



## **OVERVIEW AND SCRUTINY COMMITTEE**

Thursday 7 July 2011 at 6.30 pm

Members' Lounge, Ryedale House, Malton

### **Agenda**

**1 Emergency Evacuation Procedure.**

The Chairman to inform Members of the Public of the emergency evacuation procedure.

**2 Apologies for absence**

**3 Minutes of the Meeting Held on 14 April 2011**

(Pages 1 - 4)

**4 Urgent Business**

To receive notice of any urgent business which the Chairman considers should be dealt with at the meeting as a matter of urgency by virtue of Section 100B(4)(b) of the Local Government Act 1972.

**5 Declarations of Interest**

Members to indicate whether they will be declaring any interests under the Code of Conduct.

Members making a declaration of interest at a meeting of a Committee or Council are required to disclose the existence and nature of that interest. This requirement is not discharged by merely declaring a personal interest without further explanation.

### **AUDIT ITEMS**

**6 2011 Audit Planning Report**

(Pages 5 - 26)

**7 Service Risk Register - Economy and Housing**

(Pages 27 - 42)

8 **Annual Internal Audit Report - 2010/2011** (Pages 43 - 54)

9 **Annual Governance Statement 2010/2011** (Pages 55 - 60)

#### **OVERVIEW & SCRUTINY ITEMS**

10 **Annual Report - Achievement Against Priorities** (Pages 61 - 82)

11 **Attendance at Policy Committees** (Pages 83 - 92)

12 **Customer Complaints - Q4** (Pages 93 - 102)

13 **Result of Local Government Ombudsman Investigations** (Pages 103 - 108)

14 **Progress on Scrutiny Review Recommendations** (Pages 109 - 118)

15 **Scrutiny Reviews Progress Report** (Pages 119 - 124)

16 **Treasury Management Annual Report 2010/11** (Pages 125 - 134)

17 **Decisions from other Committees** (Pages 135 - 152)

Commissioning Board held on 2 June 2011.

Policy and Resources Committee held on 23 June 2011.

18 **Any other business that the Chairman decides is urgent.**

## Overview and Scrutiny Committee

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Held at Ryedale House, Malton  
on Thursday 14 April 2011

### Present

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Councillors Mrs Shields (In the Chair), Raper, Wilford and Windress

### In Attendance

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Mrs L Carter and Mrs C Slater  
Mr J Ingham – North Yorkshire Audit Partnership  
Mr A Lince - Deloitte

### Minutes

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#### 74 Apologies for absence

Apologies for absence were received from Councillors Andrews, Cottam, Clark, Cussons and Maud.

#### 75 Minutes of the meeting held on the 17 February 2011

The minutes of the meeting of the Overview & Scrutiny Committee held on 17 February 2011 (previously circulated) were presented.

#### Resolved

That the minutes of the meeting of the Overview & Scrutiny Committee held on 17 February 2011 be approved and signed by the Chairman as a correct record.

#### 76 Urgent Business

The Chairman reported that there were no items to be considered as a matter of urgency by virtue of Section 100B(4)(b) of the Local Government Act 1972 (as amended).

#### 77 Declarations of Interest

There were no declarations of interest received.

#### 78 Certification of Claims and Returns 2009/10

The Chairman welcomed Mr Alastair Lince of Deloitte LLP, the Council's auditors, to the meeting.

Mr Lince presented the Annual Report prepared in February 2011 by Deloitte in respect of Certification of claims and returns 2009/10.

The report detailed the following:

- Grant Claims and Returns Certified for 2009/10
- Adjustments and Qualification Letters Issued
- Commentary on Housing and Council Tax Benefit Claims
- Observations and Recommendations Arising from the Certification Work
- Closing Remarks

The report had been discussed and agreed with the Corporate Director (s151). Deloitte expressed their appreciation for the assistance and co-operation provided during the course of the certification work, and reported that their aim was to deliver a high standard of work, which makes a positive and practical contribution which supports the Authority's own agenda. Deloitte recognised the value of the Council's co-operation and support.

### **Resolved**

That the report be accepted.

79

### **2011/12 Internal Audit Plan**

The Audit Manager, North Yorkshire Audit Partnership, submitted a report (previously circulated), which presented the Internal Audit Plan for 2011/12 from the North Yorkshire Audit Partnership for approval. The Audit Manager drew attention to the salient points within the report.

Internal Audit was a legal requirement for Councils, and furthermore underpinned delivery of the Corporate Plan and the Council's strategic themes by ensuring that the control environment was reviewed on a structured and logical basis.

The CIPFA Code of Practice for Internal Audit in Local Government identified that the shared interests of the Audit Committee and internal audit required an effective working relationship. Part of that was the monitoring of progress against, the internal audit plan strategy and plan.

The Internal Audit Plan had been drafted using the Partnership's risk assessment model. This model considered various aspects appertaining to activities within the Authority and assessed the level of inherent risk. This then determined the relative frequency of audit.

The Council had for a number of years had an agreed plan of 265 days, and the range of work was therefore constrained by that limit. For 2011/12 this level was being reduced to 245 days to reflect the need to make savings in all aspects of the Council's activities.



The Committee welcomed the action to cut costs, which it was reported would result in a saving to the Authority of £4700.

The Plan was subject to consultation and had been agreed with the Corporate Director (s151). Members were reminded that it had been established that the Overview & Scrutiny Committee should act as an Audit Committee for the Council and, therefore was the body to receive the report.

### **Resolved**

That the report be received and the Internal Audit Plan for 2012 be endorsed.

80

### **Review of the Effectiveness of Internal Audit**

The Corporate Director (s151) submitted a report (previously circulated), which presented for approval the Annual Review of the Effectiveness of Internal Audit from the North Yorkshire Audit Partnership.

The Accounts and Audit Regulations 2003 required all Councils to annually review their systems of internal control and to provide an adequate and effective Internal Audit function. The amendment in Statutory Instrument 2006/564, (further amended by Statutory Instrument 2011/817) introduced a requirement to undertake an annual review of the effectiveness of the system of Internal Audit on an annual basis. The amendment to Regulation 6 was set out in the report.

The report presented the Review of Effectiveness of Internal Audit Report for the period 1 April 2010 to 31 March 2011 from the North Yorkshire Audit Partnership.

Overall, the report provided an assurance that the internal audit service provided through the North Yorkshire Audit Partnership met the criteria for an effective system of internal audit. It was not a 'carte blanche' but a balanced judgement.

### **Resolved**

That the Annual Review of the Effectiveness of Internal Audit 2010/2011 from the North Yorkshire Audit Partnership be approved.

81

### **Scrutiny Reviews Progress Report - Healthy Weight and Post Offices**

The Head of Transformation submitted for information a report (previously circulated) in connection with progress achieved to date in respect of the scrutiny reviews on 'Healthy Weight' and 'Post Offices'.

### **Post Offices**

A recent publication issued by the Department of Business Innovation and Skills 'Securing the Post Office Network in the Digital Age' stated that 'There will be no programme of Post Office closures under this Government'. The Department had confirmed that this statement included outreach services, which accounted for 38% of Ryedale's Post Office Services. The terms of reference had been amended by the Committee to take account of this.

### **Healthy Weight**

The inaugural meeting of the Healthy Weight Review Task Group received a presentation from the Health Improvement Manager from NHS North Yorkshire and York. This presentation clarified the current position in Ryedale and the improvements being made, it also made clear the need to develop a very clear and focussed scope for the review. It was agreed that the scope for the review should focus on adults, as it was felt there were already effective initiatives in place to tackle childhood obesity. The group thought there was a gap in knowledge in relation to adults, specifically, young adults aged between 16 and 25. The terms of reference have been amended by the committee to take this into account.

Action Plans are in place for each of the reviews and progress was reported at the Task Group meetings.

The Head of Transformation reported that the next meetings of the task groups were to take place on Tuesday 12 July. The Post Office Review at 6.30 pm to 7.30 pm with the Healthy Weight Review following at 7.30 pm to 8.30 pm. Mr Lince, Deloitte, suggested that in order to provide advance notice for representatives involved in the task groups, it would be useful to draw up a programme of future meetings.

### **Resolved**

That progress on the reviews, together with the future meeting dates, be noted.

## **82 Decisions from other Committees**

Lists of decisions from the following Committees were submitted:

Commissioning Board held on 24 March 2011  
Policy & Resources Committee held on 7 April 2011

### **Resolved**

That the lists of decisions of the Commissioning Board held on the 24 March 2011 and the Policy & Resources Committee held on 7 April 2011 be received.

## **83 Any other business that the Chairman decides is urgent.**

There being no urgent business, the Chairman closed the meeting at 7.00 pm.

**Ryedale District Council**

**Report to the Overview and Scrutiny Committee  
on the 2011 Audit Planning**

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# Executive summary

We have pleasure in setting out in this document details of our proposed audit plan for Ryedale District Council (“the Council”) for the year ending 31 March 2011.

## Audit scope

This document is in relation to the proposed external audit of Ryedale District Council. The audit is to be undertaken in accordance with International Standards on Auditing (UK and Ireland) as adopted by the UK Auditing Practices Board and as required under our contract with the Audit Commission.

On 2 June the Audit Commission announced proposals that the audits currently undertaken by their in-house practice should be outsourced to the private sector for the year ended 31 March 2013 onwards.

Audits already outsourced, like this Council, are unaffected by this announcement.

Consultation on the proposals for the new audit framework (where “audit quality is regulated within a statutory framework, overseen by the National Audit Office and the accountancy profession and where local public bodies will be free to appoint their own external auditors with stringent safeguards for independence”) closes on 30 June 2011 when proposals will be published in a draft bill to allow full Parliamentary scrutiny.

## Key audit risks

The key audit risks which we have identified as part of our overall audit strategy are:

1. changes to the accounting framework;
2. changes to the revenue and benefits system;
3. valuation of fixed assets;
4. adequacy of bad and doubtful debt provisioning;
5. pension scheme assumptions;
6. accounting for share of partnership assets and liabilities;
7. presumed risk of revenue recognition fraud; and
8. presumed risk of management override of controls.

Further details of the specific risk are set out in section 2 of this report.

## Findings from the planning visit

We have substantially completed our planning visit. At this time there are no specific observations that we would want to bring to the attention of those charged with governance.

We are still to perform our review of the IT environment and we will provide detailed feedback on the issues arising in the year under review and an update on the matters identified in the prior year in due course.

We will provide an update on the control points identified for the year ended 31 March 2010 as part of our report on the findings of our audit for the year ended 31 March 2011, which will be presented to the Overview and Scrutiny Committee in September 2011.

# Executive summary (continued)

## Value for money audit - Financial resilience and prioritisation of resources

From 2010/11 the Audit Commission has introduced new requirements for local value for money (“VFM”) audit work at councils. This year, auditors are required to give their statutory VFM conclusion based on the following two criteria:

- proper arrangements in place for securing financial resilience: work to focus on whether the Council has robust systems and processes to manage risks and opportunities effectively, and to secure a stable financial position that enables it to continue to operate for the foreseeable future; and
- proper arrangements for challenging how economy, efficiency and effectiveness is secured: work to focus on whether the Council is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity.

We determine our local programme of work based on our risk assessment, which is informed by a series of risk factors determined by the Audit Commission.

The key audit risk which we have identified as part of our overall audit strategy is the delivery of financial targets and the management of the reduction in financial resources.

More detail is given in section 5 of this report.

## Materiality

Materiality levels are calculated on the basis of total gross expenditure for the year. We estimate materiality based on 2010/11 revenue budget to be £428,000 (2010: £386,813).

We will report to the Overview and Scrutiny Committee on all unadjusted misstatements greater than £8,560 (2010: £7,736) and smaller misstatements if they are qualitatively material

More details of these calculations are given in section 1 of this report.

## Other matters for those charged with governance

We have communicated to you separately in our publication entitled “Briefing on Audit Matters”, circulated with this document, those additional items which we are required to report upon in accordance with International Standards on Auditing (UK & Ireland). The document also provides detail of the safeguards and procedures we have in place to ensure our independence and objectivity.

We confirm we are independent of the Council and will reconfirm our independence and objectivity to the Overview and Scrutiny Committee for the year ending 31 March 2011 in our final report to the Overview and Scrutiny Committee.

# Executive summary (continued)

## Timetable

This year's timetable comprises the following:

- a planning visit in March 2011;
- a review of the IFRS transition work in April 2011;
- a review of the IT environment in June 2011; and
- a final visit lasting 4-5 weeks starting 25 July 2011. This will include a review of the restated IFRS financial statements.

Our value for money work will also be carried out in April 2011 and in the period July to September 2011.

The findings from the final visit will be presented at the Overview and Scrutiny Committee meeting in September 2011.

The audited financial statements and the Whole of Government Accounts ("WGA") return must be approved and submitted by 30 September 2011.

# 1. Scope of work and approach

We will conduct our audit in accordance with International Standards on Auditing (UK and Ireland) (“ISA (UK and Ireland)”) as adopted by the UK Auditing Practices Board (“APB”) and the Code of Audit Practice. Our audit objectives are set out in our “Briefing on audit matters” document, circulated with this document.

The audit opinion we intend to issue will reflect the financial reporting framework required of Local Authorities and as set out in the Code of Practice on Local Authority Accounting in the United Kingdom 2010/11 based on International Financial Reporting Standards.

For the 2011 financial statements, we have used the latest budgeted gross expenditure as the benchmark for our materiality assessment as this statistic, in our view, represents the most appropriate measure of the scale of the organisation and, therefore, best reflects the context within which any misstatements should be considered.

In accordance with our established methodology we have calculated a monetary indicator of materiality by applying a sliding scale factor to the budgeted gross expenditure. For the current year this factor has been calculated as approximately 1.32% (2010: 1.38%) which gives planning materiality of £428,000 (2010: £386,813) based on information provided by Officers. We will update our calculation at the year end when we receive the draft financial statements. We will report any change in materiality to the Overview and Scrutiny committee in our final report in September 2011.

This assessment takes into account our knowledge of the organisation, our assessment of audit risks and the reporting requirements for the financial statements. The concept of materiality and its application to the audit approach are set out in our Briefing on Audit Matters document, circulated with this document.

The extent of our procedures is not based on materiality alone but also on local considerations of the quality of systems and controls in preventing material misstatement in the financial statements, and the level at which known and likely misstatements are tolerated by you in the preparation of the financial statements.



## 2. Key audit risks

Based upon our initial audit risk assessment and following our planning visit, we will concentrate specific audit effort on the following areas:

### 1. Changes to the accounting framework

**Risk & Response** The financial statements of all Councils are required to comply with the accounting requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2010/11 based on International Financial Reporting Standards ("IFRS"). There are various changes, required as a consequence of the transition to IFRS, which will affect balances in the accounts such as leases, fixed assets, deferred grants and employee benefits. The comparative figures for the year ended 31 March 2009 and 2010 are required to be retrospectively reworked on this new basis and the financial statements will include a prior period restatement in respect of this change in the accounting framework. There is a risk that some of the changes in the accounting framework may be overlooked or misinterpreted.

At our visit in April 2011 we reviewed the initial conversion work that has been performed by the finance team on the 2009 and 2010 balances in respect of the main changes noted above. We noted that some areas of this work were incomplete at that time, such as, the restatement of property plant and equipment.

We will review the restated accounts as part of our final audit process. During our audit work in July and August 2011 we will revisit the key conversion areas noted above in respect of the 2011 balances.

### 2. Changes to the revenue and benefits system

**Risk & Response** The revenue and benefits system was changed to the Northgate application in February 2011. The system went live from 18 February 2011. There is a risk that data may not have been migrated correctly from the old to the new system and that data may be incorrectly recorded due to lack of experience on the new system.

Internal Audit are due to perform a review of the migration to Northgate and the controls set up in this application during 2011/12.

Our IT team will review the controls put in place by the Council to manage the migration of data from Civica to Northgate as part of their planned work in June 2011.

We will perform a review of the completeness and integrity of the year end listing of benefits debtors as part of our consideration of the recoverability of this balance.

## 2. Key audit risks (continued)

### 3. Valuation of fixed assets

**Risk & Response** In the current climate the property market is still volatile and there is the potential for valuations of property and other assets to have fallen.

There is also a new requirement under IFRS for all new or revalued fixed assets with component parts, which may have different useful lives, to be reviewed and the components to be depreciated at different rates according to their useful lives. This requirement applies prospectively from 1 April 2010.

We will obtain a copy of the third party valuation report and review a sample of the valuations for arithmetic accuracy. We will use our in-house property department to review the basis of the valuations for reasonableness based upon their market knowledge and experience. We will consider whether there is indication of any impairment from the third party valuations and whether any noted impairment should be applied more widely to other assets that have not been valued in the current year.

For the IFRS requirement of componentisation, we will perform a review of the process for identifying components for new and revalued assets and the associated depreciation charge calculation.

### 4. Adequacy of bad and doubtful debt provisioning

**Risk & Response** In the current climate there is likely to be more pressure on the Council's rate-payers' financial resources. It therefore follows that there is likely to be a higher level of unpaid debts at the balance sheet date and potentially more bad and/or doubtful debts occurring.

We will document the process the Council has in place for reviewing and providing against bad and doubtful debts owed to the Council at the balance sheet date. We will review the calculation of the year end provision and consider the adequacy of the provision in the light of available evidence including the aging profile of debtors at the year end and at the time of audit, the history of bad debt exposure, recent changes in payment profile and post year-end cash receipts against year-end debtor balances.

### 5. Pension scheme assumptions

**Risk & Response** In the current climate the choice of pension inflation, discount and yield assumptions will be both difficult and judgemental. Small and apparently insignificant changes to these key assumptions can have material consequences for the actuarial assessment of the liability included within the financial statements of the Council. During 2010/11 the North Yorkshire Pension Fund went through a triennial valuation which may also impact on the key assumptions.

We will document the process the Council has put in place to determine the assumptions and will use our in-house pension and actuarial department to review these assumptions for reasonableness based upon prevailing market factors.

## 2. Key audit risks (continued)

### 6. Accounting for share of partnership assets and liabilities

**Risk & Response** The Council utilises a number of partnerships (for example Building Control Partnership) for the provision of services to residents and businesses. A risk exists regarding the completeness of such information given the operations of the partnership is outside of the Council's direct control.

We will review management's process to ensure that they obtain all information regarding partnership assets and liabilities in a prompt manner and reflect them appropriately in the financial statements.

### 7. Presumed risk of revenue recognition fraud

**Risk & Response** International Standards on Auditing (UK and Ireland) 240 – "The auditor's responsibility to consider fraud in an audit of financial statements" requires the auditors to perform certain audit procedures related specifically to fraud risk, and requires a presumption that revenue recognition is a key audit risk.

For the Council we consider that the specific revenue recognition risk relates to the non-recognition of cash receipts as income, or their recognition in the wrong accounting period.

We will perform testing by selecting a sample of cash receipts and confirming that all income received was correctly recognised as income in the financial statements in the appropriate period. In addition, testing of grant income will be performed to ensure that the new provisions of IFRS have been consistently applied.

### 8. Presumed risk of management override of controls

**Risk & Response** International Standards on Auditing (UK and Ireland) requires the auditors to perform certain audit procedures to respond to the risk of management's override of controls.

We will perform the following:

- understand and evaluate the financial reporting process and the controls over journal entries and other adjustments made in the preparation of the financial statements, and test the appropriateness of a sample of such entries and adjustments;
- review accounting estimates for biases that could result in material misstatement due to fraud, including whether any differences between estimates best supported by evidence and those in the financial statements, even if individually reasonable, indicate a possible bias on the part of management;
- a retrospective review of management's judgements and assumptions relating to significant estimates reflected in last year's financial statements; and
- obtain an understanding of the business rationale for significant transactions that we become aware of that are outside the normal course of business or that otherwise appear to be unusual given our understanding of the organisation and its environment.

# 3. Internal control

## Obtaining an understanding of internal control relevant to the audit

As set out in the "Briefing on audit matters" circulated with this document, for controls considered to be 'relevant to the audit' we are required to evaluate the design of the controls and determine whether they have been implemented ("D & I").

This includes reviewing controls relating to the financial reporting process, reconciliation of ledgers, the preparation of the financial statements and other reports, the reporting and processing of journals, the segregation of duties, related parties and key audit relevant general computer controls.

Our audit is not designed to provide assurance as to the overall effectiveness of the controls operating within the organisation, although we will report to management any recommendations on controls that we may have identified during the course of our audit work.

## Liaison with internal audit

We have and will continue to liaise with the Council's internal audit function on a constructive and complementary basis to maximise our combined effectiveness and eliminate duplication of effort. This co-ordination will enable us to derive full benefit from the Council's internal audit function, its systems documentation and risk identification during the planning of the external audit to the extent we determine we can rely on their work.

The audit team, following an assessment of the organisational status, scope of function, objectivity, technical competence and due professional care of the internal audit function, will review the findings of any relevant internal audits on the Council and adjust the audit approach as is deemed appropriate. Where internal audit identifies specific material deficiencies in the control environment, we will consider adjusting our testing so that any new additional specific audit risks are covered by our work.

# 4. Consideration of fraud

Misstatements in the financial statements can arise from either fraud or error. The distinguishing factor between fraud and error is whether the underlying action that results in the misstatement of the financial statements is intentional or unintentional. Two types of intentional misstatements are relevant to us as auditors – misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets.

The primary responsibility for the prevention and detection of fraud rests with management and those charged with governance, including establishing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. As auditors, we obtain reasonable, but not absolute, assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error.

We have made initial inquiries of the following parties regarding fraud:

Management	Internal audit	Those charged with governance
<p>Management's assessment of the risk that the financial statements may be materially misstated due to fraud including the nature, extent and frequency of such assessments.</p> <p>Management's process for identifying and responding to the risks of fraud in the entity.</p> <p>Management's communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud in the entity.</p> <p>Management's communication, if any, to employees regarding its views on business practices and ethical behaviour.</p> <p>Whether management has knowledge of any actual, suspected or alleged fraud affecting the entity.</p>	<p>Whether internal audit has knowledge of any actual, suspected or alleged fraud affecting the entity, and to obtain its views about the risks of fraud.</p>	<p>How those charged with governance exercise oversight of management's processes for identifying and responding to the risks of fraud in the entity and the internal control that management has established to mitigate these risks.</p> <p>Whether those charged with governance have knowledge of any actual, suspected or alleged fraud affecting the entity.</p>

We will make inquiries of others as appropriate. We will also inquire into matters arising from your whistle blowing procedures. We will ask for you and management to make the following representations towards the end of the audit process:

- We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We are not aware of any fraud or suspected fraud / We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the council and involves:
  - (i) management;
  - (ii) employees who have significant roles in internal control; or
  - (iii) others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the council's financial statements communicated by employees, former employees, analysts, regulators or others.

## 5. Value for money (VFM)

Based upon our initial assessment, we will concentrate specific effort on the key audit risk set out below. Our risk assessment will however be revisited during the course of our audit, for example when 2010/11 outturn and 2011/12 quarter 1 budget and performance monitoring information is available. Any changes to our risk assessment will be reported in our final report to the Overview and Scrutiny Committee in September 2011.

### Delivery of financial targets and the management of reduction in financial resources

**Risk & Response** Following the Government's comprehensive spending review and the extent of the reduction in the funding settlement announced in December 2010, the Council is facing severe financial pressures over the next few years. Work is still ongoing by management to develop further measures to achieve the financial funding gap in 2012/13.

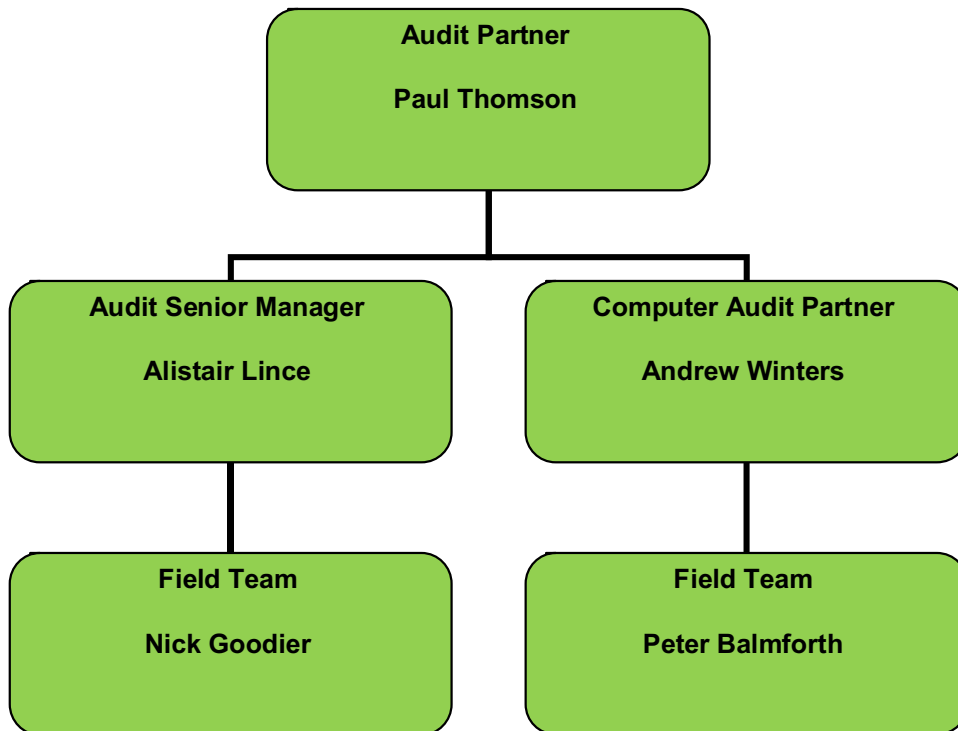
We will review the risk assessments for the savings proposals in the 2011/12 budget derived from the One-11 programme and arrangements for the ongoing management of those risks. Progress in developing plans for 2012/13 will also be monitored. During the course of this work, we will consider the effectiveness of arrangements to assess the implications of savings measures and to manage their impact on the delivery of strategic priorities.

We will also select a sample of initiatives to assess the reasonableness of the quantification of savings to be achieved, and the processes for identifying and addressing any costs of implementation.

We will maintain a watching brief over delivery of the savings plans and performance against budgets.

## 6. Client service team

We set out below our audit engagement team.



## 7. Responsibility statement

This report sets out those audit matters of governance interest which have come to our attention during the planning of our audit to date. Our audit is not designed to identify all matters that may be relevant to you and our final report on the audit will not necessarily be a comprehensive statement of all deficiencies which may exist in internal control or of all improvements which may be made.

The Audit Commission published a 'Statement of responsibilities of auditors and of audited bodies' alongside the Code of Audit Practice. The purpose of this statement is to assist auditors and audit bodies by summarising, in the context of the usual conduct of the audit, the different responsibilities of auditors and of the audited body in certain areas. The statement also highlights the limits on what the auditor can reasonably be expected to do. Responsibility for the adequacy and appropriateness of these methodologies and data rests with the Audit Commission.

Our report has been prepared on the basis of, and our work carried out in accordance with, the Code and the Statement of Responsibilities.

While our report includes suggestions for improving accounting procedures, internal controls and other aspects of your business arising out of our audit, we emphasise that our consideration of Ryedale District Council's system of internal control was conducted solely for the purpose of our audit having regard to our responsibilities under Auditing Standards and the Code of Audit Practice. We make these suggestions in the context of our audit but they do not in any way modify our audit opinion, which relates to the financial statements as a whole. Equally, we would need to perform a more extensive study if you wanted us to make a comprehensive review for weaknesses in existing systems and present detailed recommendations to improve them.

We view this report as part of our service to you for use, as Members, for corporate governance purposes and it is to you alone that we owe a responsibility to its contents. We accept no duty, responsibility or liability to any other parties as the report has not been prepared, and is not intended, for any other purpose. It should not be made available to any other parties without our prior written consent.

If you intend to publish or distribute financial information electronically or in other documents, you are responsible for ensuring that any such publication properly presents the financial information and any report by us thereon, and for the controls over and security of the website. You are also responsible for establishing and controlling the process for electronically distributing accounts and other information.



**Deloitte LLP**  
Chartered Accountants

Leeds  
28 June 2011

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## Briefing on audit matters

### Published for those charged with governance



This document is intended to assist the members and officers of the Council to understand the major aspects of our audit approach, including explaining the key concepts behind the Deloitte Audit methodology including audit objectives and materiality.

Further, it describes the safeguards developed by Deloitte to counter threats to our independence and objectivity.

This document will only be reissued if significant changes to any of those matters highlighted above occur.

We will usually communicate our audit planning information and the findings from the audit separately. Where we issue separate reports these should be read in conjunction with this "Briefing on audit matters".

### Approach and scope of the audit

#### Primary audit objectives

We conduct our audit in accordance with International Standards on Auditing (UK & Ireland) as adopted by the UK Auditing Practices Board ("APB"). Our statutory audit objectives are:

- to express an opinion in true and fair view terms to the members on the financial statements;
- to express an opinion as to whether the accounts have been properly prepared in accordance with the relevant financial reporting framework;
- to express an opinion as to whether the accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2010/11 based on International Financial Reporting Standards;
- to form an opinion on whether adequate accounting records have been kept by the Council; and
- to express an opinion as to whether the audited body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

#### Other reporting objectives

Our reporting objectives are to:

- present significant reporting findings to the members. This will highlight key judgements, important accounting policies and estimates and the application of new reporting requirements, as well as significant control observations; and
- provide timely and constructive letters of recommendation to management. This will include key business process improvements and significant controls weaknesses identified during our audit.

## Materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to monetary misstatements but also to disclosure requirements and adherence to appropriate accounting principles and statutory requirements.

"Materiality" is defined in the International Accounting Standards Board's "Framework for the Preparation and Presentation of Financial Statements" in the following terms:

"Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size of the item or error judged in the particular circumstances of its omission or misstatement. Thus, materiality provides a threshold or cut-off point rather than being a primary qualitative characteristic which information must have if it is to be useful."

