project is to be discussed, even if the core issue of discussion is outside their scope.

## **Commissioning**

- 4.9 The task and finish group found conflicting evidence of how exactly the scope of the project was finally decided. However, a rigorous amount of investigation went into various options by the officers and was considered by Council leaders. All evidence available indicates this was done professionally and appropriately within the permissions granted by committees.
- 4.10 Public meetings, including both stakeholder and wider public meetings were conducted. Officers informed the task and finish group that those meetings accurately reflected the aspirations of the public and interested community groups regarding the possible uses of the community centre. Some concern was expressed that this consultation with residents and potential users was limited and no paper based consultation was launched. The public were also presented with proposals that formed the basis of the completed project, though it is uncertain whether the design was detailed with specific consideration for the actual final users of the facility.
- 4.11 Officers were given limited authority to direct the commissioning process and all evidence indicated that this was completed professionally; it is arguable that further authority, accompanied by clear reporting procedures would have been beneficial. The leadership of commissioning, i.e. determination of scope and acceptable price range was less clear, but received considerable direction that enabled the project to move forward.
- 4.12 The judgement of tenders was primarily focused on delivering the lowest cost to taxpayers in line with standing orders. Following on from vandalism in advance of the renovations, considerable refurbishment scope was lost (i.e. internal ceiling replacement and renovation of the former cellar), which will have a impact on both the centre's business model of operation and on the future capital requirements that future management of the centre will have to consider.
- 4.13 The task and finish group found evidence that the final centre, whilst now an impressive community facility, had minor unfinished elements that led to Health & Safety Concerns. An independent report commissioned by the council does indicate that the facility is now safe to use though snagging issues were in need of rectification.
- 4.14 The task and finish group noted that no formal inventory was taken when the Hutton Community Centre was taken over by the council. Though vandalism had caused significant damage the task and finish group believe an inventory should have been taken as a matter of good practice.
- 4.15 The task and finish group found no evidence that the funds issued were incorrectly or inappropriately allocated. However, given issues surrounding vandalism and the roof there is a strong argument that the project may have been underfunded in general.

### **The group concluded that:**

- a) To assist in understanding *formal* decisions, a summary should be provided within the report to committee of the *informal* development of the decision specifically noting what elements were included and what was not – with justifications if necessary.

- b) At the end of any renovation or construction project that will lead to community use a full independent Health & Safety report including gas and electrical checks, should be commissioned as a matter of course.

## **Long Term Planning**

- 4.16 When the business plan was prepared by the Hutton Community Centre working group they indicated that they were aware of the need to replace the roof in the future and would not be seeking further funds from the Council to do that.
- 4.17 The general view from the Hutton Community Centre Working Group was that given the likelihood of further damage through vandalism, the priority was to re-open a functioning centre. This view was not unanimous amongst witnesses, with some indicating that risk of damage through leaks and water damage had the same potential to block a functioning centre from remaining open.
- 4.18 It was indicated that grants would be sought alongside surpluses from activities. Whilst having considerable respect for the working group's efforts on this, the vagueness of the assumption was in retrospect, an area of considerable concern to the task and finish group. The task and finish group believe consideration should also be given as to whether a community based group could reasonably be expected to acquire sufficient funding to complete this without Council intervention.
- 4.19 The business plan included no direct reference to any council liability for staff costs or Business Rates in the interim period between phase one and phase two. However, the Council is currently bearing staff costs for centre management and the Business Rates cost. This formed an area of concern for the task and finish group and it was noted that these costs should not apply when the HCC moves to a new operator.
- 4.20 A positive plan was put forward to the task and finish group regarding the former cellar at the Community Centre regarding a Housing project that would create a community advice facility. The group saw merit in this and encourage it to be considered by the appropriate committee by recommendation to that committee.

### **The group concluded that:**

- a) Long term planning for the centre remains a risk that needs to be addressed by the Council especially in regards to future operational management and potential roof replacement.

