



## **OVERVIEW AND SCRUTINY COMMITTEE**

Thursday 16 February 2012 at 6.30 pm

Council Chamber, 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 the 15 December 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.

**6 Call in - Ryedale Tourism Advisory Board**

(Pages 5 - 12)

**7 Treasury Management Strategy Statement and Annual Investment Strategy  
2012/13**

(Pages 13 - 36)

- 8 **Safer Ryedale - Progress with delivering the Community Safety Plan 2011/12**  
(Pages 37 - 46)
- 9 **2012/13 Internal Audit Plan** (Pages 47 - 54)
- 10 **Annual Governance Statement Action Plan** (Pages 55 - 60)
- 11 **Internal Audit Quarter 3 and Report** (Pages 61 - 74)
- 12 **Service Risk Register - Planning** (Pages 75 - 84)
- 13 **Corporate Risk Register** (Pages 85 - 100)
- 14 **Customer Complaints Received in Quarter 3 2011/12** (Pages 101 - 108)
- 15 **Scrutiny Reviews Progress Report - Supporting a Sustainable Community and Voluntary Sector**  
(Pages 109 - 114)
- 16 **Decisions from other Committees** (Pages 115 - 118)  
Commissioning Board held on the 26 January 2012 (attached).  
Policy and Resources Committee held on the 9 February 2012 (to follow).
- 17 **Any other business that the Chairman decides is urgent.**

## Overview and Scrutiny Committee

---

Held at Council Chamber, Ryedale House, Malton  
on Thursday 15 December 2011

### Present

---

Councillors Wainwright (Chairman), Mrs Shields (Vice-Chairman), Raper, Windress, Arnold, Hawkins and Ward

### In Attendance

---

Clare Slater, Paul Cresswell, James Ingham and Sue Shuttleworth

Alistair Lince (Deloitte)

### Minutes

---

116      **Apologies for absence**

There were no apologies for absence.

117      **Minutes of the Meeting held on the 6 October 2011**

The minutes of a meeting of the Overview & Scrutiny Committee held on 8 October 2011 were presented.

**Resolved**

That the minutes of a meeting of the Overview & Scrutiny Committee held on 8 October 2011 be approved and signed by the Chairman as a correct record.

118      **Urgent Business**

The Chairman reported that there was one item of urgent business to be considered at the meeting relating to the start time of meetings of the Committee.

119      **Declarations of Interest**

There were no declarations of interest received.

120      **Annual Audit Letter on the 2010/11 Audit**

Alistair Lince (Deloitte) submitted the Annual Audit Letter on the 2010/11 Audit November 2011.

The report was presented under the following headings:

- Key Messages
- Purpose, responsibilities and scope
- The audit of the accounts
- Value for money
- Other matters
- Closing Remarks.

### **Resolved**

That the report be received.

## 121 **Treasury Management Mid-Year Review**

The Corporate Director (s151) submitted a report (previously circulated) on the treasury management activities to date for the financial year 2011/12 in accordance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (the Code).

### **Resolved**

That the report be received and that the mid-year performance of the in-house and externally managed funds to date be noted.

## 122 **Internal Audit Quarter 2 and Report**

The Corporate Director (s151) submitted a report (previously circulated) presenting the Interim Internal Audit Report covering the period to 30 November 2011 from the North Yorkshire Audit Partnership.

### **Resolved**

That the Interim Internal Audit Report outlining progress against the approved internal audit plan be noted.

## 123 **Annual Governance Statement Action Plan**

The Corporate Director (s151) submitted a report (previously circulated) in which Members were informed on progress with the actions identified in the 2010-11 AGS action plan.

**Resolved**

That the report be received and that the progress with identified actions in the 2010-11 AGS action plan be noted.

124 **Customer Complaints Received Quarter 2 (2011/12)**

The Customer Services and Benefits Manager submitted a report (previously circulated) informing Members of the number and type of complaints received under the Council's complaint procedure for the period July-September 2011.

**Resolved**

That the report be received.

125 **Risk Strategy Annual Review**

The Head of Transformation submitted a report (previously circulated) presenting the annual review of the Risk Management Strategy.

**Resolved**

That the content of the annual review of the Risk Management Strategy be noted and that the deletion of the action relating to the appointment of a Member Champion for Risk (refCSR07) be approved.

126 **Service Risk Register - Organisational Development**

The ICT Manager presented a report (previously circulated) giving details of the Service Risk Register for those services under the Head of Organisational Development.

Members reviewed the risk register and it was

**Resolved**

That the report be received.

127 **Scrutiny Reviews Progress Report - 'Post Offices' and 'A Sustainable Community and Voluntary Sector'**

The Head of Transformation submitted a report (previously circulated) presenting the final report of the scrutiny review on Post Offices currently being undertaken and establishing the Terms of Reference for the next review

– “Supporting a Sustainable Voluntary and Community Sector (VCS) in Ryedale”.

The report was discussed in detail and a number of minor amendments to the Terms of Reference for the next review were suggested.

### **Resolved**

That the report be received and that

- (a) The recommendations for the Post Offices Scrutiny Review be agreed
- (b) Subject to the amendments as agreed, the Terms of Reference for the scrutiny review “Supporting a Sustainable Voluntary and Community Sector (VCS) in Ryedale” be approved
- (c) Councillors Arnold, Raper, Mrs Shields and Ms Ward be appointed to the Task Group
- (d) The first meeting of the Task Group be held on 23 January 2012

## 128 **Decisions from other Committees**

A report (previously circulated) listing decisions taken by the Commissioning Board on 24 November 2011 was presented.

In addition, a report listing decisions taken by the Policy & Resources Committee on 8 December 2011 was circulated at the meeting.

### **Resolved**

That the report be received.

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

The Chairman proposed that future meetings of the Committee should commence at 6.30pm.

### **Resolved**

That future meetings of the Overview & Scrutiny Committee commence at 6.30pm.

The Chairman declared the meeting closed at 7.40pm.

**Overview & Scrutiny Call-in Function**

**Date 03/02/2012**

**Committee:**

**Commissioning Board Thursday January 26<sup>th</sup> 2012**

**Decision to be called in:**

**Agenda item 8 Recommendation 2.1 (i) a)**

**The 'Y' Charter mark be used for businesses engaged in Council funded activities, in addition to other recognised Quality Assurance mark**

**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:

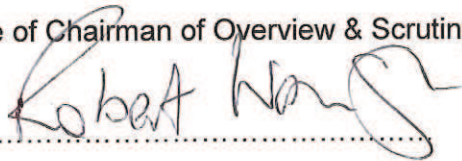
I do not believe that the ramifications of this decision were fully understood by Committee Members.

The Council has a Policy to support, whenever possible, local businesses. This decision is contrary to that policy.

The Policy of the TIC to only accept businesses with a recognised Quality Assurance accreditation was not available for Members to examine

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



Date of meeting to consider the Call in ... 16<sup>th</sup> feb 2012

(Must be within 10 days of call in)

This page is intentionally left blank



## CALL IN – ORIGINAL REPORT AS PRESENTED TO COMMISSIONING BOARD

**RYEDALE  
DISTRICT  
COUNCIL**



---

**PART A: MATTERS DEALT WITH UNDER DELEGATED POWERS**

**REPORT TO: COMMISSIONING BOARD**

**DATE: 26 JANUARY 2012**

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

**TITLE OF REPORT: RYEDALE TOURISM ADVISORY BOARD  
RECOMMENDATIONS**

**WARDS AFFECTED: ALL**

---

### **EXECUTIVE SUMMARY**

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

1.1 To seek endorsement of the Ryedale Tourism Advisory Board recommendations concerning use of the Quality Assurance mark, the [discovernorthyorkshire.co.uk](http://discovernorthyorkshire.co.uk) website and involvement in the Visit Hull and East Yorkshire (VHEY) bid for European Regional Development Fund (ERDF) support. The report also outlines arrangements for the forthcoming relocation of Malton Tourist Information Centre (TIC).

#### **2.0 RECOMMENDATIONS**

2.1 It is recommended that:

- (i) Members' endorse the Ryedale Tourism Advisory Board's recommendations that;
  - a) the 'Y Charter' mark be used for businesses engaged in Council funded activities, in addition to other recognised Quality Assurance marks;
  - b) there should be ongoing investment in the development of the [discovernorthyorkshire.co.uk](http://discovernorthyorkshire.co.uk) website, using existing budgets;
  - c) Ryedale District Council commits to the partnership approach established in the VHEY ERDF bid 'Partners for Growth';
- ii) Members note the timetable for the relocation of Malton TIC.

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

3.1 To endorse implementation of those recommendations by the Ryedale Tourism Advisory Board that affect this Council's policies and actions.

#### **4.0 SIGNIFICANT RISKS**

- 4.1 There are no significant risks. All risks are identified in Annex A Risk Assessment Matrix.

### **REPORT**

#### **5.0 BACKGROUND AND INTRODUCTION**

- 5.1 The Tourism Advisory Board, which was established as result of the recent review of tourism activities in Ryedale by the Commissioning Board, has met twice and considered a number of service proposals. The meeting notes are available on the Council website: [http://www.ryedale.gov.uk/business/tourism\\_and\\_travel/tourism\\_-\\_support\\_for\\_business.aspx](http://www.ryedale.gov.uk/business/tourism_and_travel/tourism_-_support_for_business.aspx)
- 5.2 The lease on the Old Town Hall building will terminate on 4 April 2012, necessitating a move for Malton TIC.
- 5.3 Commissioning Board 2011 minutes 54 (vi) and (viii) supported the establishment of the Tourism Advisory Board and the relocation of Malton TIC.

#### **6.0 POLICY CONTEXT**

- 6.1 This report seeks to implement the following Council aims:
- To create the right conditions for economic success in Ryedale:
    - § To have economic structure an supporting infrastructure in place
    - § Opportunity for people; increasing wage and skill levels
  - Transform Ryedale District Council:
    - § Building our capacity to deliver through collaboration and working in Partnership.

#### **7.0 CONSULTATION**

- 7.1 The recommendations take account of the views of the Ryedale Tourism Advisory Board.
- 7.2 Staff at Malton TIC staff have been consulted on the relocation.

#### **8.0 REPORT DETAILS**

- 8.1 Endorsement is now sought regarding three actions (detailed below) that the Ryedale TAB recommends for RDC tourism service delivery.

**Action One - The use of the 'Y Charter' mark for businesses engaged in Council funded activities, in addition to other recognised Quality Assurance marks**

- 8.2 Currently, the TIC network and 'Destination Management System' that are utilised to promote accommodation businesses will only accept businesses with a recognised QA accreditation, such as VisitBritain or AA. However, Welcome to Yorkshire (WTY) has introduced a new package called the 'Y Charter' that is a self certified system. It consists of 10 key points to ensure accommodation providers commit to offering visitors a quality and value for money experience when staying in Yorkshire. The TAB had some concerns that this was a self certification process and not a quality mark but concluded that it did provide a necessary minimum standard. It was also

suggested that WTY could extend the Y Charter remit to attractions. Members are requested to endorse the use of the 'Y Charter' mark in Council funded activities.

**Action Two - Investment in the development of the [discovernorthyorkshire.co.uk](http://discovernorthyorkshire.co.uk) website**

- 8.3 The Discover North Yorkshire website was established as a temporary measure to support the 2011 Tourism Association North Yorkshire guide, and to fill the gap left by the demise of the Moors and Coast Tourism Partnership. This was undertaken in-house at very low cost.
- 8.4 Although this Council works in partnership with the North York Moors National Park Authority to promote the Moors as a branded destination, and with VHEY to promote the Wolds as a branded destination, there are areas of Ryedale that are not covered by any other on line promotional activity. It is therefore recommended that the website be retained into the future and an investment made to develop more active methods of promotion such as a co-ordinated 'Search Engine Optimisation' campaign of content optimisation. This investment and activity would be within existing budgets and co-ordinated with partner organisations websites. Member endorsement for this approach is sought.

**Action Three - That Ryedale District Council is a full partner in the VHEY ERDF bid 'Partners for Growth'.**

- 8.5 Visit Hull and East Yorkshire (VHEY) has lead the development of planned partnership bid for over £5 million of European Regional Development Fund to support tourism businesses in Hull, East Riding, Scarborough and the Wolds area of Ryedale (to include the electoral divisions of Sherburn, Wolds, Rillington, Malton, Norton East, Norton West, Derwent and South West Ryedale). A full business plan is due to be submitted in January 2012.
- 8.6 There are three proposed main areas of support: 'Support Network for Businesses'; 'Digital Solutions' (including the development of phone 'apps'); and 'New Market Development' (including seasonal, evening economy and overseas markets.) This Council's proposed contribution to the partnership is in staff time and other in-kind contributions, plus an element of the existing Tourism Services budget. The Council will be represented on the Board for programme delivery if the bid is successful. Member endorsement for this partnership proposal is sought.

**Relocation of Malton TIC**

- 8.7 Members should note that Malton TIC will close at the 'Old Town Hall' on 25 January 2012 and will re-open at Malton Library on 28 January 2012. There are long term budgetary savings associated with this move but a service reduction/change in hours is not anticipated. The move involves a partnership between NYCC Library Service and TIC services.

**9.0 IMPLICATIONS**

- 9.1 The following implications have been identified:
- a) Financial  
Financial savings associated with the relocation of the TIC has been taken account of in terms of planned efficiencies for 2012/13.
  - b) Legal  
The use of the Quality in Tourism rating has ensured that the TIC is able to refer clients booked into accommodation who may have a poor experience, to the relevant quality assurance organisation. The above recommendation will necessitate a revision of the booking agreement for TIC clients.

- c) Other  
There are no significant other implications.

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

**Author:** Jos Holmes, Economy and Community Manager  
**Telephone No:** 01653 600666 ext: 240  
**E-Mail Address:** jos.holmes@ryedale.gov.uk

**Background Papers are available for inspection at:**  
[http://www.ryedale.gov.uk/business/tourism\\_and\\_travel/tourism -  
\\_support\\_for\\_business.aspx](http://www.ryedale.gov.uk/business/tourism_and_travel/tourism_-_support_for_business.aspx)

## TOURISM ADVISORY BOARD RECOMMENDATIONS - RISK MATRIX – ANNEX A

Issue/Risk	Consequences if allowed to happen	Likelihood	Impact	Mitigation	Mitigated Likelihood	Mitigated Impact
Complaints regarding customer experience at accommodation booked through TICs cannot be dealt with if the establishment is not Quality Assured.	Potential risk to reputation of complaints and demands for compensation, if accommodation is not up to standard. (There is no legal basis to compensation, but this does not prevent an unsatisfied customer demanding it.)	<b>3</b>	<b>C</b>	Ensure that the booking documentation is clear about standards and ensure TIC staff receive regular training in customer service. Refer any complaints about 'Y charter' properties to Welcome To Yorkshire for investigation.	<b>2</b>	<b>B</b>
If the website is not maintained, there is a risk of loss of customer base. Areas of Ryedale not represented on the website.	Potential visitors will quickly lose patience and select an alternative location. Loss of income to local economy.	<b>4</b>	<b>C</b>	Ensure website is up to date and fit for purpose and give full representation to Ryedale.	<b>1</b>	<b>A</b>
The ERDF bid is not successful or does not include areas of Ryedale	Loss of potential investment in tourism businesses.	<b>4</b>	<b>C</b>	RDC closely involved in bid development and represented on the Board to ensure full benefit to area is realised.	<b>2</b>	<b>B</b>
Malton TIC relocation potential loss of customer base	Reduced footfall and contact with customers	<b>3</b>	<b>C</b>	Publicity arranged regarding the relocation and letters to all database customers.	<b>1</b>	<b>A</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

This page is intentionally left blank

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

RYEDALE  
DISTRICT  
COUNCIL



---

<b>REPORT TO:</b>	<b>COUNCIL</b>
<b>DATE:</b>	<b>20 FEBRUARY 2012</b>
<b>REPORT OF THE:</b>	<b>CORPORATE DIRECTOR (s151) PAUL CRESSWELL</b>
<b>TITLE OF REPORT:</b>	<b>TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2012/13</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

---

### EXECUTIVE SUMMARY

#### 1.0 PURPOSE OF REPORT

- 1.1 To consider the Treasury Management and Annual Investment Strategies, the Minimum Revenue Provision Policy and set the Prudential Indicators for 2012/13.