We determine materiality based on professional judgment in the context of our knowledge of the audited entity, including consideration of factors such as shareholder expectations, industry developments, financial stability and reporting requirements for the financial statements.

We determine materiality to:

- determine the nature, timing and extent of audit procedures; and
- evaluate the effect of misstatements.

The extent of our procedures is not based on materiality alone but also local considerations of the Council, the quality of systems and controls in preventing material misstatement in the financial statements, and the level at which known and likely misstatements are tolerated by you in the preparation of the financial statements.

For local statutory reporting purposes, individual materiality levels will be set for each of the subsidiary companies.

## Uncorrected misstatements

In accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK and Ireland)") we will communicate to you all uncorrected misstatements (including disclosure deficiencies) identified during our audit, other than those which we believe are clearly trivial.

ISAs (UK and Ireland) do not place numeric limits on the meaning of 'clearly trivial'. The Audit Engagement Partner, management and the members of the audit committee will agree an appropriate limit for 'clearly trivial'. In our report we will report all individual identified uncorrected misstatements in excess of this limit and other identified errors in aggregate.

We will consider identified misstatements in qualitative as well as quantitative terms.

## Audit methodology

Our audit methodology takes into account the changing requirements of auditing standards and adopts a risk based approach. We utilise technology in an efficient way to provide maximum value to the Council and create value for management and the Council whilst minimising a “box ticking” approach.

Our audit methodology is designed to give officers and members the confidence that they deserve.

For controls considered to be ‘relevant to the audit’ we evaluate the design of the controls and determine whether they have been implemented (“D & I”). The controls that are determined to be relevant to the audit will include those:

- where we plan to obtain assurance through the testing of operating effectiveness;
- relating to identified risks (including the risk of fraud in revenue recognition, unless rebutted and the risk of management override of controls);
- where we consider we are unable to obtain sufficient audit assurance through substantive procedures alone; and
- to enable us to identify and assess the risks of material misstatement of the financial statements and design and perform further audit procedures.

## Other requirements of International Standards on Auditing (UK and Ireland)

ISAs (UK and Ireland) require we communicate the following additional matters:

ISA (UK & Ireland)	Matter
ISQC 1	Quality control for firms that perform audits and review of financial statements, and other assurance and related services engagements
240	The auditor’s responsibilities relating to fraud in an audit of financial statements
250	Consideration of laws and regulations in an audit of financial statements
265	Communicating deficiencies in internal control to those charged with governance and management
450	Evaluation of misstatements identified during the audit
505	External confirmations
510	Initial audit engagements – opening balances
550	Related parties
560	Subsequent events
570	Going concern
600	Special considerations – audits of group financial statements (including the work of component auditors)
705	Modifications to the opinion in the independent auditor’s report
706	Emphasis of matter paragraphs and other matter paragraphs in the independent auditor’s report
710	Comparative information – corresponding figures and comparative financial statements
720	Section A: The auditor’s responsibilities relating to other information in documents containing audited financial statements

## Independence policies and procedures

Important safeguards and procedures have been developed by Deloitte to counter threats or perceived threats to our objectivity, which include the items set out below.

### Safeguards and procedures

- Every opinion (not just statutory audit opinions) issued by Deloitte is subject to technical review by a member of our independent Professional Standards Review unit.
- Where appropriate, review and challenge takes place of key decisions by the Second Partner and by the Independent Review Partner, which goes beyond ISAs (UK and Ireland), and ensures the objectivity of our judgement is maintained.
- We report annually to the members our assessment of objectivity and independence. This report includes a summary of non-audit services provided together with fees receivable.
- There is formal consideration and review of the appropriateness of continuing the audit engagement before accepting reappointment.
- Periodic rotation takes place of the audit engagement partner, the independent review partner and key partners involved in the audit in accordance with our policies and professional and regulatory requirements.
- In accordance with the Revised Ethical Standards issued by the APB, there is an assessment of the level of threat to objectivity and potential safeguards to combat these threats prior to acceptance of any non-audit engagement. This would include particular focus on threats arising from self-interest, self-review, management, advocacy, over-familiarity and intimidation. Any non audit work which exceeds a de minimis amount set by the Audit Commission must be approved by the Commission prior to agreeing to carry out the work.
- In the UK, statutory oversight and regulation of auditors is carried out by the Professional Oversight Board (POB) which is an operating body of the Financial Reporting Council. The Firm's policies and procedures are subject to external monitoring by both the Audit Inspection Unit (AIU), which is a division of POB, and the ICAEW's Quality Assurance Directorate (QAD). The AIU is charged with monitoring the quality of audits of economically significant entities and the QAD with monitoring statutory compliance of audits for all other entities. Both report to the ICAEW's Audit Registration Committee. The AIU also reports to POB and can inform the Financial Reporting Review Panel of concerns it has with the accounts of individual companies.
- Our work is carried out in line with the Audit Commission standing guidance for local government auditors. Compliance with that guidance and the quality of our work is subject to the Audit Commission's annual Quality Review Process.

## **Independence policies**

Our detailed ethical policies' standards and independence policies are issued to all partners and employees who are required to confirm their compliance annually. We are also required to comply with the policies of other relevant professional and regulatory bodies.

Amongst other things, these policies:

- state that no Deloitte partner (or any immediate family member) is allowed to hold a financial interest in any of our UK audited entities;
- require that professional staff may not work on assignments if they (or any immediate family member) have a financial interest in the audited entity or a party to the transaction or if they have a beneficial interest in a trust holding a financial position in the audited entity;
- state that no person in a position to influence the conduct and outcome of the audit (or any immediate family member) should enter into business relationships with UK audited entities or their affiliates;
- prohibit any professional employee from obtaining gifts from audited entities unless the value is clearly insignificant; and
- provide safeguards against potential conflicts of interest.

## **Remuneration and evaluation policies**

Partners are evaluated on roles and responsibilities they take within the firm including their technical ability and their ability to manage risk.

## **APB Revised Ethical Standards**

The Auditing Practices Board (APB) has issued five ethical standards for auditors that apply a 'threats' and 'safeguards' approach.

The five standards cover:

- maintaining integrity, objectivity and independence;
- financial, business, employment and personal relationships between auditors and their audited entities;
- long association of audit partners and other audit team members with audit engagements;
- audit fees, remuneration and evaluation of the audit team, litigation between auditors and their audited entities, and gifts and hospitality received from audited entities; and
- non-audit services provided to audited entities.

Our policies and procedures comply with these standards.

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**REPORT TO:** OVERVIEW AND SCRUTINY COMMITTEE

**DATE:** 7 JULY 2011

**REPORT OF THE:** HEAD OF ECONOMY AND HOUSING  
JULIAN RUDD

**TITLE OF REPORT:** SERVICE RISK REGISTER – ECONOMY AND HOUSING

**WARDS AFFECTED:** ALL

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## EXECUTIVE SUMMARY

### 1.0 PURPOSE OF REPORT

1.1 This report presents the Service Risk Register for those services under the Head of Economy and Housing.

### 2.0 RECOMMENDATION

2.1 It is recommended that Members receive the report and review the risk register.

### 3.0 REASON FOR RECOMMENDATION

3.1 Risk identification and management is an integral element of organisational management to secure the achievement of the Council's corporate objectives. Risk Management should also form a key part of any budget making decisions.

### 4.0 REPORT

4.1 Service Risk Registers (SRR) were originally established from work undertaken by the Audit Partnership in conjunction with Service Unit Managers. Since the management restructure they are now the responsibility of the Heads of Service. Annex A outlines the SRR for the Head of Economy and Housing.

### 5.0 CONCLUSION

5.1 Further reports will be brought to the Overview and Scrutiny Committee as the responsible committee for monitoring and evaluating risks within the Council.

**Julian Rudd**  
**Head of Economy and Housing**

Author: Julian Rudd, Head of Economy and Housing  
Telephone No: 01653 600666 ext: 218  
E-Mail Address: [julian.rudd@ryedale.gov.uk](mailto:julian.rudd@ryedale.gov.uk)



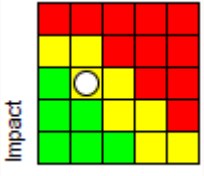
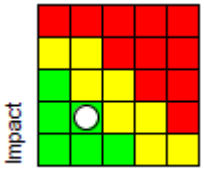
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# Service Risk Register - Economy & Housing


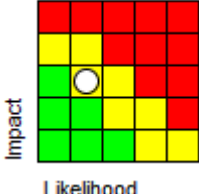
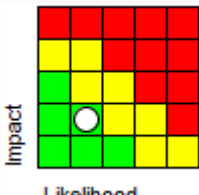
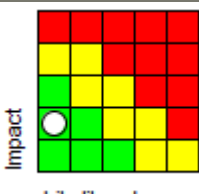
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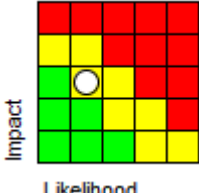
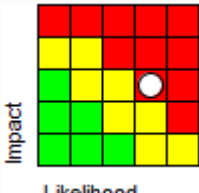

Economy & Housing Current Risk Heat Map													
Economy & Community			Housing										
Status	Code	Title	Key										
	EC 01	Staff	<table border="1"> <thead> <tr> <th colspan="2">Risk Status</th> </tr> </thead> <tbody> <tr> <td></td> <td>OK</td> </tr> <tr> <td></td> <td>Warning</td> </tr> <tr> <td></td> <td>Alert</td> </tr> <tr> <td></td> <td>Unknown</td> </tr> </tbody> </table>	Risk Status			OK		Warning		Alert		Unknown
Risk Status													
	OK												
	Warning												
	Alert												
	Unknown												
	EC 02	Strategic Partnerships											
	EC 03	External funding											
	EC 04	External funding policy											
	EC 05	External contracts											
	EC 06	Industrial Units											
	EC 07	Local economy											
	HS 01	Affordable Housing / Housing Need targets not met											
	HS 02	Failure to prevent homelessness											
	HS 03	Failure to improve private housing stock											
	HS 04	Failure to enable independent living											
	HS 05	Failure to successfully review housing service											

Risk Code	Risk Title	Description			Status
EC 01	Staff	Inadequate development and/or implementation of workforce development plans, resulting in difficulty in aligning business needs and staffing capacity.			
<b>Consequences</b>		Loss of revenue and failure to meet targets through inability to deliver core services.			
<b>Original Matrix</b>		<b>Original Rating Description</b>			
		<b>Original Impact</b>	C	<b>Original Likelihood</b>	3
			Medium		Likely
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>			
		<b>Current Impact</b>	C	<b>Current Likelihood</b>	2
			Medium		Not Likely
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>			
		<b>Target Impact</b>	B	<b>Target Likelihood</b>	2
			Minor		Not Likely
<b>Latest Progress</b>				<b>Last Review Date</b>	<b>SMT Lead</b>
22-Jun-2011 The One-11 voluntary redundancy programme has resulted in four members of staff leaving the Economy and Housing teams. In Economy this covered staff dealing with the industrial letting and tourism services. This has resulted in a service review of the industrial letting service involving E&C, Asset management, finance, legal and transformation to determine the various options of how to undertake this service. In addition, the Commissioning Board has since reviewed the tourism service and agreed the most effective delivery mechanism given current industry needs and resources. Within Housing the Unit Manager and Senior Tech Officer left and a Service review was then undertaken and the Unit has been restructured. In addition a Commissioning Board review of Private Sector Housing will guide the shape of future services within that area.				22-Jun-2011	Julian Rudd




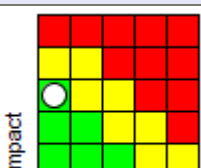
EC 02 Strategic Partnerships

Risk Code	Risk Title	Description			Status
EC 02	Strategic Partnerships	Weaknesses within Terms of Reference/contracts/ management may result in the inability to manage strategic partnerships including Community Safety, YC&M Tourism Partnership, Rural & Community Transport			
<b>Consequences</b>		Unmanaged strategic partnerships (RSP, Safer Ryedale, M&CTP, Rural and Community Transport) could fail to produce maximised benefits of partnership working for Ryedale and lead to abortive working and or direction of funding and time to non-priority areas			
<b>Original Matrix</b>		<b>Original Rating Description</b>			
		<b>Original Impact</b>	C	<b>Original Likelihood</b>	2
			Medium		Not Likely
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>			
		<b>Current Impact</b>	B	<b>Current Likelihood</b>	2
			Minor		Not Likely
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>			
		<b>Target Impact</b>	B	<b>Target Likelihood</b>	1
			Minor		Very Low
<b>Latest Progress</b>				<b>Last Review Date</b>	<b>SMT Lead</b>
22-Jun-2011 The Moors and Coast Tourism Partnership is being disbanded and strategic links with the tourism industry will be maintained through a new Tourism Advisory Group. A review of Community Safety arrangements will consider the potential for new partnerships to strengthen strategic arrangements				18-Jun-2011	Julian Rudd





EC 03 External funding

Risk Code	Risk Title	Description		Status
EC 03	External funding	Unsuccessful bids may result in insufficient funding		
<b>Consequences</b>		Reduced level/quality of services resulting in financial losses. No new initiatives/innovation resulting in threats to future sustainability of service areas		
<b>Original Matrix</b>		<b>Original Rating Description</b>		
		<b>Original Impact</b>	C	2
			Medium	<b>Original Likelihood</b>
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>		
		<b>Current Impact</b>	C	4
			Medium	<b>Current Likelihood</b>
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>		
		<b>Target Impact</b>	C	3
			Medium	<b>Target Likelihood</b>
<b>Latest Progress</b>			<b>Last Review Date</b>	<b>SMT Lead</b>
22-Jun-2011 Due to the ongoing national fiscal pressures, the likelihood of this risk has increased over the last two years. The abolition of Yorkshire Forward has seriously impacted on the availability of funding for projects such as the Heart Of Malton and managed workspace and the Bio Refinery Project at FERA. To mitigate the risk the Council is an active partner in the new York and North Yorkshire Local Enterprise Partnership and is pursuing Community Infrastructure Levy and other developer contributions towards important projects and use of ERDF.			22-Jun-2011	Julian Rudd

EC 04 External funding policy




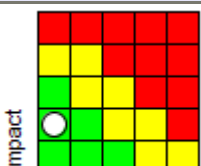
Risk Code	Risk Title	Description	Status	
EC 04	External funding policy	Changes in government policy relating to economic development and employment resulting in the need for flexibility/adaptability within the unit.		
<b>Consequences</b>		Inability to respond quickly and appropriately to maximise opportunities arising from changes in government policy.		
<b>Original Matrix</b>		<b>Original Rating Description</b>		
	<b>Original Impact</b>	C	<b>Original Likelihood</b>	3
		Medium		Likely
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>		
	<b>Current Impact</b>	C	<b>Current Likelihood</b>	2
		Medium		Not Likely
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>		
	<b>Target Impact</b>	C	<b>Target Likelihood</b>	1
		Medium		Very Low
<b>Latest Progress</b>			<b>Last Review Date</b>	<b>SMT Lead</b>
22-Jun-2011 The Council has maintained close involvement with the York and North Yorkshire LEP and the Council Leader sits on this body. LEPs are at the forefront of Government economic policy. Economic and business staff within E&C unit are preparing 'oven ready' projects across a range of areas including regeneration, town teams, broad band technology, skills development to be ready for any funding eventuality, however funding streams are limited and can be difficult for rural areas eg enterprise zones			22-Jun-2011	Julian Rudd


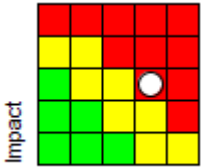
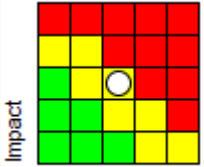

EC 05 External contracts

Risk Code	Risk Title	Description			Status
EC 05	External contracts	Uncontrollable material changes in the external environment influencing the contract.			
<b>Consequences</b>		Loss of credibility amongst key funders and stakeholders. Financial penalties arising from breach of contract or failure to match expenditure with funding priorities. Failure to deliver service improvement.			
<b>Original Matrix</b>		<b>Original Rating Description</b>			
		<b>Original Impact</b>	C	<b>Original Likelihood</b>	2
			Medium		Not Likely
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>			
		<b>Current Impact</b>	C	<b>Current Likelihood</b>	2
			Medium		Not Likely
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>			
		<b>Target Impact</b>	C	<b>Target Likelihood</b>	1
			Medium		Very Low
<b>Latest Progress</b>				<b>Last Review Date</b>	<b>SMT Lead</b>
22-Jun-2011 Project management protocols followed for all contracted projects to ensure that this risk is reduced. However, with all projects there remain risks out of our control and the susceptibility to this risk is included within project management paperwork.				19-Jun-2011	Julian Rudd


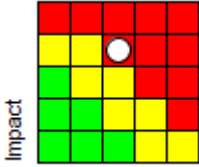





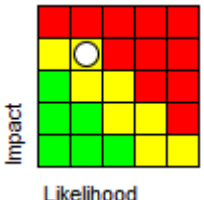
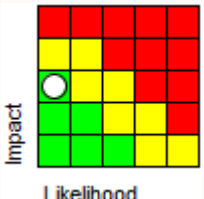
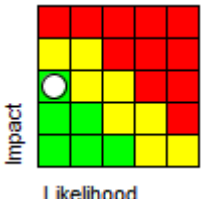
EC 06 Industrial Units

Risk Code	Risk Title	Description	Status								
EC 06	Industrial Units	Inability to manage assets effectively and match available units to customer needs.									
<b>Consequences</b>		Loss of income. Bad debtors resulting in increased management costs and lost income. Poor reputation affecting ability to attract good quality tenants. Inability to attract good tenants for units resulting in threats to financial viability of service.									
<b>Original Matrix</b>		<b>Original Rating Description</b>									
		<b>Original Impact</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">C</td> <td style="width: 50%;"></td> </tr> <tr> <td style="text-align: center;">Medium</td> <td style="text-align: center;"><b>Original Likelihood</b></td> </tr> <tr> <td></td> <td style="text-align: center;">2</td> </tr> <tr> <td></td> <td style="text-align: center;">Not Likely</td> </tr> </table>	C		Medium	<b>Original Likelihood</b>		2		Not Likely
C											
Medium	<b>Original Likelihood</b>										
	2										
	Not Likely										
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>									
		<b>Current Impact</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">B</td> <td style="width: 50%;"></td> </tr> <tr> <td style="text-align: center;">Minor</td> <td style="text-align: center;"><b>Current Likelihood</b></td> </tr> <tr> <td></td> <td style="text-align: center;">2</td> </tr> <tr> <td></td> <td style="text-align: center;">Not Likely</td> </tr> </table>	B		Minor	<b>Current Likelihood</b>		2		Not Likely
B											
Minor	<b>Current Likelihood</b>										
	2										
	Not Likely										
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>									
		<b>Target Impact</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">B</td> <td style="width: 50%;"></td> </tr> <tr> <td style="text-align: center;">Minor</td> <td style="text-align: center;"><b>Target Likelihood</b></td> </tr> <tr> <td></td> <td style="text-align: center;">1</td> </tr> <tr> <td></td> <td style="text-align: center;">Very Low</td> </tr> </table>	B		Minor	<b>Target Likelihood</b>		1		Very Low
B											
Minor	<b>Target Likelihood</b>										
	1										
	Very Low										
<b>Latest Progress</b>			<b>SMT Lead</b>								
22-Jun-2011 Due to the departure of a long standing member of staff working in this area, a light touch industrial letting service review was undertaken and appropriate mitigation measures applied.			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">19-Jun-2011</td> <td style="width: 50%; text-align: center;">Julian Rudd</td> </tr> </table>	19-Jun-2011	Julian Rudd						
19-Jun-2011	Julian Rudd										


EC 07 Local economy				
Risk Code	Risk Title	Description	Status	
EC 07	Local economy	Local economic downturn influenced by global economic crisis and national recession		
<b>Consequences</b>		Demand for services may be difficult to predict and respond to due to volatility within market and impact of rising unemployment levels, void business properties and business failures. Long-term damage to local economy.		
<b>Original Matrix</b>		<b>Original Rating Description</b>		
	<b>Original Impact</b>	C	<b>Original Likelihood</b>	4
		Medium		Very Likely
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>		
	<b>Current Impact</b>	C	<b>Current Likelihood</b>	3
		Medium		Likely
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>		
	<b>Target Impact</b>	B	<b>Target Likelihood</b>	3
		Minor		Likely
<b>Latest Progress</b>			<b>Last Review Date</b>	<b>SMT Lead</b>
22-Jun-2011 Despite the recession, Ryedale economy has not been affected beyond expectations and continues to have one of the lowest levels of worklessness in the Region. We have not seen major company closures and have even seen inward investment in the area. Council agreed a £100K business grant to support local businesses move forward with plans to improve their business or create additional employment and this was tremendously successful We continue to horizon scan and through the Local Economic Assessment are working to ascertain where we can assist the private sector to develop further into a high wage economy. In addition, the value and volume of tourism study (2008) demonstrated a buoyant industry perhaps due to the stay-cation trend.			22-Jun-2011	Julian Rudd

HS 01 Affordable Housing / Housing Need targets not met.


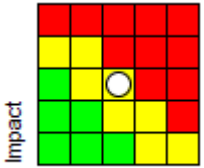

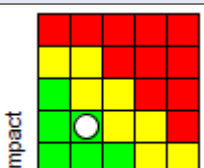
Risk Code	Risk Title	Description		Status	
HS 01	Affordable Housing / Housing Need targets not met.	The Council target is to meet the housing needs of at least 75 households per year through the provision of additional affordable and specialist homes and adaptation of existing homes			
<b>Consequences</b>		Lack of affordable and specialist new housing and adapted housing delivered against realistic target, despite the significant affordability gap in Ryedale and the extent of local housing need.			
<b>Original Matrix</b>		<b>Original Rating Description</b>			
		<b>Original Impact</b>	D	<b>Original Likelihood</b>	3
			Major		Likely
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>			
		<b>Current Impact</b>	C	<b>Current Likelihood</b>	2
			Medium		Not Likely
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>			
		<b>Target Impact</b>	C	<b>Target Likelihood</b>	2
			Medium		Not Likely
<b>Latest Progress</b>				<b>Last Review Date</b>	<b>SMT Lead</b>
<p>22-Jun-2011 In addition to 96 new affordable homes being provided in the year up to 31 March 2010, a further 54 units were provided in 2010/11 and a further 22 units completed in May 2011 (these had been delayed due to the severe winter). In addition planning permission was given during 2010 and early 2011 for a further over 200 new affordable units via the S106 route. Since 2009 the Council intervened to assist over 45 local households facing mortgage difficulties. Ryedale Council has approved grants during 10/11 to help adapt or improve 57 homes in Ryedale to better meet the needs of their occupiers, and has completed grants to a further 94 homes to address energy efficiency and fuel poverty. All of these and many other initiatives help to address the vital issue of housing need.</p>				19-Jun-2011	Julian Rudd

HS 02 Failure to prevent homelessness				
Risk Code	Risk Title	Description		Status
HS 02	Failure to prevent homelessness	Under the Housing Act 1996, local authorities have a duty to provide accommodation to people who are judged to be 'homeless' and have a 'priority need' for accommodation. Housing departments should consider the needs of applicants for housing and, as far as is possible, provide them with advice to prevent homelessness or, where applicable, provide 'suitable' accommodation.		
<b>Consequences</b>		mental and physical illness - adult and child poverty - reduced access to employment and education- additional costs to public services - social exclusion and vulnerability.		
<b>Original Matrix</b>		<b>Original Rating Description</b>		
	<b>Original Impact</b>	D	<b>Original Likelihood</b>	2
		Major		Not Likely
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>		
	<b>Current Impact</b>	C	<b>Current Likelihood</b>	1
		Medium		Very Low
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>		
	<b>Target Impact</b>	C	<b>Target Likelihood</b>	1
		Medium		Very Low
<b>Latest Progress</b>			<b>Last Review Date</b>	<b>SMT Lead</b>
22-Jun-2011 2010/11 saw a 16% increase in households approaching the Council's Housing Options team for assistance and the Council intervened to prevent around 250 potential cases of homelessness. There was a small rise in homelessness acceptances but given the national economic pressures this remains low and well below levels of around 5 years ago. The Council will make effective use of the increase in Homeless prevention Grant to address any further potential increases.			20-Jun-2011	Julian Rudd





HS 03 Failure to improve private housing stock

Risk Code	Risk Title	Description			Status
HS 03	Failure to improve private housing stock	Local authorities have important responsibilities for private sector homes and are required to periodically review housing conditions in their area for both owner occupier and privately rented properties. They are required to produce a housing strategy to deal with problems and this would typically include loan and grant aid for owner occupiers. Problems in the rented sector are dealt with through a combination of registration and accreditation schemes as well as enforcement action. Whilst the government expects the primary responsibility for repairing and improving homes to lie with the owner, it recognises that some groups, particularly the elderly and vulnerable, will not have the resources necessary for this. Authorities are directed to help these groups.			
<b>Consequences</b>		unfit private housing stock - detrimental impacts on occupiers of unfit stock, including health and financial difficulties - poor alignment between local housing needs and local housing provision - increased energy costs and CO2 emissions			
<b>Original Matrix</b>		<b>Original Rating Description</b>			
		<b>Original Impact</b>	C	<b>Original Likelihood</b>	3
			Medium		Likely
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>			
		<b>Current Impact</b>	C	<b>Current Likelihood</b>	2
			Medium		Not Likely
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>			
		<b>Target Impact</b>	B	<b>Target Likelihood</b>	2
			Minor		Not Likely
<b>Latest Progress</b>				<b>Last Review Date</b>	<b>SMT Lead</b>
22-Jun-2011 Through the Commissioning Boards review of RDC Private Sector Housing activities Members will be involved actively in 2011/12 in reducing potential risk associated with this work. Already the Council achieves significant levels of spend and intervention with the lowest resource levels of any North Yorkshire authority.				22-Jun-2011	Julian Rudd

**HS 04 Failure to enable independent living**

Risk Code	Risk Title	Description			Status
HS 04	Failure to enable independent living	The elderly, vulnerable and disabled can require support in order to live independently and so avoid institutional care or harm to personal health and well being.			
<b>Consequences</b>		Significantly increased need for institutional care with associated public sector costs and loss of independence, or, vulnerable residents occupying unsuitable property with risks to personal health and well being.			
<b>Original Matrix</b>		<b>Original Rating Description</b>			
		<b>Original Impact</b>	C	<b>Original Likelihood</b>	3
			Medium		Likely
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>			
		<b>Current Impact</b>	C	<b>Current Likelihood</b>	2
			Medium		Not Likely
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>			
		<b>Target Impact</b>	B	<b>Target Likelihood</b>	2
			Minor		Not Likely
<b>Latest Progress</b>				<b>Last Review Date</b>	<b>SMT Lead</b>
22-Jun-2011 The Ryecare lifeline service has continued to expand its support for elderly and vulnerable people across North Yorkshire and now provides a significant income that subsidises other Housing Service costs. The Council also works closely with NYCC on its programme of extra care facilities, including that recently opened at Norton.				20-Jun-2011	Julian Rudd

HS 05 failure to successfully review housing service

Risk Code	Risk Title	Description	Status
HS 05	Failure to successfully review housing service	As part of the One-11 programme a review is being undertaken of the housing service (along with several others) to establish improved and more efficient working practises and to save money.	
<b>Consequences</b>		failure to improve performance and / or to achieve efficiencies	
<b>Original Matrix</b>		<b>Original Rating Description</b>	
	<b>Original Impact</b>	C	2
		Medium	<b>Original Likelihood</b>
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>	
	<b>Current Impact</b>	C	2
		Medium	<b>Current Likelihood</b>
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>	
	<b>Target Impact</b>	B	2
		Minor	<b>Target Likelihood</b>
<b>Latest Progress</b>			<b>Last Review Date</b>
22-Jun-2011 Through the review the Housing Unit has been able to accommodate the loss of two senior staff whilst maintaining or improving performance across the board and delivering significant saving for the Council.			20-Jun-2011
			<b>SMT Lead</b>
			Julian Rudd

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<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>7 JULY 2011</b>
<b>REPORT OF THE:</b>	<b>CORPORATE DIRECTOR (s151) PAUL CRESSWELL</b>
<b>TITLE OF REPORT:</b>	<b>ANNUAL INTERNAL AUDIT REPORT 2010/2011</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 This report presents the Annual Internal Audit Report for 2010/11 from the North Yorkshire Audit Partnership for approval.

### **2.0 RECOMMENDATION**

- 2.1 It is recommended that the Annual Internal Audit Report for 2010/11 be approved.

### **3.0 REASON FOR RECOMMENDATION**

- 3.1 To monitor the performance of the provision of internal audit by the North Yorkshire Audit Partnership for Ryedale District Council and to provide the Head of Internal Audit's opinion on the Internal Control environment as part of the governance framework of the Council.

### **4.0 SIGNIFICANT RISKS**

- 4.1 No significant risks.

## **REPORT**

### **5.0 BACKGROUND AND INTRODUCTION**

- 5.1 The Accounts and Audit Regulations 2011 require all Councils to annually review their systems of internal control and to provide an adequate and effective Internal Audit function.
- 5.2 It was agreed that this Committee should act as an Audit Committee for the Council and, inter alia, receive reports from Internal Audit
- 5.3 This report presents the Annual Internal Audit Report for the year from the North Yorkshire Audit Partnership. Their report, detailed in annex A, summarises the work done by Internal Audit covering the year to 31st March 2011.

5.4 The Annual Internal Audit Report provides a statement of assurance to the Members, the Chief Executive, and the Corporate Director (s151), which will support the Annual Governance Statement (AGS).

5.5 The Audit Partnership works to the 2006 CIPFA Code of Practice for Internal Audit in Local Government. The Council's External Auditors have been satisfied with the audit work undertaken, and have been able to place reliance on the work of the Partnership in order to optimise the overall cost of audit to the Council. The Partnership is subject to the regular tri-ennial review by the external auditors.