## **The Roof**

- 4.21 The task and finish group reviewed reports from October 2013 from two companies who both recommended a full replacement of the roof. Further to this the commissioned contractor also reported back significant concerns that both the financial sum assigned to the roof in the tender documentation and the commissioned level of roof repair was inappropriate.
- 4.22 It was noted that no direct report was commissioned on the roof in advance of commencement of works that was independent of either Council Officers or a contractor that was bidding for work. Without independent verification it was understandable that contractor quotes were taken with an element of reservation, though why this verification was not sought remains unclear.
- 4.23 An August 2014 report commissioned by the Council indicated that the entire roof was not in need of immediate repair (although some elements were), with the majority needing replacement over a five year period. This contrasts with

contractor's full replacement suggestions, yet also conflicted with the final decision that only remedial works need be taken.

**The group concluded that:**

- a) The financial implications of the elements of roof replacement indicated in the independent report of August 2014 should be considered.

**Conclusion**

- 4.24 The timescale and scope of this group was limited by the group members and the review was strategic. The response to the resolutions of the Asset and Enterprise Committee can be summarised as follows.

*How, why and whether the funds were allocated in the correct fashion for the refurbishment of the building.*

The task and finish group concluded that no evidence could be found to suggest that the funds were not allocated in the correct fashion for the refurbishment of the building

*Report to a future Finance and Resources Committee with regard to the funding of any necessary further repairs*

The task and finish group agree that the Finance and Resources Committee should consider the funding of the replacement of parts of the roof

**5. Reasons for Recommendation**

- 5.1 To demonstrate the effective discharge of the Overview and Scrutiny function at Brentwood Borough Council.

**6. Consultation**

- 6.1 The group met 6 times in preparation of this report. The Audit and Scrutiny Committee will receive this report on 28 October 2014.

**7. References to Corporate Plan**

- 7.1 The priority area *Localism* states that 'through bringing communities together and working effectively in collaboration with a range of groups and organisations we can better ensure the future wellbeing of our borough. We will work with local businesses, community groups and the voluntary sector to develop projects that will enhance and support the local community'.

**8. Implications**

**Financial Implications**

**Name & Title: Jo-Anne Ireland, Acting Chief Executive and S151 Officer**

**Tel & Email 01277 312712 / [jo-anne.ireland@brentwood.gov.uk](mailto:jo-anne.ireland@brentwood.gov.uk)**

- 8.1 The financial implications of ‘*Overview and Scrutiny*’<sup>1</sup> recommendations would only be assessed if those recommendations were to be accepted by the decision maker (Council, Committee, Sub Committee or an Officer). Should recommendations be accepted by a decision making body, a separate report may be produced by that body to enact those recommendations.

### **Legal Implications**

**Name & Title: Chris Potter, Monitoring Officer and Head of Support Services**

**Tel & Email** 01277 312860 / [christopher.potter@brentwood.gov.uk](mailto:christopher.potter@brentwood.gov.uk)

- 8.2 A successful overview and scrutiny function makes recommendations to the Council’s decision making bodies.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

9. **Background Papers** (include their location and identify whether any are exempt or protected by copyright)

- 9.1 Publicly available reports on Hutton Community Centre are available on the Council’s website.

### **10. Appendices to this report**

- None

### **Report Author Contact Details:**

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<sup>1</sup> As per the Local Government Act 2000

**28 October 2014**

**Audit and Scrutiny Committee**

**Scrutiny Work Programme 2014/15**

**Report of:** *Ben Bix, Corporate and Democratic Services Manager*

**Wards Affected:** *All*

**This report is:** *Public*

## **1. Executive Summary**

- 1.1 The work of the Audit and Scrutiny Committee will be delivered both by Members working in groups and through formal Committee reports. The Audit and Scrutiny Committee will make recommendations to decision making committees and Council as necessary. The Audit and Scrutiny Committee is invited to consider its 2014/15 scrutiny work programme.