#### 2.0 RECOMMENDATIONS

- 2.1 That Council is recommended to approve:
- (i) Members receive this report;
  - (ii) The Treasury Management and Investment Strategies be noted and approved by the Council; and
  - (iii) That the Prudential Indicators in the report be approved by the Council

#### 3.0 REASON FOR RECOMMENDATIONS

- 3.1 The Chartered Institute of Public Finance & Accountancy (CIPFA) Code of Practice on Treasury Management in Local Authorities (The Code) was adopted by the Council.
- 3.2 The Local Government Act 2003 and supporting regulations requires the Council to have regard to specified codes of practice, namely the CIPFA publications *Prudential Code for Capital Finance in Local Authorities* and *Treasury Management in the Public Services; Code of Practice and Cross Sectoral Guidance Notes*.

#### **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 policy, these are minimised. The employment of Treasury Advisors also helps reduce the risk.

#### **5.0 POLICY CONTEXT AND CONSULTATION**

- 5.1 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 and the relevant requirements of the Local Government Act 2003.
- 5.2 The Council use the services of Sector Treasury Services Limited to provide treasury management information and advice.

### **REPORT**

#### **6.0 REPORT DETAILS**

- 6.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 6.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 6.3 CIPFA defines treasury management as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

##### **Reporting Requirements**

- 6.4 The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals. These reports are required to be adequately scrutinised by committee before being recommended to the Council. This role is undertaken by the Overview and Scrutiny Committee.

***Prudential and Treasury Indicators and Treasury Strategy*** (this report) – The first and most important report covers:

- The capital plans (including prudential indicators);
- A Minimum Revenue Provision Policy (how residual capital expenditure is charged to revenue over time);
- The Treasury Management Strategy (how the investments and borrowings are to be organised) including treasury indicators; and



- An investment strategy (the parameters on how investments are to be managed).

**A Mid Year Treasury Management Report.** This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether the treasury strategy or whether any policies require revision.

**An Annual Treasury Report.** This provides details of a selection of actual prudential treasury indicators and actual treasury operations compared to the estimates within the strategy.

### Treasury Management Strategy for 2012/13

6.5 The strategy for 2012/13 covers two main areas

#### Capital Issues

- The capital plans and prudential indicators
- The MRP strategy

#### Treasury Management Issues

- The current treasury position;
- Treasury indicators which will limit the treasury risk and activities of the Council;
- Prospects for interest rates;
- The borrowing strategy;
- Policy on borrowing in advance of need;
- The investment strategy; and
- Creditworthiness policy.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, the CLG MRP Guidance, the CIPFA Treasury Management Code and the CL Investment Guidance.

### THE CAPITAL PRUDENTIAL INDICATORS 2012/13 – 2014/15

6.6 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans are reflected in prudential indicators, which are designed to assist members overview and confirm capital expenditure plans.

6.7 **Capital Expenditure.** This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. **Members are asked to approve the capital expenditure forecasts:**

Capital Expenditure	2010/11 Actual £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m	2014/15 Estimate £m
Capital Programme	3.569	6.360	1.434	2.270	0.700

The above financing need excludes other long term liabilities, such as PFI and leasing arrangements which already included borrowing instruments.

6.8 The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding need (borrowing):

Capital Expenditure	2010/11 Actual £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m	2014/15 Estimate £m
Total	3.569	6.360	1.434	2.270	0.700
<b>Financed by:</b>					
Capital receipts	-2.529	-2.556	-0.050	0	-0.100
Capital grants	-0.704	-1.306	-0.200	-0.200	-0.200
Revenue	-0.336	-2.498	-1.184	0	-0.400
<b>Net financing need for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,070</b>	<b>0</b>

6.9 **The Council's Borrowing Need (the Capital Financing Requirement)**

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

- 6.10 Following accounting changes the CFR includes any other long term liabilities (e.g. PFI schemes, finance leases) brought onto the balance sheet. Whilst this increases the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has £0.639m of such schemes within the CFR.

**The Council is asked to approve the CFR projections below:**

£m	2010/11 Actual £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m	2014/15 Estimate £m
<b>Capital Financing Requirement</b>					
CFR – non Housing	0.639	0.473	0.295	2.315	2,878
<b>Total CFR</b>	<b>0.639</b>	<b>0.473</b>	<b>0.295</b>	<b>2.315</b>	<b>2,878</b>
<b>Movement in CFR</b>	<b>0.083</b>	<b>-0.166</b>	<b>-0.178</b>	<b>2.020</b>	<b>0.563</b>

<b>Movement in CFR represented by</b>					
Net financing need for the year (above)	0.253	0	0	2.210	0.820
Less MRP and other financing movements	-0.170	-0.166	-0.178	-0.190	-0.257
<b>Movement in CFR</b>	<b>0.083</b>	<b>-0.166</b>	<b>-0.178</b>	<b>2.020</b>	<b>0.563</b>

**MRP Policy Statement**

- 6.11 The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision – MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision – VRP).
- 6.12 CLG Regulations have been issued which require the full Council to approve an MRP Policy Statement in advance of each year. A variety of options are provided to councils so long as there is a prudent provision. **The Council is recommended to approve the following MRP Statement.**

Certain expenditure reflected within the debt liability at 31 March 2011 will under delegated powers be subject to MRP under option 3 of the guidance; this relates to the acquisition through finance lease of refuse and recycling vehicles and will be charged over a period which is commensurate with the life of the lease, using the

annuity method.

Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will be divided up in cases where there are two or more major components with substantially different useful economic lives.

### The Use of the Council's Resources and the Investment Position

- 6.13 The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an on-going impact on investments unless resources are supplemented each year from new sources (asset sales etc). Detailed below are estimates of the year end balances for each resource and anticipated day to day cash flow balances.

Year End Resources	2010/11 Actual £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m	2014/15 Estimate £m
Fund balances / reserves	5.290	2.701	1.755	1.900	1.805
Capital receipts	2.652	0.106	0.106	0.156	0.106
Provisions	0	0	0	0	0
Other	0	0	0	0	0
<b>Total core funds</b>	<b>7.942</b>	<b>2.807</b>	<b>1.861</b>	<b>2.056</b>	<b>1.911</b>
Working capital*	1.558	1.600	1.600	1.600	1.600
Under/over borrowing	0	0	0	0	0
<b>Expected Investments</b>	<b>9.500</b>	<b>4.407</b>	<b>3.461</b>	<b>3.656</b>	<b>3.511</b>

\*working capital balances shown are estimated year end; these may be higher mid year

### Affordability Prudential Indicators

- 6.14 The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. **The Council is asked to approve the following indicators:**

**Actual and estimates of the ratio of financing costs to net revenue stream.** This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2010/11 Actual	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate
Non HRA	0.95%	0.86%	1.70%	2.21%	2.19%

The estimates of financing costs include current commitments and the proposals in this budget report.

**Estimates of the incremental impact of capital investment decisions on council tax.** This indicator identifies the revenue costs associated with proposed changes to the capital programme recommended in this budget report compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a three year period.

**Incremental impact of capital investment decisions on the band D council tax**

£	2012/13 Estimate	2013/14 Estimate	2014/15 Estimate
<b>Council tax – band D</b>	£3.76	£6.84	£7.94

**TREASURY MANAGEMENT STRATEGY**

- 6.15 The capital expenditure plans provide details of the service activity of the Council. The treasury management function ensures that the Council cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet the service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual strategy.

**Current Portfolio Position**

- 6.16 The Council's treasury portfolio position at 31 March 2011, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement – CFR), highlighting any over or under borrowing.

	2010/11 Actual £m	2011/12 Estimate £m	2012/13 Estimate £m	2013/14 Estimate £m	2014/15 Estimate £m
<b>External Debt</b>					
Debt at 1 April	0	0	0	0	2.070
Expected change in debt	0	0	0	2.070	-0.050
Other long term liabilities (OLTL)	0.556	0.639	0.473	0.295	0.245
Expected change in OLTL	0.083	-0.166	-0.178	-0.050	0.613
<b>Actual debt at 31 March</b>	<b>0.639</b>	<b>0.473</b>	<b>0.295</b>	<b>2.315</b>	<b>2.878</b>
<b>Capital financing Requirement</b>	0.639	0.473	0.295	2.315	2.878
<b>Under / (over) borrowing</b>	0	0	0	0	0

<b>Total Investments at 31 March</b>					
Investments	9.500	4.407	3.461	3.656	3.511
Investment change		-5.093	-1.632	0.195	-0.145

<b>Net Debt</b>	<b>-8.861</b>	<b>-3.934</b>	<b>-3.166</b>	<b>-1.341</b>	<b>-0.633</b>
-----------------	---------------	---------------	---------------	---------------	---------------

- 6.17 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well defined limits. One of these is that the Council needs to ensure that its total debt net of any investments, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2012/13 and the following two financial years (shown as net borrowing above). This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

- 6.18 The Corporate Director (s151) reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

**Treasury Indicators: Limits to Borrowing Activity**

- 6.19 **The Operational Boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

<b>Operational Boundary</b>	<b>2011/12 Estimate £m</b>	<b>2012/13 Estimate £m</b>	<b>2013/14 Estimate £m</b>	<b>2014/15 Estimate £m</b>
Debt	5.000	5.000	5.000	5.000
Other long term liabilities	0.800	0.600	0.600	1.300
<b>Total</b>	<b>5.800</b>	<b>5.600</b>	<b>5.600</b>	<b>6.300</b>

- 6.20 **The Authorised Limit for external debt.** A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans or those of a specified council, although this power has not been exercised.

**The Council is asked to approve the following Authorised Limit:**

<b>Authorised Limit</b>	<b>2011/12 Estimate £m</b>	<b>2012/13 Estimate £m</b>	<b>2013/14 Estimate £m</b>	<b>2014/15 Estimate £m</b>
Debt	20.000	20.000	20.000	20.000
Other long term liabilities	1.000	1.000	1.000	1.000
<b>Total</b>	<b>21.000</b>	<b>21.000</b>	<b>21.000</b>	<b>21.000</b>

**Prospects for Interest Rates**

- 6.21 The Council has appointed Sector as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Annex G draws together a number of current city forecasts for short term (bank rate) and longer fixed interest rates. The following table gives the Sector central view

<b>Annual Average%</b>	<b>Bank Rate</b>	<b>Money Rates</b>		<b>PWLB Borrowing Rates</b>		
		<b>3 Month</b>	<b>1 Year</b>	<b>5 Year</b>	<b>25 Year</b>	<b>50 Year</b>
March 2012	0.50	0.70	1.50	2.30	4.20	4.30
June 2012	0.50	0.70	1.50	2.30	4.20	4.30
Sept 2012	0.50	0.70	1.50	2.30	4.30	4.40
Dec 2012	0.50	0.70	1.60	2.40	4.30	4.40
March 2013	0.50	0.75	1.70	2.50	4.40	4.50
June 2013	0.50	0.80	1.80	2.60	4.50	4.60
Sept 2013	0.75	0.90	1.90	2.70	4.60	4.70
Dec 2013	1.00	1.20	2.20	2.80	4.70	4.80
March 2014	1.25	1.40	2.40	2.90	4.80	4.90
June 2014	1.50	1.60	2.60	3.10	4.90	5.00

6.22 Growth in the UK economy is expected to be weak in the next two years and there is a risk of a technical recession i.e. two quarters of negative growth. Bank rate, currently 0.5%, underpins investment returns and is not expected to start increasing until quarter 3 of 2013 despite inflation currently being well above the Monetary Policy Committee inflation target. Hopes for an export led recovery appear likely to be disappointed due to the Eurozone sovereign debt crisis depressing growth in the UK's biggest export market. The Comprehensive Spending Review, which seeks to reduce the UK's annual fiscal deficit will also depress growth during the next few years.

6.23 This challenging and uncertain economic outlook has several key treasury management implications:

- The Eurozone sovereign debt difficulties, most evident in Greece, provide a clear indication of much higher counterparty risk. This continues to suggest the use of higher quality counterparties for shorter time periods;
- Investment returns are likely to remain relatively low during 2012/13;
- Borrowing interest rates are currently attractive, but may remain low for some time. The timing of any borrowing will need to be monitored carefully;
- There will remain a cost of capital – any borrowing undertaken that results in an increase in investments will incur a revenue loss between borrowing costs and investment returns.

#### **Borrowing Strategy**

6.24 The Council's borrowing strategy will give consideration to new borrowing in the following order of priority:

- i. The cheapest borrowing will be internal borrowing by running down cash balances and foregoing interest earned at historically low rates. However, in view of the overall forecast for long term borrowing rates to increase over the next few years, consideration will also be given to weighing the short term advantage of internal borrowing against potential long term costs if the opportunity is missed for taking loans at long term rates which will be higher in future years;
- ii. Temporary borrowing from the money markets or other local authorities;
- iii. PWLB fixed rate loans up to 25 years.

#### **Treasury Management Limits on Activity**

6.25 There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

**The Council is asked to approve the following treasury indicators and limits:**

%	2012/13 £'000	2013/14 £'000	2014/15 £'000
<b>Interest Rates Exposure</b>	<b>Upper</b>	<b>Upper</b>	<b>Upper</b>
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	50%	50%	50%
<b>Maturity Structure of fixed interest rate borrowing 2012/13</b>			
		<b>Lower</b>	<b>Upper</b>
		N/a	N/a

**Policy on Borrowing in Advance of Need**

- 6.26 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

**ANNUAL INVESTMENT STRATEGY**

**Investment Policy**

- 6.27 The Council's investment policy has regard to the CLGs Guidance on Local Government Investments ("the Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code") The Council's investment priorities will be security first, liquidity second, then return.
- 6.28 In accordance with guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council has below clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list. The creditworthiness methodology used to create the counterparty list fully accounts for the ratings, watches and outlooks published by all three ratings agencies with a full understanding of what these reflect in the eyes of each agency. Using the Sector ratings service banks ratings are monitored on a real time basis with knowledge of any changes notified electronically as the agencies notify modifications.
- 6.29 Further the Council's officers recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "Credit Default Swaps" and overlay that information on top of the credit ratings. This is fully integrated into the credit methodology provided by the advisors, Sector in producing its colour coding which show the varying degrees of creditworthiness.
- 6.30 The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk. The intention of the strategy is to provide security of investment and minimisation of risk.
- 6.31 Investment securities identified for use in the financial year are listed in Annex B under the Specified and Non-Specified Investments categories. Counterparty limits will be as set through the Council's Treasury Management Practices – schedules.