## **6.0 POLICY CONTEXT**

6.1 This report supports the Council's Corporate Strategic Objective of providing strong Community Leadership, by demonstrating a commitment to local democracy and accountability

## **7.0 CONSULTATION**

7.1 A statement outlining any consultation carried out or planned and any known outcomes.

## **8.0 REPORT DETAILS**

8.1 The report detailed in annex A, provides an assurance statement for the financial systems of the council, based on the work undertaken to date, and past experience. It is not a 'carte blanche' but a balanced judgement. It also includes an assessment of the application of risk management, and management of the identified risks, within its programme of audits.

8.2 One of the positive issues emerging is that the Council has embedded Risk Management into the everyday operations of the Council. It is in this respect that we expect that internal audit will assist, by reviewing the Risk Management process, to ensure the understanding and implementation of risk management across the Council.

8.3 The North Yorkshire Audit Partnership is able to provide the Council with a clear statement of Internal Control Assurance, as all the main systems audited are operating robustly and securely. This supports the Annual Governance Statement required under the Accounts and Audit Regulations 2011.

8.4 It also includes a schedule of the audit opinions for the audits completed in the year. These opinions lead through to the overall opinion, and the AGS. It also includes a synopsis of the performance of the Partnership in delivering internal audit to Ryedale District Council.

8.5 The review provides an overall opinion and assurance that given all the circumstances pertaining with the Internal Control System in Ryedale District Council during 2010/11 that it is considered as working "to Standard".

8.6 As with any such review there will always be areas that could be improved and this is no different.

8.7 It is considered that the work completed combined with the planned work for 2011/12 represents the best compromise between economy and effectiveness, and provides a sufficient level of assurance for the AGS and the Council's external auditors.

## 9.0 IMPLICATIONS

9.1 The following implications have been identified:

- a) Financial  
There are no financial implications, beyond the existing budget for Internal Audit and any additional work in respect of Risk Management, and special investigations
- b) Legal  
None at present, though there is increasing pressure for regular reporting of Internal Audit work to Audit Committees (or equivalents).
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
None

**Paul Cresswell**  
**Corporate Director (s151)**

**Author:** Alison Newham – Audit Manager (North Yorkshire Audit Partnership)  
**Telephone No:** 01723 384431  
**E-Mail Address:** [Alison.Newham@Ryedale.gov.uk](mailto:Alison.Newham@Ryedale.gov.uk)  
[Alison.Newham@Scarborough.gov.uk](mailto:Alison.Newham@Scarborough.gov.uk)

**Background Papers:**  
None

**Background Papers are available for inspection at:**  
N/A

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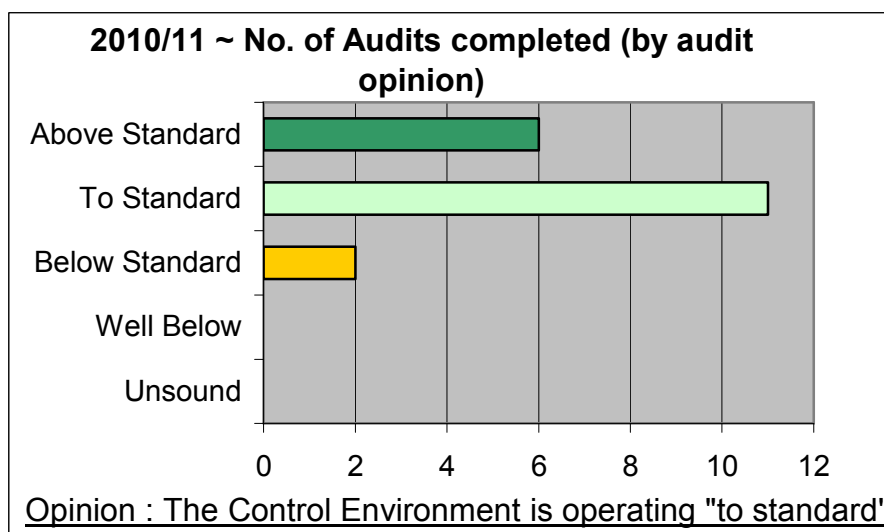


*Independent Assurance*

# Internal Audit Annual Report



## Ryedale District Council July 2011



Head of Partnership: James Ingham CPFA

Audit Manager : Alison Newham BA(Hons)

Circulation list: Members Overview & Scrutiny Committee  
Chief Executive  
Corporate Director s151

## **Summary**

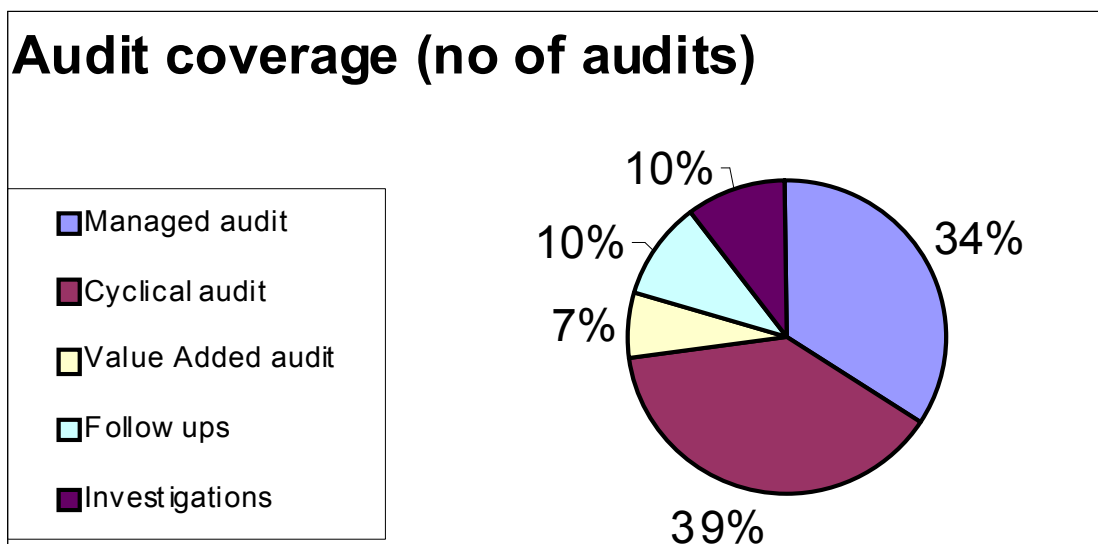
### **1.0 Introduction**

- 1.1 Internal Audit is a mandatory requirement for all councils, (Accounts & Audit regulations). The Council meets that requirement by an Internal Audit service provided through the North Yorkshire Audit Partnership.
- 1.2 The Partnership provides the service and works to the Cipfa Code of Practice for Internal Audit in Local Government. The council's external auditors undertake a tri-ennial review of the Partnership which adds to the Accounts & Audit regulation requirement that the Council undertakes an annual review of the effectiveness of the system of Internal Audit. The results of both reviews are presented to the audit committee of the Council.
- 1.3 Internal audit providers in Local Government have an obligation to produce an Annual Internal Audit Report. This is an important document in many ways and brings together the following in one consolidated report.
  - ◆ A clear Statement of Assurance by the North Yorkshire Audit Partnership regarding the adequacy and effectiveness of the internal control environment.
  - ◆ The key issues and themes arising out of the internal audit activity that has been undertaken during 2010/2011, encompassing systems audit work and any specialist reviews.
  - ◆ A summary of our performance during the year, including details of:
    - The summary of the opinions for the audits completed
- 1.4 The Annual Report is, however, more than the sum of these parts; taken as a whole it is an important contribution to the Council reaching an understanding of what risks exist and how well they are being managed.

### **2.0 Planned Audit work 2010/11**

- 2.1 The agreed number of days in the plan for internal audit was 265. The plan itself was derived from the Partnership's risk model, devised to target resources to those areas that are considered to be of the greatest risk.
- 2.2 It is, however, tempered by a number of factors, the most significant of these being the expectation of the external auditors that internal audit undertake work on the material (significant) systems of the council on an annual basis. The volume of time required is largely constant, so the balance is used for locally directed and determined audit assignments.
- 2.3 The plan also includes a provision for specialist audit work including ICT audit, and work around the partnership governance area. Finally it also includes an amount of time to meet Client support requirements, including attending audit committee, and ad-hoc or special investigations.

2.4 The chart below shows the spread of audit assignments.



2.5 Appendix A of this report shows the final table of planned audit work, and the audit opinion associated with the audits completed.

2.6 This section of the annual report focuses on measuring the performance of the North Yorkshire Audit Partnership specifically against the delivery of the internal audit service to Ryedale District Council. Appendix B provides a summary of the performance indicators as measured against accepted standards. It will be noted that some of the performance measures are subjective and can only be considered by the Council.

### 3.0 **Where did Internal Audit “add value” in 2010/11?**

3.1 In the current and anticipated future economic climate, all parts of the Council, whether internal units, contracted partners, or joint service arrangements will need to demonstrate that they are ‘adding value’ to the Council.

3.2 Whilst there is a statutory requirement for internal audit, the method used to comply with that basic premise is open to the Council to determine. Therefore it is vital that we identify that we have not only provided a ‘legally compliant’ service but can show where we consider that we have ‘added value’ through our work for Ryedale DC.

3.3 The dilemma is that, whilst there is no doubt that internal audit work provides an amount of added value, simply by its very presence, it can be somewhat problematical to determine and quantify ‘added value’ where the output is a positive internal audit report. However the assurance and added value is intrinsic in that if internal audit were not present, active and effective would there be areas of concern that the Council may not be aware of? In effect we add value by the work we do and through that the confirmation of an effective system of internal control which is assessed and reported to members and the wider public through the Annual Governance Statement.

3.4 We consider that we have added value in the year through the following: -




- ◆ Material Systems audit work; where our work provides a solid base for the external auditors in their review of these systems as part of their opinion work. This also improves External Audit liaison and this shared work if not done may lead to increased external audit fee. The work we do, therefore maintains, and may also be said to reduce, the external audit fee.
- ◆ Assurance from cyclical audit work adds value to the organisation by providing that continuing confidence that our work has not identified significant control failings. Where issues are identified these are discussed with relevant line management and recommendations are proposed and agreed with them for implementation. Through this dialogue we add value by enhancing the control environment and by providing the Committee where member responsibility for that exists through the regular briefings in our quarterly and annual IA reports on the control environment. .
- ◆ Our follow up process which covers most of the audits adds value by providing assurance to line management, Corporate Directors, Heads of Service, and the

Committee members that the agreed recommendations are being properly implemented. Through this process the overall Control Environment is continually upgraded.



- ◆ We have added value to the Overview & Scrutiny (Audit) Committee through our support and advice to it. We have assisted by suggesting and facilitating the attendance at Committee of managers to respond directly to members questions and concerns over the audit reports and the actions that managers are taking to implement agreed recommendations.
- ◆ We also add value through that part of our remit where we provide support to the Council's Risk Management process. This we achieve through reviewing and revising the Risk Management Strategy, and process. It should be noted that with the effective implementation, and imaginative use of Covalent our role has continues to diminish.
- ◆ We consider that we add value to the developing and changing nature of the Council's activities through our presence and attendance at development group meetings as we are there to ensure that where there are proposed and new ways of delivering services that the control environment is not overlooked which could lead to the Council being exposed. Through our active participation in these groups we look to make the new ways of working secure and effective without imposing needless bureaucracy.
- ◆ We are also planning for 2011/2012 to provide bespoke training sessions to the staff and Members on Risk Management and FAT (Fraud Awareness Training).

#### **4.0 Matters of significance from the work completed in the year**

4.1 The areas that were especially pleasing to report are as follows:-

-  We are pleased to report that performance management is now fundamentally embedded in the day to day routines of the Council, using Covalent. This is also now being used to further develop Risk Management. In addition, a Risk Register Action Plan Audit has been completed where the actions were monitored from the registers and cross referenced to the relevant audits in the plan.
-  We anticipate being able to use Covalent ourselves to drive improvements in the follow up process of agreed audit recommendations.
-  Management and staff alike are now working much more closely alongside Internal Audit and seeking guidance with new ventures and projects.

4.2 The only areas that generated concern were as follows: -

-  Internal CCTV caused some significant concerns and the audit opinion was "below standard". As soon as Management became aware of the issues, improvements were made, controls were introduced, and risks greatly reduced. We will be completing a follow up report in 2011/12.
-  There has only been one special investigation that was significant in terms of time spent on it, and it was investigating alleged misuse of internet facilities. This has now been completed, the issue resolved and appropriate action was taken. Preventative measures and tighter controls have also been introduced as a result of this investigation.

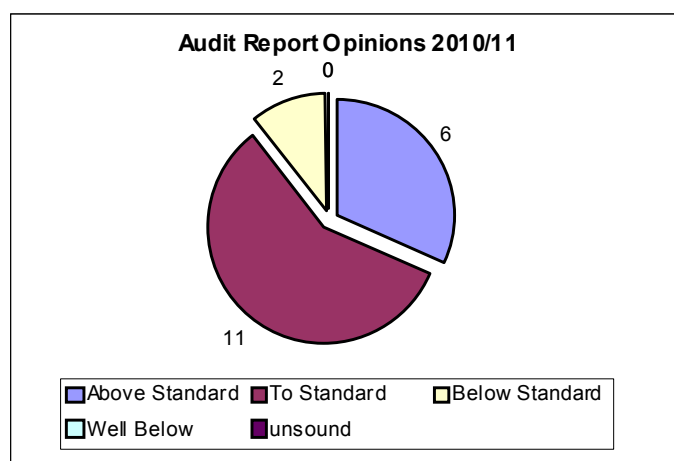


## 5.0 Audit Opinion and Assurance Statement

- 5.1 We have conducted our audits both in accordance with mandatory standards and good practice contained within the CIPFA Code of Practice for Internal Audit in Local Government.
- 5.2 The Cipfa Code defines Internal Audit as an assurance function providing an independent opinion on the Internal Control Environment, comprising Risk Management, Governance and Internal Control. Accordingly we have structured our opinion around those three themes.
- 5.3 For 2010/11, the internal audit opinion is derived from work completed as part of the agreed internal audit plan, which includes compliance with the managed audit. This is work done as part of the joint protocol between the Council's internal and external auditors who themselves are required to give an opinion on the Council's accounts. It is accepted that Internal Audit has an established position of independence within the Council more especially with the specific arrangements that exist with the North Yorkshire Audit Partnership. It has experience in control and assurance matters generally.
- 5.4 On balance, based upon the audit work done, together with the pre-existing cumulative audit knowledge and experience of other areas not subject to audit this year our overall audit opinion is that the Internal Control Environment for the Council is operating "to standard".

The Assurance:	
Risk Management	The Council is has managed to embed Risk Management within the organisation through the effective implementation, and imaginative use of Covalent.
Governance	Our work this year leads us to the overall opinion that the Corporate Governance arrangements are sound.
Internal Control [financial systems, etc.]	<p>Our overall opinion is that the internal controls within the financial systems in operation throughout the year are fundamentally sound. (89% of audits completed had an 'Above Standard' or 'To Standard' opinion)</p> <p>This is based upon our examination of the key financial systems as part of the managed audit approach, and the other financial systems that were actually audited. On that basis and our previous experience and knowledge there is no reason to believe that the systems are other than sound.</p>

Table of 2010/11 audit assignments completed



<u>Audit</u>	<u>Status</u>	<u>O&amp;S (Audit Committee)</u>
<b><u>2010/11 ~ Material Systems (External Audit definition)</u></b>		
Council Tax	Complete - To Standard	Feb 2011
Creditors + e-procure/purchase cards	Complete - To Standard	Feb 2011
Debtors	Complete - Above Standard	July 2011
Income System	Complete - Above Standard	July 2011
NNDR	Complete - To Standard	July 2011
G. Ledger + Bank Reconciliations	Complete - Above Standard	July 2011
Housing Benefits	Complete - To Standard	July 2011
Payroll	Complete - Above Standard	July 2011
Treasury Mgt	Complete - Above Standard	July 2011
<b><u>2009/10 Audit plan work</u></b>		
Internal CCTV	Complete - Below Standard	Dec 2010
Health and Safety	Complete - Below Standard	Dec 2010
Officers Allowances	Complete - To Standard	Dec 2010
Taxi Licences	Complete - Below Standard (opinion raised to "to standard" after immediate implementation of recommendations)	Dec 2010
Performance Indicators	Complete - To Standard	Feb 2011
Garages and Depots	Complete - Above Standard	Feb 2011
Risk Management Action Plans	Complete - To Standard	Feb 2011
Concessionary Fares	Complete - To Standard	Feb 2011
Housing Strategy	Complete - To Standard	July 2011
Cultural Grants	Complete - To Standard	July 2011
Development Control	Deferred to 2011/12	
Community Safety	Deferred to 2011/12	

## Ryedale District Council Internal Audit Performance measures

	Performance Measures	Partnership Performance 2010/2011
Cost	<ul style="list-style-type: none"> <li>Estimated cost of service compared with similar organisations, based on the number of days in the audit plan.</li> </ul>	<ul style="list-style-type: none"> <li>Partnership £ 62,275</li> <li>Family Group c.£ 72,875</li> <li>Private Sector c.£ 74,000</li> </ul>
Audit Coverage	<ul style="list-style-type: none"> <li>Actual audits completed compared with the plan.</li> <li>Productive or field work time as a percentage of total time</li> <li>Actual areas covered within the plan.</li> </ul>	<ul style="list-style-type: none"> <li>19 out of 19 audits planned were ultimately completed; 100%. (Revised 10/11 plan) plus follow up audits. (Some completed in Q1 2011/2012)</li> <li>100% non-productive time is borne by the Partnership.</li> <li>All necessary work completed; (any changes made to the original plan are agreed with the client ~ Corporate Director (s151)).</li> </ul>
Audit Plans	<ul style="list-style-type: none"> <li>Timeliness of preparation.</li> <li>Conformity with CIPFA Standards</li> <li>Usefulness to readers</li> </ul>	<ul style="list-style-type: none"> <li>Annual audit plan produced and approved in advance of new financial year.</li> <li>Complies with CIPFA standards and external audit requirements.</li> <li>Council to consider this aspect.</li> </ul>
Audit Reports	<ul style="list-style-type: none"> <li>Timeliness of preparation.</li> <li>Factual accuracy.</li> </ul>	<ul style="list-style-type: none"> <li>Draft reports to be issued within 15 days of completion of audit. (over 80% within target).</li> <li>Council responses to draft reports reflect high levels of factual accuracy achieved.</li> </ul>
Recommendations	<ul style="list-style-type: none"> <li>Comments by clients and management.</li> <li>Implementation of the Management Action Plan (MAP) by clients.</li> <li>Timeliness of follow up of implementation.</li> </ul>	<ul style="list-style-type: none"> <li>Council responses to reports normally very positive.</li> <li>Generally good implementation of the MAP by clients.</li> <li>Formal follow up process and regular reports to the Overview &amp; Scrutiny Committee.</li> </ul>
Relationships	<ul style="list-style-type: none"> <li>Senior management's opinion of Internal Audit provided by the Partnership.</li> <li>Relationship with the External Auditors.</li> </ul>	<ul style="list-style-type: none"> <li>This is reflected in the questionnaires used in the A&amp;A Reg 6 review of effectiveness.</li> <li>Relationship with the external auditors is good and audit work is co-ordinated to achieve optimum effectiveness for the Council.</li> </ul>
Reviews by other agencies	<ul style="list-style-type: none"> <li>Extent of External Auditor's reliance on Partnership work.</li> </ul>	<ul style="list-style-type: none"> <li>External auditor continue to place reliance on our work.</li> </ul>
Staffing and Training	<ul style="list-style-type: none"> <li>Continuity in staffing.</li> <li>Provision of appropriate training for staff.</li> <li>Use of staff with specialist skills; e.g. ICT Audit</li> </ul>	<ul style="list-style-type: none"> <li>Head of Partnership for management,</li> <li>Local Audit Manager for Ryedale for service continuity, and local knowledge.</li> <li>Partnership has an established training policy and programme.</li> <li>Used as required or appropriate to Council's needs.</li> </ul>

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<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>7 JULY 2011</b>
<b>REPORT OF THE:</b>	<b>CORPORATE DIRECTOR (s151) PAUL CRESSWELL</b>
<b>TITLE OF REPORT:</b>	<b>ANNUAL GOVERNANCE STATEMENT 2010/2011</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 For Members to critically review the Annual Governance Statement (AGS) as required under The Accounts & Audit Regulations 2011.

### **2.0 RECOMMENDATION**

- 2.1 It is recommended that Members recommend approval of the AGS and its associated Action Plan for inclusion in the Statement of Accounts.

### **3.0 REASON FOR RECOMMENDATION**

- 3.1 The completion of an AGS and its review by “..the relevant body..” is a mandatory requirement including examination by the “..audit committee...”. In Ryedale final approval prior to signature by the Chief Executive and the Leader of the Council vests with the Overview & Scrutiny Committee.

### **4.0 SIGNIFICANT RISKS**

- 4.1 The only significant risk is that non-compliance would lead to censure by the external Auditors, and possible detrimental coverage in the local media.

## **REPORT**

### **5.0 BACKGROUND AND INTRODUCTION**

- 5.1 Good governance is important to all involved in local government. However it is a key responsibility for the leader of the council and of the chief executive.
- 5.2 The preparation and publication of an annual governance statement in accordance with the Cipfa/SOLACE Framework is necessary to meet the statutory requirement set out in Regulation 4(2) of the Accounts and Audit Regulations 2011, which requires authorities to “conduct a review at least once in a year of the effectiveness of its system of internal control” and to prepare a statement on internal control “in

accordance with proper practices”.

- 5.3 Ryedale Council’s financial management arrangements conform to the governance requirements of the CIPFA “Statement on the Role of the Chief Financial Officer in Local Government”
- 5.4 The Policy & Resources Committee have adopted the CIPFA framework for producing the AGS. Part of this framework is for the Council’s Overview and Scrutiny Committee to consider the AGS and its content. The document has then to be signed by the Chief Executive and the Leader (or equivalent) of the Council. This emphasises that the document is about all corporate controls and is not confined to financial issues.
- 5.5 The purpose of the AGS is to provide a continuous review of the effectiveness of the organisation’s internal control and risk management systems so as to give assurance on their effectiveness. There is also a need to identify and address weaknesses by the production of an action plan.
- 5.6 At its most effective, the process of preparing the AGS should add value to the corporate governance and internal control framework of the Council.
- 5.7 The External Auditor will be considering the AGS as part of his auditing of the Statement of Financial Accounts. The Auditor is required to issue his opinion on the accounts and sign them off. Any matters arising from the audit work of the External Auditor will be brought to the attention of this Committee in due course.
- 5.8 The AGS is attached.

## **6.0 POLICY CONTEXT**

- 6.1 The production of the AGS is a mandatory requirement embodied in the Accounts and Audit Regulations 2011.

## **7.0 CONSULTATION**

- 7.1 As this is a mandatory requirement, no consultation has been carried out.
- 7.2 To improve the quality of the AGS future versions will seek comments from the Heads of Service group, and it will be discussed in that forum. Through this route a wider appreciation and understanding of its purpose and function should be broadcast.

## **8.0 REPORT DETAILS**

- 8.1 The Corporate Management Team together with other appropriate senior officers have reviewed controls in detail. Also comments, evidence and feedback from a number of internal and external sources have been reviewed in the compilation of the AGS.
- 8.2 The next steps are for this Committee to critically review the AGS prior to obtaining an opinion on its robustness from the external auditors.
- 8.3 The AGS should not be seen as a task at a particular point in time. Therefore, for the process to add value to the Council, assurances on the effectiveness of controls over key risks should be obtained throughout the year. This allows remedial action to take

place at the earliest opportunity, thereby improving the internal control framework. This is achieved by regular monitoring by this Committee.

## **9.0 IMPLICATIONS**

9.1 The following implications have been identified:

- a) Financial  
None
- b) Legal  
Compliance with the Accounts & Audit Regulations.
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
None, some requirement on staff for completion, but no additional staff necessary.

**Paul Cresswell**  
**Corporate Director (s151)**

**Author:** James Ingham, Head of Audit Partnership  
**Telephone No:** 01723 232364  
**E-Mail Address:** [James.Ingham@Ryedale.gov.uk](mailto:James.Ingham@Ryedale.gov.uk)  
[James.Ingham@Scarborough.gov.uk](mailto:James.Ingham@Scarborough.gov.uk)

### **Background Papers:**

CIPFA – Annual Governance Statement in Local Government – meeting the requirements of the Accounts and Audit (Amendment) (England) Regulations 2006 The ‘rough guide’

Cipfa Finance Advisory Network ~ AGS ‘Rough Guide’ for practitioners.

Cipfa/Solace Application Note to Delivering Good Governance in Local Government: a Framework. (March 2010)

SI 817 of 2011: The Accounts and Audit (England) Regulations 2011

### **Background Papers are available for inspection at:**

Internal Audit (North Yorkshire Audit Partnership) offices ~ Ryedale House  
Contact ~ James Ingham

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**ANNUAL GOVERNANCE STATEMENT 2010/11**  
**ACTION PLAN for implementation in 2011/12**

STATUS	CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	TARGET DATE	CURRENT POSITION & COMMENTS
Brought Forward From 2007/2008 Action Plan	<u>Asset Management</u> The Audit Commission KIoE for UoR Action Plan 2008 notes that the Council' approach to Asset Management did not reach level 3 assessment. (Level 3 requires that the council maintains an effective asset register.).	That the software bought to assist with asset management be installed and commissioned as a priority.	Corporate Director (s151) [Head of Resources]	Fully functional by 31/12/09	COMPLETED
New 2009/2010	There are significant changes to IT systems supporting services planned over the forthcoming year and beyond. There is the risk that system controls will be compromised during this period.	<ul style="list-style-type: none"> <li>• All projects are run using established project management methodology.</li> <li>• Internal audit will be involved in working groups as appropriate.</li> <li>• System specifications ensure appropriate controls.</li> </ul>	Corporate Director (s151) as Chair of ICT Programme Board.	Continuing	COMPLETED
Brought Forward From 2008/09	The role and responsibilities of member champions are not established within the Council	Review to be undertaken setting out necessary information for member champions and officer leads.	Head of Transformation	To be completed by 30/9/2009	COMPLETED

STATUS	CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	TARGET DATE	CURRENT POSITION & COMMENTS
Brought Forward From 2008/09	Corporate Business Continuity Plan (BCP) requires testing for resilience and further training may be required.	Use consultancy days from our insurers and specialist to ensure the plan is fit for purpose and appropriate staff have currency of knowledge.	Corporate (s151) Director	To be completed by 31/12/2011	Work ongoing with NYCC - Carry forward as ongoing issue in 2011/2012
New 2009/2010	Risk of compromise and weaknesses in operational systems as a consequence of reduced staffing over forthcoming years through downsizing as Government funding cuts made.	<ul style="list-style-type: none"> <li>Where changes in staffing occur, that changes in operating arrangements are reviewed prior to reducing the controls.</li> <li>Internal audit are included in working groups reviewing operating systems and arrangements, including commissioning, partnership arrangements etc.</li> </ul>	Corporate (s151) Director	Continuing	COMPLETED IN 2010/2011, Carry forward as ongoing issue in 2011/2012
New 2010/11	With the potential for new partnerships and changes to existing ones over the forthcoming year there is a risk that system controls could be compromised during the period.	<ul style="list-style-type: none"> <li>Partnership risk register to be considered by O and S</li> <li>Partnership changes to be properly project managed</li> <li>Internal audit will be involved in working groups and project teams as appropriate</li> <li>Ensure partnership protocol is followed</li> </ul>	Corporate Director (s151)	Ongoing	New control Issue



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<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>7 JULY 2011</b>
<b>REPORT OF THE:</b>	<b>HEAD OF TRANSFORMATION CLARE SLATER</b>
<b>TITLE OF REPORT:</b>	<b>ANNUAL REPORT 2010/11 – DELIVERING THE COUNCILS PRIORITIES</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 The purpose of this report is to present the committee with the content of the Councils Annual Report of delivery against its priorities.

### **2.0 RECOMMENDATION**

- 2.1 That the committee considers the content of the Annual Report for 2010/11 and note the challenges for 2011/12.

### **3.0 REASON FOR RECOMMENDATION**

- 3.1 The Annual Report is a key element of the Councils performance management framework. The intended audience for the annual report is the public.

## **REPORT**

### **4.0 BACKGROUND AND INTRODUCTION**

- 4.1 The Council adopted a set of priorities in March 2009 in the Council Plan 2009-13.

### **5.0 POLICY CONTEXT**

- 5.1 The Council Plan is the key policy statement of the Council and is complimented by other plans such as the Financial Strategy and Service Delivery Plans.

### **6.0 CONSULTATION**

- 6.1 The Council engages with the communities it represents throughout the year and the intelligence gathered informs the delivery of the Council Plan and the annual budget process.

## 7.0 REPORT DETAILS

7.1 The Council has adopted the following priorities in the Council Plan 2009 -13:

**Aim 1:** To meet housing need

**Strategic Objectives:**

1. To change and add to housing stock to meet the local housing needs
2. To support people to access a suitable home or remain in an existing home

**Aim 2:** To create the conditions for economic success

**Strategic Objectives:**

3. Place of opportunity – economic structure and supporting infrastructure
4. Opportunity for people – increasing wage and skills levels

**Aim 3:** To have a high quality clean and sustainable environment

**Strategic Objectives:**

5. Reducing waste and CO2 emissions
6. Planning to adapt to climate change
7. To maintain the quality of our local environment

**Aim 4:** To have safe and active communities

**Strategic Objectives:**

- 8a. Safe Villages and Towns
- 8b. Healthy Villages and Towns

**Aim 5:** To transform the Council

**Strategic Objectives:**

9. To understand our communities and meet their needs
10. To develop the leadership, capacity and capability to deliver future improvements

### **Performance Management**

7.2 Progress in delivering the councils priorities is reported quarterly to the Policy and Resources Committee. These reports are complimented by the Revenue Budget Monitoring reports also submitted to the Policy and Resources committee. These reports are available on the Councils website and contribute to the delivery of the transparency agenda for local government.