## **2. Recommendation(s) That:**

- 2.1 The Audit and Scrutiny Committee agree its scrutiny work programme 2014/15;**

## **3. Introduction and Background**

- 3.1 At the beginning of the municipal year, the Audit and Scrutiny Committee agreed its work programme.
- 3.2 Committee members are invited by the Chair and Vice-Chair to consider progress of the work programme.
- 3.3 The Audit and Scrutiny Committee will have particular regard to the Budget, Corporate Plan, Forward Plan, Council policy and significant national issues. The Committee will also seek to include the scrutiny of external facing matters that are of significant interest to local communities.

- 3.4 The work programme of the Audit and Scrutiny Committee should not include management or staffing issues which are the responsibility of the Head of Paid Service.
- 3.5 The Committee noted at its meeting of 1 July 2014 that the Town Hall Delivery Group, the Local Development Plan Working Group and the Constitution Working Group were **not** scrutiny task and finish groups. The William Hunter Way Delivery Group is not a scrutiny task and finish group.<sup>1</sup>

#### **4. Issue, Options and Analysis of Options**

- 4.1 The Scrutiny function works best when the committee undertakes its work both in member groups and by receiving formal committee reports. The benefits of a Task and Finish approach were outlined at the 1 July 2014 meeting of the Committee.
- 4.2 It was proposed and agreed at the Audit & Scrutiny Committee on 1 July 2014 that the scrutiny work programme 2014/15 include the following:
- William Hunter Way Lessons Learned
  - Crossrail
  - Member/Officer Communications/ Members Casework
  - Local Council Tax Support Scheme
  - IT Resilience and Business Continuity
  - Budget Scrutiny
  - Community Safety Partnership Annual Review
- 4.3 Post the Audit & Scrutiny Committee 1 July 2014, the work programme was updated under Overview and Scrutiny procedure rule 5.4 to include:
- Hutton Community Centre Scrutiny Review
- 4.4 At its meeting on 30 September 2014, the Committee prioritised *IT Resilience and Business Continuity* as its next review. Due to the technical nature of the subject matter, the Committee should consider this as an officer report, rather than a task and finish group.
- 4.5 Minute 154 of the Audit and Scrutiny Committee 30 September 2014, *Internal Audit Progress Report* requires that an officer report on the Customer Contact Centre be added to the Committee work programme for its meeting of 26 November 2014.

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<sup>1</sup> The William Hunter Way delivery group, 7 April 2014 Extraordinary Council Agenda Item 11, 2.8 Governance



4.6 As at 28<sup>th</sup> October 2014, the Committee will note that it has completed the following reviews:

- Section 106 Agreements (from 2013/14) work programme
- Local Council Tax Support Scheme
- William Hunter Way Lessons Learned
- Hutton Community Centre Review

## **5. Reasons for Recommendation**

5.1 To enact the provisions of Part 4.4 of the Constitution that the Audit and Scrutiny Committee agrees its scrutiny work programme at each meeting of the Committee.

## **6. Consultation**

6.1 The Chair and Vice-Chair of the Audit and Scrutiny Committee were consulted about the work programme of the Committee.

6.2 The Chair has opened a regular dialogue with the Shadow Chair.

6.3 This report seeks to consult with the Audit and Scrutiny Committee on its work programme.

## **7. References to Corporate Plan**

7.1 The priority area *A Modern Council* includes an action to improve the Council's governance arrangements, leading to faster, more effective decision-making. An effective scrutiny function is an essential element of that priority.

## **8. Implications**

### **Financial Implications**

**Name & Title:** Jo-Anne Ireland, Acting Chief Executive / S151 Officer

**Tel & Email:** 01277 312712 / [jo-anne.ireland@brentwood.gov.uk](mailto:jo-anne.ireland@brentwood.gov.uk)

8.1 There are no direct financial implications arising from this report

### **Legal Implications**

**Name & Title:** Chris Potter, Monitoring Officer and Head of Support Services

**Tel & Email:** 01277 312860 / [christopher.potter@brentwood.gov.uk](mailto:christopher.potter@brentwood.gov.uk)

8.2 There are no legal implications at present.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

8.3 Risk Management: The committee need to allow enough time and resource to complete their work programme and be mindful of potential duplication of matters elsewhere within the governance structure.