### **Creditworthiness Policy**

- 6.32 This Council applies the creditworthiness service provided by Sector. This service employs a sophisticated modelling approach utilising credit ratings from all three main credit rating agencies - Fitch, Moodys and Standard and Poors. The credit ratings of counterparties are supplemented with the following overlays:
- Credit watches and credit outlooks from credit rating agencies;
  - CDS spreads to give early warning of likely changes in credit ratings;
  - Sovereign ratings to select counterparties from only the most creditworthy countries.
- 6.33 This modelling approach combines credit ratings, credit watches, credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour code bands, which indicate the relative creditworthiness of counterparties. These colour codes are also used by the Council to determine the duration for investments. The Council will therefore use the counterparties within the following durational bands:
- Yellow            5 years \*
  - Purple            2 years
  - Blue              1 year (only applies to nationalised or semi nationalised UK Banks)
  - Orange          1 year
  - Red               6 months
  - Green            3 months
  - No colour        not to be used
- \* This category has been added for AAA rated Government debt or its equivalent.
- 6.34 The Sector creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency ratings.
- 6.35 Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of Short Term rating F1 , Long Term rating A-. Viability ratings of BB+, and a Support rating of 3. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these, instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.
- 6.36 All credit ratings will be monitored daily. The Council is alerted to changes to ratings of all three agencies through its use of the Sector creditworthiness service.
- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be with drawn immediately;
  - In addition to the use of credit ratings the Council will be advised of information in movements in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the lending list.
- 6.37 Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on government support for banks and the credit ratings of that government support



### **Country Limits**

- 6.38 The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch Ratings (or equivalent from other agencies). The list of countries that qualify using this credit criteria as at the date of this report are shown in Annex C. This list will be added to or deducted from by officers should ratings change in accordance with this policy.

### **Investment Strategy to be followed In-house**

- 6.39 Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates i.e. rates for investments up to 12 months.

- 6.40 **Investment returns expectations.** Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 3 of 2013. Bank Rate forecasts for financial year ends (March) are:

- 2011/2012 0.50%
- 2012/2013 0.50%
- 2013/2014 1.25%
- 2014/2015 2.50%

There are down side risks to these forecasts (i.e. start of increases in bank rate is delayed even further) if economic growth remains weaker for longer than expected. However, should the pace of growth pick up more sharply than expected there could be upside risk, particularly if Bank of England inflation forecasts for two years ahead exceed the Bank of England's 2% target rate.

- 6.41 **Investment Treasury Indicator and limit** - total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

### **The Council is asked to approve the treasury indicator and limit:**

<b>Maximum principal sums invested &gt; 364 days</b>			
	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
Principal sums invested > 364 days	£1.0m	£1.0m	£1.0m

- 6.42 For its cash flow generated balances, the Council will seek to utilise its business reserve accounts, 14, 30, 60 and 95 days notice accounts, money market funds and short dated deposits (overnight to three months) in order to benefit from the compounding of interest.

### **End of Year Investment Report**

- 6.43 At the end of the financial year the Council will report on its investment activity as part of the Annual Treasury Report.

### **Policy on the use of external service providers**

- 6.44 The Council uses Sector as its external treasury management advisors.
- 6.45 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.
- 6.46 It also recognises that there is value in employing external providers of treasury

management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

**Scheme of Delegation**

6.47 Please see Annex D.

**Role of the section 151 officer**

6.48 Please see Annex E.

**7.0 IMPLICATIONS**

7.1 The following implications have been identified:

- a) Financial  
The results of the investment strategy affect the funding of the Capital Programme.
- b) Legal  
There are no legal implications regarding this report.
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
There are no legal implications regarding this report.

**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

**Background Papers:**

None

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

None

## TREASURY MANAGEMENT STATEMENT AND INVESTMENT STRATEGY REPORT- 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>2</b>	<b>D</b>	In response to the economic climate the Council have adopted a more stringent credit rating methodology.	<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 this year and it is proposed that 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 options. Funds are unavailable to cover capital spend.	<b>1</b>	<b>B</b>	The maturity profile has shortened for investments. The 2011/12 Investment Strategy reduced the period for non- specified investments and it is proposed to continue with this policy.	<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

This page is intentionally left blank

### SPECIFIED AND NON-SPECIFIED INVESTMENTS

#### SPECIFIED INVESTMENTS:

All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' rating criteria where applicable.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Investment	Minimum Credit Criteria / Colour Band	£ limit per institution	Max maturity period
Debt Management Agency Deposit Facility	N/A	£2.5m	6 months
Term deposits – local authorities	N/A	£2.5m	1 year
Term deposits - UK part nationalised banks	Green	£3.0m	1 year
Term deposits – banks and building societies	Blue ** Orange Red Green No colour	£2.5m	Up to 1 year Up to 1 year Up to 6 months Up to 3 months Not for use
Money Market Funds	AAA	£2.5m	Liquid

\*\*only applies to nationalised or semi nationalised UK Banks

## NON-SPECIFIED INVESTMENTS

A maximum of £1.0m will be held in aggregate in non-specified investment

### 1. Maturities of ANY period

Investment	Minimum Credit Criteria / Colour Band	Maximum Investment	Maximum maturity period
Certificates of deposits issued by banks and building societies	Green	£1.0m	2 Years
UK Government Gilts	Sovereign rating	£1.0m	2 Years
Bonds issued by multilateral development banks	AAA	£1.0m	2 Years
Bonds issued by a financial institution which is explicitly guaranteed by the UK government	Sovereign rating	£1.0m	2 Years
Fixed term deposits with variable rate and variable maturities:			
Structured deposits	Green	£1.0m	2 Years
Commercial paper issuance by UK banks covered by UK Government guarantee	Green	£1.0m	2 Years
Other debt issuance by UK banks covered by UK Government guarantee	Green	£1.0m	2 Years

### 2. Maturities in excess of 1 year

Investment	Minimum Credit Criteria	Maximum Investment	Maximum maturity period
Term deposits – local authorities	N/A	£1.0m	2 Years
Term deposits – banks and building societies	Purple	£1.0m	2 Years

**APPROVED COUNTRIES FOR INVESTMENT**

**AAA Rating**

- Australia
- Canada
- Denmark
- Finland
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland
- U.K.

**AA+ Rating**

- France
- Hong Kong
- USA

**AA Rating**

- Belgium
- UAE

**AA- Rating**

- Japan
- Qatar
- Saudi Arabia

## TREASURY MANAGEMENT SCHEME OF DELEGATION

### 1. Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

### 2. Policy and Resources Committee

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

### 3. Overview and Scrutiny Committee

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.



## THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

### **The S151 (responsible) officer**

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.

## ECONOMIC BACKGROUND COMMENTARY

### GLOBAL ECONOMY

The outlook for the global economy remains clouded with uncertainty with the UK economy struggling to generate sustained recovery that offers solid optimism for the outlook for 2012, or possibly even into 2013. Consumer and business confidence levels are low and with little to boost sentiment, it is not easy to see potential for a significant increase in the growth rate in the short term.

At the centre of much of the uncertainty is the ongoing **Eurozone sovereign debt crisis** which has intensified, rather than dissipated throughout 2011. The main problem has been **Greece**, where, even with an Eurozone/IMF/ECB bailout package and the imposition of austerity measures aimed at deficit reduction, the lack of progress and the ongoing deficiency in addressing the underlying lack of competitiveness of the Greek economy, has seen an escalation of their problems. These look certain to result in a default of some kind but it currently remains unresolved if this will be either “orderly” or “disorderly”. Most commentators currently view that it is now inevitable that Greece will have to exit the Eurozone in 2012.

There is also growing concern about the situation in **Italy** and the risk that contagion has not been contained. Italy is the third biggest debtor country in the world but its prospects are limited given the poor rate of economic growth over the last decade and likely difficulties in implementing the required level of fundamental reforms in the economy. The Eurozone now has a well established track record of always doing too little too late to deal with this crisis; this augurs poorly for future prospects, especially given the rising level of electoral opposition in northern EU countries to bailing out profligate southern countries.

**The US economy** has encouraged with some positive news around the start of 2012 but any improvement in the weak rate of growth is likely to only generate slow progress in reducing the high level of unemployment which is acting as such a dampener on the economy. With Presidential elections due in November 2012, the current administration has been hamstrung by political gridlock with the two houses split between the main parties. In quarter 3 the Federal Reserve started “Operation Twist” in an effort to re-ignite the rate of growth in the economy. However, high levels of consumer indebtedness, a moribund housing market together with stubbornly high unemployment, will continue to weigh heavily on consumer confidence and so on the ability to generate a healthy and consistent rate of economic growth.

Hopes for broad based recovery have, therefore, focussed on the **emerging markets** but these areas have been struggling with inflationary pressures in their previously fast growth economies. China, though, has maintained its growth pattern, despite a major thrust to tighten monetary policy during 2011 to cool inflationary pressures which are now subsiding. However, some forward looking indicators are causing concern that there may not be a soft landing ahead, which would then be a further dampener on world economic growth.

### UK ECONOMY

The Government’s austerity measures, aimed at getting the public sector deficit into order over the next four years, have yet to fully impact on the economy. However, coming at a time when economic growth has been weak and concerns at the risk of a technical recession (two quarters of negative growth) in 2012, it looks likely that the private sector will not make up for the negative impact of these austerity measures given the lack of an export led recovery due to the downturn in the UK’s major trading partner – the EU. The housing market, a gauge of

consumer confidence, remains weak and the outlook is for house prices to be little changed for a prolonged period.

**Economic Growth.** GDP growth has, basically, flatlined since the election of 2010 and, worryingly, the economic forecasts for 2012 and beyond have been revised lower on a near quarterly basis. With concerns of a potential return to recession, the Bank of England embarked on a second round of Quantitative Easing to stimulate economic activity. It appears very likely that there will be another expansion of quantitative easing in quarter 1 2012 in order to stimulate economic growth.

**Unemployment.** With the impact of the Government's austerity strategy resulting in steadily increasing unemployment during 2011, there are limited prospects for any improvement in 2012 given the prospects for weak growth.

**Inflation and Bank Rate.** For the last two years, the MPC's contention has been that high inflation was the outcome of temporary external factors and other one offs (e.g. changes in VAT); that view remains in place with CPI inflation starting quarter 1 of 2012 at 4.8%, having peaked at 5.2% in September 2011. They remain of the view that the rate will fall back to, or below, the 2% target level within the two year horizon.

**AAA rating.** The ratings agencies have recently reaffirmed the UK's AAA sovereign rating and have expressed satisfaction with Government policy for deficit reduction. They have, though, warned that this could be reviewed if the policy were to change, or was seen to be failing to achieve its desired outcome. This credit position has ensured that the UK government is able to fund itself at historically low levels and, with the safe haven status from Eurozone debt also drawing in external investment, the pressure on rates has been down, and looks set to remain so for some time.

## **SECTORS FORWARD VIEW**

Economic forecasting remains troublesome with so many external influences weighing on the UK. There does, however, appear to be consensus among analysts that the economy remains weak and whilst there is still a broad range of views as to potential performance, they have all been downgraded throughout 2011. Key areas of uncertainty include:

- a worsening of the Eurozone debt crisis and heightened risk of the breakdown of the bloc or even of the currency itself;
- the impact of the Eurozone crisis on financial markets and the banking sector;
- the impact of the Government's austerity plan on confidence and growth and the need to rebalance the economy from services to exporting manufactured goods;
- the under-performance of the UK economy which could undermine the Government's policies that have been based upon levels of growth that increasingly seem likely to be undershot;
- a continuation of high levels of inflation ;
- the economic performance of the UK's trading partners, in particular the EU and US, with some analysts suggesting that recession could return to both;
- stimulus packages failing to stimulate growth;
- elections due in the US, Germany and France in 2012 or 2013;

- potential for protectionism i.e. an escalation of the currency war / trade dispute between the US and China.

The overall balance of risks remains weighted to the downside. Lack of economic growth, both domestically and overseas, will impact on confidence putting upward pressure on unemployment. It will also further knock levels of demand which will bring the threat of recession back into focus.

Sector believes that the longer run trend is for gilt yields and PWLB rates to rise due to the high volume of gilt issuance in the UK, and the high volume of debt issuance in other major western countries.

Given the weak outlook for economic growth, Sector sees the prospects for any interest rate changes before mid-2013 as very limited. There is potential for the start of Bank Rate increases to be even further delayed if growth disappoints.

## INTEREST RATE FORECAST

Sector's Interest Rate View															
	Now	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15
<b>Sector's Bank Rate View</b>	<b>0.50%</b>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%	2.00%	2.25%	2.50%
<b>3 Month LIBID</b>	<b>0.87%</b>	0.70%	0.70%	0.70%	0.70%	0.70%	0.75%	0.80%	0.90%	1.20%	1.40%	1.60%	2.10%	2.40%	2.60%
<b>6 Month LIBID</b>	<b>1.16%</b>	1.00%	1.00%	1.00%	1.00%	1.00%	1.10%	1.20%	1.40%	1.60%	1.80%	2.00%	2.50%	2.70%	2.90%
<b>12 Month LIBID</b>	<b>1.65%</b>	1.50%	1.50%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.20%	2.40%	2.60%	3.10%	3.20%	3.30%
<b>5yr PWLB Rate</b>	<b>2.25%</b>	2.30%	2.30%	2.30%	2.30%	2.40%	2.50%	2.60%	2.70%	2.80%	2.90%	3.10%	3.30%	3.50%	3.70%
<b>10yr PWLB Rate</b>	<b>3.33%</b>	3.30%	3.30%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.80%	4.00%	4.20%	4.40%	4.60%	4.80%
<b>25yr PWLB Rate</b>	<b>4.24%</b>	4.20%	4.20%	4.20%	4.30%	4.30%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%
<b>50yr PWLB Rate</b>	<b>4.26%</b>	4.30%	4.30%	4.30%	4.40%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.30%
<b>Bank Rate</b>															
<b>Sector's View</b>	<b>0.50%</b>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%	2.00%	2.25%	2.50%
<b>UBS</b>	<b>0.50%</b>	0.50%	0.50%	0.50%	0.50%	0.50%	-	-	-	-	-	-	-	-	-
<b>Capital Economics</b>	<b>0.50%</b>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	-	-	-	-	-
<b>5yr PWLB Rate</b>															
<b>Sector's View</b>	<b>2.25%</b>	2.30%	2.30%	2.30%	2.30%	2.40%	2.50%	2.60%	2.70%	2.80%	2.90%	3.10%	3.30%	3.50%	3.70%
<b>UBS</b>	<b>2.25%</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital Economics</b>	<b>2.25%</b>	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	-	-	-	-	-
<b>10yr PWLB Rate</b>															
<b>Sector's View</b>	<b>3.33%</b>	3.30%	3.30%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.80%	4.00%	4.20%	4.40%	4.60%	4.80%
<b>UBS</b>	<b>3.33%</b>	3.45%	3.45%	3.50%	3.60%	3.65%	-	-	-	-	-	-	-	-	-
<b>Capital Economics</b>	<b>3.33%</b>	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	-	-	-	-	-
<b>25yr PWLB Rate</b>															
<b>Sector's View</b>	<b>4.24%</b>	4.20%	4.20%	4.20%	4.30%	4.30%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%
<b>UBS</b>	<b>4.24%</b>	4.80%	4.90%	4.90%	4.90%	4.90%	-	-	-	-	-	-	-	-	-
<b>Capital Economics</b>	<b>4.24%</b>	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	4.30%	-	-	-	-	-
<b>50yr PWLB Rate</b>															
<b>Sector's View</b>	<b>4.26%</b>	4.30%	4.30%	4.30%	4.40%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.30%
<b>UBS</b>	<b>4.26%</b>	4.80%	4.95%	4.95%	5.00%	5.00%	-	-	-	-	-	-	-	-	-
<b>Capital Economics</b>	<b>4.26%</b>	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	-	-	-	-	-

This page is intentionally left blank



---

<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>16 FEBRUARY 2012</b>
<b>REPORT OF THE:</b>	<b>HEAD OF ECONOMY AND HOUSING JULIAN RUDD</b>
<b>TITLE OF REPORT:</b>	<b>SAFER RYEDALE – PROGRESS WITH DELIVERING THE COMMUNITY SAFETY PLAN 2011/12</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

---

## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 To inform Members of progress towards delivery of the 2011/12 Safer Ryedale Action Plan.
- 1.2 To inform Members of Priorities for the 2012/13 Safer Ryedale Action Plan.
- 1.3 To inform Members of arrangements being made for the establishment of a Police and Crime Panel for York and North Yorkshire.