7.3 The Annual Report for 2010/11 is attached at Annex A and summarises the Council's delivery against it priorities. The summary accounts will be included following the completion of the external audit of the accounts.

### **Challenges for 2011/12**

7.4 **Aim 1: To meet housing need**

a) **Affordable Housing Delivery**

The Government's new approach of an affordable housing framework has the potential to make developing affordable homes in the future much harder due to the scarcity of resources. The Council needs to take full advantage of the New Homes Bonus and at the same time ensure empty homes in the district do not affect the Council's ability to attract income.

b) **Housing Benefit**

As part of its wider package of welfare reform, the Government is introducing a number of changes in respect to the way housing benefit is to be paid in future years. These changes have the potential to have a notable impact on levels of homelessness within the District and have significant implications for the Council

- in terms of both the approach to meet the challenge and the likely cost incurred.
- c) **Bridge House**  
A new supported accommodation facility is required for homeless people in Ryedale, replacing Bridge House. The funding for the support staff at Bridge House runs out in September 2011
  - d) **Preventing Homelessness**  
The government has increased funding through the homeless Prevention Grant in acknowledgement that homelessness may continue to increase over the coming year.
  - e) **Private Sector Renewal**  
The Council has always had an extensive grants programme but there is no allocation for 2011/12 and this will affect the Council's ability to award grants and loans. Ryedale is the only authority in North Yorkshire to make capital resources available for continuing the grants and loans schemes. These and related issues will be considered by the Joint Commissioning Group when it begins its examination during 2011 of private sector housing and support for independent living.

### **Aim 2: Creating the conditions for economic success**

- a) The planning application for the Brambling Fields junction improvement scheme has been submitted to NYCC. The legal agreements which enable the development to proceed should be signed September/October 2011 with construction starting on site in January 2012 and the improved junction opening autumn 2012.
- b) Schemes to improve the public areas and streets within Malton Town Centre will be brought forward to help encourage visitors and trade and boost the local economy.
- c) The LDF Core Strategy will be published, following a decision by Council, in September 2011.
- d) The Council is embarking on a project to ascertain community and business aspirations for Next Generation Broadband across Ryedale, in partnership with NYnet.
- e) The Council are in the process of purchasing Stanley Harrison House to provide town centre offices in Norton for RVA and CAB with potential for co-location with other public sector services. The facility will also add to parking provision available close to the bus and rail stations.
- f) Maximising support for enterprise and industry in the area through the York and North Yorkshire Local Enterprise Partnership in an environment with very little funding and ensuring a representative voice for business interests in Ryedale.
- g) An Economic Strategy for Ryedale will be prepared.

### **Aim 3: To have a high quality clean and sustainable environment**

- a) Introduction of kerbside recycling for plastics and cardboard.
- b) Utilise the new transfer station for dry recyclables (glass, paper, cardboard) on Showfield Lane, lowering costs and generating savings for the Council.
- c) The Climate Change Strategy will be refreshed in line with government guidance.

### **Aim 4: To have safe and active communities**

- a) A Sports Strategy for Ryedale will be prepared.
- b) Further investment in the sport and recreation infrastructure.
- c) Maintaining the low levels of crime in Ryedale.
- d) Delivery of the Community Safety Plan through the Safer Ryedale Partnership, with diminishing resources.

### **Aim 5: To Transform the Council**

- a) Going for Gold – achieving savings of £700k through the redesign of services, shared services and increased income generation, taking advantage of any opportunities which arise.
- b) Realise efficiencies from IT investment.
- c) Preparing for the implications of new legislation such as the Localism Bill, Police Reform and Social Responsibility Bill, Welfare Reform Bill and the Health and Social Care Bill.

## **8.0 IMPLICATIONS**

8.1 The following implications have been identified:

- a) Financial  
There are no new financial implications in considering this report which are not accounted for in the Financial Strategy.
- b) Legal  
There are no significant legal implications arising from this report
- c) Other  
There are no significant other implications arising from this report.

### **Clare Slater Head of Transformation**

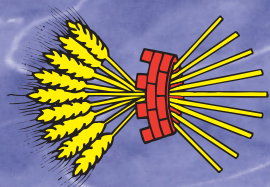
**Author:** Clare Slater, Head of Transformation  
**Telephone No:** 01653 600666 ext: 347  
**E-Mail Address:** [clare.slater@ryedale.gov.uk](mailto:clare.slater@ryedale.gov.uk)

### **Background Papers:**

Council Plan 2009 -13  
Delivering the Council Plan Reports – Reported quarterly to Policy and Resources Committee

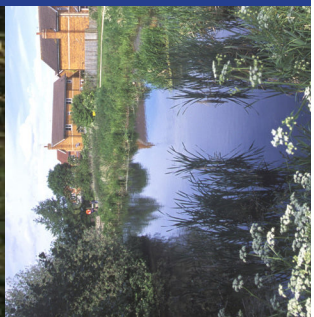
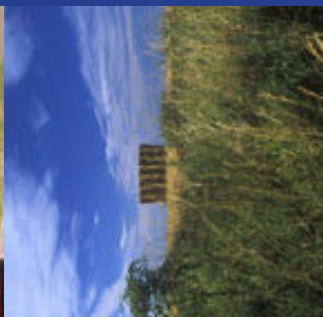
**Background Papers are available for inspection at:**  
[www.ryedale.gov.uk](http://www.ryedale.gov.uk)





**RYEDALE  
DISTRICT  
COUNCIL**

# ANNUAL REPORT 2010/2011





# About Ryedale.....



### Nature Conservation

Ryedale has over 100 Sites of Importance for Nature Conservation. There are currently 45 Conservation Areas in Ryedale, 12 of which are exclusively within the North York Moors National Park, and 4 are partly within the Park. There are 29 Sites of Special Scientific Interest within the district, ranging from flower rich chalk grasslands to lowlands woodlands and marshes.

During March 2011, 250 Ryedale residents completed questionnaires about issues concerning them in their neighbourhood. The results revealed that 94.5% of people felt that the crime level in Ryedale was low or fairly low compared with national crime levels. Of those questioned 97.5% felt that Ryedale was a safe place to live. Dog mess and speeding motorists were the two main complaints with 35% and 39% of respondents saying this was an issue for them followed by 25% concerned about litter.

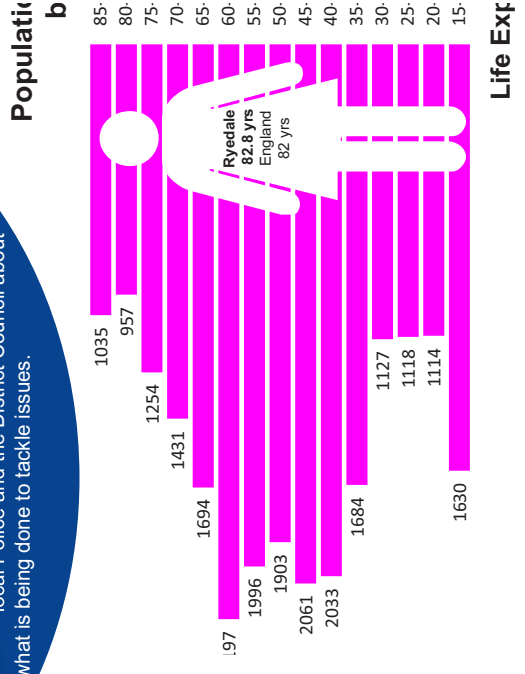
Police Community Support Officers and Council Officers will issue fixed penalty notices to anyone not picking up after their dog and provide advice on ensuring they are prepared in the future. 80% of residents think they are well informed by local Police and the District Council about what is being done to tackle issues.

### Education

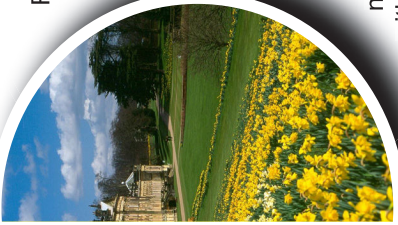
The number of pupils in Ryedale achieving 5+ GCSE's grade A\*-C in 2010 was 80.8% compared to the National Average of 75.3%. In primary schools, key stage 4, the number of children achieving level 4 or above in English was 78% and Maths 78%, which are all in-line with the National Average.

### Tourism

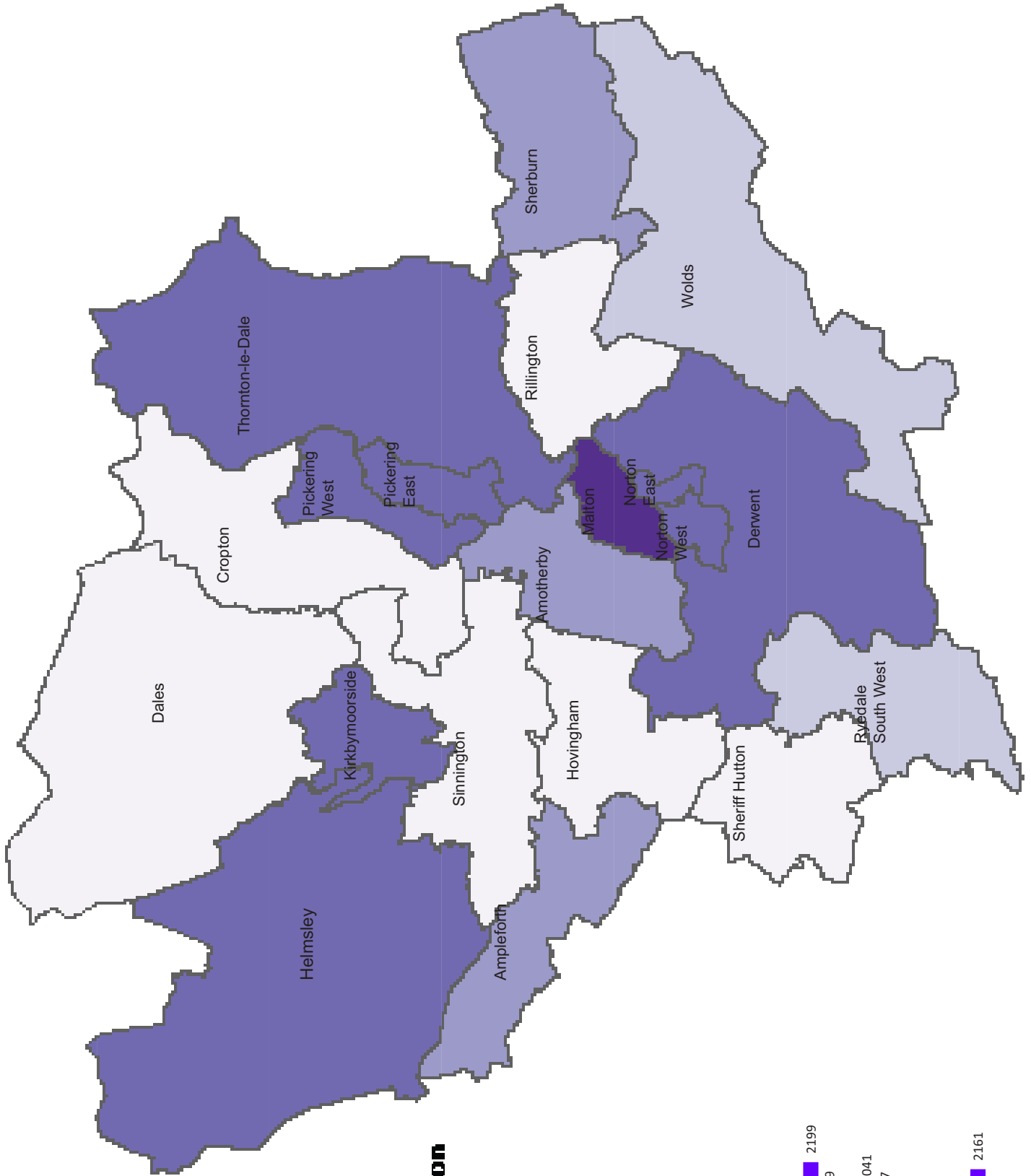
Ryedale nestles between York and the Heritage Coastline of North Yorkshire. The North York Moors form the northern border of the District and the Yorkshire Wolds the southern limit. Ryedale is a diverse and beautiful area of spectacular scenery, bustling market towns, dale and hill farms, and picturesque villages. Ryedale takes its name from the River Rye which, together with the River Derwent, forms much of the geographical character of the District. The overall value of Tourism in Ryedale in 2008 was an estimated £360 million.







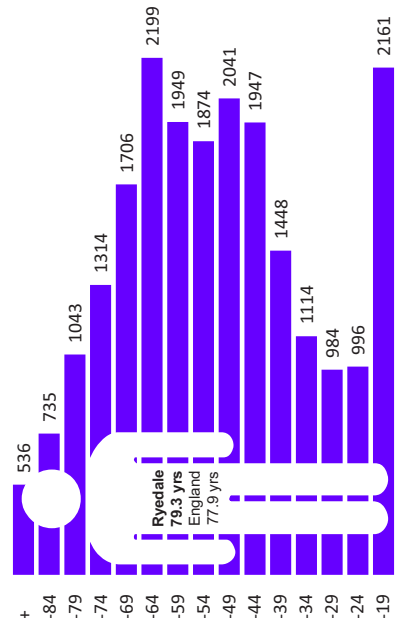
Ryedale has over 2000 listed buildings. 60 of which are Grade 1 listed. Ryedale has over 300 Scheduled Ancient Monuments. Derwent Ward has the highest number in Ryedale with nearly 80.



**Wards by Population**

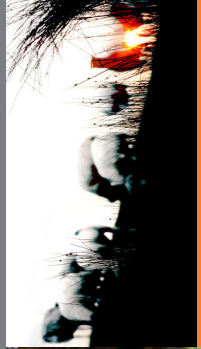
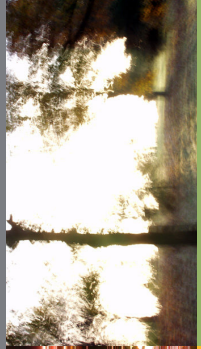
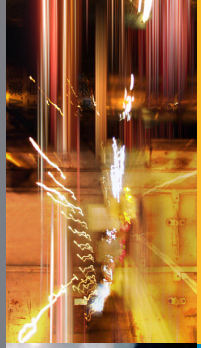
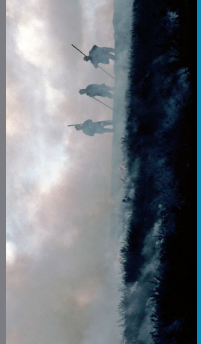
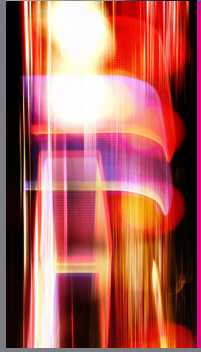
- 1800 to 1800
- 1800 to 2000
- 2000 to 3000
- 3000 to 5000
- > 5000

**Population of Ryedale by Age**



# Imagine Ryedale....

The vision of local people for Ryedale in 2013 is of a place...



## Vibrant Communities

...with vibrant communities where everyone is respected; where all generations have opportunities to express themselves; where diversity is welcomed and encouraged.

## Strong Safe Communities

...that is home to welcoming and familiar neighbourhoods, where people and friendships are valued. Community spirit is strong, underpinned by security and safety. There is mutual trust between local people and the organisations that exist to help, support and serve them.

## Access and Communication

...where it is easy to access any part of Ryedale, and all other places, for work and play. Communication is dealt with in flexible and innovative ways.

## Health and Wellbeing

...where people enjoy life, work and leisure at their own pace. Freed from stress, they can take care of themselves and others.

## Landscape and Environment

...which is a cherished mixture of towns, villages and landscapes. It is a peaceful sanctuary, not crowded or polluted.

## Developing Opportunities

...where everyone is involved in and can influence planning for the community; the places where they live and work; increasing opportunities to meet, learn and have fun.

...the Council shares this vision with the communities of Ryedale and is working with partners from the public, private, voluntary and community sectors to make this vision a reality.

## The Council's vision for Ryedale is of

*'a place where all residents can enjoy a good quality of life, with strong, prosperous and welcoming communities'*

## The Mission of the Council is

*'working with you to make a difference'*



**Aim 1 - To meet housing needs in the Ryedale District Council area**



**Aim 2 - To create the conditions for economic success in Ryedale**



**Aim 3 - To have a high quality, clean and sustainable environment**



**Aim 4 - To help all residents to achieve a healthy weight by encouraging an active lifestyle, in communities where everyone feels welcome and safe**



**Aim 5: To transform Ryedale District Council**





The Council is committed to helping to meet housing need in the Ryedale area.

We will do this by changing and adding to the housing stock and supporting people to remain in their existing home or gain access to a suitable alternative one.

Meeting the housing need of people in Ryedale remains a high priority for Ryedale residents and the Council. The average price of a house in Ryedale is still high relative to the low average household income in the area. This affordability gap continues to cause problems for local people particularly first time buyers. The need identified in the area includes those who cannot afford a home and also those who are in a home they find difficult to maintain or that no longer meets their needs due to changing circumstances or disability.

### Provision of Affordable Homes

In difficult housing market conditions, 52 new affordable homes were delivered during 2010/11, with an additional 22 delivered in May 2011. The Council can demonstrate a supply of available housing sites of over 5 years, with planning permissions granted for further 145 affordable homes that should commence on site in 2011/12. A further 82 affordable homes will be delivered by Housing Associations over the next two years.

### Preventing Homelessness

Trends over the last 12 months have indicated that the volume of households in difficulty and seeking assistance from the Council and its partners has been increasing. This year 585 households approached the Councils housing options service because they were in some kind of housing difficulty. This represented a 16% increase on last year. Whilst the majority of these households have had their problem resolved, the increase has led to a subsequent rise in the number of households placed in temporary accommodation and an increase in the number of homeless applications. At the end of March 2011 there were 21 households in temporary accommodation compared to 15 at the same time last year, however the length of stay has remained at an average of 2 weeks.

The Councils approach to tackling homelessness has been through spending relatively small amounts to prevent households becoming homeless, saving money that would otherwise be spent on the provision of expensive temporary accommodation and support.

A variety of homeless prevention initiatives are available locally including:

- specialist services to prevent youth homelessness
- a specialist service to prevent homelessness amongst victims of domestic abuse



# Aim 1: HOUSING

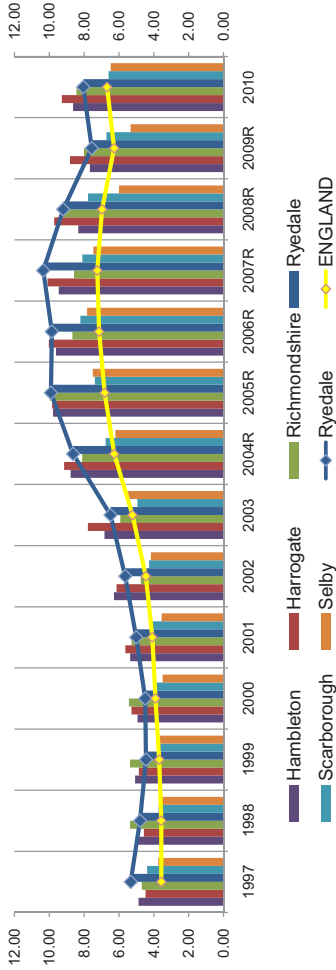
## HOUSING NEED

To meet housing need in the Ryedale District Council area





Ratio of lower quartile house price to lower quartile earnings by District



- mortgage rescue schemes
- support to help people access private rented accommodation
- Money advice services delivered by CAB

The Council has been active in the formulation of the new Choice Based Lettings Scheme (North Yorkshire Home Choice) due to go live in June 2011.

The Bridge House facility housed 30 single homeless clients this year. Many residents have needed specialist support for drug and alcohol issues and over 10% were receiving specialist support for Mental Health issues. Around 70% of resident were aged 25 and under and over a third are heavily involved with other agencies such as Social Care, Youth Justice and Probation. It costs £140 a week to house someone in Bridge House compared to £1070 to house a young offender for a week or at least £485 to house someone with mental health problems in a local authority facility.

### Supporting Independent Living

A number of households have been supported making adaptations through the provision of a Disabled Facilities Grant enabling them to remain in their own homes. This year 57 new

In 2010/11 the spend per head of the population for homelessness was £4.59 for the year. In the same year 55 homeless applications were received and on 296 occasions, Housing Services prevented homelessness through advice and proactive intervention.

Source: RDC Local Performance Indicators HS 5, HS 34a, HS LAA 8.

grants have been approved to a value of £280,365.

The Ryecare Lifeline Service has secured a total of 153 new connections this year taking the total number of private lifelines throughout Ryedale to 514. The Council continues to support the Handyperson Scheme, introduced in 2008, which involves home safety checks, hospital discharge schemes and gardening services among another ancillaries support services.

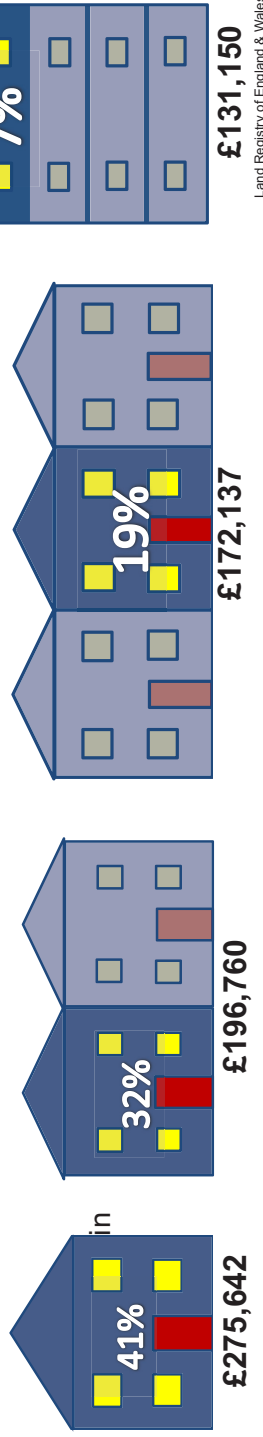
### Fuel Poverty

Fuel poverty occurs when a household needs to spend more than 10% of its income on fuel. Research has shown that in Ryedale over a third of private sector households where living in fuel poverty, with over 10% of properties failing to meet the energy efficiency requirements of the Decent Homes Standard. The Council helps households to combat fuel poverty (and help reduce the District's Carbon footprint) through the award of Energy Efficiency Grants. A total of 94 grants to a value of £85,701 have been awarded this year. The Council continues to work in partnership with The Primary Care Trust, North Yorkshire Fire and Rescue and The Department of Works and Pensions through the 'Hotspots' Scheme which sign posts residents to schemes involving improving thermal efficiency, fire safety and benefit checks and advice.

### Home Improvement Agency

The improvement of private sector housing stock in the district is encouraged through the provision of disabled facility grants, empty property grants, decent home loans and home repair loans. The number of Home Repair Loans completed (17) has doubled this year compared to 2009/10 with 5 decent home loans, 4 empty property grants.

### Housing in Ryedale by type 2001 and average price Oct - Dec 2010







The Council wants to create the conditions for economic success in Ryedale.

We help to make Ryedale a place of opportunity by developing the economic structure and supporting infrastructure and will help to provide opportunity for people in Ryedale by increasing wage and skill levels in the district.

Ryedale is the local authority area with the highest level of employment in England and claimant levels for job seekers allowance are low. The average weekly earnings by workplace also remain low and the Council is working to improve this by supporting the development of employment opportunities in higher paid sectors. Households with higher levels of income are likely to be commuting out of Ryedale to access better wage levels. Ryedale has many small businesses and good entrepreneurial activity. There is a strong presence of advanced engineering firms and an active training organisation, Derwent Training, which specialises in skills for engineering. Economic growth in Ryedale has been slower than in the County and the region and the dominant sectors continue to be manufacturing and agriculture. Growth has occurred in other higher value sectors such as research and development but from a low base.

### Improving Infrastructure

A major extension to York Road Industrial Estate has received planning permission and will provide opportunities for new jobs and investment at Malton. Work is expected on site in 2011/12.

Funding has been agreed for the improvement of the Brambling Fields junction on the A64 to take through traffic away from the congested centre of Malton and so improve the air quality problems at Butcher Corner. A planning application has been submitted for the works with a start on site expected in January 2012. The Council has allocated £2.34m to jointly fund the £5.6m scheme with NYCC and the Highways Agency.

Improved broadband services will be available to local businesses and industrial parks after investment in a new 'point-of-presence' at Ryedale House. Nynet, the provider, has applied for EU funding to provide super fast broadband for businesses across North Yorkshire, including in Ryedale.

Nynet have also launched a Community Broadband Initiative and have established two pilots in North Yorkshire at Newton upon Rawcliffe and Gillamoor. These have been undertaken to demonstrate that with a small amount of capital funding broadband can help to transform the lives of residents in remote rural locations. We are now embarking on a project to ascertain community and business aspirations for Next Generation Broadband across Ryedale.

## Aim 2: ECONOMIC SUCCESS

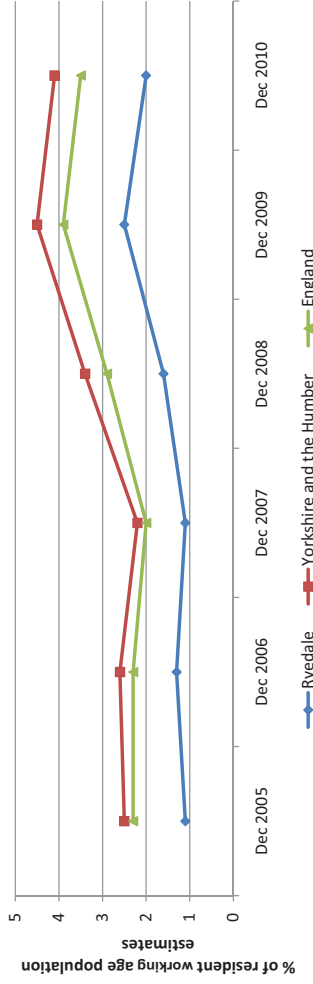
### ECONOMIC SUCCESS

To create the conditions for economic success





Job seekers allowance claimant count rates (Population aged 16 to 64)



### Supporting Local Businesses

The York and North Yorkshire Local Enterprise Partnership has been approved by Government and is now being established to guide and encourage public and private sector investment in and maximise support for enterprise and industry in the area. A local forum for Ryedale businesses has also been established to improve the dialogue between the public and private sectors and remove barriers to enterprise.

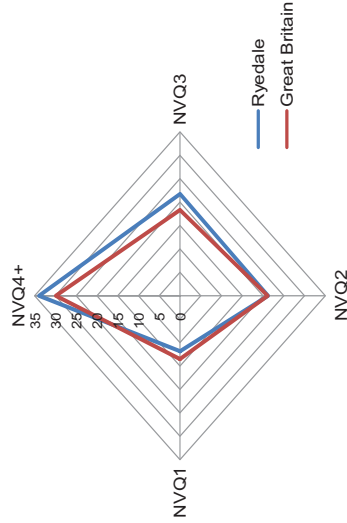
### Identifying sufficient sites for industrial, business

The consultation on the Draft Core Strategy finished in November 2010 and over 2000 responses were received. These are being analysed and will be reported to Council in September 2011 prior to the publication of the final version of the Core Strategy.

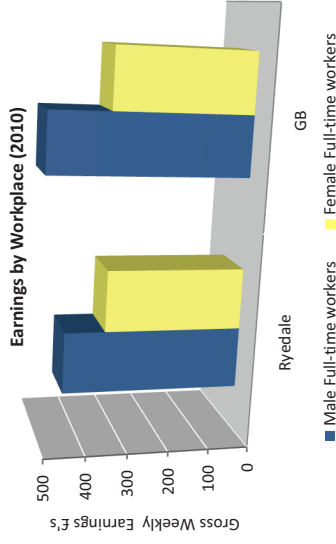
### Helping people to acquire the skills they need to access employment

The Council leads the Ryedale Work and Skills Partnership of public, private and voluntary sector organisations with an interest in skills development. The partnership works to tackle skills issues and match training provision to the needs of the local economy. The 'Opportunity Knocks' project to highlighted to young people in Ryedale the diversity of business

Proportion of working population qualified to NVQ levels (residence based) - Jan -Dec 2009



and employment opportunities available in the local area. A further event is planned for 2011. Major employers and local school pupils were brought together at an 'Opportunity Knocks' event to show local learners the opportunities available in Ryedale. This event is to be repeated in 2011. 'Skills for Life' is a programme of literacy and numeracy development within practical courses that appeal to a wide range of entrants.



Serving the needs of local businesses in a changing economic climate

We have established a new website [www.discovernorthyorkshire.co.uk](http://www.discovernorthyorkshire.co.uk) to specifically support the Tourism Association North Yorkshire 2011 holiday guide. Pickering and Malton Tourist Information Centres nominated for the 2010 White Rose Awards and Malton going on to win this award. Malton TIC has also hosted an event for businesses in the Wolds area to highlight the areas of investment in this area such as the Wolds Way Cycle Route and 'Big Skies Bike Rides'.

### Cultural Sector

The Annual Ryedale Open Art exhibition 2010 had a record number of submissions with more than 450 entries from a record number of artists and over 1500 visitors.

Revised funding and phasing agreed for the project to house and display the Harrison Collection of historic artefacts at the Ryedale Folk Museum at Hutton le Hole. Council support means that work can begin on site in Autumn 2011.

### Supporting those on Low Income

During the last year, we have helped 3,782 residents pay their rent and Council Tax. On average we managed to process and maintain these cases within 10.7 days. Which means that people received their payments on time, preventing financial hardship.