**9. Background Papers** (include their location and identify whether any are exempt or protected by copyright)

9.1 All scrutiny work programmes, and annual reports for previous years are available at [www.brentwood.gov.uk](http://www.brentwood.gov.uk)

## **10. Appendices to this report**

Appendix A – Scrutiny Work Programme 2014/15

### **Report Author Contact Details:**

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Scrutiny Work Programme 2014-15

Work programme agreed by the Audit & Scrutiny Committee, 1 July 2014

Topic	Committee Date	Lead Member (s)	Commentary (01/07/14)	Status and Commentary (30/09/14)	Status and Commentary (28/10/2014)
Annual Work Programme	1 July 2014	Councillors Clark and Barrett	The Chair and Vice-Chair consult the Committee on the scrutiny work programme 2014/15 at each Committee meeting.		
William Hunter Way Lessons Learned Group	1 July 2014	Councillor Clark	It has been agreed that a group should be formed to consider the lessons learned from the William Hunter Way project.	<b>Scoping:</b> The William Hunter Way Lessons Learned Group has been assembled, and is in the process of scoping its work using a project management methodology. The members of the group are Cllrs Clark, Kerslake and Mynott.	<b>Complete.</b> The task and finish group met 7 times in preparation of its report to the Audit and Scrutiny Committee 28/10/14.
Crossrail Task and Finish Group	1 July 2014	Councillor Clark	To provide a reporting line for the Crossrail project.	<b>Closed:</b> After reconsideration, there is an existing Crossrail Working Group which Councillor Clark Chairs. A scrutiny review would potentially duplicate the work of that group	
Member/Officer Communications/ Members Casework Task and Finish Group	1 July 2014	Councillors Morrissey, Mynott and Reed	That Member/Officer communications and casework management be reviewed.	<b>Evidence gathering:</b> The group has met three times since 1 July and have reviewed the Member casework system. The remainder of the scope for the group will be completed by the November 2014 meeting of the Audit and Scrutiny Committee. The members of the group are Councillors Morrissey, Mynott and Reed.	<b>Evidence gathering:</b> A further meeting of the group is scheduled for 12 November 2014.

Topic	Committee Date	Lead Member (s)	Commentary (01/07/14)	Status and Commentary (30/09/14)	Status and Commentary (28/10/2014)
Section 106 Agreements	1 July 2014	N/A	Required by 2013/14 Overview and Scrutiny Committee work programme	<b>Complete:</b> This was reported at the July meeting of the Audit and Scrutiny Committee.	
Local Council Tax Support Scheme Task and Finish Group	30 September 2014	Councillors Morrissey and Reed	A short Task and Finish Group is required as a consultative forum on proposed changes to LCTS	<b>Complete:</b> This group was formed well ahead of schedule and reported on 30 September 2014, for recommendation to Council in December 2014. The group was Councillors Davies, Morrissey and Reed.	
IT Resilience and Business Continuity	26 November 2014	Councillor Sleep	To understand the implications of the IT challenges faced in May 2014 and make recommendations to improve resilience	<b>Pending:</b> This group will convene once William Hunter Way and Hutton Community Centre reviews are complete.	<b>Prioritised:</b> This review was prioritised at the Audit and Scrutiny Committee 30/09/14. Councillor Sleep expressed an interest in the review.
Budget Training	26 November 2014	All Committee Members	<b>Pending:</b> The Section 151 Officer will deliver a training session on the Budget in preparation for the Budget Scrutiny meeting 27 January 2015		
Budget Scrutiny	27 January 2015	All Committee Members	The Audit and Scrutiny Committee will be consulted on the proposed budget	<b>Pending:</b> A report on the Budget will be considered at the January meeting of the Committee.	
Community Safety Partnership Annual Review	27 January 2015	All Committee Members	To review the Annual Report of the Partnership	<b>Pending:</b> To meet the requirements of The Crime and Disorder (Overview and Scrutiny) Regulations 2009	

Topic	Committee Date	Lead Member (s)	Commentary (01/07/14)	Status and Commentary (30/09/14)	Status and Commentary (28/10/2014)
Annual Report of the Audit and Scrutiny Committee	June 2015	Councillors Clark and Barrett	The constitution requires an annual report on the discharge of overview and scrutiny functions be prepared for Council.	<b>Pending:</b> On the completion of the 2014/15 municipal year.	