### **2.0 RECOMMENDATION**

- 2.1 It is recommended that Members note the report.

### **3.0 REASON FOR RECOMMENDATION**

- 3.1 The Police and Justice Act 2006 placed a statutory duty on local authorities to put in place arrangements for crime and disorder scrutiny committees, the statutory function of the committee being to review, scrutinise and report on the decisions made and action taken by responsible authorities relating to crime and disorder issues under the Crime and Disorder Act 1998.
- 3.2 The Overview and Scrutiny Committee was designated as the Ryedale District Council's crime and disorder scrutiny committee in July 2009. To undertake this function, it was resolved to receive reports from the Safer Ryedale Partnership. (Minute 42(b) refers).
- 3.3 The Police Reform and Social Responsibility Bill was enacted in September 2011. The Act sets out provision for 41 Police and Crime commissioners to be directly elected in force areas across England and Wales. A Police and Crime Panel, comprised of local councillors and independent members, will also be established in every force area, to scrutinise the actions and decisions of Police and Crime

Commissioners.

#### **4.0 SIGNIFICANT RISKS**

4.1 Risks are outlined in the Risk Matrix in Annex A.

### **REPORT**

#### **5.0 BACKGROUND AND INTRODUCTION**

5.1 The Safer Ryedale Delivery Team meets quarterly to review progress towards delivery of the Safer Ryedale Partnership Plan by receiving updates of the Performance Monitoring Report. A traffic light system is used to assess progress.

5.2 The Community Safety Partnership (CSP) has a statutory responsibility to produce a Joint Strategic Intelligence annually in order to review crime, disorder and substance misuse issues and determine which areas should be priorities for the coming year. The police are also required to deliver annual Strategic Assessments.

5.3 Since 2010, North Yorkshire Police (NYP) ceased the creation of police-only Strategic Assessments, focusing upon working with partners to deliver a truly joint assessment.

5.4 The Ryedale Joint Strategic Intelligence Assessment 2011 (JSIA 2011) was published in December 2011 by North Yorkshire Police and North Yorkshire County Council (NYCC). This document is marked 'Protect' under the Government Protective Marking System (GPMS) and is an internal document for use by the partnership and constituent member agencies, as well as providing NYP with the required level of strategic analysis across a number of areas of law enforcement.

5.5 Common themes from the CSP level assessments will feed up into the county picture in the form of the Community Safety Agreement (CSA).

5.6 Safer Ryedale's Priorities for 2012 – 13 are based on the data published in the Ryedale JSIA 2011 and other, locally identified, priorities.

#### **6.0 POLICY CONTEXT**

6.1 Council Priorities 2009 – 2013 Aim 4: to have active communities where everyone feels welcome and safe.

#### **7.0 CONSULTATION**

7.1 A variety of approaches are used by the Safer Ryedale Partnership to engage with communities, both face to face and through consultation exercises. These include:

- § Website [www.ryesafe.org](http://www.ryesafe.org)
- § Media opportunities – Safer Ryedale has a target of 12 press releases per annum
- § A 'media diary of events' has been drawn up to highlight community based events for the Partnership throughout the year
- § CAP (Community & Police) meetings – held quarterly at 5 locations in the district
- § Parish Liaison Forum
- § Voluntary Sector Forum
- § Bi-annual street surveys in all four of Ryedale's market towns
- § Targeted consultation with youth groups



- § The 'Rural Voice' project, co-ordinated by Ryedale Voluntary Action, contributes to the involvement of the voluntary sector in Safer Ryedale's processes
- § Ryedale's valued network of Watch Groups

## 8.0 REPORT DETAILS

### 2011/12 Partnership Plan

- 8.1 The Partnership Plan was published online in July 2011, on the Safer Ryedale website, [www.ryesafe.org](http://www.ryesafe.org). A summary leaflet was also printed and is distributed as appropriate.
- 8.2 The Performance Monitoring Report is also published on the Safer Ryedale website, and details progress under each of the four priorities. Annex B summarises highlights of delivery against the Partnership Plan 2011-12.

### Summary of the Ryedale JSIA 2011

- 8.3 The Ryedale JSIA 2011 contains a comprehensive picture of the work of Safer Ryedale, the context in which that work is carried out, and the problems of crime, disorder and substance misuse which the Partnership seeks to address.

- 8.4 The Key Findings in the JSIA:

- § highlight progress during the year,
  - Ryedale has the lowest crime rate compared to all other districts within North Yorkshire and also the lowest within its group of Most Similar CSPs.
  - Crime further decreased by 6% to 1,639 (total crimes) between 2009/10 and 2010/11.
  - Theft, Violence and Burglary Other (not dwellings) have had the greatest reductions.
  - Anti social behaviour (ASB) has fallen 8% this year, continuing a downward trend. The district has the lowest ASB levels within the county.
  - Killed and Serious Injury Collisions have remained stable although there has been an increase in fatalities.
  - There has been an increase in confidence in police ability. Ryedale is believed to be a safe place to live with crime levels below national levels,
- § summarise the operational context,
  - Theft, Violence and Criminal Damage account for the majority of crime in the district.
  - Crime is concentrated in the market towns throughout the year, changing only when prolific cross-border offenders target visitors and rural areas, this being mostly during the summer months.
  - There are intelligence gaps concerning property disposal routes and the impact of organised crime groups.
  - The majority of those arrested have been local males, and in most instances aged 29 years and under, although offenders from West Yorkshire and Humberside also affect Ryedale.
  - Alcohol is an under-pinning causative factor linked to youth ASB, domestic violence, night time economy violence and drink driving within the district.
- § and draw attention to ongoing causes for concern:
  - Drug offences and criminal damage have increased.
  - Ryedale District has the second highest youth re-offending rate in the county.
  - Child and adult vulnerability are both of concern. These are linked to sexual offences against under 17s, domestic violence, rural poverty and isolation of

vulnerable communities.

- Funding and structures of community safety are heading into a year of uncertainty as austerity measures take effect and the Police and Crime Commissioner election approaches.

- 8.5 The Executive Summary recommends that Safer Ryedale focus its activity and co-ordination with a range of agencies on:

**Reducing Offending**

- ⊗ Youth re-offending
- ⊗ Adult re-offending
- ⊗ Identifying and tackling troubled families and individuals (deprivation, crime, ASB, substance misuse, domestic abuse)

**Reducing the harm caused by alcohol and drugs**

- ⊗ Linked to domestic abuse, violence, binge drinking, ASB

**Supporting the existing North Yorkshire Police Control Strategy themes of**

- ⊗ Serious Acquisitive Crime (focus on burglary and theft from vehicle)
- ⊗ Offender Management (identification of organised crime groups)
- ⊗ Policing the Roads
- ⊗ Protecting Vulnerable People (child sexual crime, online vulnerability, elderly and remote communities, repeat targeting of vulnerable people for ASM/crime)

- 8.6 Following publication of the Ryedale JSIA 2011, a working party from Safer Ryedale met to discuss its recommendations, and to align these with concerns expressed locally, particularly through the twice yearly street surveys. The officers in the working party concluded that all the issues raised in the JSIA could be accommodated within the existing priority groups, and furthermore that there would be sufficient change in the coming year (2012/13) owing to changes in police personnel, further funding constraint and the election of the new Police & Crime Commissioner without major changes in the operational structure of the partnership.

- 8.7 The working party therefore proposed that Safer Ryedale's priorities for 2012/13 should be:

- ⊗ Domestic Abuse
- ⊗ Safer Roads
- ⊗ Community Priorities
- ⊗ Alcohol Harm Reduction

These were agreed by the Delivery Team and approved by the Ryedale Strategic Partnership Board (RSP Board) at its meeting on 26 January 2012.

- 8.8 The draft Action Plan is currently being reviewed by each of the four Priority Task Groups to determine what actions they will deliver in 2012/13. When this process is complete, officers will prepare the 2012/13 Safer Ryedale Partnership Plan. As in 2011/12, this will contain:

- ⊗ A review of activity in 2011/12
- ⊗ Key messages from the JSIA
- ⊗ Description of the Safer Ryedale Partnership structure
- ⊗ Statistical evaluation
- ⊗ Details of community engagement
- ⊗ Priorities for 2012/13

- ⌘ New activities or initiatives
- ⌘ Funding and resources

8.9 Due to continuing reductions in funding, and following the successful merging of Ryedale and Scarborough's Safer Roads groups in April 2011, the RSP Board decided in October 2011 that closer collaborative working should be sought for two of the other priorities, Domestic Abuse and Alcohol Harm Reduction. This will come into effect from April 2012, however Safer Ryedale will continue to set and work towards its own Action Plan.

#### **Arrangements being made for the establishment of a Police and Crime Panel for York and North Yorkshire**

8.10 Police and Crime Panels (Panels) are being introduced in every force area to scrutinise the actions and decisions of Police and Crime Commissioners (Commissioners). Panels will support and challenge the Commissioners in the exercise of their functions, acting as a critical friend. Panels will not replace police authorities and therefore will not have a role in scrutinising the performance of the force. This will be the role of the Commissioner.

8.11 Panels will comprise at least one elected representative from each local authority within the force area, and two independent members or co-optees. In York and North Yorkshire, work began in 2011 to establish the Panel. Ryedale District Council's representative on the Panel is Cllr Eric Hope. Panels will not need to exercise their functions until Commissioners come into post in November 2012.

8.12 District Council Crime & Disorder Committees (Overview & Scrutiny) will continue to hold the local police and other Community Safety Partnership agencies to account. Effective communication between each individual authority's crime and disorder overview and scrutiny committee, community safety partnership and Panel member will be important in enabling the Panel to take a strategic view.

### **9.0 IMPLICATIONS**

9.1 The report is for information only, there are no significant finance or legal implications on the Council arising from the proposals.

**Julian Rudd**  
**Head of Economy and Community**

**Author:** Jo Reilly, Community Partnerships Manager  
**Telephone No:** 01653 600666 ext: 312  
**E-Mail Address:** [jo.reilly@ryedale.gov.uk](mailto:jo.reilly@ryedale.gov.uk)

**Background Papers:**  
Safer Ryedale Partnership Plan 2011-12

**Background Papers are available for inspection at:**  
[www.ryesafe.org](http://www.ryesafe.org)

This page is intentionally left blank

## Safer Ryedale Priorities Action Plan - RISK MATRIX – ANNEX A

Issue/Risk	Consequences if allowed to happen	Likelihood	Impact	Mitigation	Mitigated Likelihood	Mitigated Impact
Full description of risk (not just one or two words like 'income down' or 'planning')	Detail the implications	<b>See below (score before mitigation)</b>	<b>See below (score before mitigation)</b>	What you are going to put in place to mitigate the risk if anything	<b>See below (score after mitigation)</b>	<b>See below (score after mitigation)</b>
That the Safer Ryedale Priorities Action Plan does not address the key issues for partners and for the community of Ryedale	Work might be carried out by all partners with scarce resources being expended for little or no result	<b>4</b>	<b>C</b>	All members of Priority Action groups to focus on setting SMART Actions and Targets	<b>1</b>	<b>A</b>
The Safer Ryedale Plan is not delivered	Crime and perception of crime will increase	<b>4</b>	<b>C</b>	Ensure quarterly performance monitoring to keep on track with delivery actions	<b>2</b>	<b>A</b>
Partners duplicate activity	Waste of resources	<b>3</b>	<b>C</b>	Task groups assign actions	<b>1</b>	<b>A</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

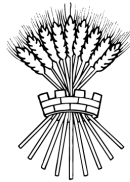
This page is intentionally left blank

**PROGRESS ON THE FOUR PRIORITIES OF THE SAFER RYEDALE  
PARTNERSHIP PLAN 2011-12**

- 1.0** This annex highlights some of the actions undertaken by Safer Ryedale Priority groups to deliver the 2011-12 Partnership Plan.
- 2.0 Domestic Abuse – to protect and support people experiencing domestic abuse in Ryedale**
- 2.1 In order to deliver this priority, Safer Ryedale works closely with the Domestic Violence support structure, including the Making Safe Scheme which covers Ryedale and Scarborough, which works with victims and perpetrators of domestic abuse. In Quarter 3 in Ryedale, 26 adults and 35 children were referred to the scheme, and received various forms of support. At the end of the quarter cases remained open with 11 adults and 9 children.
- 2.2 Preventive work is also carried out in schools, and in Quarter 2 Domestic Violence packs, containing cards (with contact details and a safety planning message on the rear) and leaflets were distributed to all Doctors' Surgeries, Health Clinics and Malton Hospital. The intention is twofold; to raise awareness of all staff within the units and for the information to be passed to patients who display symptoms of domestic abuse. This is in line with the Violence Against Women and Girls strategy and policy being developed within Health Services.
- 3.0 Safer Roads – to minimise the numbers of killed and seriously injured on the roads of Ryedale**
- 3.1 Actions under this priority relate to information and education, or enforcement. Primary school pupils benefit from Bikeability training, while their parents may receive a letter informing them that checks will be carried out on use of seatbelts, and of mobile phones while driving. From April to June 2011 NY Police positioned near primary schools issued 55 fixed penalty notices (FPNs) for seatbelt offences and 17 FPNs for using a mobile phone while driving
- 3.2 The Drive Alive sessions for younger drivers (and learners) continue, although there have been fewer in the last year as all partner organisations have greater constraints on their resources than formerly.
- 4.0 Community Priorities - To minimise the effects of crime and anti-social behaviour on the communities within Ryedale thereby contributing to a positive view of the District.**
- 4.1 Dog fouling has figured as the number one complaint in Safer Ryedale's community consultations for at least the last four years. In 2010 an education campaign was launched – 'Take the Lead, Take the Bag' – with advertising on refuse lorries and several leafleting campaigns.

- 4.2 In 2011, the campaign moved on to the enforcement phase, with RDC Street Scene, NY Police and Safer Ryedale working closely to establish a Fixed Penalty Notice (FPN) scheme, training car park wardens and PCSOs trained to deliver them, and pavement stencils sprayed on the ground in dog fouling hot spots to remind dog owners to pick up after their dog.
- 4.3 To date two FPNs have been handed out, each incurring a £50 fine. The next community consultation will take place in February 2012 and it is hoped that dog fouling will no longer occupy the top spot in residents responses.
- 4.4 Ryedale benefits from an extensive network of Watch schemes, including Rural Watch, Pub Watch and Neighbourhood Watch (NHW). NHW co-ordinators have been involved in Safer Ryedale's Nominated Neighbour scheme; vulnerable members of the community are encouraged to nominate someone they know and trust (such as a neighbour, family member or NHW co-ordinator) who can act as a contact for genuine callers who may be unknown to the vulnerable person. Rogue traders and distraction burglars are denied the opportunity to 'get a foot in the door' as the vulnerable person is instructed not to open the door but to hold up a card at the window with their Nominated Neighbour's details on it.
- 4.5 In 2011 for the first time Ryedale NHW made an award to the NHW Co-ordinator of the Year (sponsored by Safer Ryedale). The winner was Chris Miles from Sherburn, a self-employed window cleaner who worked with PCSOs to set Cocoon Watch, to keep an eye on elderly people during harsh weather, instigated the Nominated Neighbour scheme in his area and is also helping to set up a Youth Parish Council.
- 4.6 He received his award at Ryedale NHW's AGM in November 2011, from Assistant Chief Constable Sue Cross. There is evidence that crime levels reduce when there is an active Watch scheme in place; fear of crime also reduces when people know how to seek help and support. Ryedale's network of over 300 NHW groups contributes substantially to making Ryedale such a safe place to live and work.
- 5.0 Alcohol Harm Reduction - To deliver the Alcohol Harm Reduction Strategy for the district of Ryedale.**
- 5.1 A new Pub Watch scheme has been established in Malton in the summer of 2011; there has been an effective Pub Watch in Pickering for some time. This was covered in the local media alerting members of the public to the scheme, which allows for a banning order to be placed on individuals who engage in anti-social behaviour in any licensed premises.
- 5.2 A worker has been employed to monitor the number of alcohol related hospital admissions at Scarborough A&E. Funded by the NY performance reward grant, this two year post will allow for more data to be captured than the nursing staff have time for, and will also offer brief interventions which can help individuals to consider their own alcohol use and abuse. Data for individuals from Ryedale accessing this service will be available shortly.