The Council is committed to helping to main a high quality, clean and sustainable environment in Ryedale.

We will do this by reducing waste and CO2 emissions, planning to adapt to climate change and working to maintain the high quality of our local environment.

The residents of Ryedale value the quality of the local environment most highly when living in the area and services which help to maintain this continue to be high priority for local residents.

**Increasing the rate of recycling and reducing the amount of waste collected**

The Council has exceeded the Governments 2020 recycling target for the 4th year running achieving a rate of 52% and is close to achieving the Government's 2020 target of 225kg of residual waste per capita. This makes the Council the top performer in the region for the 5th year running. Comparative costs for the service are low given the sparse nature of the district. The Council will introduce collections of cardboard and plastic bottles from every household, as part of the kerbside recycling collection service. These additional materials will complement the glass, cans, paper and garden waste already collected from all 24,500 properties across the District. The Council is planning this change to kerbside collections starting in Autumn 2011, implementation being dependent on delivery time of new vehicles. The scheme will be phased in across the District, so that all householders will be able to benefit from this enhanced service in 2012.

Ryedale continues to lead the field in disposing of garden waste through its innovative on farm composting scheme. The Council will continue to develop the efficiency of this scheme, which is delivered through a network of local farmers.

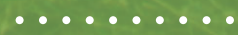
**Managing the risk of future flooding**

Through its flood resilience grant scheme and this has seen a number of applications from households across the District including Pickering, Sinnington and Kirkbymoorside area. The Pickering Channel Management Project follows an independent assessment, funded by the Council, of the condition of main rivers in the Vale of Pickering. Alleviation to the flooding problems in these areas is being addressed by a two-year land management project designed to slow the flow of the water by increasing the time it takes from rain falling on the upper catchment to flood waters arriving in the watercourses flowing through Pickering and Sinnington. 'Slowing the Flow' is a two year pilot partnership project in the Pickering and Sinnington areas to show that land management could help to reduce the risk of flooding and

**Aim 3: HIGH QUALITY ENVIRONMENT**

**.. HIGHT QUALITY ENVIRONMENT**

To have a high quality, clean and sustainable environment





also bring other benefits for water quality, wildlife and soil protection. Forest Research is leading the project in partnership with the Environment Agency, Forestry Commission, Natural England, Durham University, North York Moors National Park Authority and the Council. The project explores various options for land management changes including Forestry work, moorland management, farmland management, flood storage using low level bunds. The Council has committed a further £150k to the Slowing the Flow scheme to enable the works to take place above Pickering in 2011, making a total contribution of £950k.

The deployment of local sandbag catches has made response times quicker and enhanced community resilience in response to flash flooding, this scheme is run in partnership with the local parish and town councils.

### Improving Street and Environmental Cleanliness

The Council's Streetscene Services, The Fitzwilliam Estate and North Yorkshire Police have developed an approach to patrol Malton, gather photographic evidence, action prompt removal of graffiti (within 48 hours where particularly offensive) and follow-up with a view to prosecution. Graffiti is well under control across the district as a result of effective partnership working.

New and improved arrangements were put to the test during the extreme winter conditions experienced this winter. Streetscene services have worked with North Yorkshire County Council, positioning teams and equipment in key locations across the district including Pickering, Helmsley and Kirkbymoorside to enable a responsive approach to severe winter conditions, limiting travelling time between locations and effectively utilising resources. The Council has committed £20k towards the supply of winter maintenance equipment to communities.

The final phase of this refurbishment of Malton Town Centre Public Conveniences has now been completed to a high standard. Comments on the refurbishment received to date have been very favourable.

The Dog Warden service has won two Footprint Awards

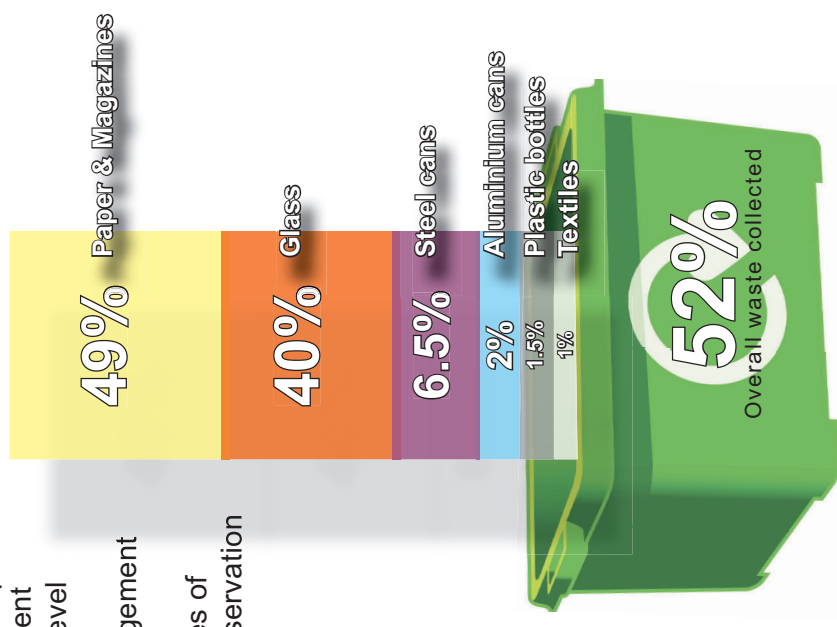
from the RSPCA for Animal Welfare Principles and Stray Dogs for its efforts “above and beyond the call of duty” in protecting animal welfare. This year the authority has not only retained the bronze award for Animal Welfare Principles but has now improved on the Stray Dog Award by gaining a Silver Award.

### Maintaining the quality of our natural environment

The Countryside Management Advisor continues to deliver the Biodiversity Action Plan, engaging with landowners to promote the completion of management plans for sites of importance for nature conservation in Ryedale.

The Council has supported the work of the Howardian Hills Joint Advisory Committee in managing key sites in Ryedale. Achievements this year include:

- Completing a comprehensive study of the designed landscape at Gilling Castle.
- Controlling Himalayan Balsam along 5.8km of Wath Beck
- Restoring 275m of Wiganthorpe Park wall
- Preparing Farm Environment Plans, leading to Higher Level Stewardship applications
- Organised practical management projects on and prepared management plans for sites of importance for nature conservation



210.1 Kgs of waste was generated per household in 2009/10.

There are 24,560 properties in Ryedale. Most properties have two wheeled bins, emptied individually, on alternate weeks. More than 1 million bins are collected, tipped and emptied each year.



# Aim 4: ACTIVE SAFE COMMUNITIES

## ACTIVE SAFE COMMUNITIES

To help all residents to achieve a healthy weight by encouraging an active lifestyle, in communities where everyone feels welcome and safe

The Council wants to help all residents to achieve a healthy weight by encouraging an active lifestyle, in communities where everyone feels welcome and safe.

### Safe and Welcoming Communities

A national survey has recognized that Ryedale is the 4th most friendly place to live, with high levels of social cohesion and good neighbours. All the partners involved in the Ryedale Strategic Partnership have contributed towards this achievement and particularly Safer Ryedale. Ryedale continues to be one of the safest places to live and figures show that there were only 11 more crimes from April 2010 to March 2011 than in the same period the previous year, which was an exceptionally low crime year. Over the last 3 years we have seen a 16.3% reduction in overall crime. House burglaries showed a significant drop of 37%, while criminal damage fell 30%. Anti-social behaviour has also dropped by 10%.

Levels of fear of crime in Ryedale have fallen this year with over 90% of residents reporting that they felt levels of crime were low, that Ryedale was a safe place during the day and at night. Ryedale continues to experience the lowest levels of crime in North Yorkshire and the region and is the 6th safest place of all local authority areas in England and Wales.

There has been an excellent take-up this year of new Neighbourhood Watch Schemes with a total of 48 new schemes having started since April 2010, bringing the total number of schemes in Ryedale to 359.

Priorities identified for Safer Ryedale 2011/12 following analysis of the Joint Strategic Intelligence Assessment are:

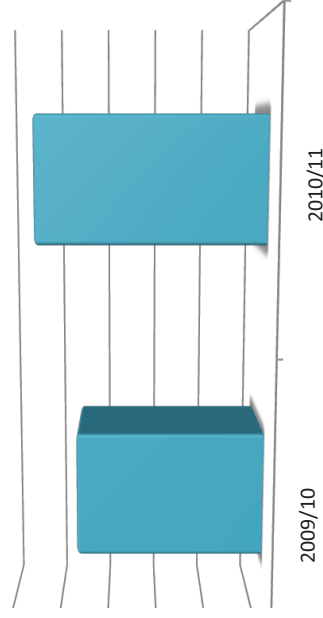
- Domestic Abuse
- Safer Roads
- Alcohol Harm Reduction
- Community Priorities to include Anti-Social Behaviour, Shop Theft, Theft from Unattended Vehicles and Violence

### Supporting Active Communities

The percentage of children in Ryedale doing more than two hours of high quality sport or PE a week is the highest in North Yorkshire whilst levels of childhood obesity are the highest in North Yorkshire, but falling. Estimates of adult obesity are also high and the Active People survey places Ryedale as the district in North Yorkshire with the lowest proportion of residents (20%) doing at least 30 minutes sport or active



### Ryedale schools achieving Healthy Schools status



Source: Ryedale District Council 2010

recreation three times a week (the level recommended to maintain health).

### Investing in sport and recreation facilities

The Council has invested £1.5 million into the development of a new Community Sports Centre at Malton School which was opened to the public on time and on budget in January 2011.

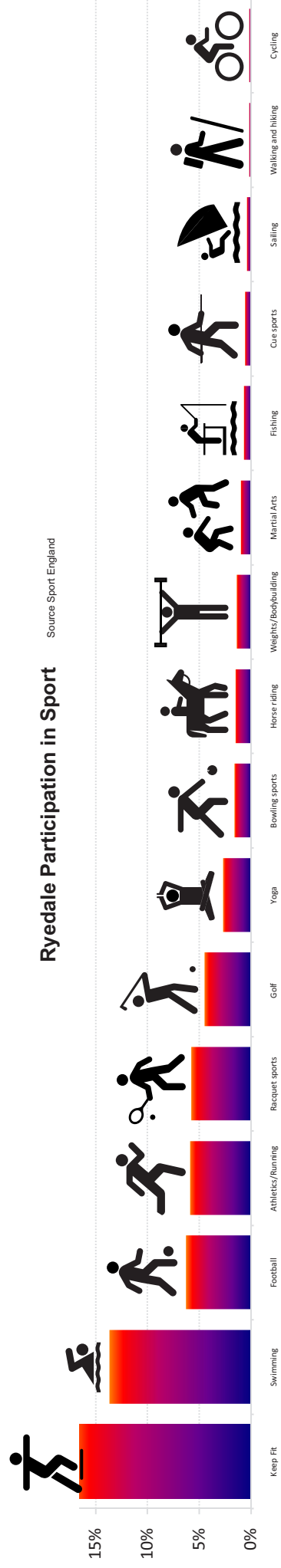
The Council has authorised approval for a community park including allotments in Pickering. The facility will include a bike and skate park; informal football/cricket area; picnic areas; trail/outdoor fitness area; play areas; teen facilities; community and school conservation garden and 20 full sized allotments.

To improve the quality of local recreation facilities the Council has made significant investment into the following:

- Refurbishment of Ryedale Swimming Pool Pickering to enhance the changing facilities pool and reception area.
- Refurbishment of the reception area of Derwent pool.
- A new energy efficient boiler has been put in at Derwent Pool to reduce CO2 emissions and reduce running costs.
- An extension to the climbing wall at Northern Ryedale Leisure Centre has been jointly funded by the school and the Council.

### Ryedale Participation in Sport

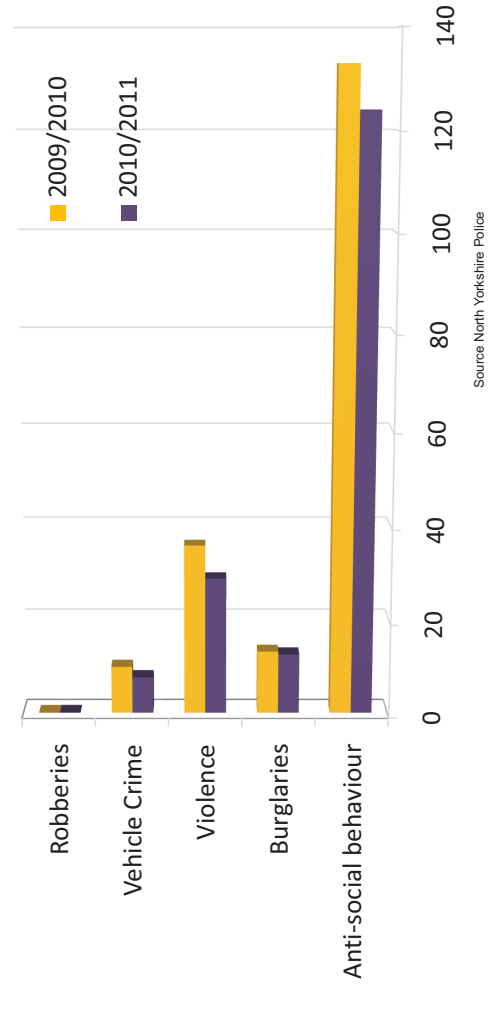
Source: Sport England



There has been substantial investment into play infrastructure through the Big Lottery and Playbuilder schemes. The Council obtained £200,000 funding from Big Lottery over a 3 year programme for the development of play areas and to provide funding for Play Ranger activities for children in school holidays. Year 2 has just come to an end and all the capital projects have been completed on time.

The UCI World Mountain Bike championships will be held in Dalby Forest for a second year running following the success of the event in 2010. This was voted the best stage event in the 2010 season.

### Crime in Ryedale - Averages Dec to Feb



Source: North Yorkshire Police





We want to transform the Council and will make this happen by ensuring we understand our communities and that their needs are met, delivering outcomes that are important to local people and developing the leadership, capacity and capability of the Council to deliver improvements in priority areas, whilst balancing the budget.

The communities of Ryedale are served by 30 elected members, representing 20 wards. The Council operates a streamlined committee system. The voter turnout for the District Council elections in May 2011 was 46.5%, an increase on that for the previous election.

The Council set a balanced budget for 2011/12 achieving savings of £1.1 million and for the second consecutive year no increase in Council Tax. Further savings of £700k are required to balance the budget for 2012/13.

### Investing in our People

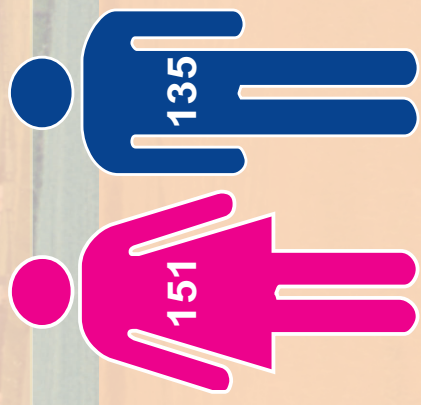
Ryedale is the only council in Yorkshire and Humber who successfully applied for accreditation through Best Companies to work for. This involved all of our staff completing a questionnaire about their work place, their managers and the leadership of the authority.

The Council has successfully maintained Investor in People accreditation in recognition.

### Investing in Information Technology

The Council has invested a million pounds in developing its IT systems to enable savings to be achieved through service delivery. This has resulted in efficiencies being achieved through improved access to information relating to planning applications through the online planning portal, improved access to services through the councils website, and the corporate roll out of electronic document management to streamline our back office functions.

The Revenues and Benefits upgrade has been a major project for the authority, it went live in February and all bills were sent out on time to all customers, and benefits claims are now being processed



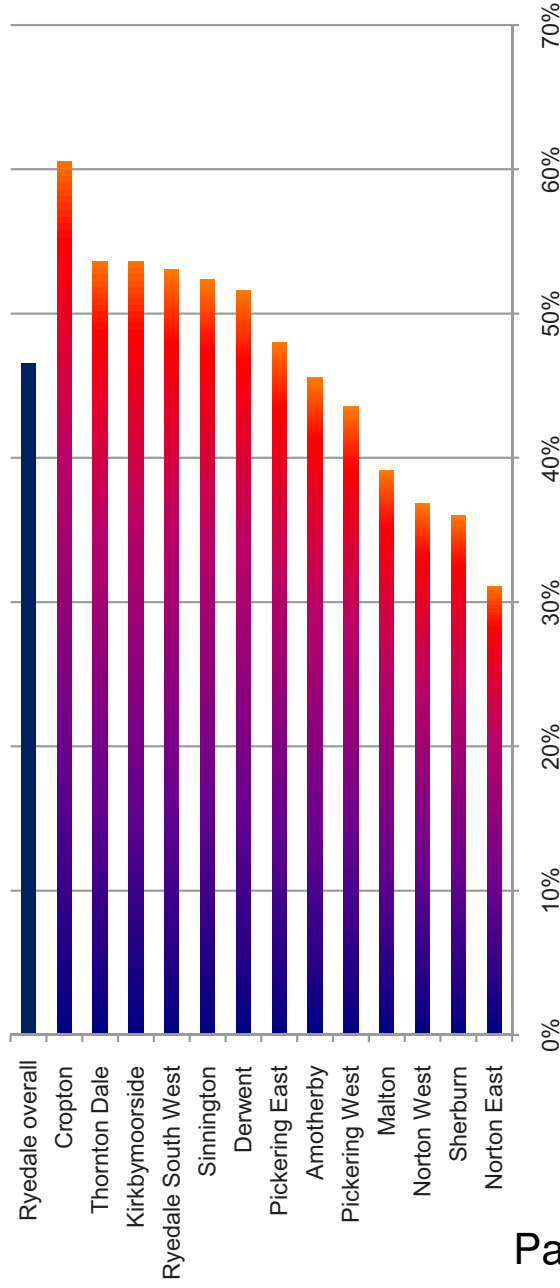
Ryedale District Council Employees

# Aim 5: TRANSFORM THE COUNCIL

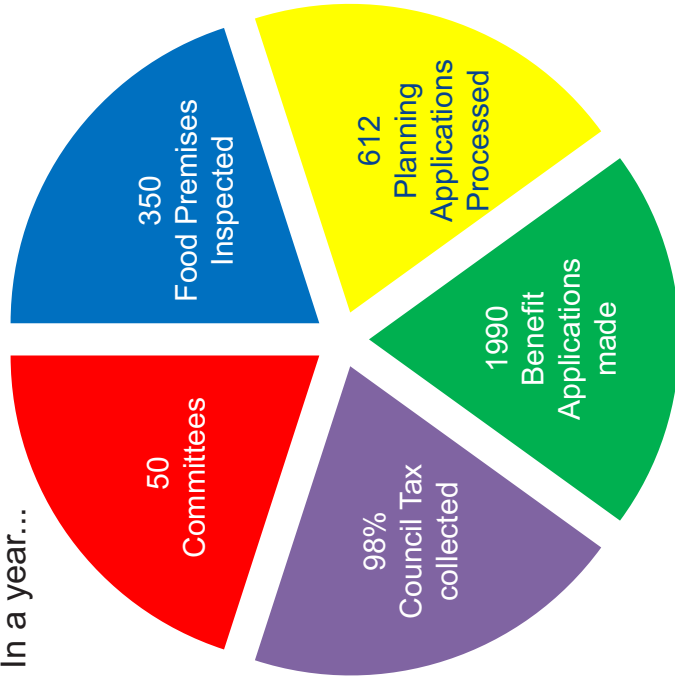
- TRANSFORM THE COUNCIL
- To transform Ryedale District Council



**% Turnout at Local Elections (Contested wards only) May 2011**



In a year...



through the new system. This project was delivered on time and on budget and delivered the planned efficiencies. The next project due for completion is the cash receipting and e-payments upgrade.

**Knowing Our Communities**

In 2010, the Council set up a Citizen Panel of over 1,000 Ryedale residents. Through the surveys completed by the Panel members, the Council has developed a better understanding of what our communities value, any issues affecting them and levels of satisfaction with our services. This year we have issued three surveys covering service satisfaction, the Council's Budget and views on the Sport and Recreation provision in the District. This is what we have learnt:

- 68% were satisfied with our services and 94% thought they were easy to access
- We received a lot of comments about the availability of plastics and cardboard recycling. We have listened and from September 2011, plastics and cardboard will be included in the doorstep recycling collection.
- Our community also have concerns about traffic, the Council has agreed

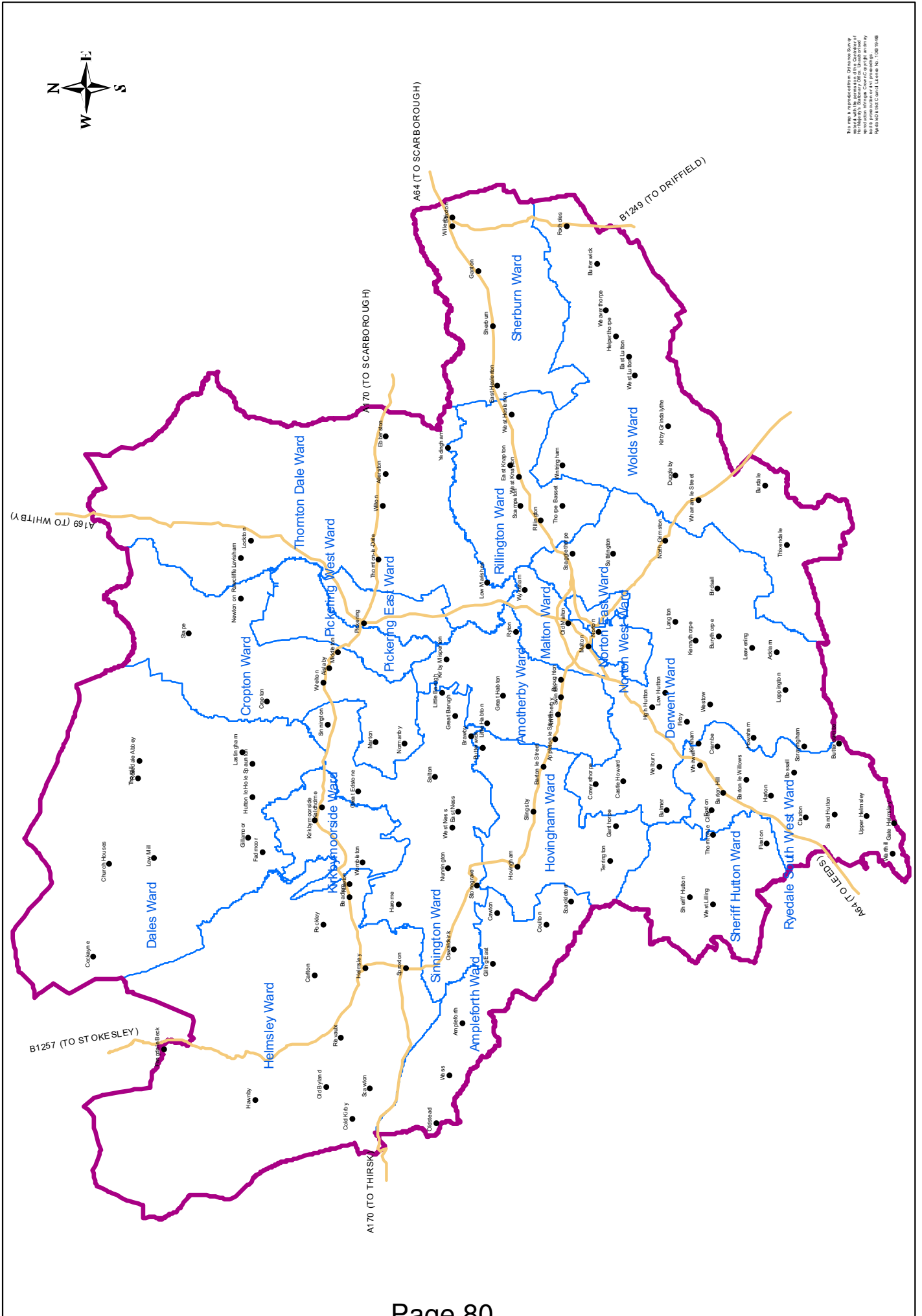
to inject £1.95m to significantly improve the highway network at Malton and Norton to remove through traffic and enable new development and support economic success.

- Through the budget simulator we know how you would allocate the councils budget and will use this insight in the development of the budget for 2012/13.
- The results from the Sports and Recreation survey will feed into the development of a Sports Strategy and Action Plan for Ryedale.

The Council has committed resources for the next 12 months which will enable support for Parishes who are undertaking a parish plan. The particular focus will be to support parishes which are ready to refresh their parish plan. Over 80% of population of Ryedale have had the opportunity to participate in community led planning.

**Transparency Agenda**

The Council has met all the requirements placed on Local Government in relation to data transparency including publishing items of spending over £500, and the disclosure of senior salaries. The government is currently consulting on a code of recommended practice for local authorities on data transparency.



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### **The Main Office of Ryedale District Council is at:**

Ryedale House  
Malton  
North Yorkshire  
YO17 7HH

### **Main switchboard telephone number: 01653 600666**

Main fax number: 01653 696801

Email: [info@ryedale.gov.uk](mailto:info@ryedale.gov.uk)

Monday to Thursday: 8.30am to 5.00pm

Friday: 8.30am to 4.30pm

### **Revenues and Benefits Service Opening Hours at**

#### **Ryedale House**

This service is open as follows:

Monday, Wednesday, Thursday: 8.30am to 5.00pm

Tuesday: 10.30am to 5.00pm

Friday: 8.30am to 4.30pm

#### **Parking:** There is free parking for visitors at Ryedale House.

Accessibility: Ryedale House is suitable for wheelchair access, has a disabled parking bay, and the Reception has an induction loop.

### **Area Offices**

#### **Pickering Customer Contact Centre**

@ NYCC Community Resource Centre

Ropery House

The Ropery

Pickering

North Yorkshire

YO18 8DY

Telephone: 01751 476996.

Opening Hours: Open on Mondays from 9.00am to 5.00pm.

The Benefits Assessor is in attendance from 9.00am

to 4.00pm.

Parking: Pay and display car park opposite the Contact Centre.

Accessibility: The Centre has disabled access facilities.

### **Kirkbymoorside Area Office**

Church House  
Market Place  
Kirkbymoorside  
York

YO62 6AT

Telephone: 0845 0349528

Opening Hours: Open on Wednesdays from 8.30am to 3.30pm and Thursdays from 3.00pm to 8.00pm

Parking: Pay and display car park near the Area Office.

Accessibility: The Office has disabled access facilities.

### **Helmsley Area Office**

The Library

Town Hall

Market Place

Helmsley

York

YO62 5BL

Telephone: 01439 770338

Opening Hours: Open on Fridays from 8.30am to 3.00pm

Parking: Pay and display parking in the Market Place.

Accessibility: The Office (which is within the Library) has disabled access facilities.

### **Building Control Offices**

Building Control Services in Ryedale are provided by North Yorkshire Building Control Partnership which provides a building control service to Hambleton, Richmondshire, Ryedale, Scarborough and Selby District Councils. Its offices are based at:-

Suite 2

Coxwold House

Easingwold Business Park

Easingwold

York YO61 3FB

Telephone: 01347 822703

Email: [buildingcontrol@ryedale.gov.uk](mailto:buildingcontrol@ryedale.gov.uk)

Opening Hours: Monday - Thursday: 8.30am - 5.00pm,

Friday: 8.30am - 4.30pm

This document is also available in other languages, large print and audio format upon request.

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(Portuguese)

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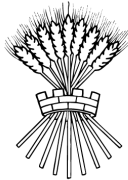
The Transformation Team  
Ryedale District Council  
Ryedale House  
Malton  
YO17 7HH

Tel: 01653 600666

Email: [transformation@ryedale.gov.uk](mailto:transformation@ryedale.gov.uk)

June 2011





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<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>7 JULY 2011</b>
<b>REPORT OF THE:</b>	<b>CORPORATE DIRECTOR (s151) PAUL CRESSWELL</b>
<b>TITLE OF REPORT:</b>	<b>ATTENDANCE AT POLICY COMMITTEES</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 To provide Members with a draft rota for attendance to observe at policy committee meetings and to agree guidance to assist this process.

### **2.0 RECOMMENDATION**

- 2.1 For Members to agree the draft rota for attendance and the accompanying checklist and for these to be incorporated within the Council's Scrutiny Handbook.

### **3.0 INTRODUCTION**

- 3.1 One of the four key legislative roles of the Committee is holding the Executive to account. In Ryedale's case this means examining the policy committees minutes, forward plans in detail and using call-in or other mechanisms to comment or intervene in the decision making process. In order to be effective in this it has been previously agreed that Members of the Committee would take turns to attend both the Policy and Resources Committee and the Commissioning Board and Licensing Committee for the purposes of observation. Subsequently, Full Council agreed that this be an approved duty for Members of this Committee.

- 3.2 Draft guidance and a checklist is attached at Annex A to assist Members in undertaking this responsibility.

- 3.3 Attached at Annex B is a draft rota for Members consideration.

### **4 CONCLUSION**

- 4.1 Members have previously agreed a rota for attendance at policy committees. Guidance and an accompanying checklist have been produced to help Members with this important process.

**Paul Cresswell**  
**Corporate Director (s151)**

**Author:** Paul Cresswell, Corporate Director (s151)  
**Telephone No:** 01653 600666 ext: 214  
**E-Mail Address:** [paul.cresswell@ryedale.gov.uk](mailto:paul.cresswell@ryedale.gov.uk)

**Background Papers:**  
none

## **Annex A - Guidance for Members observing at a policy committee**

This note sets out details of the issues that should be considered when observing. A simple checklist is appended at Appendix A.