Work programme additions post Audit & Scrutiny Committee, 1st July 2014 (Overview and Scrutiny procedure rule 5.4)

Topic	Committee Date	Lead Member (s)	Commentary (01/07/14)	Commentary (30/09/14)	Status and Commentary (28/10/2014)
Hutton Community Centre Scrutiny Review	Asset and Enterprise Committee of 15 July 2014	Councillor Barrett	<p>It was resolved that:</p> <ol style="list-style-type: none"> <li>1. An investigation be taken by the Audit and Scrutiny Committee on how, why and whether the funds were allocated in the correct fashion for the refurbishment of the building</li> <li>2. Report to a future Finance and Resources Committee with regard to the funding of any necessary further repairs</li> <li>3. To undertake a Health and Safety inspection on Hutton Community Centre immediately and report back to either the Audit and Scrutiny or Asset and Enterprise Committee</li> </ol>	<p>The Hutton Community Centre Scrutiny Review Group has been assembled, and is in the process of reviewing the project. It has met 5 times.</p> <p>The members of the group are Cllrs Barrett (Chair), Faragher, Hubbard and Sanders.</p> <p><i>Note:</i> 3) was reported to Asset and Enterprise 17 September 2014.</p>	<b>Complete:</b> The task and finish group presented its report to the Audit and Scrutiny Committee 28/10/14.
Brentwood Community Transport	Pending	Councillor Kerlake	Councillor Kerlake proposed this item in liaison with the Chair post Audit and Scrutiny Committee 1 July 2014.	<b>Pending:</b> The Chair will liaise with the Shadow chair about scheduling a review of Community Transport.	<b>Pending:</b> The Committee should note that there was a task and finish group in 2011. No recommendations were made.
Customer Contact Centre	26 November 2014	All Committee Members		<b>New:</b> Minute 154 of the Audit and Scrutiny Committee 30/9 ( <i>Internal Audit Progress Report</i> ) stated that an Officer report be presented to the 26 November meeting. The report will review the work undertaken so far and evaluate the anticipated savings over the medium term.	

**28 October 2014**

## **Audit and Scrutiny Committee**

### **Scrutiny Work Programme 2014/15 – Supplementary Urgent Report**

**Report of:** *Jo-Anne Ireland, Acting Chief Executive*

**Wards Affected:** *None*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.1 This report outlines the requirement for an additional item to be added to the Work Programme for 2014/15.
- 1.2 The report outlines the requirements for an urgent review in order to consensually address the perceived requirement for an Extraordinary Council meeting.

#### **2. Recommendation(s)**

- 2.1 **To prioritise a review on the William Hunter Way project as outlined in Section 4 of this report.**
- 2.2 **That a Task & Finish Group comprising two members of the Administration and two members of the Opposition Group be formed to lead the review.**
- 2.3 **That a report on the findings of the review be presented to the Audit & Scrutiny Committee on 26 November 2014.**
- 2.4 **That a report be made from Audit & Scrutiny to the Council Meeting on 10 December 2014 including any recommendations arising from the review.**

### **3 Introduction and Background**

- 3.4 At an Extraordinary Council Meeting held on 7 April 2014, Members were reminded that the Council had terminated the Development Agreement for the William Hunter Way site with Stockland on 6 February 2014 and options for the site needed to be considered.
- 3.5 Council resolved at that meeting to re-market the site for development using a new refreshed development brief, including a consultation exercise.