---

<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>16 FEBRUARY 2012</b>
<b>REPORT OF THE:</b>	<b>CORPORATE DIRECTOR (s151) PAUL CRESSWELL</b>
<b>TITLE OF REPORT:</b>	<b>2012/13 INTERNAL AUDIT PLAN</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

---

## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 This report presents the Internal Audit Plan for 2012/13 from the North Yorkshire Audit Partnership. The plan will be delivered by Veritau North Yorkshire (VNY) who take responsibility for Internal Audit from 1 April 2012.

### **2.0 RECOMMENDATION**

- 2.1 It is recommended that Members receive this report and endorse the plan.

### **3.0 REASON FOR RECOMMENDATION**

- 3.1 Internal Audit is a legal requirement for Councils, and furthermore underpins delivery of the Corporate Plan and the Council's strategic themes by ensuring that the control environment is reviewed on a structured and logical basis.
- 3.2 The Cipfa Code of Practice for Internal Audit in Local Government identifies that the shared interests of the audit committee and internal audit require an effective working relationship. Part of that is the approval of, and monitoring of progress against, the internal audit strategy and plan.

### **4.0 SIGNIFICANT RISKS**

- 4.1 There are no significant risks.

## **REPORT**

### **5.0 POLICY CONTEXT AND CONSULTATION**

- 5.1 This report and the Audit Plan support the Council's requirement to comply with all legislation. It also supports all the Corporate Aims of the Council, by evaluating the overall internal control framework through which the aims are achieved.
- 5.2 This work within the Internal Audit plan supports the Council's Corporate Strategic

Objective of providing strong Community Leadership, by demonstrating a commitment to local democracy and accountability.

5.3 No external consultation has been undertaken. The plan is, as usual subject to appropriate consultation and is agreed with the Corporate Director (s151).

5.4 The Partnership has undertaken consultation with Heads of Service, and Service Unit Managers.

## **6.0 REPORT DETAILS**

6.1 The Internal Audit plan has been drafted using the Partnership's risk assessment model. This model considers various aspects appertaining to activities within Ryedale DC and assesses the level of inherent risk. This then determines the relative frequency of audit.

6.2 The Council has had an agreed plan of 265 days for a number of years, and our range of work has therefore been constrained by that limit. This level has been reduced to reflect the need to make savings in all aspects of the Council's activities. For 2012/13 the number of days is reduced to 245, and that volume remains for 2013/14.

6.3 It has been established that this committee should act as an Audit Committee for the Council and, therefore is the body to receive the plan, detailed in Annex A, which sets out the work to be covered in the forthcoming year. The plan as presented is very much a draft plan and will be revised early in 2012/13 to reflect any changes required subsequent to the full implementation of the "Hub" concept which is a significant change in the Council's internal control environment.

6.4 The plan is agreed between the Corporate Director, the Council's s151 Officer and the Audit Partnership. In addition views are sought from Heads of Service, and the Council's external auditors. This wider review is to ensure that the plan is relevant and appropriate to the Council's needs.

6.5 The view sought from the Council's external auditors is appropriate to the continuing expectation that the Partnership works closely with them to minimise the cost of external audit by allowing them to be able to place reliance on the Partnership's audit plan and work in their assessment of the Council.

6.6 This does tend to distort the plan to a degree as they expect that the partnership audit the material systems of the Council on an annual basis. This drives part of the plan outwith the Partnership's risk assessment. Typically this work accounts for around 40% of the annual plan.

6.7 Progress against the plan is reported to the Overview & Scrutiny (Audit) Committee on a regular basis, and the plan itself will be reviewed during the year to take cognisance of changes within the audit environment.

## **7.0 IMPLICATIONS**

7.1 The following implications have been identified:

- a) Financial  
There are no financial implications, beyond the existing budget for Internal Audit.
- b) Legal  
None directly, though individual audit reports may have implications

- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
None directly, though individual audit reports may have implications

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

**Author:** James Ingham, Head of North Yorkshire 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:**

None

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

n/a.

# NORTH YORKSHIRE AUDIT PARTNERSHIP

## RYEDALE DC ~ AUDIT PLAN 2012/13 to 2013/14

CODE	AUDIT AREA	2012/13 days	2013/14 days
<b><u>Material Systems Regularity Assurance (MSRA)</u></b>		43%	38%
20110	Council Tax	14	14
20120	Creditors	15	15
20121	Creditors ~ Counter Fraud audit		
20130	Debtors	10	10
20140	G. Ledger + Bank Rec's	12	12
20150	Housing Benefits	15	15
20170	Income System	10	8
20180	NNDR	12	9
20190	Payroll	5	5
20200	Treasury Mgt	7	5
22520	Capital A/C / Fixed Asset register	5	5
		<b>105</b>	<b>93</b>
<b><u>Identified Risk Assurance (IRA)</u></b>		2%	2%
	Risk Register Action plans	5	5
<b><u>Cyclical Assurance (CA)</u></b>		40%	43%
<b><u>Head of Environmental Services - Phil Long</u></b>			
<b>Health and Environment - Steve Richmond</b>			
21400	Leisure Contract (CL Ltd)	-	-
22070	Dog Enforcement	-	-
22085	Food Safety	-	-
22111	Licencing Act(s)	5	5
	Environmental Health (enforcement)	-	-
22120	Markets	-	-
22130	Pest Control	7	-
22150	Pollution Control	-	-
		<b>12</b>	<b>5</b>

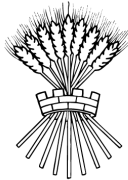
CODE	AUDIT AREA	2012/13 days	2013/14 days
<b>Street Scene Services - Beckie Bennett</b>			
21530	Restaurant / Canteen	5	-
21590	Waste Management	-	-
	Grounds Maintenance	-	-
21680	Vehicles & Plant	-	10
22050	Car Parks	-	-
22110	Taxi Licencing (Hackney Carriages )	-	7
22160	Public Conveniences	-	-
22170	Recycling - see Waste Man	-	-
22180	Trade Refuse	5	-
22181	Septic Tanks	-	-
		<b>10</b>	<b>17</b>
<b>Facilities &amp; Emergency Planning ~ Mike Adams</b>			
21665	Internal CCTV	-	5
21020	Industrial Units / Lettings	7	-
21050	Health & Safety	-	5
21100	Asset Management	6	-
	Property Maintenance	-	-
	CRC (Carbon Reduction Commitment)	2	5
24010	Garages & Depots	-	-
		<b>15</b>	<b>15</b>
<b><u>Head of Economy and Housing - Julian Rudd</u></b>			
<b>Economic and Community - Jos Holmes</b>			
	Community Safety	-	-
23580	Cultural & Sports Grants	-	5
23610	Sports Development	6	-
23640	Tourism & TICs	-	-
		<b>6</b>	<b>5</b>
<b>Housing Services - Kim Robertshaw</b>			
22090	Gypsy Site	-	-
23005	Housing Strategy	-	-
23040	Homelessness	-	5
23060	Grants (Imp, Disabled, Fuel Poverty)	7	-
23070	Warden Control (incl.Ryecare)	-	-
		<b>7</b>	<b>5</b>

CODE	AUDIT AREA	2012/13 days	2013/14 days
<b>Head of Planning - Gary Housden</b>			
<b>Development (Planning) – tbc</b>			
21070	Local Land Charges	-	5
	New Homes Bonus	-	-
22140	Development Control (planning fees)	-	8
		<b>0</b>	<b>13</b>
<b>Forward Planning - Jill Thompson</b>			
22020	Sustainability	-	5
22140	Local Plan	-	-
21040	Grant Funding/Payment	-	-
	Market Town Initiative	-	-
		<b>0</b>	<b>5</b>
<b>ICT Services - Mick Pythian</b>			
	ICT (computer) Audit	12	12
<b>Human Resources - Denise Hewitt</b>			
21650	Personnel & Training	-	-
<b>Democratic Services - Simon Copley</b>			
21120	Register of Electors;	-	-
21125	Election Expenses	-	-
<b><u>Head of Transformation - Clare Slater</u></b>			
	Performance Management System (incl Risk Mgt)	5	5
<b><u>Legal Services - Anthony Winship</u></b>			
21060	Legal Services - inc within Debtors	-	-
<b><u>Head of Resources – vacant</u></b>			
<b>Revenue and Finance Services - Trevor Anderson</b>			
21010	Car Leasing/Loans	-	5
21080	Members Allowances	-	-
21081	Officers Allowances	-	5
22530	Insurance	6	-
22540	Housing Act Advances	-	-
22550	Tax Mgt	5	-
		<b>11</b>	<b>10</b>

CODE	AUDIT AREA	2012/13 days	2013/14 days
<b>Customer Services and Benefits - Angela Jones</b>			
155	HB Fraud	-	-
21130	Reprographics	-	-
21150	Telephones (mobile)	5	-
	Concessionary Fares /		
22200	Community Transport Grant	-	-
		<hr/>	<hr/>
		5	0
	Follow ups	10	10
	Contingency	4	4
		<hr/>	<hr/>
		14	14
<b><u>Value Added &amp; Technical (VAT)</u></b>		7%	8%
	Project support ~		
	Partnerships & Commissioning	6	9
	Project support ~ new ICT systems	4	4
29008	Write-off Approval (System support)	5	5
28900	Contract Audit/Procurement	2	2
		<hr/>	<hr/>
		17	20
<b><u>Client Support &amp; Advice (CSA)</u></b>		9%	9%
	Client Support	16	16
	- External Audit liaison		
	- O & S committee (4 - 6 times per annum)		
	- Reg 6 Review & AGS		
	- AGS review & action plan follow up		
	- Annual Internal Audit Report		
	Misc Advice	5	5
		<hr/>	<hr/>
		21	21
		<hr/>	<hr/>
Total Agreed Audit Days: -		245	245

This page is intentionally left blank





---

<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>16 FEBRUARY 2012</b>
<b>REPORT OF THE:</b>	<b>CORPORATE DIRECTOR (s151) PAUL CRESSWELL</b>
<b>TITLE OF REPORT:</b>	<b>ANNUAL GOVERNANCE STATEMENT ACTION PLAN</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

---

## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

1.1 This is a report to committee to inform members on progress with the actions identified in the 2010-11 AGS action plan.

### **2.0 RECOMMENDATION**

2.1 It is recommended that members note the progress made with identified actions in the 2010-11 AGS action plan.

### **3.0 REASON FOR RECOMMENDATION**

3.1 Monitoring progress with identified actions in the AGS is good practice, and it demonstrates to the Audit Commission that the Audit Committee is properly exercising its role.

### **4.0 SIGNIFICANT RISKS**

4.1 There are no significant risks.

## **REPORT**

### **5.0 POLICY CONTEXT AND CONSULTATION**

5.1 There is no impact upon specific policies, although as the AGS is an important corporate document demonstrating the Council's commitment to an open and transparent philosophy in all its activities.

5.2 No external consultation has been carried, as this is an internal report covering the progress with actions identified in the AGS.

### **6.0 REPORT DETAILS**

6.1 The Accounts and Audit Regulations require audited bodies to conduct a review at

least once a year on the effectiveness of its Internal Audit and publish an Annual Governance Statement (AGS) each year with the Statement of Accounts.

- 6.2 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.
- 6.3 The Council has adopted the CIPFA framework for producing the AGS. Part of this framework is for the Council's Audit Committee to consider the content of the AGS including any action plans to address identified 'significant' internal control issues.
- 6.4 It is for Members to review the progress of implementation of the actions identified in the Action Plan of the 2010-11 Annual Governance Statement (AGS).
- 6.5 This is not required under The Accounts & Audit Regulations; however it is good practice for the Committee to monitor progress of the actions as part of their Governance responsibilities.
- 6.6 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.
- 6.7 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.
- 6.8 There is also a need to identify and resolve weaknesses by the production of an action plan. This report presents a review of the implementation of actions proposed in the Action Plan associated with the 2010-11 AGS.
- 6.9 The Action Plan detailed in annex A, sets out the current position with comments on the actions proposed in the plan.
- 6.10 The AGS for 2011-12 will be reported to the committee in June and will complete the reviews of this action plan as they will be incorporated into the action plan for the 2011-12 AGS.

## **7.0 IMPLICATIONS**

- 7.1 The following implications have been identified:
  - a) Financial  
None
  - b) Legal  
None
  - c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
None

## **8.0 NEXT STEPS**

- 8.1 The AGS Action Plan is a document that should be reviewed periodically during the year. A final review will be done when the AGS for 2011-12 is being drafted, and all

the current items identified and monitored will be brought forward into the new AGS.

**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:**  
None

**Background Papers are available for inspection at:**  
n/a

**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 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 Director (s151)	To be completed by 31/12/2009	Feb 2010 ~ Obtaining advice and assistance from NYCC to finalise and test BCP. June 2010 ~ NYCC supplied with Council current situation awaiting feedback. Oct 2010 ~ meeting with NYCC scheduled for 29/9/2010 June 2011: -Completed Dec 2011: -Completed; retain as a continuing issue for 2011/12
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.	Where changes in staffing occur, that changes in operating arrangements are reviewed prior to reducing the controls. Internal audit are included in working groups reviewing operating systems and arrangements, including commissioning, partnership arrangements etc.	Corporate Director (s151)	Continuing	Oct 2010 ~ Staffing reviews and service reviews considering the control environment and impact of individuals leaving the Council. Further staffing reductions expected over future years, continuing risk based internal audit reviews continuing. June 2011: - Realignment of responsibilities of the Heads of Service practically completed. Dec 2011: -Completed; retain as a continuing issue for 2011/12

STATUS	CONTROL ISSUE	ACTION PROPOSED	RESPONSIBILITY	TARGET DATE	CURRENT POSITION & COMMENTS
New 2010/11	With the potential for new partnerships and changes to existing ones over the forthcoming year, there is the risk that system controls could be compromised during the period.	Partnership risk register to be considered by O&S Committee. Partnership changes to be properly "project managed". Internal audit will be involved in working groups and project teams as appropriate. Ensure partnership protocol is followed.	Corporate Director (s151)	Continuing	Dec 2011: -Further Partnership development ongoing, managed as distinct projects. Feb 2012: - HIA progressing following member approval, move to audited partner working methods.

This page is intentionally left blank



---

<b>REPORT TO:</b>	<b>OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>16 FEBRUARY 2012</b>
<b>REPORT OF THE:</b>	<b>CORPORATE DIRECTOR (s151) PAUL CRESSWELL</b>
<b>TITLE OF REPORT:</b>	<b>INTERNAL AUDIT – Q3+ REPORT</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

---

## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 This report presents the Interim Internal Audit Report covering the period to January 2012 from the North Yorkshire Audit Partnership.