The Committee has two distinct but complimentary roles, being both the scrutiny committee and the audit committee for Ryedale District Council. The Committee undertakes its work by:

- Scrutinising the decisions made by other committees and using the ability to 'call-in' a decision of a committee of the Council and refer it back if necessary for re-consideration;
- Scrutinising the performance and effect of council services and policies by receiving internal and external audit reports, reports on the Council's counter fraud work, monitoring and reviewing the statement on internal control, examining our approach to the minimization and control of risk, and examining progress on our improvement plans;
- Undertaking and instigating reviews of existing policy and the development of new policy;
- Monitoring service performance, through the performance management framework and customer complaints, and considering the outcomes of Best Value and other reviews.

Together this enables the Committee to focus on the improvement of services: considering in-depth major issues, examining other areas of the work of the Council or of other local and national agencies, highlighting when things are going wrong and seeking action to address this in the most effective way.

### Decision-making and call-in

The main purpose of observing at policy committee meetings is to consider whether or not decision-making has complied with the Council's Constitution. All decisions of the Council will be made in accordance with the following principles:

- (a) the rule of law;
- (b) clarity of aims and desired outcomes.
- (c) proportionality (i.e. the action must be proportionate to the desired outcome);
- (d) due consultation and the taking of professional advice from officers and/or appropriately qualified consultants;
- (e) respect for human rights (see below for further details); and
- (f) a presumption in favour of openness.

If Members consider that one of more of these rules have been breached then the decision may be 'called-in'. To call in a decision a proforma, attached at Appendix B, must be completed with the reasons for the call-in clearly stated. It must be signed by either the Chairman or three Members of the Committee and must be handed to the proper officer within 10 working days of the publication of the decisions of the meeting. The Overview and Scrutiny Committee then meets within a further 10 working days of the decision to call-in. Members may request the attendance of relevant officers or Members to answer any questions that they may have. The Committee can then refer the matter back to the decision-making committee, setting out in writing the nature of its concerns or refer the matter to Full Council. If referred back to the decision-making committee, a meeting will be convened to reconsider the decision within a further 10 working days.

Further details can be found in the Council Constitution on page 117.

At the heart of the Overview and Scrutiny Committees work should be the consideration of what impact the Policy Committees decisions, plans and policies have on the communities of Ryedale. If the Committee considers the decisions made will have an adverse affect they have a duty to say so and suggest improvements.

Members of Overview and Scrutiny Committees should also make efforts to identify issues of concern to the residents of Ryedale and where the Committee agrees, instigate a Scrutiny review.

**General Framework for Scrutiny:**

Function	Scope	How delivered:
Democracy and Governance	Local democracy and the achievement of effective, transparent and accountable decision making by the Council.	The Call in function and involvement in Policy Review Review of the Statement of Internal Control
Lifelong learning and culture	The provision, planning and management of education, training and Culture in the District in so far as the Council is responsible for this.	
Public Accounts	The Councils budget, the management of its budget, capital, revenue borrowing and assets and its audit arrangements.	Review of the relevant documents.
Regeneration and Housing	The physical, social and economic environment and regeneration of the Ryedale District; enabling the provision, planning and management of its housing and the rural and built environment.	Review of the Housing Strategy and Capital Strategy.
Services	The provision, planning, management and performance of Council services, including support services, the community plan and any other Council functions not otherwise addressed by any other Committee.	Review of the Performance Management framework on a quarterly basis and the review of policy documents. Their involvement in VFM processes.
Social Inclusion	Policies and Strategies of the Council and other bodies which affect the economic, social and political resources available to individuals to enable them to participate fully in Society.	Review of the Community Plan and budget/capital strategy. The money should follow the priorities.

## **Appendix A - Checklist**

1. Review decision-making and consider call-in
2. Consider the effect of policy decisions on the community - have the intended policy outcomes been achieved?

Also consider against the implementation of the Council's Equalities Scheme, which is:

- To work towards the elimination of discrimination (either direct or indirect) and harassment
- To ensure that members and officers work towards mainstreaming equality of opportunity across all policies and functions
- To ensure equality, equity and consistency in working practices and conditions
- To ensure that the workforce represents the wider community of the District

3. Identify areas for future policy investigation
4. Identify any issues arising from the strategies and plans of the Council:
  - Community Plan
  - Corporate Plan
  - Medium Term Financial Plan
  - Capital Strategy
  - Asset Management Plan
  - Crime and Disorder Strategy
  - Housing Strategy
5. Budget issues: capital programme, revenue budgets, borrowing, assets
6. Performance issues
7. Value for Money issues
8. Management issues
9. Audit and Governance issues
10. Environmental issues

**Appendix B – Call-in Proforma**

**Date .....**

**Committee:**

**Decision to be called in:**

Council’s Constitution – Article 12 Decision Making

Principles of decision-making:

All decision of the Council will be made in accordance with the following principles:

- (a) the rule of law
- (b) clarity of aims and desired outcomes
- (c) proportionality
- (d) due consultation and the taking of professional advice from officers and/or appropriately qualified consultants
- (e) respect for human rights
- (f) a presumption in favour of openness

Reason for calling in the decision:

This form is to be signed by **either** the Chairman of Overview & Scrutiny Committee **or** 3 Members of the Committee

Signature of Chairman of Overview & Scrutiny Committee **or** Councillor

.....Date:.....

Signature of Councillor

.....Date:.....

Signature of Councillor

.....Date:.....

Date of meeting to consider the Call in .....  
(Must be within 10 working days of call in)

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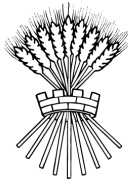


## Attendance at Policy Committees 2011/2012 – Rota

	Sept	Nov	Jan	Mar	Jun	
<b>Commissioning Board</b>	22	24	26	22	tbc	
Cllr S Arnold	x			x		
Cllr J Clark	x			x		
Cllr D Cussons	x			x		
Cllr G Hawkins		x			x	
Cllr Mrs A Hopkinson		x			x	
Cllr Mrs E Shields		x			x	
Cllr J Raper			x			
Cllr R Wainwright			x			
Cllr J Windress			x			
	Sept	Dec	Feb	Feb	April	Jun
<b>Policy and Resources Committee</b>	29	8	2(budget)	9	4	tbc
Cllr S Arnold			x			x
Cllr J Clark			x			x
Cllr D Cussons			x			x
Cllr G Hawkins	x			x		
Cllr Mrs A Hopkinson	x			x		
Cllr Mrs E Shields	x			x		
Cllr J Raper		x			x	
Cllr R Wainwright		x			x	
Cllr J Windress		x			x	

The rota is based on three Members observing at each policy committee meeting.  
 If you are unable to attend could you please try and obtain a substitute in the first instance.  
 If you are unable to do so then please contact the Chairman, Councillor Wainwright.

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**REPORT TO:** OVERVIEW AND SCRUTINY COMMITTEE

**DATE:** 7 JULY 2011

**REPORT OF THE:** CUSTOMER SERVICES AND BENEFITS MANAGER  
ANGELA JONES

**TITLE OF REPORT:** CUSTOMER COMPLAINTS RECEIVED QUARTER 4  
(2010/11)

**WARDS AFFECTED:** ALL

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## **1.0 PURPOSE OF REPORT**

1.1 To inform Members of the number and type of complaints received under the Council's complaint procedure for the period January – March 2011.

## **2.0 RECOMMENDATION**

2.1 It is recommended that members accept the report as attached.

## **3.0 BACKGROUND AND INTRODUCTION**

3.1 This report includes complaints monitored under individual service complaints systems (**Annex 1**).

3.2 The report also includes a summary of customer feedback to Community Leisure Ltd (CLL) for the period January – March 2011 together with the action taken where appropriate (**Annex 2**).

## **4.0 REPORT DETAILS**

4.1 The annexes of the report show the number of complaints received and the actions which have been taken.

**Angela Wood**  
**Customer Service and Benefits Manager**

**Author:** Angela Jones, Customer Services and Benefits Manager  
**Telephone No:** 01653 600666 ext: 220  
**E-Mail Address:** [angela.wood@ryedale.gov.uk](mailto:angela.wood@ryedale.gov.uk)

**Background Papers:**

RDC Complaints Procedure

**Background Papers are available for inspection at:**

[http://www.ryedale.gov.uk/council\\_and\\_democracy/corporate\\_complaints.aspx](http://www.ryedale.gov.uk/council_and_democracy/corporate_complaints.aspx)

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## SUMMARY OF COMPLAINTS LOG

PERIOD: January – March 2011

SERVICE UNIT	SUMMARY OF COMPLAINT	NO SETTLED WITHIN DEADLINE	RESULTANT SERVICE IMPROVEMENTS / ACTION TAKEN
Customer Services & Benefits	<ol style="list-style-type: none"> <li>1. Dissatisfaction with what staff member had said.</li> <li>2. Dissatisfaction with length of time to process benefit appeal.</li> </ol>	2	<ol style="list-style-type: none"> <li>1. Complaint investigated and letter of explanation and apology sent to customer.</li> <li>2. Complaint investigated and letter of explanation and apology sent to customer. Appeal processed.</li> </ol>
Democratic Services		0	
Development Services	<ol style="list-style-type: none"> <li>1. Dissatisfaction with a planning application.</li> <li>2. Dissatisfaction with lack of enforcement of planning regulations and lack of correspondence.</li> <li>3. Dissatisfaction with status of planning application and lack of correspondence.</li> </ol>	3	<ol style="list-style-type: none"> <li>1. Letter of explanation sent to customer.</li> <li>2. Dealt with as part of the planning process.</li> <li>3. Letter of explanation and apology sent to customer.</li> </ol>
Economic & Community		0	

Facilities & Emergency Planning		0	
Finance & Revenue Services	<ol style="list-style-type: none"> <li>1. Dissatisfaction with conduct of bailiff service.</li> <li>2. Dissatisfaction with delay in actioning change of circumstances (due to transition to new system).</li> <li>3. Dissatisfaction with manner of staff member.</li> </ol>	3	<ol style="list-style-type: none"> <li>1. Letter of explanation and apology sent to customer. Resurrected daily reporting to bailiff of direct payments received by RDC.</li> <li>2. Letter of explanation and apology sent to customer. New system established for dealing with direct debits.</li> <li>3. Letter of explanation and apology sent to customer.</li> </ol>
Forward Planning	<ol style="list-style-type: none"> <li>1. Dissatisfaction with telephone survey undertaken on behalf of RDC as part of Retail Study.</li> </ol>	1	<ol style="list-style-type: none"> <li>1. Letter of explanation and apology sent to customer.</li> </ol>
Health & Environment	<ol style="list-style-type: none"> <li>1. Dissatisfaction with adequacy of written response and delay in replying to second letter.</li> </ol>	1	<ol style="list-style-type: none"> <li>1. Full response letter outlining limitations of our legal controls and apology for delay in response- Further correspondence received since.</li> </ol>
Housing Services	<ol style="list-style-type: none"> <li>1. Dissatisfaction that an officer would not pass on confidential information in the street.</li> </ol>	1	<ol style="list-style-type: none"> <li>1. Letter of explanation sent to customer.</li> </ol>
Human Resources		0	
ICT Services		0	

Legal	1. Dissatisfaction with CEO expenses following press article.	1	1. Letter of explanation sent to customer.
Streetscene Services	1. Missed collection due to adverse weather conditions.	1	1. Letter of explanation and apology sent to customer.
Transformation		0	
<b>TOTAL</b>		<b>13</b>	

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# Agenda Item 12

## DERWENT POOL – CUSTOMER FEEDBACK

<b>JANUARY TO MARCH 2011</b>	<b>very good</b>	<b>good</b>	<b>fair</b>	<b>poor</b>	<b>very poor</b>
Efficiency of the staff	1	0	0	0	0
Helpfulness of the staff	1	0	0	0	0
Courtesy of the staff	1	0	0	0	0
General cleanliness	0	2	0	0	0
Condition of the facilities	0	0	2	0	0
Condition of the equipment	0	1	0	0	0
Safety and security	0	0	1	1	0
Air temperature	0	1	1	0	0
Value for money	0	1	1	0	0
Overall experience	0	1	1	0	1
	3	6	6	1	1

January	Pool water is cold.	The pool water temperature is checked on a regular basis by our staff and is looked to be maintained at a temperature in the region of 29 degrees. A member of staff who will then take a reading and inform the council if it is below the required temperature.
February	No comments received.	
March	Please can you check the hairdryers in the ladies.	We have contacted the supplier for the hairdryers and hope they are now working properly.
	Enjoyment spoiled by overcrowding of the pool and having to swim diagonally and away from people, I would suggest half pool for lane swimming.	The pool usage numbers is carefully monitored and we follow strict guidelines to occupancy numbers of the pool. Although lane swimming would appear to be ideal it does in fact close of more space in the water as putting a fast lane in may only benefit one swimmer and give less of the pool to use for others. We will continue to monitor this.

### LIFESTYLES – CUSTOMER COMMENTS FEEDBACK

<b>JANUARY TO MARCH 2011</b>	<b>very good</b>	<b>good</b>	<b>fair</b>	<b>poor</b>	<b>very poor</b>
Efficiency of the staff	0	0	0	0	0
Helpfulness of the staff	0	0	0	0	0
Courtesy of the staff	0	0	0	0	0
General cleanliness	0	0	0	0	0
Condition of the facilities	0	0	0	0	0
Condition of the equipment	0	0	0	0	0
Safety and security	0	0	0	0	0
Air Temperature	0	0	0	0	0
Value for money	0	0	0	0	0
Overall experience	0	0	0	0	0
	0	0	0	0	0

January	No comments received	
February	No comments received	
March	No comments received	

### RYEDALE POOL – CUSTOMER COMMENTS FEEDBACK

<b>JANUARY TO MARCH 2011</b>	<b>very good</b>	<b>good</b>	<b>fair</b>	<b>poor</b>	<b>very poor</b>
Efficiency of the staff	2	4	0	0	0
Helpfulness of the staff	4	2	0	0	0
Courtesy of the staff	3	3	0	0	0
General cleanliness	1	2	3	0	0
Condition of the facilities	1	3	2	0	0
Condition of the equipment	1	3	2	0	0
Safety and security	1	4	1	1	0
Air temperature	1	3	2	0	1
Value for money	1	4	1	0	0
Overall experience	2	3	1	0	0
	17	31	12	1	1

January	Poor pressure in the mens showers.	This will be looked into to see if the pressure can be increased
February	Disabled changing room door sticks.	We have looked at this and checked the door, if the problem continues please inform a member of staff to assist you.
March	Please return Friday night lane swim and keep it on the swim timetable.	In amending the timetable, we were aware that we would not be able to please everyone and some customers, would be disappointed by the changes. The Friday night lane swim was one in which usage of the pool was low and was therefore taken out. We will monitor the new timetable.

	<p>Party prices too expensive.</p>	<p>The party prices costs were reviewed and changed recently, in line with increasing costs. The pool is available for hire without the monster island which incurs additional cost due to the additional staff required to supervise and the costs do reflect a nationwide average.</p>
	<p>Disappointing timetable stops at 3pm on Sunday could you not open later instead of closing earlier.</p>	<p>The timetable change was difficult to do in trying to please everyone however we hope that the continuation in swimming lesson teachers and other changes made have been for the greater good of our customers.</p>
	<p>Please warm up the pool especially changing facilities.</p>	<p>Ryedale district council controls the temperatures at the pool sites and we monitor the air and water temperature checks regularly. If you feel the water or air temp is too cold please inform a member of staff who will then check it, and report to the council if required.</p>

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24 June 2011

Miss J Waggott  
Chief Executive  
Ryedale District Council  
Ryedale House  
MALTON  
YO17 0HH

Our Ref: Annual Review /AS/DH

(Please quote our reference when contacting us and, if using email, please put the reference number in the email subject header)

Dear Miss Waggott

### **Annual Review Letter**

I am writing with our annual summary of statistics on the complaints made to me about your authority for the year ending 31 March 2011. I hope the information set out in the enclosed tables will be useful to you.

The statistics include the number of enquiries and complaints received by our Advice Team, the number that the Advice Team forwarded to my office and decisions made on complaints about your council. Not all complaints are decided in the same year that they are received. This means that the number of complaints received and the number decided will be different.

The statistics also show the time taken by your authority to respond to written enquiries and the average response times by type of authority.

### ***Communicating decisions***

We want our work to be transparent and our decisions to be clear and comprehensible. During the past year we changed the way we communicate our decisions and reasons. We now provide a stand-alone statement of reasons for every decision we make to both the citizen who has complained and to the council. These statements replace our former practice of communicating decisions by letter to citizens that are copied to councils. We hope this change has been beneficial and welcome comments on this or any other aspect of our work.

Beverley House  
17 Shipton Road  
York  
YO30 5FZ

T: 01904 380200  
F: 01904 380269  
W: [www.lgo.org.uk](http://www.lgo.org.uk)

**Anne Seex**  
Local Government Ombudsman  
**Michael King**  
Deputy Ombudsman

In April 2011 we introduced a new IT system for case management and revised the brief descriptions of our decisions. My next annual letter will use the different decision descriptions that are intended to give a more precise representation of complaint outcomes and also add further transparency to our work.

### ***Extended powers***

During 2010/11 our powers were extended to deal with complaints in two significant areas.

In October 2010 all complaints about injustice connected to adult social care services came under our jurisdiction. The greater use of direct payments and personalised budgets mean that it is particularly important for us to be able to deal with such complaints irrespective of whether a council has arranged the care. The increasing number of people who arrange and pay for their own social care now have the right to an independent and impartial examination of any complaints and concerns they may have about their care provider.

In the six months to April 2011 we received 75 complaints under our new adult social care powers. Between 2009/10 and 2010/11 complaints about care arranged or funded by councils doubled from 657 to 1,351.

The Apprenticeships, Skills, Children & Learning Act 2009 introduced powers for us to deal with complaints about schools by pupils or their parents. This was to be introduced in phases and currently applies in 14 council areas. By the end of 2010/11 we had received 169 complaints about schools in those areas and 183 about schools in other areas where we had no power to investigate. The Education Bill currently before Parliament proposes to rescind our new jurisdiction from July 2012.

Our new powers coincided with the introduction of Treasury controls on expenditure by government departments and sponsored bodies designed to reduce the public spending deficit. This has constrained our ability to inform care service users, pupils and their parents of their new rights.

### ***Assisting councils to improve***

For many years we have made our experience and expertise available to councils by offering training in complaint handling. We regard supporting good complaint handling in councils as an important part of our work. During 2010/11 we surveyed a number of councils that had taken up the training and some that had not. Responses from councils where we had provided training were encouraging:

- 90% said it had helped them to improve their complaint handling
- 68% gave examples of how the knowledge and skills gained from the training had been applied in practice
- 55% said that complaints were resolved at an earlier stage than previously
- almost 50% said that citizens who complained were more satisfied.

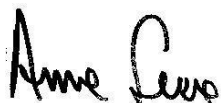
These findings will inform how we develop and provide training in the future. For example, the survey identified that councils are interested in short complaint handling modules and e-learning.

Details of training opportunities are on our web site at [www.lgo.org.uk/training-councils/](http://www.lgo.org.uk/training-councils/)

More details of our work over the year will be included in the 2010/11 Annual Report. This will be published on our website at the same time as the annual review letters for all councils (14 July).

If it would be helpful to your Council I should be pleased to arrange for me or a senior manager to meet and explain our work in greater detail.

Yours sincerely

A handwritten signature in black ink that reads "Anne Seex". The signature is written in a cursive style with a large initial 'A'.

Anne Seex  
Local Government Ombudsman

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For information on interpretation of statistics click on this link to go to [www.lgo.org.uk/CouncilsPerformance](http://www.lgo.org.uk/CouncilsPerformance)

### LGO Advice Team

Enquiries and complaints received	Benefits & Tax	Environmental Services & Public Protection & Regulation	Highways & Transport	Planning & Development	Total
Formal/informal premature complaints	1	0	0	1	2
Advice given	0	1	0	1	2
Forwarded to investigative team (submitted)	2	0	0	0	2
Forwarded to investigative team (new)	0	0	0	1	1
<b>Total</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>7</b>

### Investigative Team

Decisions	Reports: maladministration and injustice	Local settlements (no report)	Reports: Maladministration no injustice	Reports: no Maladministration	No Maladministration (no report)	Ombudsman's discretion (no report)	Outside jurisdiction	Total
<b>2010 / 2011</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>3</b>

No adult social care decisions were made in the period

**Provisional comparative response times 01/04/2010 to 31/03/2011**

Response times	First enquiries	
	No of first Enquiries	Avg no of days to respond
01/04/2010 / 31/03/2011	2	16.0
2008 / 2009	4	24.3

Types of authority	<=28 days %	29 - 35 days %	> = 36 days %
District councils	65	23	12
Unitary authorities	59	28	13
Metropolitan authorities	64	19	17
County councils	66	17	17
London boroughs	64	30	6
National parks authorities	75	25	0



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<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>7 JULY 2011</b>
<b>REPORT OF THE:</b>	<b>HEAD OF TRANSFORMATION CLARE SLATER</b>
<b>TITLE OF REPORT:</b>	<b>PROGRESS ON SCRUTINY REVIEW RECOMMENDATIONS</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 To inform members of the progress made with implementing the recommendations of Scrutiny Reviews which have been agreed by this committee, during the previous term of the Council.

### **2.0 RECOMMENDATION**

- 2.1 That the progress made in relation to the recommendations made by this committee be noted.

## **REPORT**

### **3.0 BACKGROUND AND INTRODUCTION**

- 3.1 The Overview & Scrutiny committee has undertaken a number of reviews over the last 4 years. Details of the recommendations arising from these reviews can be found in Annex A, with detailed comments. The progress that has been achieved to date and the impact of each review is summarised in the main body of the report.
- 3.2 Members should monitor the progress made and if the committee is of the opinion that sufficient progress on the recommendations has not been achieved, the Committee should consider requesting the Chairman of the relevant policy committee(s) and/or senior officers to attend the Overview and Scrutiny Committee.

### **4.0 POLICY CONTEXT**

- 4.1 The topics chosen for scrutiny reviews should be priority issues for the Council in delivering the Council Plan and ultimately better outcomes for communities in Ryedale.

## **5.0 CONSULTATION**

- 5.1 Every scrutiny review should include the engagement of stakeholders. An outcome of the review of the Complaints procedure has been that the council has more robust information in relation to services to be used in future reviews, both to challenge through complaints but also through comments and compliments.

## **6.0 REPORT DETAILS**

### **6.1 Review of Sickness Absence 2009-10**

On 9 April 2009, the Overview & Scrutiny Committee agreed to review sickness absence within Ryedale District Council as a result of the sickness absence levels remaining substantially higher than the national average and in comparison to local authority neighbours.

### **6.2 Progress to date includes:**

- A managers toolkit has been developed to support the procedures within the current policy.
- Management Team have continued to encourage the management of attendance on a consistent basis across the authority. The Human Resources service unit advise managers and make them aware if their approach is not consistent with the rest of the authority.
- Positive reporting on good levels of attendance are included in reports to Management Team and Unison, this is also highlighted in staff appraisals.
- A Health and Wellbeing Group has been formed and have met to agree terms of reference for the group. They are currently working towards producing a Wellbeing Strategy along with a Health and Wellbeing programme. A number of initiatives have been run already e.g. Health and Wellbeing Event for all staff to attend.
- Training on the revised Managing Attendance Policy was given to all supervisors and managers.
- The induction programme now includes advice on absence reporting procedures, along with familiarisation of all relevant policies, including the Managing Attendance Policy.
- Revised Flexible Working Guidelines were introduced in April 2011. Annual leave is being reviewed.

### **6.3 The Impact of the Review:**

In 2008-09, the average number of working days lost due to sickness absence per full time equivalent (FTE) employee was 10.68 days. This reduced to 8.9 days in 2009-10 and further reduced to 8.7 days in 2010-11.

### **6.4 Scrutiny Review of Car Parks 2008**

At a meeting on 7 August 2008, the Committee resolved to undertake a scrutiny review of Car Parks with a particular focus on the Wentworth Street Car Park charging trial.

The majority of Members felt that they had successfully reviewed the trial as outlined in the scope with no significant issues arising. It was not felt possible for the committee to make recommendations on future charging proposals without considerable further work on demand and sales after the trial. The Committee decided it was not able to accommodate this work into the Committee's work programme at that time.

### **6.5 Scrutiny Review of Waste Management 2008**

On the 9 August 2007 Members agreed to undertake a review of waste management as a result of concern over the decline in resident's satisfaction with the service between 2003 (90%) and 2006 (75%). The service is also significant for residents, as it serves every household in the district, and it faces significant challenges.

6.6 The Committee focussed on the following areas: Reducing waste, Re-using waste, Recycling waste, Disposal, Trade waste and made various recommendations which were presented to the Community Services Committee in March 2009 (Annex A).

6.7 Progress to date includes:

- Economies have been achieved following the development of a new transfer station which will reduce mileage and Co2 emissions and increase income through sale of material.
- Reduction of food waste has been addressed through the Love Food Hate Waste Campaign, coupled with a variety of waste minimisation campaigns. This is a York & North Yorkshire Waste Partnership initiative supported by Council officers. Separate food waste collections are costly and require an anaerobic digestion facility not currently available within Ryedale. This will be kept under review.
- Introduction of highly popular 'Give and Take days'. Popular with teachers
- York and North Yorkshire Waste Partnership Pack for Schools has been developed with data and information on recycling and waste reduction specific to Ryedale. The pack places waste and recycling issues within the national curriculum and has proved very
- Co-mingled collection has been investigated but this is not as cost effective as source separated collection
- Initially, trade waste was due to be sold due to increased landfill costs and the Landfill Allowance Trading Scheme costs negatively affecting trade. Following negotiation by the Head of Environment with North Yorkshire County Council, these costs have been reduced, and coupled with a VAT windfall the Council's trade waste service is again able to compete within the market. During 2011/12 the potential of increasing trade collection capture within this the potential for increased trade recycling will be considered where cost effective.
- The new collection system due to start in Autumn will include 3 stream collections, Glass, Paper and Card and Cans and Plastic bottles.

6.8 **The Impact of the Review:**

Although, the latest survey (2010) showed satisfaction levels at 72%, it is anticipated that the addition of plastic bottles and cardboard to the kerbside recycling scheme, will result in an increase in levels of satisfaction with the waste collection service. The Council has exceeded the Governments 2020 recycling target for the 4th year running achieving a rate of 52% and is close to achieving the Government's 2020 target of 225kg of residual waste per capita. This makes the Council the top performer in the region for the 5th year running.

6.9 **Scrutiny Review of the Complaints System**

At the meeting of the Overview and Scrutiny Committee on the 9 August 2007 Members agreed to undertake a review of the complaints system in order to address low levels of public satisfaction with the handling of complaints, as evidenced by the 2006 satisfaction survey of residents.

As a result of the review a new procedure and leaflet have been introduced, including the ability for the public to record comments and compliments.

Progress has been made and is ongoing to develop the intranet as a source for staff guidance and training. Complaints and compliments are now recorded on the

Council's performance management system Covalent.

The manner in which Councils work with complaints, compliments and comments is a key strand of the 'self regulation' framework being promoted by the government in partnership with the Local Government Group

#### 6.10 **The Impact of the Review:**

The number of complaints received by the Council has doubled from 35 in 07/08 to 57 in 10/11. Only a small number have been escalated beyond stage 1. Any complaints received in relation to a particular officer is discussed directly and all complaints are monitored centrally through covalent to identify any patterns. No patterns have been identified to date.

#### 7.0 **NEXT STEPS**

7.1 The recommendations from these and all future scrutiny reviews have been uploaded to Covalent, the Councils Performance Management System, and progress will be managed through reports to the Councils Management Team.

**Clare Slater**  
**Head of Transformation**

**Author:** Jane Robinson, Transformation Officer  
**Telephone No:** 01653 600666 ext: 297  
**E-Mail Address:** [jane.robinson@ryedale.gov.uk](mailto:jane.robinson@ryedale.gov.uk)

#### **Background Papers:**

Scrutiny Review of Sickness Absence 2009-2010 –Overview & Scrutiny Committee – 19<sup>th</sup> April 2010

Scrutiny Review of Car Parks 2008 – Community Services Committee – 27<sup>th</sup> November 2008

Scrutiny Review of Waste Management 2008 – Community Services Committee - 26<sup>th</sup> March 2009

Scrutiny Review of the Council's Complaints Procedure 2008 – Policy & Resources Committee - 17<sup>th</sup> April 2008

#### **Background Papers are available for inspection at:**

Sickness Absence - page 59

<http://democracy.ryedale.gov.uk/mqConvert2PDF.aspx?ID=634&T=10>

Waste Management – Community Services Committee Agenda 26<sup>th</sup> March 2009

Complaints – Policy & Resources Committee – 17<sup>th</sup> April 2008

Or contact Jane Robinson or Clare Slater for a copy of the review documents

<b>Scrutiny Review of Sickness Absence 2009-10</b>	
<b>Recommendations - O&amp;S 19th August 2010</b>	<b>Progress 15.06.2011</b>
That the procedures should be expanded on to ensure they are user friendly and meaningful	A manager's toolkit has been developed to support the procedures within the current policy.
The policy and procedures need to be adopted consistently across the authority	The Management Team have continued to encourage the management of attendance on a consistent basis across the authority. Human Resources advise managers and make them aware if there approach is not consistent with the rest of the authority.
The triggers points within the policy should remain as they are	Trigger points remain the same as under the preceding policy.
Sickness monitoring should also include positive reporting	This is being done and sent to managers and unison on a regular basis.
The formation of a Health and Well being Group	The Health and Wellbeing Group was formed and have met to agree terms of reference for the group. They are currently working towards producing a Wellbeing Strategy along with a Health and Wellbeing programme. A number of initiatives have been run already e.g. Health and Wellbeing Event for all staff to attend
Ryedale should explore ways of celebrating those staff and departments who have no sickness absence in the year	This is encouraged through the six monthly appraisals, along with general reporting of statistics of employees with no sickness through Human Resources' regular reporting.
Regular training should be given to staff	Training on the revised Managing Attendance Policy was given to all supervisors and managers. Further training is regularly reviewed through six monthly appraisals.
Induction programme to be extended to cover the Absence management policy and procedures	Part of the current induction programme includes advising employees of absence reporting procedures, along with familiarisation of all relevant policies, including the Managing Attendance Policy
A review should take place on flexi time and annual leave	Revised Flexible Working Guidelines were introduced in April 2011. Annual leave is being reviewed.
Currently sickness absence should not have a direct link to pay progression	Sickness absence continues to not have a direct link to pay progression.