### **Issue, Options and Analysis of Options**

- 4.1 Concerns have been raised by the Opposition Group regarding the procurement process and the information provided to the public on the work undertaken to date. In order to address the areas of concern, a Task & Finish Group is recommended to investigate the following:
- Provision of all documentation and communication between consultants; Leadership and Management (L & M) and the Council or any Member of the Administration. Where this information is commercially sensitive, it is to be published under the usual “pink” process to all Members. Otherwise, the details will be published in full on the Council website, available for public scrutiny.
  - Provision of all advice from L & M, both formal and informal, which has been given to the Council, any Member of the Administration or to the William Hunter Way Working Group, in regards to the William Hunter Way project or any other scheme or potential scheme, whether given for a fee or pro bono. Where this information is commercially sensitive, it is to be published under the usual “pink” process to all Members. Otherwise, the details will be published in full on the Council website, available for public scrutiny.
- 4.2 It is recommended that this review is given priority on the Work Programme, with a report being presented to Audit & Scrutiny Committee on 26 November 2014 with the findings.
- 4.3 It is further recommended that a report be made from Audit & Scrutiny to Council on 10 December 2014 including any recommendations arising from the review. The Mayor has indicated her agreement to include the Audit & Scrutiny report as an item on the agenda for Ordinary Council on 10 December 2014 for debate my Members.



4.4 This proposal is intended to negate the requirement for an Extraordinary Council meeting to deal with the concerns raised by the Opposition Group, but will also enable the review to commence without delay.

## **5. Reasons for Recommendation**

5.1 To address specific concerns raised by the Opposition Group with regards to the William Hunter Way project.

## **6. Implications**

### **Financial Implications**

**Name & Title:** Jo-Anne Ireland, Acting Chief Executive

**Tel & Email** 01277 312712 / jo-anne.ireland@brentwood.gov.uk

6.1 There are no direct financial implications arising from this report.

### **Legal Implications**

**Name & Title:** David Lawson, Deputy Monitoring Officer

**Tel & Email** 01277 312860 / david.lawson@brentwood.gov.uk

6.2 There are no direct legal implications arising from this report.

## **7. Appendices to this report**

None.

### **Report Author Contact Details:**

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## **Members Interests**

Members of the Council must declare any pecuniary or non-pecuniary interests and the nature of the interest at the beginning of an agenda item and that, on declaring a pecuniary interest, they are required to leave the Chamber.

- **What are pecuniary interests?**

A person's pecuniary interests are their business interests (for example their employment trade, profession, contracts, or any company with which they are associated) and wider financial interests they might have (for example trust funds, investments, and asset including land and property).

- **Do I have any disclosable pecuniary interests?**

You have a disclosable pecuniary interest if you, your spouse or civil partner, or a person you are living with as a spouse or civil partner have a disclosable pecuniary interest set out in the Council's Members' Code of Conduct.

- **What does having a disclosable pecuniary interest stop me doing?**

If you are present at a meeting of your council or authority, of its executive or any committee or the executive, or any committee, sub-committee, joint committee, or joint sub-committee of your authority, and you have a disclosable pecuniary interest relating to any business that is or will be considered at the meeting, you must not :

- participate in any discussion of the business at the meeting, or if you become aware of your disclosable pecuniary interest during the meeting participate further in any discussion of the business or,
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

- **Other Pecuniary Interests**

Other Pecuniary Interests are also set out in the Members' Code of Conduct and apply only to you as a Member.

If you have an Other Pecuniary Interest in an item of business on the agenda then you must disclose that interest and withdraw from the room while that business is being considered

- **Non-Pecuniary Interests**

Non –pecuniary interests are set out in the Council's Code of Conduct and apply to you as a Member and also to relevant persons where the decision might reasonably be regarded as affecting their wellbeing.

A 'relevant person' is your spouse or civil partner, or a person you are living with as a spouse or civil partner

If you have a non-pecuniary interest in any business of the Authority and you are present at a meeting of the Authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest whether or not such interest is registered on your Register of Interests or for which you have made a pending notification.