### **2.0 RECOMMENDATION**

- 2.1 It is recommended that this Interim Internal Audit Report which outlines progress against the approved internal audit plan be noted.

### **3.0 REASON FOR RECOMMENDATION**

- 3.1 The Cipfa Code of Practice for Internal Audit in Local Government identifies that the shared interests of the audit committee and internal audit require an effective working relationship. Part of that is the approval of, and monitoring of progress against, the internal audit strategy and plan.

### **4.0 SIGNIFICANT RISKS**

- 4.1 There are no significant risks.

## **REPORT**

### **5.0 POLICY CONTEXT AND CONSULTATION**

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

### **6.0 REPORT DETAILS**

- 6.1 The Accounts and Audit Regulations 2003 require, inter alia, all Councils to annually review their systems of internal control and to provide an adequate and effective Internal Audit function.

- 6.2 This report presents the Interim Internal Audit Report from the North Yorkshire Audit Partnership, which is attached as Annex A. That report summarises the work done by Internal Audit in 2011/12 covering the year to 31 January 2012.
- 6.3 The Audit Partnership provides the Council in its report with a clear statement of assurance reflecting its opinion of the Internal Control Framework. This is based upon the audits completed complemented by its existing knowledge and understanding of the control framework.
- 6.4 This report highlights issues that the audits have identified and provides a summary of these. It also outlines any issues emerging from the audits of the principal financial systems of the Council, together with any significant comments from other audits completed during the year to date. The interim 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.
- 6.5 The appendix to that Partnership report provides a brief synopsis of the issues arising at each of the audits completed in the period. This allows the committee to be aware of control issues that have been identified, and enables the committee to request specific discussions with line management about the matters raised.
- 6.6 The facility for members to require managers to attend and discuss with the committee the results of the audit on their service area and its recommendations does significantly support the effective working relationship between the committee and internal audit.
- 6.7 If exercised pragmatically it should improve the responses of service managers to audit reports and recommendations, and also encourage them to challenge audit findings, which improves the quality of the audit process.
- 6.8 This allows the pendulum to come full circle bringing internal audit, its clients, and the Overview & Scrutiny Committee (Audit) closer together in a virtuous circle.
- 6.9 This routine reporting to the committee forms an important part of the overall control framework, and the audit committee's role is also an integral component in that framework. This leads through, ultimately to the Annual Governance Statement.
- 6.10 No external consultation has been undertaken. The Audit Partnership liaises with the Corporate Director (s151) in his specific role as the responsible financial officer. In addition it undertakes an annual consultation with Heads of Service.

## **7.0 IMPLICATIONS**

- 7.1 The following implications have been identified:
- a) Financial  
There are no financial implications, beyond the existing budget for Internal Audit.
  - b) Legal  
None directly, though individual audit reports may have implications
  - c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
None directly, though individual audit reports may have implications



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

**Author:** James Ingham Head of Partnership &  
Alison Newham, Audit Manager,  
North Yorkshire Audit Partnership  
Telephone No: 01723 232364; & 01723/384431  
E-Mail Address: [James.ingham@Scarborough.gov.uk](mailto:James.ingham@Scarborough.gov.uk)  
[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

This page is intentionally left blank

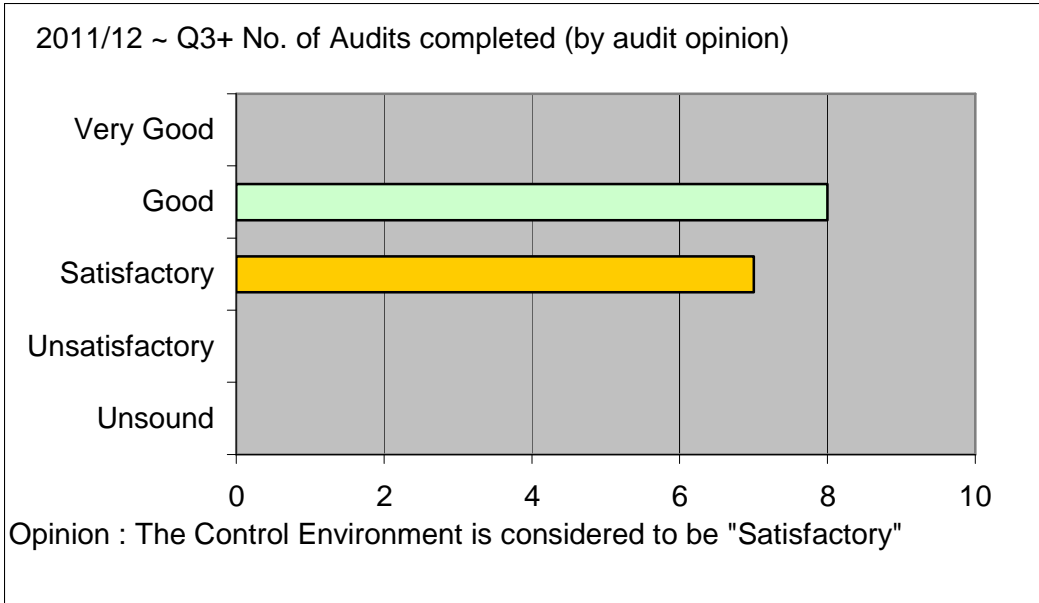


Independent Assurance

# Internal Audit 2011/12 Q3+ report



## Ryedale DC February 2012



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 have undertaken a tri-ennial review of the Partnership which added 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 Overview and Scrutiny Committee (in its Audit Committee role) of the Council.
- 1.3 Internal Audit providers in Local Government have an obligation to produce an Annual Internal Audit Report. The Partnership considers that it is important for the Committee to receive regular interim reports of audits completed, and these two reports follow a common style.
- 1.4 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 2011/2012, encompassing systems audit work and any specialist reviews.
  - A summary of the opinions and key issues for the audits completed.
- 1.5 This interim 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.
- 1.6 The presence of an effective internal audit function contributes significantly to the strong counter-fraud and corruption culture that exists in the Council.
- 1.7 During 2011/12 No special investigations have been required to date, suggesting that the present internal control framework is proving effective so far.
- 1.8 The internal audit team are closely involved with governance matters, and take an active part in the Council's Governance and are directly involved with the preparation and drafting of the Council's Annual Governance Statement.

### **2.0 Planned Audit work 2011/12**

- 2.1 The agreed number of days in the plan for internal audit was 245. 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. This is a reduction from 265, and this number of days is to continue into 2012/13 and the subsequent year. Thereafter it may reduce gradually over the future years to reflect the changing environment at Ryedale DC.
- 2.2 That projected plan value is, in our professional opinion, sufficient to allow the Partnership to provide the requisite assurance to the Council on the system of Internal Control. The proportion committed to the material systems may become disproportionately large being almost 45% of the total plan value. The consequence is that over a number of years, a number of discrete work areas may not be subject to an internal audit.
- 2.3 We are aware that the Council is moving to a 'commissioning' model and that may influence the range and type of Internal Audit work that is required in future years.
- 2.4 The projected plan 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.

2.5 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.

2.6 This report also contains a table which shows the schedule of planned audit work, and the audit opinion associated with those audits completed.

**3.0 Matters of significance from the work completed in the year**

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

C All audits undertaken so far have returned at least a ‘satisfactory’ opinion (including those in progress and at draft stage).

C Recommendations from previous years have been, for the most part, implemented.

**4.0 Audit Opinion and Assurance Statement**

4.1 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.

4.2 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.

4.3 For 2011/12, 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.

4.4 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 a satisfactory standard”.

The Assurance:	
Risk Management	The Council has embedded Risk Management within the organisation. The use of performance management software has enhanced this position and has provided a basis for future improvement.
Governance	Our work this year to date leads us to the overall opinion that the Corporate Governance arrangements are sound.
Internal Control [Financial systems, etc.]	Our overall opinion is that the internal controls within the financial systems in operation in the year to date are fundamentally sound. (100% of audits completed had an audit opinion of “Satisfactory” or better.  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.

## Table of 2011/12 audit assignments

<u>Audit</u>	<u>Status</u>	<u>O&amp;S (Audit) Committee</u>
<i>2011/12 ~ Material Systems (External Audit definition)</i>		
Creditors + e-procure/purchase cards	Complete – Satisfactory (Extra Testing Q4)	October 2011
Debtors	Complete – Good (Extra Testing Q4)	October 2011
Fixed Assets	Complete – Satisfactory	October 2011
G. Ledger & Bank Reconciliation's	Complete – Good (Extra Testing Q4)	October 2011
Payroll	Complete – Good (Draft)	December 2011
Income System	Complete – Good (Draft)	February 2012
Council Tax	In Progress	
NNDR	In Progress	
Housing Benefits	Due Q3	
Treasury Mgt	Due Q4	
<i>2011/12 Audit plan work</i>		
Cultural Grants	Complete – Satisfactory	October 2011
Recycling	Complete – Satisfactory/Good	October 2011
Car Parks	Complete – Satisfactory	October 2011
Ryecare (Warden Control)	Complete – Satisfactory	October 2011
Community Safety	Complete – Satisfactory	October 2011
Licensing Acts	Complete – Good	December 2011
Dog Enforcement (Warden)	Complete – Good	December 2011
Food Safety	Complete – Good	December 2011
Pollution Control	Complete – Good	December 2011
CLL (Community Leisure Ltd.)	Due Q4	
Development Control	Due Q4	

Summary of Key Issues arising from audits completed to 31<sup>st</sup> December 2011

<u>Audit &amp; Opinion</u>	<u>Key Issues</u>	<u>Recommendations</u>	<u>Status; – Follow up due: -</u>
<u>Licensing Acts</u>  <i>Good</i>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Controls within Licensing are effective and no errors were identified.</li> </ul> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ No weaknesses identified.</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ A number of small recommendations made</li> </ul>	Due 2014/15
<u>Dog Enforcement (Warden)</u>  <i>Good</i>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Knowledge of processes and legislation is good</li> <li>◇ Controls in place are effective and well managed</li> </ul> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ Links on the public website do not work and therefore information is not easily accessible</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ Links on the website should be corrected and updated</li> <li>◇ The Dog Warden &amp; Animal Welfare Service Enforcement Policy and the Animal Welfare Charter should be reviewed</li> </ul>	Due 2014/15
<u>Food Safety</u>  <i>Good</i>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Controls are well established and effective</li> <li>◇ A recent audit of the service by the North Yorkshire Food Liaison Group (NYFLG) did not identify any issues or non conformance</li> </ul> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ No additional weaknesses identified</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ A number of very small recommendations were made during the NYFLG external audit, therefore none repeated by NYAP</li> </ul>	Due 2014/15
<u>Pollution Control</u>  <i>Good</i>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Well established systems of working in place. Team has good awareness of current and anticipated</li> </ul>		Due 2014/15

<u>Audit &amp; Opinion</u>	<u>Key Issues</u>	<u>Recommendations</u>	<u>Status; – Follow up due: -</u>
	<p>legislation.</p> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ Procedure notes etc. are not up to date with current legislation.</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ The Procedures for Local Authority Prevention and Control should be reviewed and, where necessary, revised to reflect current legislation</li> <li>◇ The data held in the current database should be migrated to an up to date server based solution.</li> </ul>	
<p><u>Payroll</u></p> <p>Good (Draft)</p>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Well established systems of working in place.</li> </ul> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ The current system is inflexible and information is not readily available</li> <li>◇ City of York has yet to go live with their new Payroll system.</li> <li>◇ RyeDC and York are at present, still continuing with an agreement which ended in March 2011</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ The terms and conditions of the service that York provide to Ryedale when the new system is in place should be formalised and a new Service Level Agreement drawn up and signed</li> <li>◇ Up to date processing deadlines should be published on the intranet.</li> </ul>	Due 2012/13

Summary of Key Issues arising from audits completed and previously reported

<u>Audit &amp; Opinion</u>	<u>Key Issues</u>	<u>Recommendations</u>	<u>Status; – Follow up due: -</u>
<p><u>Creditors</u></p> <p>Satisfactory</p>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Staff members within the Creditors section are experienced in their roles and have a good understanding of the risks and controls required</li> </ul> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ Duplicate invoices and security of blank cheques</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ Blank cheques should be held securely with access restricted to authorised key holders only</li> <li>◇ Credit balances should be reviewed regularly</li> </ul>	Due 2012/13



<u>Audit &amp; Opinion</u>	<u>Key Issues</u>	<u>Recommendations</u>	<u>Status; – Follow up due: -</u>
<u>Debtors</u>  <i>Good</i>	Strengths <ul style="list-style-type: none"> <li>◇ Controls are effective and there are no areas of concern</li> </ul>	Recommendations <ul style="list-style-type: none"> <li>◇ Minor recommendations made</li> </ul>	Due 2012/13
<u>General Ledger</u>  <i>Good</i>	Strengths <ul style="list-style-type: none"> <li>◇ Controls are effective and there are no areas of concern</li> </ul>	Recommendations <ul style="list-style-type: none"> <li>◇ One minor recommendation made</li> </ul>	Due 2012/13
<u>Income</u>  <i>Good (Draft)</i>	Strengths <ul style="list-style-type: none"> <li>◇ Controls are effective and there are no areas of concern</li> </ul> Weaknesses <ul style="list-style-type: none"> <li>◇ Some information requires updating on the website and procedure manual</li> </ul>	Recommendations <ul style="list-style-type: none"> <li>◇ The “Contact Us” page of the website should be amended to include opening times for payments.</li> </ul>	Due 2012/13
<u>Fixed Assets</u>  <i>Satisfactory</i>	Strengths <ul style="list-style-type: none"> <li>◇ At the time of the last audit work was underway to make the “Real” Asset Management system fully operational as the Fixed Asset Register, this has now been achieved.</li> <li>◇ The Asset Management Group has now been re-formed and meets regularly.</li> </ul> Weaknesses <ul style="list-style-type: none"> <li>◇ The Asset Management Plan needs updating and reviewing</li> </ul>	Recommendations <ul style="list-style-type: none"> <li>◇ A number of recommendations have been made but are in discussion stage. These will be reported when finalised</li> </ul>	Due 2012/13

<u>Audit &amp; Opinion</u>	<u>Key Issues</u>	<u>Recommendations</u>	<u>Status; – Follow up due: -</u>
<u>Cultural Grants</u>  <i>Satisfactory</i>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Stringent criteria required for grants are documented and followed closely</li> </ul> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ Spreadsheets for monitoring the grants are not up to date or reconciled to the General Ledger</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ Quarterly reconciliations should be undertaken</li> </ul>	Due 2014/15
<u>Recycling</u>  <i>Satisfactory/ Good</i>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Controls are effective</li> </ul> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ No major weaknesses identified</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ Minor recommendations made</li> </ul>	Due 2014/15
<u>Car Parks</u>  <i>Overall Satisfactory</i>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Overall all base controls in relation to income are good</li> </ul> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ Poor segregation of duties</li> <li>◇ Weaknesses in relation to controls surrounding permits and smart cards</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ Reconciliations should be carried out to ensure that all permits and smart cards have been charged for</li> <li>◇ Management should consider adopting a more structured regime for parking permits according to type, with one value per permit type.</li> <li>◇ Management should consider introducing an identification mark or hologram on all permits, which will make the unauthorised replication of permits more difficult.</li> </ul>	Due 2013/14 follow up
<u>Ryecare (Warden Control)</u>  <i>Satisfactory</i>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Several contracts recently won</li> <li>◇ Service unit runs effectively</li> </ul> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ Lack of CRB checks</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ CRB checks should be</li> </ul>	Due 2012/13 follow up