<b>Scrutiny Review of Waste Management 2008-2009</b>	
<b>Recommendations; CSL 26.03.09</b>	<b>Progress</b>
Addressing the Climate change agenda should be the primary basis on which the Council makes decisions on the waste management services it offers. This is emphasised by the new National Indicators and by the forthcoming Comprehensive Area Assessment	Achieved-Reduction of waste to landfill reduced emissions levels actions include, High levels of recycling, reduced mileage due to 4 day working, Euro 5 engines, monthly garden waste in winter, new transfer station. New initiatives include Revised routing on rounds, trackers and EDA units on vehicles
Overall, on household waste Ryedale has adopted the right approach and residents have supported it. As a result we are ahead of the game nationally but must recognise that others are now rapidly catching up. It will be difficult to move further forward without substantial investment for what would be a relatively small performance improvement;	Investment has been made re Plastic bottles and Cardboard collections in the Autumn
Whilst the council has been required to focus on recycling because of government targets this is not necessarily the best environmental approach within a sparsely populated rural area. The reduction of waste and the re-use of materials offer a better opportunity to reduce the environmental impacts of waste. For example, recycling plastic bottles is a better option than seeing them sent to landfill but the re-use of plastic bottles would mean further energy would not be required to re-make them. However, this requires change at an industry level;	Outside of RDC control. Re use initiatives encouraged by the partnership. RDC has instigated the highly popular Give and Take Days
If the Council wishes to increase further its already high recycling rate then the preference would be for a co-mingled recycling system including the addition of plastics and cardboard across the entire district. This would deliver improved levels of recycling, much of the scale depending on the sophistication of the MRF. It would be a simpler system for residents that could further increase participation and result in higher recycling levels. Following the WYG report more analysis is required to determine its cost/benefit potential	Co mingled collection has been investigated but not as cost effective as source separated. The new collection system in Autumn will include for 3 stream collections, Glass, Paper and Card and Cans and Plastic bottles. In addition economies have been achieved following development of new transfer station which will reduce mileage and co2 and increase income through sale of material
Given the difficulty of achieving further recycling gains in the immediate future coupled to the risks of a volatile recycle market a more pragmatic approach for the council is to: seek to maximise engagement of households in the kerbside recycling scheme; concentrate on reducing household waste, especially food waste, through campaigns and information to residents;	The new kerbside scheme will start in Autumn. Reduction of food waste has been addressed through the Love Food Hate Waste Campaign, coupled with a variety of waste minimisation campaigns. This is a YNYWP initiative supported by RDC officers.
Members gave a resounding no to charging households for kerbside waste services; however, this needs to be reviewed following the results of further trials about to start across the country;	This has been addressed nationally and is not supported by the coalition Government. Emphasis is now on reward for recycling. The waste strategy 2011 encourages the reward approach.
Support by the Council of markets, farmers markets and local shops offers an opportunity to reduce the amount of packaging going to landfill and at the same time to significantly assist the local economy and this should be recognised;	RDC supports the farmers markets and local shops in our market towns as much as possible.



<p>Educating the public locally about waste and recycling should be seen as an important activity. Maintaining a best in class approach using the Council's own website, through campaigns and through work with schools is a priority. There are currently limited resources to deliver this and opportunities to increase capacity should be explored wherever possible;</p>	<p>The councils recycling officer has a programme regarding going into schools to help with education. In addition the partnership has developed a teaching pack to fit in with the schools curriculum. This has been tailored specifically for Ryedale schools regarding Ryedale data and systems etc</p>
<p>The Council should consider providing training to all staff to make sure they understand the value of reuse and recycling so that they may act as ambassadors for the council;</p>	<p>Depot staff have been trained regarding recycling and reuse.</p>
<p>Aiming to reduce rather than recycle waste in the first instance should bring significant environmental benefits from reduced production and transport costs;</p>	<p>Reduction is key regarding the waste strategy and is addressed through partnership waste minimisation campaigns</p>
<p>Support should be given where possible and practicable to local plastic bag reduction initiatives in the market towns, as a means of highlighting the need to minimize waste from the weekly shop;</p>	<p>RDC supports as possible</p>
<p>Members were very keen to support the re-use of goods. Some updating of the Council's website may be required to facilitate this. Other ideas were for a:</p>	<p>Reuse initiatives include the Give and Take days. There initiatives include the partnership Harrogate fashion show regarding clothes re-use supported by RDC officers achieved - see above The website has been promoted plus other initiatives as available/possible</p>
<p>Spring clean day or Ryedale Re-use Day – households put out items that others are welcome to take but if left then take it back in. Concerns about people falling over items left on pavements, electrical goods etc. Need to assess and mitigate risks involved; hold first Saturday of May on the Bank Holiday weekend. Advertise it in press, send notice with council tax demand in March; include County Household Waste sites. Explore potential of using Ryedale House Car Park. (Note - there is a National Recycle Week, promoted by WRAP (Waste and Resources Action Programme) held 2-6 June 2008).</p>	
<p>Promote Freecycle website; <a href="http://www.freecycle.org/">http://www.freecycle.org/</a> There is a local group covering Scarborough and Whitby. It's a grassroots and entirely non-profit movement of people who are giving (and getting) all sorts of things for free in their own towns and thus keeping it out of landfill.</p>	
<p>Promote local charity shops across the district, furniture store in Malton;</p>	
<p>Advertise exchange websites, second hand,</p>	
<p>Members felt that their needed to be a cultural change not only within the council but also in the wider community and this may best be achieved through focused activity during the year as outlined above.</p>	<p>see above</p>
<p>Consideration should also be given to re-titling the Bulky Household Waste Collection service to emphasise the potential for re-use.</p>	<p>The service remains as previous with the introduction of collection of WEE items</p>
<p>The Committee recognised the need for recycling arrangements to achieve an appropriate balance of recyclable material to achieve statutory recycling targets, be acceptable to the public and offer convenient, reliable collection services;</p>	<p>Achieved</p>
<p>There are difficult choices to be made in respect of the current recycling trials. There is support for plastics, cardboard and trade waste recycling but the costs inhibit a full roll out and the marginal benefits to recycling rates do not outweigh the costs to the environment;</p>	<p>Plastic bottles and glass are to be rolled out in the autumn</p>

<p>The current kerbside cardboard and plastics recycling trial is not considered sustainable with significant issues if the Council were to roll it out further across Ryedale.</p>	<p>The revised scheme achieves economies of scale due to the collection of 3 stream system on one vehicle per collection round (as opposed to two as per the trial). This was not possible at the time of the report as vehicles had some years of life before they could be changed. New vehicles have been procured and are set for delivery in Autumn</p>
<p>Members believe the farm compost scheme should be encouraged and expanded and not reduced. Strong objections should be raised if DEFRA proceed with any proposed licensing changes in future;</p>	<p>Defra have changed the licence, however RDC working with Defra has ensured that the scheme can be continued. RDC has just let the tender for garden waste achieving efficiency savings in the process.</p>
<p>The extent of home composting in Ryedale may make it difficult to make much further impact but the promotion of home composting should continue;</p>	<p>This is the case. RDC is the leader in the partnership regarding levels of home composting and also removal of garden waste from Landfill</p>
<p>Consideration should be given to the use of bin stickers (eg using no entry sign on residual waste bin) to emphasise what materials should be recycled.</p>	<p>Considered but difficult to administer to existing bins</p>
<p>Residents have hit our recycling targets well in advance of requirements. We do not wish to see their efforts penalised by the long-term disposal options ultimately chosen. Although some re-assurances have been received from discussions with North Yorkshire County Council, it is a developing area that the Council needs to take a continuing and keen interest in;</p>	<p>Recycling plans will continue</p>
<p>The Council should carefully consider the implementation of any further major changes to the waste management service prior to the roll out of the new disposal regime by NYCC.</p>	<p>Changes have been considered and are compatible with the NYCC solution</p>
<p>The trial trade waste recycling scheme in Malton and Norton has been successful and consideration should be given to its introduction in Pickering;</p>	<p>Initially trade waste was due to be sold due to increased landfill costs due to LATS costs negatively effecting trade. Following negotiation by the HOE with NYCC LATS costs have been reduced. Coupled with a VAT windfall RDC trade waste is again able to compete with the market During 2011/12 the unit will be considering the potential of increasing trade collection capture within this the potential for increased trade recycling will be considered where cost effective</p>
<p>The Council should initially retain its trade waste service but be prepared to explore further options in line with the WYG report</p>	<p>see above</p>
<p>Locally raise the awareness of the consumer on packaging issues by placing relevant information on the council website and producing sponsored information ties for domestic bins;</p>	<p>Potential changes to packaging have been announced in the new 2011 waste strategy.</p>
<p>Keep under review opportunities for the cost effective recycling of food waste. Separate food waste collections offer the biggest potential for improving recycling rates and for meeting targets for reducing how much is landfilled;</p>	<p>Separate food waste collections are costly and require an anaerobic digestion facility not currently available within Ryedale. This will be kept under review</p>
<p>There are difficult choices to be made in respect of the current recycling trials. There is undoubted public support for plastics, cardboard and trade waste recycling but the costs inhibit a full roll out and the marginal benefits to recycling rates do not in themselves outweigh the costs to the environment.</p>	<p>New scheme due to be rolled in autumn</p>

Additionally, there are risks highlighted by recent falls in the value of recyclates;	
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<b>Scrutiny Review of Complaints Procedures 2008</b>	
<b>Recommendations: O&amp;S 21.02.08; P&amp;R 17.04.08</b>	<b>Progress</b>
The Council should be asking for compliments as well as complaints in order to highlight areas of good practice.	Although compliments are recorded on Covalent although does still need to be added to leaflet & website
Comments, compliments and complaints received should be used to generate positive press coverage	Although compliments are recorded on Covalent although still needs publicising
The information available on the web site should be updated to reflect this new approach	Although compliments are recorded on Covalent although does still need to be added to leaflet & website
Explore placing a message on the out-of-hours telephone to say 'look at the web site if you can as the information you want may be provided there';	
Make use of the intranet to provide information so that internal staff are better able to handle questions from the public;	Ongoing via communications steering group
Staff should be encouraged to handle all enquiries only once and to agree to ring customers back if an answer is not available immediately;	Avoidable contact
When dealing with any enquiry staff should be clear what the problem is before even considering transferring people to someone else. Where appropriate the enquirers phone number should be taken and someone able to answer their enquiry should ring them back within 24 hours.	
Training for current staff and as part of the induction process for new staff should be regularly provided	
Formal evaluation of complaints is required by Unit Managers and this should be fed into learning and considered with a view to learning from it and this should be shared at CMT and Team improvement; any formal complaint investigated by a Director should be Brief on a regular basis;	
A reference number should be provided to each formal complainant to be quoted if they need to contact us;	Reference numbers on Covalent and electronic version
The complaints procedure needs to become a wider comments, compliments and complaints procedure;	Leaflet updated in 2008 by transformation & currently being updated again.
the Complaint Procedure leaflet should be redesigned to incorporate more information;	Leaflet updated in 2008 by transformation & currently being updated again.
The distinction between formal and informal complaints is considered to be irrelevant and the procedure needs to have greater clarity;	Procedures reviewed in 2008 informal level removed

<p>The complaints process should be reduced from a three stage to a two stage process in order to simplify and move more quickly to a result for the complainant; the first stage to be investigated by the unit manager; the second stage is referred to a Director; the Chief Executive to maintain an overview;</p>	<p>Procedures reviewed in 2008 informal level removed</p>
<p>A clear statement on compensation or gestures of goodwill where a complaint is found to be justified should be made;</p>	<p>Leaflet updated in 2008 by transformation &amp; currently being updated again.</p>
<p>A clearer complaints guide for both the public and staff should be produced that also incorporates how persistent and vexatious complaints will be dealt with and in what circumstances complaints may be referred elsewhere</p>	<p>Procedures reviewed in 2008 informal level removed</p>
<p>Included within any form and guide should be clear opportunities for advocacy</p>	<p>Procedures reviewed in 2008 informal level removed</p>
<p>Specifically ask in the complaints form if the complainant has any special requirements or needs, for example, if English is not their first language or they have a disability;</p>	<p>back of leaflet regarding other languages</p>
<p>Emphasise the confidentiality of information provided and be clear to the complainant as to who will see the complaint; public concern at a perceived lack of confidentiality might deter them from making a complaint;</p>	<p>Leaflet updated in 2008 by transformation &amp; currently being updated office.</p>
<p>Confidentiality issue also impacts on the level of detail that can be provided in reports to Members as they are publicly available through agendas; however, more information should be provided of the complaint rather than the broad category it falls into and it should also focus on any learning or improvement that has occurred;</p>	<p>Leaflet updated in 2008 by transformation &amp; currently being updated office.</p>



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<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>7 JULY 2011</b>
<b>REPORT OF THE:</b>	<b>HEAD OF TRANSFORMATION CLARE SLATER</b>
<b>TITLE OF REPORT:</b>	<b>SCRUTINY REVIEWS PROGRESS REPORT – HEALTHY WEIGHT AND POST OFFICES</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 To present the progress achieved to date with the scrutiny reviews currently being undertaken, and to open the discussion on the next topic for review.

### **2.0 RECOMMENDATIONS**

- 2.1 That members of the two task groups are appointed.
- 2.2 That members note the progress and confirm the dates of future meetings of the task groups.
- 2.3 That members agree a shortlist of topics for which initial scoping reports will be submitted to the next meeting of the committee.

### **3.0 SIGNIFICANT RISKS**

- 3.1 Any risks associated with the reviews are detailed in the report below.

### **4.0 BACKGROUND AND INTRODUCTION**

- 4.1 The Overview and Scrutiny Committee has commissioned two scrutiny reviews and the terms of reference have previously been agreed by this committee for each of these, one is on the topic of Healthy Weight and the other Post Offices. The terms of reference for each review is attached at Annex A. The committee is required to appoint at least two of its members to each task group.
- 4.2 The Healthy Weight Review Task Group has agreed to focus on young adults aged between 16 and 25 and the reasons participation in sport and leisure activities amongst this age group can lapse. The Post Office Review is focussing on preparing the Council for any future changes to the post office network so that it can support communities through any future change programme.

4.3 Action Plans are in place for each of the reviews and progress is reported at the Task Group meetings.

## **5.0 CONSULTATION**

5.1 A survey of the citizens panel and of sports clubs has been undertaken with results informing both the scrutiny review and the development of the sports strategy by the commissioning board

5.2 A range of surveys have been prepared for the Post Office review, with specific surveys developed for users of Post Office branches, Mobile and Outreach services, and a survey for the citizens panel.

## **6.0 REPORT DETAILS**

### **Health Weight Review:**

6.1 It has been agreed to focus the scope of the review on levels of activity undertaken by adults in particular 16 – 25 year olds.

6.2 The Commissioning Board is developing a sport and recreation strategy and action plan, which will be presented in Autumn 2011. As part of the development of the strategy, consultation work has been undertaken with the citizen's panel and the wider community. The analysis of the results will be presented to the next task group meeting in July. Recommendations from the review will then be able to feed into the development of the Sport and Recreation strategy through the commissioning board.

### **Post Office Review:**

6.3 Officers have recently met with the Post Office Programmes Stakeholder Manager, a local sub-postmaster and the sub-postmaster who operates the mobile services in Ryedale. Officers had drafted the range of surveys and these were discussed with the various representatives and agreement reached that they would be happy to circulate the surveys to their customers.

6.4 Actions include:

- Meeting held in May with the provider of the mobile service in Ryedale, a local sub-postmaster and the Post Office Programmes Stakeholder Manager
- Questionnaires have been drafted
- Study the use of Council Tax payment cards
- Mapping of rural businesses where alternative Post Office services are available including Paypoint and parcel delivery services.

### **Future Scrutiny Reviews**

6.5 It is anticipated that following the next meeting of the Healthy Weight Review Task Group, Members may be in a position to present some final recommendations to this committee for their approval, with these recommendations then being made to the Commissioning Board with the aim of influencing the development of the Sport and Recreation Strategy.

6.6 The Post Office Review is about to enter the community engagement phase, the results of which should be presented by the task group to the Committee in October. Following this and depending on the position of the Post Office Ltd in relation to plans for the development of the network, a final report with recommendations could be presented to the December meeting of the committee.

6.7 Officers would like to use the window provided by the consultation phase of the Post

office review to prepare the next topic for review.

6.8 The table below details the timings proposed in relation to the committee cycle:

<b>Meeting Date</b>	<b>Review Topic</b>	<b>Review Stage</b>
6 October 2011	Healthy Weight	Draft report and recommendations to Overview and Scrutiny for approval
24 November 2011	Healthy Weight	Recommendations made to Commissioning Board
6 October 2011	Post Offices	Report of the task group with findings from the consultation
15 December 2011	Post Offices	Draft report and recommendations to Overview and Scrutiny for approval
6 October 2011	Short Listed Topics	Initials scoping for short listed topics for consideration at Overview and Scrutiny
15 December 2011	Agreed Topic	Terms of Reference for the Review presented to the Overview and Scrutiny Committee for approval. Task group appointed in line with these.

6.9 Members of the Committee are therefore requested to suggest some possible topics for future scrutiny reviews and agree a shortlist of three topics for some initial scoping work.

## **7.0 DATES OF NEXT MEETINGS**

**Post Office Review** – Tuesday 12th July 6.30-7.30

**Healthy Weight Review** – Tuesday 12th July 7.30 – 8.30

**Clare Slater**  
**Head of Transformation**

**Author:** Jane Robinson and Justine Coates, Transformation Team  
**Telephone No:** 01653 600666 ext 297 & 228  
**E-Mail Address:** [jane.robinson@ryedale.gov.uk](mailto:jane.robinson@ryedale.gov.uk) & [justine.coates@ryedale.gov.uk](mailto:justine.coates@ryedale.gov.uk)

### **Background Papers:**

#### **Post Offices:**

Draft Surveys – Justine Coates, Transformation Team

#### **Healthy Weight:**

Consultation responses – available from Justine Coates, Transformation Team

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### Healthy Weight Scrutiny Review – Terms of Reference

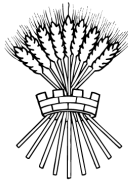
<b>Aim of the Review</b>	<p>That Ryedale DC and its partners:</p> <ul style="list-style-type: none"> <li>• Research levels of activity undertaken by adults aged between 16 and 25 and</li> <li>• Depending on the outcome of this research, to investigate practical ways the Council can help improve levels of adult participation.</li> </ul>
<b>Why has this review been selected?</b>	<p>Ryedale has had high levels of obesity in all ages but notable in children, for a number of years. The Ryedale Strategic Partnership identified the achievement of a healthy weight as a priority for action in 2006. A number of projects and initiatives have been funded through the RSP and supported by officers of a number of partner organisations. Work to help people to achieve a healthy weight is being led by the Ryedale Healthy Weight Active Lives group.</p>
<b>Who will undertake the review?</b>	<p>The review will be carried out by a task group including:</p> <ul style="list-style-type: none"> <li>• A minimum of 2 members of the O and S committee (but open to all)</li> <li>• The Head of Transformation</li> <li>• A representative of the Ryedale Healthy Weight Active Lives group</li> <li>• A representative from the Primary Care Trust.</li> <li>• Support will be provided by members of the Transformation Team</li> </ul>
<b>How will the review be undertaken?</b>	<p>The task group will consider the arrangements that have been and need to be put in place across local partnerships to maximise the prevention of and response to obesity in Ryedale. Key to this will be contributing to the development of the Ryedale Healthy Weight Strategy.</p> <p>There will be a two stage scrutiny process:</p> <ul style="list-style-type: none"> <li>• An initial desktop review of existing evidence will consider key academic and government documents, the current picture of 'healthy weight' across Ryedale, and activity on-going in Ryedale to achieve healthier lifestyles.</li> <li>• The second stage will involve an in-depth review of key issues and evidence gathering in order to inform the task group recommendations.</li> </ul> <p>Evidence gathering sessions will be open to the public.</p>
<b>What are the expected outputs?</b>	<p>It is expected that the task group will produce a report, summarising the evidence they have gathered and containing specific recommendations for the Council, the Primary Care Trust, and other partner organisations as appropriate.</p>
<b>Timescale</b>	<p>It is anticipated that the group will report the first phase of the review in November 2010. The deadline for the second stage of the review will be established at this time.</p>

## Impact of Post Office Closures Scrutiny Review – Terms of Reference

<p><b>Aim of the Review</b></p>	<p>To find practical ways by which Ryedale DC and its partners can:</p> <ul style="list-style-type: none"> <li>• Improve the availability of services in local communities.</li> <li>• Provide an evidence base from which to influence future proposed closures or reductions in levels of service</li> <li>• To consider the options for delivering these services in future</li> </ul>
<p><b>Why has this review been selected?</b></p>	<p>Ryedale lost a significant number of post offices through the network change programme in 2008. Changes to the provision put in place at the time of the closure programme continue as do actual post office closures. The Council needs to have evidence to respond to any forthcoming consultations on further closures or changes to the network. Also the Council may be able to work with post offices and other local community facilities to provide post office type services to our communities.</p>
<p><b>Who will carry out the review?</b></p>	<p>The review will be carried out by a task group including:</p> <ul style="list-style-type: none"> <li>• A minimum of 2 members of the O and S committee (but open to all)</li> <li>• The Head of Transformation</li> <li>• The Customer Services and Benefits Manager</li> <li>• Support will be provided by members of the Transformation Team</li> </ul>
<p><b>How the review will be carried out?</b></p>	<p>The task group will consider the impact of the post office closure programme on local communities. This will involve the study of recent research documents and the engagement of local people to ascertain the impact of changes in levels of service including:</p> <ul style="list-style-type: none"> <li>• Sub-postmasters engaged in a range of delivery methods</li> <li>• Service users interviewed at a variety of locations utilising different delivery methods</li> </ul> <p>The review will also investigate options for future provision of post office services and any value the Council can add through its own service delivery.</p> <p>Evidence will be gathered on the levels of usage of post office services and the range of services available and satisfaction with and usage of these. This will include the usage and needs of businesses in relation to post office services.</p> <p>Evidence gathering sessions will be open to the public.</p>
<p><b>What are the expected outputs?</b></p>	<p>It is expected that the task group will produce a report, summarising the evidence they have gathered and containing specific recommendations for the Council and other partner organisations as appropriate.</p>
<p><b>Timescale</b></p>	<p>It is anticipated that the group will report the outcomes of the review before 31 March 2011. Progress reports will be submitted to the committee throughout the review.</p>

## OVERVIEW AND SCRUTINY ITEM, FOR CONSIDERATION PRIOR TO FULL COUNCIL

**RYEDALE  
DISTRICT  
COUNCIL**



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<b>REPORT TO:</b>	<b>COUNCIL</b>
<b>DATE:</b>	<b>18 JULY 2011</b>
<b>REPORT OF THE:</b>	<b>CORPORATE DIRECTOR (s151) PAUL CRESSWELL</b>
<b>TITLE OF REPORT:</b>	<b>TREASURY MANAGEMENT ANNUAL REPORT 2010-2011</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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### **EXECUTIVE SUMMARY**

#### **1.0 PURPOSE OF REPORT**

1.1 The Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2010/11. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

#### **2.0 RECOMMENDATIONS**

2.1 That Council is recommended to:

- (i) Note the annual treasury management report for 2010/11; and
- (ii) Approve the actual 2010/11 prudential and treasury indicators in this report

#### **3.0 REASON FOR RECOMMENDATIONS**

3.1 The Council has adopted the Code. A provision of the Code is that an annual review report must be made to the Full Council relating to the treasury activities of the previous year.

#### **4.0 SIGNIFICANT RISKS**

4.1 There are significant risks when investing public funds especially with unknown institutions. However, by the adoption of the CIPFA Code and a prudent investment strategy these are minimised. The employment of Treasury Advisors also helps reduce the risk.

## REPORT

### 5.0 BACKGROUND AND INTRODUCTION

5.1 During 2010/11 the minimum reporting requirements were that the Full Council should receive the following reports:

- An annual treasury strategy in advance of the year
- A mid year treasury update report
- An annual report following the year describing the activity compared to the strategy (this report).

5.2 In addition, members have received treasury management update reports at meetings of the Policy and Resources Committee.

5.3 Recent changes in the regulatory environment place a much greater onus on members for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

5.4 This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Overview and Scrutiny Committee before they were reported to the Full Council.

5.5 This report summarises:

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
- Reporting of the required prudential and treasury indicators;
- Overall treasury position and the impact on investment balances;
- Summary of interest rate movement in the year
- Detailed investment activity.

### 6.0 POLICY CONTEXT

6.1 The Council has adopted the CIPFA Code of Practice on Treasury Management in Local Authorities and this report complies with the requirements under this code.

### 7.0 CONSULTATION

7.1 The Council uses the services of Sector Treasury Services Limited to provide treasury management information and advice.

### 8.0 REPORT DETAILS

#### **The Council's Capital Expenditure and Financing 2010/11**

8.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no

- resultant impact on the Council's borrowing need; or
- If insufficient financing is available or a decision is taken not to apply resources the capital expenditure will give rise to a borrowing need.

8.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

	2010/11 Actual (£)	2009/10 Actual (£)
<b>Total Capital Expenditure</b>	<b>3,569,072</b>	<b>1,588,702</b>
Resourced by:		
Capital receipts	2,529,287	0
Capital grants	703,436	627,712
Capital reserves	336,349	960,990
<b>Total</b>	<b>3,569,072</b>	<b>1,588,702</b>

### Treasury Position as at 31 March 2011

8.3 The Council's treasury management and investment position is organised by the Finance Section in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Treasury Management Practices. At the beginning and the end of 2010/11 the Council's treasury position was as follows:

	31 March 2011 (£)	31 March 2010 (£)
Internally managed	4,540,000	5,370,000
Externally managed	5,000,000	5,000,000
<b>Total</b>	<b>9,540,000</b>	<b>10,370,000</b>

8.4 The maturity of the investment portfolio was as follows;

	31 March 2011 (£)	31 March 2010 (£)
On-call Investments	40,000	370,000
Fixed Term Deposits:		
Repayable within 1 month	0	0
Repayable 1 month to 3 months	3,000,000	2,500,000
Repayable 3 months to 6 months	2,500,000	5,000,000
Repayable 6 months to 12 months	4,000,000	1,500,000
Repayable 12 months to 24 months	0	1,000,000
<b>Total</b>	<b>9,540,000</b>	<b>10,370,000</b>

8.5 Investments were placed with the following institutions:

Type of Institution	31 March 2011 (£)	31 March 2010 (£)
UK Clearing Banks	4,540,000	5,370,000
Foreign Banks	3,500,000	3,500,000
Building Societies	1,500,000	1,500,000
<b>Total</b>	<b>9,540,000</b>	<b>10,370,000</b>

### **The Strategy for 2010/11**

- 8.6 The Treasury Management Strategy for 2010/11 was approved by members at full Council on 22 February 2010.
- 8.7 The expectation for interest rates within the strategy for 2010/11 anticipated low but rising Bank rate (starting in quarter 4 of 2011) with similar gradual rises in medium term and long term fixed interest rates over 2010/11. Continued uncertainty in the aftermath of the 2008 financial crisis promoted a cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns.
- 8.8 The actual movement in interest rates broadly followed the expectations in the strategy, as detailed in the following section. For cash flow generated balances the Council continued to utilise its business reserve account and short dated deposits to benefit from the compounding of interest.

### **The Economy and Interest rates**

- 8.9 2010/11 proved to be another watershed year for financial markets. Rather than a focus on individual institutions, market fears moved to sovereign debt issues, particularly in the peripheral Euro zone countries.
- 8.10 UK growth proved mixed over the year. The first half of the year saw the economy outperform expectations, although the economy slipped into negative territory in the final quarter of 2010 due to inclement weather conditions. The year finished with prospects for the UK economy being decidedly downbeat over the short to medium term while the Japanese disasters in March and the Arab Spring, especially the crisis in Libya, caused an increase in world oil prices, which all combined to dampen economic prospects.
- 8.11 Deposit rates picked up modestly in the second half of the year as rising inflationary concerns and strong first half growth, fed through to prospects of an earlier start to increases in Bank Rate. However, in March 2011, slowing actual growth, together with weak growth prospects, saw consensus expectations of the first UK rate rise move back from May to August 2011 despite high inflation. However, the disparity of expectations on domestic economic growth and inflation encouraged a wide range of views on the timing of the start of increases in Bank Rate in a band from May 2011 through to early 2013. This sharp disparity was also seen in MPC voting which, by year-end had three members voting for a rise while others preferred to continue maintaining rates at ultra low levels.

### **Compliance with Treasury Limits**

- 8.12 During the financial year the Council operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy Statement (annex B).
- 8.13 The Council has no long-term borrowing and there were no temporary borrowing transactions in the year. However, the Council has a number of lease agreements that were initially entered into as operating leases but following the implementation of International Financial Reporting Standards (IFRS) is now reclassified as finance leases. As a consequence the Council do not have a nil Capital Finance Requirement.

### **Investment Rates in 2010/11**

- 8.14 The tight monetary conditions following the 2008 financial crisis continued through 2010/11 with little material improvement in the shorter term deposit rates. Bank Rate

remained at its historic low of 0.5% throughout the year, although growing market expectations of the imminence of the start of monetary tightening saw 6 and 12 month rates pick up.