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## **Audit and Scrutiny Committee Terms of Reference**

### **General Powers of Committees**

This scheme of delegation sets out the functions of the Council to be discharged by its Committees and Sub- Committees and includes the terms of reference of statutory and non statutory bodies set up by the Council.

Each committee or sub committee will have the following general powers and duties:

- (a) To carry out the duties and powers of the Council within current legislation;
- (b) To comply with the Council's standing orders and financial regulations;
- (c) To operate within the budget allocated to the committee by the Council.
- (d) To guide the Council in setting its policy objectives and priorities including new initiatives, and where appropriate make recommendations to Council
- (e) To develop, approve and monitor the relevant policies and strategies relating to the Terms of Reference of the Committee;
- (f) To secure satisfactory standards of service provision and improvement, including monitoring of contracts, Service Level Agreements and partnership arrangements;
- (g) To consider and approve relevant service plans;
- (h) To determine fees and charges relevant to the Committee;

### **Audit and Scrutiny Committee**

The Audit and Scrutiny Committee provides advice to the Council and the Committees on the effectiveness of the arrangements for the proper administration of the Council's financial affairs, including all relevant strategies and plans.

#### Audit Activity

- 1) To approve the Annual Internal Audit risk based Plan of work.
- 2) To consider the Head of Internal Audit's annual report and opinion, and a summary of Internal Audit activity and the level of assurance it can give over the Council's corporate governance, risk management and internal control arrangements.

- 3) To consider regular progress reports from Internal Audit on agreed recommendations not implemented within a reasonable timescale.
- 4) To consider the External Auditor's annual letter, relevant reports, and the report to those charged with governance.
- 5) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- 6) To consider the arrangements for the appointment of the Council's Internal and External Auditors.

### Regulatory Framework

- 1) To maintain an overview of the Council's Constitution in respect of contract procedure rules, financial regulations and codes of conduct and behaviour.
- 2) To review any issue referred to it by a Statutory Officer of the Council or any Council body.
- 3) To monitor the effective development and operation of risk management and corporate governance in the Council.
- 4) To monitor Council policies and strategies on
  - Whistleblowing
  - Money Laundering
  - Anti-Fraud and Corruption
  - Insurance and Risk Management
  - Emergency Planning
  - Business Continuity
- 5) To monitor the corporate complaints process.
- 6) To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.
- 7) To consider the Council's compliance with its own and other published standards and controls.

### Accounts

- 1) To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.



- 2) To review the Council's Annual Governance Statement.
- 3) To consider the External Auditor's report to those charged with governance on issues arising from the audit of the accounts.

### Scrutiny

- 1) To prepare the annual overview and scrutiny work programme taking into account items put forward by members and the Corporate Leadership Board ensuring that such items relate to the Council's functions and corporate priorities.
- 2) To propose 'place based' or local scrutiny for issues where a local investigative approach with a range of people or organisations is an appropriate way forward.
- 3) To manage scrutiny resources efficiently and effectively so that the outcomes of scrutiny are likely to lead to real improvements for the people of Brentwood.
- 4) To establish working groups (in line with agreed protocols) to undertake the work programme, including setting their terms of reference, the reporting arrangements, and to co-ordinate and review the work of the working groups.
- 5) To receive reports and other evidence from organisations, individuals and partnerships which the Committee or working groups considers relevant to their work.
- 6) To deal with those decisions that are subject to the Council's Call In Procedure for decisions made by Committees.
- 7) To deal with those issues raised through the 'Councillor Call for Action' scheme in line with agreed protocols and procedures.
- 8) To review matters of local community concern including partnerships and services provided by 'other' organisations such as the National Health Service and Essex County Council.
- 9) To make reports or recommendations to Council or the policy committees on matters which affect Brentwood or the inhabitants of Brentwood.
- 10) To be responsible for scrutiny of the Council's strategic and budgetary framework and its implementation.
- 11) To report annually to Council on the progress of the work programme and to make relevant recommendations.

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