<u>Audit &amp; Opinion</u>	<u>Key Issues</u>	<u>Recommendations</u>	<u>Status; – Follow up due: -</u>
		carried out for all relevant posts	
<u>Community Safety</u>  <i>Satisfactory</i>	<p>Strengths</p> <ul style="list-style-type: none"> <li>◇ Safer Ryedale Plan is now up to date</li> <li>◇ Objectives are set annually and performance against objectives achieved</li> </ul> <p>Weaknesses</p> <ul style="list-style-type: none"> <li>◇ Lack of reconciliation at year end</li> <li>◇ Funding opportunity was missed for 2010/11</li> </ul>	<p>Recommendations</p> <ul style="list-style-type: none"> <li>◇ Reconciliations should be regularly undertaken</li> </ul>	Due 2014/15

### Opinion Description

<i>Very Good</i>	Overall, very good management of risk with none, or minimal, weaknesses identified. An effective control environment is in operation.
<i>Good</i>	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation, but there is scope for further improvement in the areas identified.
<i>Satisfactory</i>	Overall, satisfactory management of risk with some weaknesses (which may be material or significant) identified. An acceptable control environment is in operation, but there are a number of improvements that could be made.
<i>Unsatisfactory</i>	Overall, poor management of risk with significant or material control weaknesses in key areas. Major improvements are required before an effective control environment will be in operation.
<i>Unsound</i>	Overall, there is a fundamental failure in the control environment and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

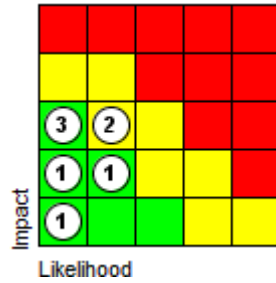
This page is intentionally left blank





















# Planning Risk Register

Generated on: 26 January 2012




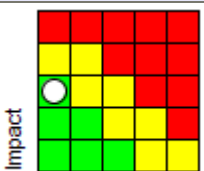
## Planning Risk Register


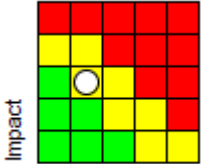
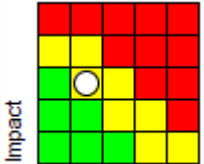
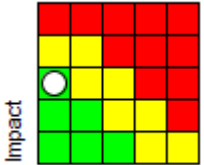
### Current Risk Heat Map




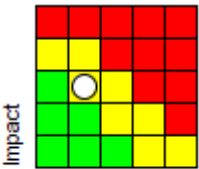
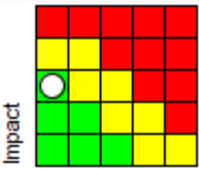

Status	Code	Title	Key										
	PL 1	Delivery of Local Development Framework	<table border="1"> <thead> <tr> <th colspan="2">Risk Status</th> </tr> </thead> <tbody> <tr> <td></td> <td>OK</td> </tr> <tr> <td></td> <td>Warning</td> </tr> <tr> <td></td> <td>Alert</td> </tr> <tr> <td></td> <td>Unknown</td> </tr> </tbody> </table>	Risk Status			OK		Warning		Alert		Unknown
Risk Status													
	OK												
	Warning												
	Alert												
	Unknown												
	PL 2	Planning Decisions											
	PL 3	Management of IT systems											
	PL 4	Loss of land charge income											
	PL 5	Data Quality											
	PL 6	Staff Recruitment & Retention											
	PL 7	Fraud and corruption											
	PL 8	Street naming & numbering											

PL 1 Delivery of Local Development Framework

Risk Code	Risk Title	Description			Status
PL 1	Delivery of Local Development Framework	Produce an adopted statutory development plan for Ryedale.			
<b>Consequences</b>		Out of date Policy document Failure to deliver sustainable communities Potential loss of effective control over future development in the district Adverse impact on likely grant awards- HPDG replaced with New Homes Bonus based on housing delivery.			
<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>	1
			Medium		Very Low
<b>Latest Progress</b>				<b>Last Review Date</b>	<b>SMT Lead</b>
25-Jan-2012 All relevant technical evidence completed and Core Strategy (Ryedale Plan) published on 25th January 2012-consultation expires 9th march 2012. Submission document to be agreed by Council April/May2012 for summer 2012 examination. Work on Sites and Helmsley DPD's underway in accordance with LDS timescales. Localism Act 2011 makes reference to Neighbourhood Planning and detailed regulations setting out the full impacts of this are still awaited - currently expected around April 2012.				29-Jan-2012	Gary Housden


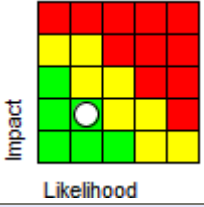
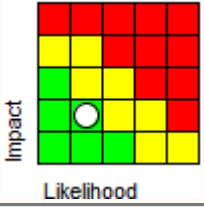
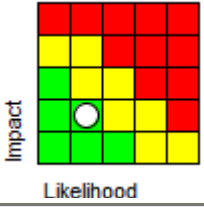
PL 2 Planning Decisions				
Risk Code	Risk Title	Description	Status	
PL 2	Planning Decisions	Timely rigorous planning decisions		
<b>Consequences</b>		Poor Council image. Maladministration. Possibility of legal challenge. Possibility of substantial costs incurred at appeal. Adverse impact on credibility of LPA-officer/member relations		
<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>
25-Jan-2012 Member briefings to be held with regard to emerging localism agenda and likely impacts on local decision making. Officers continue to attend CPD events and peer groups in North Yorks.			21-Sep-2009	Gary Housden

PL 3 Management of IT systems


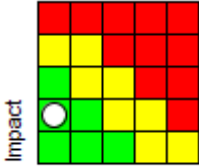
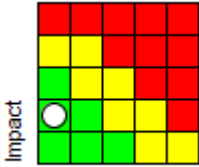

Risk Code	Risk Title	Description		Status
PL 3	Management of IT systems	Providing robust accessible information systems.		
<b>Consequences</b>		Inefficient/costly systems. Failure to improve service delivery. Reduced access to service/ possible adverse impact in terms of equalities agenda		
<b>Original 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	1
			Medium	<b>Current Likelihood</b>
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>		
		<b>Target Impact</b>	B	1
			Minor	<b>Target Likelihood</b>
<b>Latest Progress</b>				<b>Last Review Date</b>
25-Jan-2012 Public Access now live and TLC electronically available to customers. Move to Hub controlled by retention of existing staff/expertise in Managing Development team				02-Dec-2010
				<b>SMT Lead</b>
				Gary Housden






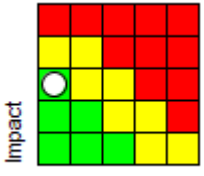
PL 4 Loss of land charge income

Risk Code	Risk Title	Description	Status	
PL 4	Loss of land charge income	Retaining competitiveness of the service.		
<b>Consequences</b>		Net increase in cost to the Council of running service. Possible loss of service		
<b>Original Matrix</b>		<b>Original Rating Description</b>		
	<b>Original Impact</b>	B	<b>Original Likelihood</b>	2
		Minor		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>	2
		Minor		Not Likely
<b>Latest Progress</b>			<b>Last Review Date</b>	<b>SMT Lead</b>
25-Jan-2012 High levels of in house responses to searches and continued low levels of activity from search companies. Occasional difficulties in response from external responding authorities- but difficulties drawn to their attention and being managed.			21-Sep-2009	Gary Housden


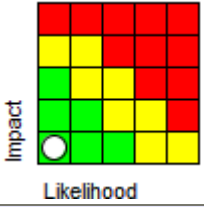
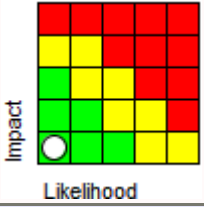
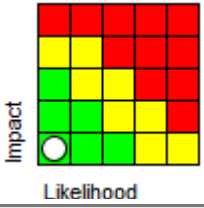
PL 5 Data Quality

Risk Code	Risk Title	Description		Status	
PL 5	Data Quality	Failure to deliver accurate, reliable and timely information in respect of all N.I.'s and local performance indicators			
<b>Consequences</b>		Loss of credibility. Loss of reputation /poor public image. Possible loss of grant income			
<b>Original Matrix</b>		<b>Original Rating Description</b>			
		<b>Original Impact</b>	B	<b>Original Likelihood</b>	1
			Minor		Very Low
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>			
		<b>Current Impact</b>	B	<b>Current Likelihood</b>	1
			Minor		Very Low
<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>
25-Jan-2012 All relevant staff trained and up to date				21-Sep-2009	Gary Housden


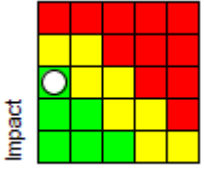
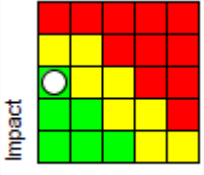
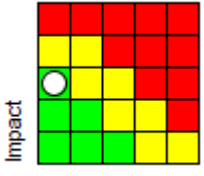
**PL 6 Staff Recruitment & Retention**

Risk Code	Risk Title	Description			Status
PL 6	Staff Recruitment & Retention	Ability to attract and keep experienced competent staff.			
<b>Consequences</b>		Drop in performance. Reduced staff morale. Increased complaints. Loss of reputation.			
<b>Original Matrix</b>		<b>Original Rating Description</b>			
		<b>Original Impact</b>	C	<b>Original Likelihood</b>	1
			Medium		Very Low
<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>
25-Jan-2012 Mangers continue to monitor the market place . Training and development needs identified and actions taken where necessary				05-Oct-2009	Gary Housden

PL 7 Fraud and corruption

Risk Code	Risk Title	Description	Status	
PL 7	Fraud and corruption	Having rigorous systems in place to prevent fraud and corruption occurring.		
<b>Consequences</b>		Loss of income. Loss of reputation/bad publicity. Poor rating from external inspectors.		
<b>Original Matrix</b>		<b>Original Rating Description</b>		
	<b>Original Impact</b>	A	1	
		Low	<b>Original Likelihood</b>	Very Low
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>		
	<b>Current Impact</b>	A	1	
		Low	<b>Current Likelihood</b>	Very Low
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>		
	<b>Target Impact</b>	A	1	
		Low	<b>Target Likelihood</b>	Very Low
<b>Latest Progress</b>			<b>Last Review Date</b>	<b>SMT Lead</b>
25-Jan-2012 Service regularly audited. A DM review is due shortly by Internal Audit which will take account of the imminent changes in respect of Admin and Enforcement activities.			05-Oct-2009	Gary Housden

**PL 8 Street naming & numbering**

Risk Code	Risk Title	Description			Status
PL 8	Street naming & numbering	To cover cost of providing service			
<b>Consequences</b>		Failure to cover costs of providing service to developers will place a financial burden on the Authority			
<b>Original Matrix</b>		<b>Original Rating Description</b>			
		<b>Original Impact</b>	C	<b>Original Likelihood</b>	1
			Medium		Very Low
<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>
25-Jan-2012 New system in place and new charging regime operational				01-Jun-2009	Gary Housden

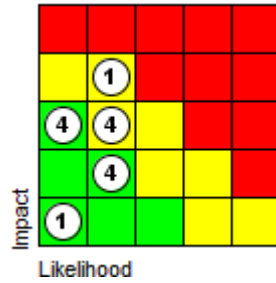
This page is intentionally left blank

# Corporate Risk Register


Generated on: 26 January 2012

## Corporate Risk Register

### Current Risk Heat Map

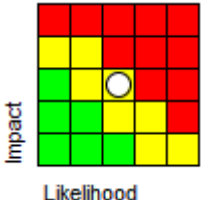
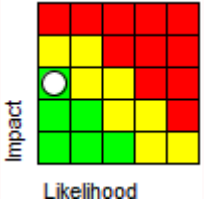
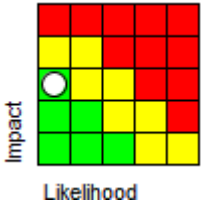


Status	Code	Title	Key										
	CRR 01	Significant Partnerships	<table border="1"> <thead> <tr> <th colspan="2">Risk Status</th> </tr> </thead> <tbody> <tr> <td></td> <td>OK</td> </tr> <tr> <td></td> <td>Warning</td> </tr> <tr> <td></td> <td>Alert</td> </tr> <tr> <td></td> <td>Unknown</td> </tr> </tbody> </table>	Risk Status			OK		Warning		Alert		Unknown
Risk Status													
	OK												
	Warning												
	Alert												
	Unknown												
	CRR 02	Capital Programme											
	CRR 03	Staff Management											
	CRR 04	External Funding											
	CRR 05	Affordable Housing											
	CRR 06	Procurement											
	CRR 07	Health and Safety											
	CRR 08	Emergency Planning and Business Continuity Planning											
	CRR 09	Failure to influence the proposed changes to the national framework for the resourcing of Ryedale District Council.											
	CRR 11	Council Assets											
	CRR 12	Customer Expectations											
	CRR 13	Fraud and Corruption											
	CRR 14	Data Quality											
	CRR 15	Delivering Efficiencies											


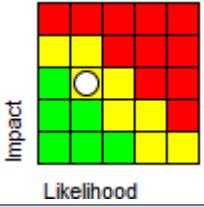
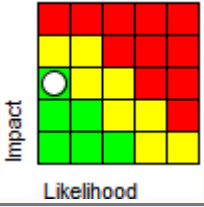
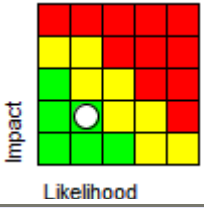
CRR 01 Significant Partnerships				
Risk Code	Risk Title	Description	Status	
CRR 01	Significant Partnerships	That the Council fails to manage its partnerships effectively		
<b>Consequences</b>		Financial cost to the Council through partnership failure, breach of legislation by partnership with consequences for Council and its reputation, levels of service satisfaction and quality fall below acceptable levels.		
<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>	1
		Medium		Very Low
<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>
25-Jan-2012 Management of significant partnerships continues. New approach to reporting on performance of partnership arrangements being developed - see report to O and S 16 February 2012.			24-Sep-2011	Clare Slater



CRR 02 Capital Programme


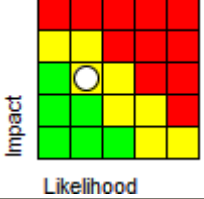
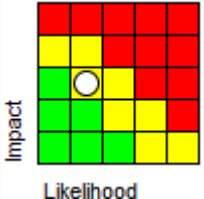
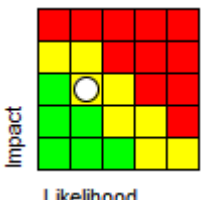
Risk Code	Risk Title	Description		Status	
CRR 02	Capital Programme	Failure to deliver Council priorities, due to poor management of the capital programme.		✔	
<b>Consequences</b>		Failure to deliver the Council priorities			
<b>Original Matrix</b>		<b>Original Rating Description</b>			
		<b>Original 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>	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>
25-Jan-2012 Progress monitoring embedded in the work of Resources Working Party, who receive bi-monthly reports with highlight reporting on individual projects				24-Sep-2011	Trevor Anderson



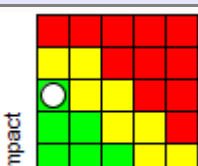
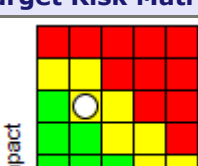
CRR 03 Staff Management