- 8.15 Overlaying the relatively poor investment returns was the continued counterparty concerns, most evident in the Euro zone sovereign debt crisis which resulted in rescue packages for Greece, Ireland and latterly Portugal. Concerns extended to the European banking industry with an initial stress testing of banks failing to calm counterparty fears, resulting in a second round of testing currently in train. This highlighted the ongoing need to caution in treasury investment activity.
- 8.16 The summary below shows the movement of investment rates in 2010/11:

	Overnight	7 day LIBID	1 Month	3 Month	6 Month	1 Year
01 April 10	0.41%	0.41%	0.42%	0.52%	0.76%	1.19%
31 March 11	0.44%	0.46%	0.50%	0.69%	1.00%	1.47%
High	0.44%	0.46%	0.50%	0.69%	1.00%	1.47%
Low	0.41%	0.41%	0.42%	0.52%	0.76%	1.19%
Average	0.43%	0.43%	0.45%	0.61%	0.90%	1.35%
Spread	0.03%	0.04%	0.07%	0.17%	0.24%	0.28%
High Date	31/12/2010	30/03/2011	31/03/2011	31/03/2011	31/03/2011	31/03/2011
Low Date	01/04/2010	01/04/2010	01/04/2010	01/04/2010	01/04/2010	01/04/2010

#### Investment Outturn for 2010/11

- 8.17 The Council's investment policy is governed by CLG guidance, which was been implemented in the Annual Investment Strategy approved by the Council on 22 February 2010. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc).
- 8.18 The investment activity during the year conformed to the approved strategy and the Council had no liquidity difficulties.
- 8.19 Throughout 2010/11 the Council continued to use a cash manager, Tradition, to invest part of its cash balances. The following table shows the result of the investment strategy undertaken by the Council and the relative performance of the cash manager and internally managed funds against the 7-day LIBID bench mark:

	Average Investment (£)	Gross Rate of Return	Net Rate of Return	Benchmark Return
<b>Internally Managed:</b>				
Temporary & On-Call Investments	1,373,063	0.57%	n/a	n/a
Fixed Term Deposits	1,240,246	1.00%	n/a	n/a
<b>Externally Managed</b>	1,250,000	1.06%	1.00%	0.43%

- 8.20 The interest received by the Council from investments and loans in 2010/11 totalled £128k; this compares to an original estimate of £230k.

## 9.0 IMPLICATIONS

- 9.1 The following implications have been identified:
- a) Financial  
The results of the investment strategy affect the funding of the capital

programme. The investment return for 2010/11 was £102k lower than the original budget. Allowance was made for this anticipated shortfall when the revised capital programme was agreed by members in February 2011.

- b) Legal  
There are no legal implications within this report.
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
There are no additional implications within this report

**Paul Cresswell**  
**Corporate Director (s151)**

**Author:** Trevor Anderson, Finance & Revenue Services Manager  
**Telephone No:** 01653 600666 ext: 391  
**E-Mail Address:** trevor.anderson@ryedale.gov.uk

**Background Papers:**  
Include any referenced papers

**Background Papers are available for inspection at:**  
None



## TREASURY MANAGEMENT ANNUAL REPORT 2010-2011 - RISK MATRIX – ANNEX A

Issue/Risk	Consequences if allowed to happen	Likelihood	Impact	Mitigation	Mitigated Likelihood	Mitigated Impact
Credit risk – associated with investing with financial institutions that do not meet the credit rating criteria.	Could mean loss of principal sum and interest accrued.	<b>1</b>	<b>D</b>	The Council has adopted a more stringent credit rating methodology. The adoption of the revised Code also mitigated the risk of security on lending.	<b>1</b>	<b>D</b>
Market risk – selection of wrong type of investment for higher return.	The poor performance of the chosen investment.	<b>3</b>	<b>B</b>	The number of investment options was reduced in the Investment Strategy for last year and this will continue.	<b>3</b>	<b>B</b>
Liquidity risk – use of fixed term deposits and / or instruments / investments with low marketability may mean a lack of liquidity.	Unable to take advantage of better investment option. Funds are unavailable to cover capital spend.	<b>1</b>	<b>B</b>	The 2010/11 Investment Strategy reduced the period for non-specified investments.	<b>1</b>	<b>B</b>

Score	Likelihood	Score	Impact
1	Very Low	A	Low
2	Not Likely	B	Minor
3	Likely	C	Medium
4	Very Likely	D	Major
5	Almost Certain	E	Disaster

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## PRUDENTIAL AND TREASURY INDICATORS

**Prudential Indicators:**

	2009/10 Actual	2010/11 Original	2010/11 Actual
<b>Capital Expenditure</b>	£1.589m	£4.882m	£3.822m
<b>Ratio of financing costs to net revenue stream</b>	-1.12%	1.03%	0.95%
<b>Net borrowing requirement</b>	-£9.814m	-£7.054m	-£8.901m
<b>Capital Financing Requirement as at 31 March</b>	£0.556m	£0.639m	£0.639m
<b>Annual change in Capital Financing Requirement</b>	-£0.135m	£0.083m	£0.083m
<b>Incremental impact of capital investment decisions</b>			
Increase in council tax (band D) per annum	N/a	£4.39	N/a

The capital financing requirement balance represents the reclassification of operating leases to finance lease following the introduction of IFRS.

**Treasury Management Indicators:**

	2009/10 Actual	2010/11 Original	2010/11 Actual
<b>Authorised Limit for external debt -</b>			
borrowing	N/a	£20m	N/a
other long term liabilities	N/a	£0m	N/a
<b>Total</b>	N/a	£20m	N/a
<b>Operational Boundary for external debt -</b>			
borrowing	N/a	£5m	N/a
other long term liabilities	N/a	£0m	N/a
<b>Total</b>	N/a	£5m	N/a
<b>Actual external debt</b>	£0	£0	£0
<b>Upper limit for fixed interest rate exposure</b>			
Net principal re fixed rate borrowing / investments	N/a	100%	N/a
<b>Upper limit for variable rate exposure</b>			
Net principal re variable rate borrowing / investments	N/a	20%	N/a
<b>Upper limit for total principal sums invested for over 364 days</b> (per maturity date)	N/a	£2.5m	N/a

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Ryedale District Council – Decisions taken by the Commissioning Board on Thursday, 2 June 2011

Agenda Item No	Topic	Decision
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**Part A – Items considered in public**

1	Apologies for Absence	Apologies for absence were received from Councillors Woodward and Mrs Denniss.
2	Minutes of the last Meeting of the Commissioning Board held on 24 March 2011	<p>The minutes of the meeting of the Commissioning Board held on 24 March 2011 (previously circulated) were presented.</p> <p><b>Resolved</b></p> <p>That the minutes of the meeting of the Commissioning Board held on 24 March 2011 be approved and signed by the Chairman as a correct record.</p>
3	Urgent Business	The Chairman reported that there were no items which she considered should be dealt with as a matter of urgency by virtue of Section 100B(4)(b) of the Local Government Act 1972 (as amended).
4	Declarations of Interest	In accordance with the Members' Code of Conduct Councillor Mrs Cowling declared a personal interest in item 10.
5	Appointment of Joint Commissioning Groups	<p><b>Resolved</b></p> <p>That the following members be appointed to the Joint Commissioning Groups for 2011/2012.</p> <p><u>Economy and Housing</u> Councillors Mrs Sanderson, Hicks, Clark, Andrews, and Mrs Denniss.</p> <p><u>Active and Environment</u> Councillors Richardson, Clark, Hope, Hicks, Fraser and Walker.</p>
6	Impact of Housing Benefit Changes	

Ryedale District Council – Decisions taken by the Commissioning Board on Thursday, 2 June 2011

Agenda Item No	Topic	Decision
		<p><b>Resolved</b></p> <ul style="list-style-type: none"> <li>(i) That the report be noted</li> <li>(ii) That Officers monitor the local impact of Benefit reforms and that further officer reports are presented to the Commissioning Board on the implications and any further changes;</li> <li>(iii) That potential revisions to limit the increased risk of homelessness under the new Housing Benefit system are identified through the forthcoming review of the Ryedale Homelessness Strategy Action Plan.</li> </ul>
7	Annual Report 2010/11 - Delivering the Council's Priorities	<p><b>Resolved</b> That the content of the Annual Report 2010/11 and the challenges for 2011/12 be noted.</p>
8	Local Enterprise Partnership (LEP) Update	<p><b>Resolved</b> That the report be noted.</p>
9	Members Update - Actions to Reduce CO2 Emissions Resulting from Council Operations	<p><b>Resolved</b> That the report be noted.</p>
10	Food Service Plan 2011/2012 and Proposed Introduction of the National Food Hygiene Rating System (FHRS)	<p><b>Resolved</b></p> <ul style="list-style-type: none"> <li>i. That Members support the aims and objectives of the Service Plan</li> </ul>

**Ryedale District Council – Decisions taken by the Commissioning Board on Thursday, 2 June 2011**

Agenda Item No	Topic	Decision
		<ul style="list-style-type: none"> <li>ii. That the the Food Service Plan for 2011/12 be adopted</li> <li>iii. That the Council supports the voluntary adoption of the national Food Hygiene rating System (FHRS) and sign up to the formal agreement with the Foods Standards Agency</li> </ul>
11	Health & Safety Service Plan 2011/2012	<p><b>Resolved</b> That the Health and Safety Service Plan for 2011/12 be adopted.</p>
12	Private Sector Housing Grants - Revision to Capital Programme Allocations	<p><b>Resolved</b> That the revised Housing Capital Programme be approved.</p>
14	Capital Proposal Regarding Ryedale Pool Gym Facility	<p><b>Resolved</b> That the Policy and Resources Committee is recommended at its meeting on the 23 June 2011:</p> <p>To recommend to Council the inclusion of the development of a new gym facility at Ryedale Pool in the capital programme at a revised estimated cost t be agreed at the meeting.</p>

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**Date of Publication 16 June 2011**

**Implementation Date of Decision 1 July 2011**

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## Commissioning Board

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Held at Council Chamber, Ryedale House, Malton  
on Thursday 2 June 2011

## Present

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Councillors Mrs Cowling (Chairman), Mrs Frank (Vice-Chairman), Hope, Fraser, Hicks, Ms Sanderson, Walker, Richardson, Clark (substituting for Woodward) and Andrews

## In Attendance

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Phil Long, Julian Rudd, Fiona Brown, Kim Robertshaw, Debbie Armitage, Steve Richmond, Nicki Lishman and Paul Cresswell

## Minutes

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### 1 Apologies for Absence

Apologies for absence were received from Councillors Woodward and Mrs Denniss.

### 2 Minutes of the last Meeting of the Commissioning Board held on 24 March 2011

The minutes of the meeting of the Commissioning Board held on 24 March 2011 (previously circulated) were presented.

#### Resolved

That the minutes of the meeting of the Commissioning Board held on 24 March 2011 be approved and signed by the Chairman as a correct record.

### 3 Urgent Business

The Chairman reported that there were two items which she considered should be dealt with as a matter of urgency by virtue of Section 100B(4)(b) of the Local Government Act 1972 (as amended). These were a letter from Malton School seeking views regarding Academy Conversion and correspondence regarding private sewers.

### 4 Declarations of Interest

In accordance with the Members' Code of Conduct Councillor Mrs Cowling declared a personal but not prejudicial interest in item 10.

#### **PART 'A' - Items dealt with under delegated powers or matters determined by the Board**

### 5 Capital Proposal Regarding Ryedale Pool Gym Facility

Item 14 was brought forward on the agenda with a revised recommendation

Members considered a resolution to exclude the press and public from the meeting during consideration of Item 14.

It was moved by Councillor Mrs Frank and seconded by Councillor Sanderson that the resolution be approved.

The Corporate Director (s151) advised members that this item was now a Part "A" - items dealt with under delegated powers or matters determined by the Board as further work was required on the estimated costs of the scheme which would in turn be presented to the Policy and resources Committee as a part B item.

The Head of Environment submitted a report (previously circulated) for Members to consider a proposal regarding a capital investment project which will facilitate development of additional sports facilities at Ryedale Pool, Pickering.

The project would

- Establish a new and more substantial facility capitalising on the existing asset of Ryedale Pool, Pickering
- Increase the scope of available facilities encouraging participation in exercise to a wider number of people
- Tangibly increase the asset value of the premises
- Increase income and efficiency for CLL through co-located facilities
- Enable any surplus to be reinvested in the business to enhance the quality of sport and leisure provision and to reduce the revenue cost of the service

The report detailed the financial criteria on which the proposal was based, details of the proposed development and the proposed benefits of the project to the community, CLL and the Council.

#### **Resolved**

That the Policy and Resources Committee is recommended at its meeting on the 23 June 2011:

To recommend to Council the inclusion of the development of a new gym facility at Ryedale Pool in the capital programme at a revised estimated cost to be agreed at the meeting.

## **6 Appointment of Joint Commissioning Groups**

The Head of Economy and Housing submitted a report (previously circulated) the purpose of which was to appoint Members to the Commissioning Board's

two Joint Commissioning Groups (JCGs).

The first meeting of the Commissioning Board held on 2 June 2010 resolved 'That two Joint Commissioning Groups: *Economy and Housing* and *Active and Environment* be established'. This was in recognition that the Board had responsibility for a range of services that contributed to the delivery of the Council's priority aims 1-4. This was a wide brief and as such Members of the Board agreed to appoint smaller, flexible and agile JCGs which looked at detailed issues, performance and service opportunities in a focussed way, and then made recommendations to the Commissioning Board for decision.

The Economy and Housing JCG completed a review of the Council's commissioning of tourism services and would next examine the Authority's commissioning of support for private sector housing and independent living. The Active and Environment JCG was part-way through a review of Sport and Active Leisure activities.

### **Resolved**

That the following members be appointed to the Joint Commissioning Groups for 2011/2012:

#### Economy and Housing

Councillors Mrs Sanderson, Hicks, Clark, Andrews, and Mrs Denniss.

#### Active and Environment

Councillors Richardson, Clark, Hope, Hicks, Fraser and Walker.

## **7 Impact of Housing Benefit Changes**

The Head of Economy and Housing submitted a report (previously circulated), which considered the Government changes to the national Housing Benefit system and requested that Members agree actions in response to the anticipated local implications of these changes, including potential increases in levels of homelessness and the risk of becoming homeless within Ryedale.

A presentation was given by Housing Options and Housing Benefits Officers of a full breakdown of the changes along with their implications. The presentation would be emailed to all Members.

The report gave Members the detail of the Council's successful approach to dealing with homelessness but also detailed the increase in the numbers of households which had sought assistance from the Council over the previous 12 months.

The report went on to summarise the key elements to the national Housing Benefit and how the changes may affect claimants in Ryedale.

The key potential challenges for Ryedale as a result of the above changes were:

- Increased demand for affordable housing
- Increased number of households threatened with homelessness or loss their home due to financial difficulties
- Increased numbers of households seeking moves to more affordable private rented accommodation
- Increased levels of homelessness amongst young people
- Increased costs for the Council to pay for temporary accommodation
- Increased administration costs for Housing Benefits
- Increased numbers of Houses in Multiple Occupation (HMOs)

Ryedale District Council, in line with other local authorities, received an annual sum from Government to provide a Discretionary Housing Payments (DHP) fund. This was the only short term financial safety net available to assist those tenants adversely affected by the Housing Benefit reductions. It could be used to provide further financial assistance in individual cases where the Council considered that Housing Benefit payments were insufficient. There was an increase in the DHP award from Government (to some £11K per annum for Ryedale) and there would be further increases over the next two years. However this may not be enough to deal with the local impact of the changes.

Authorities could also allocate their own reserves towards DHP, up to a maximum of 2.5 times the Government grant, were this necessary. It was not yet clear what pressure would be placed on the Ryedale DHP and Officers would closely monitor this and keep Members informed, including any implications for setting of the 2012/13 Council budget.

### **Resolved**

- (i) That the report be noted
- (ii) That Officers monitor the local impact of Benefit reforms and that further officer reports are presented to the Commissioning Board on the implications and any further changes;
- (iii) That potential revisions to limit the increased risk of homelessness under the new Housing Benefit system are identified through the forthcoming review of the Ryedale Homelessness Strategy Action Plan.

## **8 Annual Report 2010/11 - Delivering the Council's Priorities**

The Head of Transformation submitted a report (previously circulated) which presented the content of the Council's Annual Report of delivery against priorities.

A draft of the Annual Report 2010/11 was appended to the Agenda for Members comments and observations.

The report stated the Council's five aims adopted in the Council Plan 2009-13;

- To meet housing need
- To create the conditions for economic success
- To have a high quality clean and sustainable environment
- To have safe and active communities
- To transform the Council

The report outlined the objectives adopted to meet these aims and reminded Members that progress in delivering the Council's priorities was reported quarterly to the Policy and Resources Committee. The Annual Report 2010/11 summarised the Council's delivery against its priorities.

The report went on to outline the challenges to meeting the adopted aims for the year 2011/12.

**Resolved**

That the content of the Annual Report 2010/11 and the challenges for 2011/12 be noted.

**9 Local Enterprise Partnership (LEP) Update**

The Head of Economy and Housing submitted a report (previously circulated) which updated Members with regard to the progress of the development of the York and North Yorkshire Local Enterprise Partnership (YNYLEP) and local bids for Enterprise Zone status.

Following 'recognition' of the YNYLEP, a private sector-led panel advertised for and appointed the private sector Chair of the LEP Board: Barry J Dodd, OBE, Chairman of the GSM Group.

The YNYLEP would be supported by a staff team from the merged 'North Yorkshire Partnership Unit' and the North Yorkshire County Council (NYCC) Economic Development Unit. A new post of NYCC Assistant Director - Economic Partnership Unit has been created and a former senior officer of Yorkshire Forward will officially take up this post on 1 August 2011.

The report went on to describe the development of the Enterprise Zones and the benefits they would enjoy.

Through the YNYLEP, this Authority aimed to maximise linkages with potential neighbouring proposals in York or Scarborough to ensure that economic advantages flow into Ryedale.

**Resolved**

That the report be noted.

10

**Members Update - Actions to Reduce CO2 Emissions Resulting from Council Operations**

The Head of Environment submitted a report (previously circulated) which informed Members of actions which had been taken to reduce CO<sub>2</sub> emissions resulting from the Council's operations and updated Members with regard to future actions.

The report provided Members with details of Ryedale's position to date in that the Council had made strong progress regarding CO<sub>2</sub> reductions relating to Local Authority buildings and services and Climate Change initiatives. In 2004 RDC signed the Nottingham Declaration on Climate Change. The Climate Change Strategy was developed in 2005 (updated in 2007 and due for renewal) and a Sustainability Audit review in 2009 regarded performance as good with minimal risk.

A Local Climate Impact Profile (LCIP) identified major weather related risks (NI 188) for Ryedale as flooding, snow and blizzards. Actions taken to reduce vulnerability and improve preparedness included:

- Multi agency emergency flood plan (one of first completed).
- Slowing the flow and banded storage scheme - RDC £950K funding.
- Sand bag catches- Pickering, Sinnington, Thornton Dale, Kirkbymoorside.
- £50K Flood resilience grant available from RDC administered through the Building Control Partnership.
- Commissioning of the Pickering Channel management study - a three year project which aims to identify effective channel management solutions to mitigate against flooding in the catchment.
- A scheme is being devised regarding a community winter resilience scheme - £20K funding available.
- Winter gritting partnership initiative with NYCC.

Performance on recycling remained strong and estimates indicated the Council was on track for a similar performance as last year (52%). RDC has been the top performer in the Yorkshire and Humber region for 5 years running, for both NI 191 (residual waste) and NI 192 (recycling) and in the top 6% of UK councils for the last five years. Performance would further improve with the roll out of plastic bottles and card starting on the autumn 2011.

It was proposed by Councillor Clark and seconded by Councillor Richardson that the resolution be amended by the addition of "and that an update on progress be presented to the meeting of the Commissioning Board to be held

on 22 September 2011". Upon being put to the vote the amendment was carried.

**Resolved**

That the report be noted and that an update on progress be presented to the 22 September 2011 meeting of the Commissioning Board.

11 **Food Service Plan 2011/2012 and Proposed Introduction of the National Food Hygiene Rating System (FHRS)**

The Head of Environment submitted a report (previously circulated) which presented to Members the Food Service Plan for 2011/12 and provided details of the work undertaken during the previous year.

The Food Service Plan (FSP) 2011/2012 was appended to the report. The Plan provided a background to the food service and covered the principal work areas in which officers were involved during the year. The Food Standards Agency required that local authorities addressed certain critical aspects of their food service within the Plan. These were;

- a) **provided details of the food premises inspections (by way of level of activity) that had been undertaken;**
- b) provided information on food complaints;
- c) detailed any work with respect to the Home Authority Principle;
- d) described any work that the local authority undertook with respect to business advice, providing training courses to businesses and any promotional activities;
- e) showed that a database of food premises was set up and maintained;
- f) provided details of the level of sampling and the follow up procedures;
- g) provided information on the control and investigation of outbreaks of food related infectious disease;
- h) provided information on the maintenance and implementation of a procedure for dealing with food alerts;
- i) confirmed that an appropriate enforcement policy was available to all;
- j) confirmed that a recording system that was able to maintain up to date accurate records;
- k) provided details about liaison with other organisations; and
- l) described how the food service was monitored/audited.

In addition, Cabinet Office had also issued guidance which suggested local authority enforcers should be flexible in their approach.

Members were aware of the Food Hygiene Rating System or "Scores on the doors" which operated in some local authorities. The aim of the scheme was to assist customers choose where to eat out or shop for food. There were two rival schemes which use different rating systems, however following on from Lord Young's recommendation in his report "Common Sense Common Safety", the Food Standards Agency (FSA) confirmed that the Coalition

Government endorsed a national Food Hygiene Rating System (FHRS) and wished it to become compulsory. The aim is to have the FHRS in place at the earliest opportunity and at the latest in time for the 2012 Olympics and Paralympics.

The Health and Environment Service seized the initiative and had applied for financial assistance for approximately £9,000 via a FSA grant for the implementation of the FHRS. If successful, it was hoped to have the system in place by April 2012. As at the time the adoption of FHRS was voluntary, therefore in order to demonstrate a commitment to operating the FHRS in a consistent and fair manner the FSA required participating local authorities to agree to specified conditions in order to safeguard the credibility and integrity of the scheme.

**Resolved**

- i. That Members support the aims and objectives of the Service Plan
- ii. That the Food Service Plan for 2011/12 be adopted
- iii. That the Council supports the voluntary adoption of the national Food Hygiene Rating System (FHRS) and sign up to the formal agreement with the Foods Standards Agency

**12 Health & Safety Service Plan 2011/2012**

The Head of Environment submitted a report (previously circulated) which put before Members the Health and Safety Plan for 2011/12 and provided details of the work undertaken during the previous year.

The guidance notes issued by Health and Safety Executive (HSE) under Section 18 (4) contained the broad principles which HSE wished local authorities to adopt in enforcing health and safety legislation. They provided a framework within which local authorities operated, so that HSE could be confident that adequate arrangements for enforcement were made.

The HSE, Food Standards Agency (FSA) and Local Government Regulation required that the practice of planning such joint interventions should be adopted by all local authorities from 1 April 2011. Ryedale District Council had adopted the system of joint inspections for food and health and safety using a single officer and were therefore compliant with the requirement.

**Resolved**

That the Health and Safety Service Plan for 2011/12 be adopted.

**PART 'B' - Recommendations to Council**

**13 Private Sector Housing Grants - Revision to Capital Programme Allocations**



The Head of Economy and Housing submitted a report (previously circulated) which detailed a revision to the Authority's capital allocation of Private Sector Housing Grants budget for the financial year 2011/12 and thereafter.

During the five financial years prior to 2011/12 Ryedale District Council received funding from the Yorkshire and Humber Regional Housing Board (RHB) towards the improvement of private sector housing stock. This supplemented the Council's own funding for this purpose, which was drawn each year from the capital programme and so increased the type and amount of grant and loan assistance offered by the Housing Services Department. However, following the Comprehensive Spending Review the RHB no longer existed and all Private Sector Funding to Local Authorities had ceased (apart from separate funding for the Disabled Facilities Grant). Consequently the financial assistance that could be offered by Ryedale Council was limited to that taken from the Authority's capital programme and there was no longer funding identified for energy efficiency improvements or decent homes loans. This report recommends revising the capital programme allocations within the existing overall funding levels.

The Council's Private Sector Housing Grant schemes had supported a broad range of housing improvement activities in recent years. However, under current Council policy, due to the absence of the RHB funding, the range of grants and loans that were available in Ryedale post 1 April 2011 had reduced.

To take account of the loss of RHB funding it was necessary to redistribute the Council's previously agreed funding to ensure that support was still available for the priority improvements, such as energy efficiency and decent homes. A waiting list of approximately 20 clients had already built up for energy efficiency grants.

It was recommended that Council funding agreed for 2011/12 be redistributed to reintroduce the range of Private Sector Housing grants and loans previously available, albeit at lower total amounts than previously available.

**Resolved**

That Council is recommended to approve the revised Housing Capital Programme as follows:.

<b>Type Of Loan/Grant</b>	<b>2011/2012 (Current)</b>	<b>2011/12 (Proposed)</b>
Home Appreciation Loan	0	£20K
Empty Property Grant	£30K	£30K
HMO Grant	£30K	£30K
Decent Home Loans	0	£30K
Home Repair Loans	£165K	£45K

Energy Grants	Efficiency	0	£70K
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14 **Any other business that the Chairman decides is urgent**

There were two items of urgent business:

- i. The Environment Manager circulated papers from Yorkshire Water concerning the proposed transfer of private sewers in October 2011. These were noted.
- ii. A letter had been received from Malton School requesting the view of the Council on a proposal for Academy Conversion. As the School required a response by 6 June 2011 the only Council Committee that could consider the matter was the 2 June 2011 meeting of the Commissioning Board. Following a debate and a subsequent proposal by Councillor Clark it was:

**Resolved**

That the Chairman of the Commissioning Board responds to the letter from Malton School as follows:

This matter could only be considered by the Council's Commissioning Board given your deadline of 6 June 2011. The Board was not able to form a view on the basis of the limited information provided.

Members of the Board are keen to be consulted on Malton School's proposal for Academy Conversion but will require considerably more information about the potential wider impacts of the changes on Malton and Ryedale."

The Chairman declared the meeting closed at **9.35 pm**

Ryedale District Council – Decisions taken by the Policy and Resources Committee on Thursday, 23 June 2011

Agenda Item No	Topic	Decision
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Part A – Items considered in public

1	Apologies for absence	Apologies for absence were received from Councillor Ms Ward, Ms Goodrick, Maud and Bailey.
2	Minutes of the Meeting held on 7 April 2011	<p><b>Resolved</b></p> <p>The minutes of a meeting of the Policy and Resources Committee held on 7 April 2010 be approved and signed by the Chairman as a correct record.</p>
3	Urgent Business	The Chairman reported that there were no items of urgent business to be considered at the meeting.
4	Declarations of Interest	There were no declarations of interest received.
5	Appointment of Members to Working Parties and Sub Committees	<p><b>Resolved</b></p> <p>a) That the Senior Management Contracts Working Party be comprised of The Leader of the Council, Chairman of Policy and Resources, Vice-Chairman of Policy and Resources, Chairman of Commissioning Board and the Staff Champion</p> <p>Councillors Woodward and Mrs Burr asked that their votes against the amendment be recorded.</p> <p>b) That the Resources Working Party be comprised of Councillors Acomb, Mrs Cowling, Ms Goodrick, Mrs Knaggs, Knaggs and Legard.</p> <p>Councillors Woodward and Mrs Burr asked that their votes against the amendment be recorded.</p> <p>c) That the Constitution Review Working Party be abolished.</p> <p>d) That the Sub-Committee – Appeals Panel be comprised of;</p>

Ryedale District Council – Decisions taken by the Policy and Resources Committee on Thursday, 23 June 2011

Agenda Item No	Topic	Decision
		<p>Chairman of Policy and Resources, Staff Champion and Vice Chairman of Policy and Resources.</p> <p>In the absence of any of these Members, the panel to consist of 3 Members to be appointed by the Chief Executive in Consultation with the Chairman of Policy and Resources, or in the Chairman’s absence, the Vice Chairman, from the current membership of the Policy and Resources Committee (including any substitute members). The Panel to meet as and when required. Such a panel to consist of two Members of the Conservative Group and one Member of another Group.</p> <p>Terms of reference of the Sub Committee</p> <p>To determine appeals in relation to the following matters:</p> <ul style="list-style-type: none"> <li>• To determine appeals against dismissal on disciplinary cases.</li> <li>• Any other appeal to Members which is currently within the Council’s policies and procedures.</li> </ul>
6	Annual Report - Achievement Against Priorities	<p><b>Resolved</b> That the content of the Annual Report 2010/11 and the challenges for 2011/12 be noted.</p>
7	Review of Civic Budget	<p><b>Resolved</b></p> <ol style="list-style-type: none"> <li>a) That the Civic Budget be reduced to £6,000 to include the Chairman’s Allowance, Chairman’s Travel Allowance and Civic Hospitality.</li> <li>b) That the Civic Car be disposed of and not replaced.</li> </ol>
8	Exempt Information	<p><b>Resolved</b></p>

**Ryedale District Council – Decisions taken by the Policy and Resources Committee on Thursday, 23 June 2011**

<b>Agenda Item No</b>	<b>Topic</b>	<b>Decision</b>
		That under Section 100(A)(4) of the Local Government Act 1972 that the public be excluded from the meeting for the following item as there will be a likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the act as the information relates to any business or financial affairs of a company.
<b>9</b>	Capital Proposal Regarding Ryedale Pool (Pickering) Gym Facility	<p><b>Resolved</b> That the following motion not be carried.</p> <p>That Council be recommended to include the development of a new gym facility at Ryedale Pool in the capital programme.</p>
<b>10</b>	Any other business that the Chairman decides is urgent.	There were no other items of urgent business.

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**Date of Publication 24 June 2011**

**Implementation Date of Decision 11 July 2011**

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