Risk Code	Risk Title	Description	Status
CRR 03	Staff Management	Failure to effectively manage and develop our workforce assets	
<b>Consequences</b>		Decline in employee performance and delivery	
<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	1
		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>
25-Jan-2012 Absence statistics are continuing to improve.			29-Sep-2011
			<b>SMT Lead</b>
			Barrie May; Louise Sandall

Risk Code	Risk Title	Description	Status
CRR 04	External Funding	Failure to attract external funding to support the priorities of the Council	▲
<b>Consequences</b>		Failure to deliver Council priorities requiring major financial investment. Increased costs to RDC. Failure to regenerate the local economy. Uncompetitive service delivery. Withdrawal or failure of a service. Inability to deliver new services	
<b>Original Matrix</b>		<b>Original Rating Description</b>	
	Original Impact	C	3
		Medium	Original Likelihood
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>	
	Current Impact	C	2
		Medium	Current Likelihood
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>	
	Target Impact	C	2
		Medium	Target Likelihood
<b>Latest Progress</b>			<b>Last Review Date</b>
25-Jan-2012 Strategic approach to new funding opportunities being developed in response to legislation and Community Infrastructure Levy (CIL). Linked to the development of the Local Development Framework.			24-Sep-2011
			<b>SMT Lead</b>
			Trevor Anderson


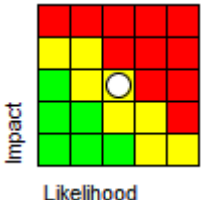
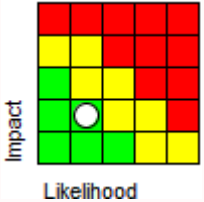
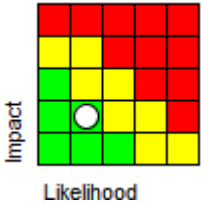
CRR 05 Affordable Housing

Risk Code	Risk Title	Description			Status
CRR 05	Affordable Housing	Failure to meet identified housing need in Ryedale			
<b>Consequences</b>		Homelessness increases with resultant service costs. Unbalanced housing market. Negative impact on the local economy. Lack of key workers to support the needs of the community. Local people forced to move away from Ryedale.			
<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>	2
			Medium		Not Likely
<b>Latest Progress</b>				<b>Last Review Date</b>	<b>SMT Lead</b>
25-Jan-2012 The expected outturn for affordable homes for 2011/12 is 95.				24-Sep-2011	Gary Housden; Julian Rudd


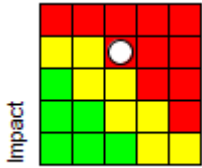
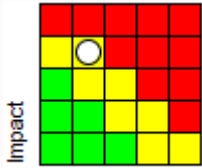
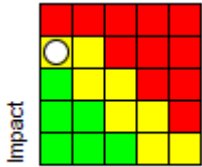
Risk Code	Risk Title	Description			Status
CRR 06	Procurement	Failure to procure in line with legislation and in line with best value principles			
<b>Consequences</b>		Failure to make efficiency savings. Priority projects not delivered to budget. Adverse external inspection. Breach of legislation eg. equalities or health and safety. Damage to RDC reputation.			
<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>	1
			Medium		Very Low
<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>
25-Jan-2012 Procurement Partnership established and the service received by the Council is working well with savings being achieved in line with efficiency targets.				24-Sep-2011	Phil Long



CRR 08 Emergency Planning and Business Continuity Planning


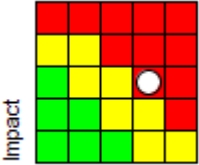
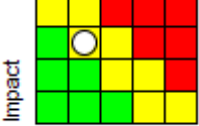
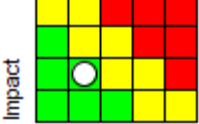
Risk Code	Risk Title	Description	Status						
CRR 08	Emergency Planning and Business Continuity Planning	Failure to produce effective, comprehensive and tested plan.							
<b>Consequences</b>		Failure in continuity of service delivery. Negative impact on the most vulnerable on our communities. Damage to RDC reputation. Financial penalties and litigation							
<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 style="text-align: center;">3</td> <td style="text-align: center;">Likely</td> </tr> </table>	C		Medium	<b>Original Likelihood</b>	3	Likely
C									
Medium	<b>Original Likelihood</b>								
3	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 style="text-align: center;">2</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 style="text-align: center;">2</td> <td style="text-align: center;">Not Likely</td> </tr> </table>	B		Minor	<b>Target Likelihood</b>	2	Not Likely
B									
Minor	<b>Target Likelihood</b>								
2	Not Likely								
<b>Latest Progress</b>			<b>Last Review Date</b>						
25-Jan-2012 Emergency planning arrangements in place and tested. Training undertaken for all staff. Comprehensive Business Continuity Planning in place and tested.			24-Sep-2011						
			<b>SMT Lead</b>						
			Paul Cresswell						

CRR 09 Failure to influence the proposed changes to the national framework for the resourcing of Ryedale District Council.


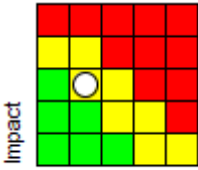

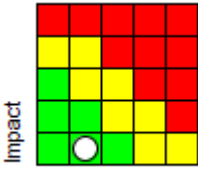
Risk Code	Risk Title	Description	Status
CRR 09	Failure to influence changes to National Framework	Failure to influence the proposed changes to the national framework for the resourcing of Ryedale District Council.	
<b>Consequences</b>		Adverse financial effect on the Council which could impact on Ryedale residents or require cuts to RDC services.	
<b>Original Matrix</b>		<b>Original Rating Description</b>	
 Likelihood	<b>Original Impact</b>	D	3
		Major	<b>Original Likelihood</b>
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>	
 Likelihood	<b>Current Impact</b>	D	2
		Major	<b>Current Likelihood</b>
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>	
 Likelihood	<b>Target Impact</b>	D	1
		Major	<b>Target Likelihood</b>
<b>Latest Progress</b>			<b>Last Review Date</b>
25-Jan-2012 Significant changes are being proposed by the government to materially affect the financing and responsibilities of RDC. Officers working at national level through relevant treasurer societies and networks. Joint discussions underway within North Yorkshire and the region. Responses submitted to all consultations.			23-Sep-2011
			<b>SMT Lead</b>
			Paul Cresswell


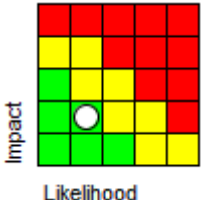
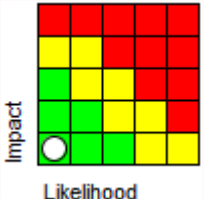
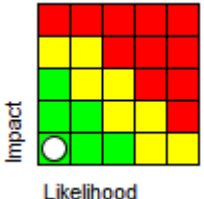


CRR 11 Council Assets





Risk Code	Risk Title	Description			Status
CRR 11	Council Assets	Ensure the Council has proper plan to ensure maintenance and fitness for purpose of the Council assets			
<b>Consequences</b>					
<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>	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>
19-Jan-2012 Major investment has resulted in improved facilities with significant investment into energy efficiency measures to reduce Co2 emissions				24-Sep-2011	Phil Long

CRR 12 Customer Expectations


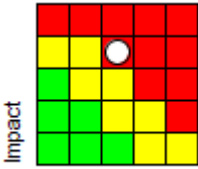
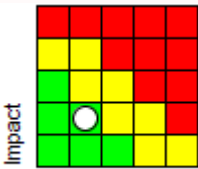
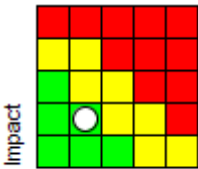
Risk Code	Risk Title	Description	Status
CRR 12	Customer Expectations	Failure to meet customer service standards and meet customer expectations.	
<b>Consequences</b>		Include CR02	
<b>Original Matrix</b>		<b>Original Rating Description</b>	
	<b>Original Impact</b>	C	2
		Medium	<b>Original Likelihood</b>
<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>	A	2
		Low	<b>Target Likelihood</b>
<b>Latest Progress</b>		<b>Last Review Date</b>	<b>SMT Lead</b>
25-Jan-2012 Managing customer expectations through media and communications in relation to funding challenges facing the public sector.		28-Sep-2011	Paul Cresswell

CRR 13 Fraud and Corruption				
Risk Code	Risk Title	Description		Status
CRR 13	Fraud and Corruption	Failure to ensure Council has proper procedures and policies for the prevention and detection of fraud.		
<b>Consequences</b>		Financial loss to the Council, damage to our reputation and credibility		
<b>Original Matrix</b>		<b>Original Rating Description</b>		
	<b>Original Impact</b>	B	<b>Original Likelihood</b>	2
		Minor		Not Likely
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>		
	<b>Current Impact</b>	A	<b>Current Likelihood</b>	1
		Low		Very Low
<b>Target Risk Matrix</b>		<b>Target Rating Description</b>		
	<b>Target Impact</b>	A	<b>Target Likelihood</b>	1
		Low		Very Low
<b>Latest Progress</b>			<b>Last Review Date</b>	<b>SMT Lead</b>
23-Sep-2011 Arrangement with Veritau working well to deliver fraud and corruption service for Housing Benefit, currency of fraud and corruption policy maintained and training provided to managers.			24-Sep-2011	Paul Cresswell

**CRR 14 Data Quality**

Risk Code	Risk Title	Description			Status	
CRR 14	Data Quality	The Council recognises the importance of data quality as we need reliable, accurate and timely performance information with which to manage services, inform users and account for our performance				
<b>Consequences</b>						
<b>Original Matrix</b>			<b>Original Rating Description</b>			
			<b>Original Impact</b>	B	<b>Original Likelihood</b>	2
				Minor		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>	A	<b>Target Likelihood</b>	1
				Low		Very Low
<b>Latest Progress</b>					<b>Last Review Date</b>	<b>SMT Lead</b>
23-Sep-2011 Data Quality Strategy in place and publicised to all staff. Audit of Data Quality undertaken with positive outcome					28-Sep-2011	Clare Slater

CRR 15 Delivering Efficiencies

Risk Code	Risk Title	Description	Status	
CRR 15	Delivering Efficiencies	Council fails to meet efficiency targets which necessitates cuts to other services		
<b>Consequences</b>		Cuts to frontline services, reputational damage to the Council, possible poor outcome of external inspection.		
<b>Original Matrix</b>		<b>Original Rating Description</b>		
		<b>Original Impact</b>	D	3
			Major	<b>Original Likelihood</b>
<b>Current Risk Matrix</b>		<b>Current Rating Description</b>		
		<b>Current Impact</b>	B	2
			Minor	<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>	<b>SMT Lead</b>
25-Jan-2012 Successful delivery of One-11 programme achieving savings of over £1 million. Going for Gold programme underway with significant efficiencies achieved to contribute to the target saving of £700k. Planning underway for meeting projected budget shortfall anticipated for 2013/14.			24-Sep-2011	Paul Cresswell

This page is intentionally left blank



---

**REPORT TO:** OVERVIEW AND SCRUTINY COMMITTEE

**DATE:** 16 FEBRUARY 2012

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

**TITLE OF REPORT:** CUSTOMER COMPLAINTS RECEIVED QUARTER 3  
(2011/12)

**WARDS AFFECTED:** ALL

---

## EXECUTIVE SUMMARY

### 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 October – December 2011.

### 2.0 RECOMMENDATION

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

### 3.0 REASON FOR RECOMMENDATION

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 October – December 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**

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)

This page is intentionally left blank



## SUMMARY OF COMPLAINTS LOG

PERIOD: October – December

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 the recovery of overpayment of Housing Benefit and Council Tax.</li> <li>2. Dissatisfaction with attitude of staff member.</li> <li>3. Dissatisfaction with attitude of staff member.</li> </ol>	3	<ol style="list-style-type: none"> <li>1. Letter of explanation sent to customer.</li> <li>2. Letter of apology sent to customer and issued addressed with staff member.</li> <li>3. Letter of apology sent to customer and issued addressed with staff member.</li> </ol>
Democratic Services		0	
Development Services	<ol style="list-style-type: none"> <li>1. Concerns raised over views of parish council on planning applications.</li> </ol>	1	<ol style="list-style-type: none"> <li>1. Applications reviewed back to 2006</li> </ol>
Economic & Community		0	
Facilities & Emergency Planning		0	
Finance & Revenue Services	<ol style="list-style-type: none"> <li>1. Dissatisfaction with the legality of a Council Tax charge.</li> </ol>	1	<ol style="list-style-type: none"> <li>1. Letter of explanation sent to customer.</li> </ol>

Forward Planning		0	
Health & Environment		0	
Housing Services		0	
Human Resources		0	
ICT Services		0	
Legal		0	
Streetscene Services	<ol style="list-style-type: none"> <li>1. Placement of wheelie bins following collection.</li> <li>2. Dissatisfaction as no response to request for removal of windows.</li> <li>3. Dissatisfaction with excessive excess parking charge.</li> <li>4. Dissatisfaction with excessive excess parking charge.</li> <li>5. Placement of wheelie bins following collection.</li> <li>6. Dissatisfaction with excessive excess parking charge payment method.</li> </ol>	3	<ol style="list-style-type: none"> <li>1. Letter of apology sent to customer and reminder to crew.</li> <li>2. Letter of apology to customer detailing cost of collection.</li> <li>3. Letter sent to customer explaining charges and outlining policy and legislation.</li> <li>4. Letter sent to customer explaining charges and outlining policy and legislation.</li> <li>5. Apology to customer by telephone and reminder to crew.</li> <li>6. Letter sent to customer explaining charges and outlining policy and legislation.</li> </ol>

Transformation		0	
<b>TOTAL</b>		<b>8</b>	

This page is intentionally left blank

# Agenda Item 14

## DERWENT POOL – CUSTOMER FEEDBACK

<b>OCTOBER TO DECEMBER 2011</b>	<b>very good</b>	<b>good</b>	<b>fair</b>	<b>poor</b>	<b>very poor</b>
Efficiency of the staff	4	0	0	0	0
Helpfulness of the staff	4	0	0	0	0
Courtesy of the staff	4	0	0	0	0
General cleanliness	0	6	0	0	0
Condition of the facilities	0	0	1	0	0
Safety and security	0	3	0	0	0
Pool water temperature	0	4	1	0	0
Air temperature	0	3	2	0	0
Value for money	0	2	0	0	0
Overall experience	1	1	0	0	0

October	Make the no shoes in changing room more visible so it is adhered to.	We will put up extra signage, however in having a gym on site it is more difficult to enforce then that of Ryedale pool, but we will continue to monitor.
	Fix the hair dryer in the ladies changing room.	A defect report has been sent to RDC and we are awaiting the dryer to be fixed.
	Clean and repair the lockers in the ladies changing room.	Staff have been informed to regularly clean the lockers and we hope to have the broken ones fixed shortly.
November	Update the pool we really need a new modern pool.	We have passed your comments onto Ryedale District Council
	The ladies changing rooms are also chilly with cold air coming through the vents.	Should feel the changing room temperature to be cold please inform a member of staff who will take a reading and report to RDC.
Dec	Please could we have new hairdryers.	A defect report for the ladies hairdryers has been passed onto RDC

## LIFESTYLES – CUSTOMER COMMENTS FEEDBACK

<b>OCTOBER TO DECEMBER 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
Safety and security	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

October	no comments
November	no comments
December	no comments

RYEDALE POOL – CUSTOMER COMMENTS FEEDBACK

<b>OCTOBER TO DECEMBER 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	1	0	0
Helpfulness of the staff	1	0	1	0	0
Courtesy of the staff	1	1	0	0	0
General cleanliness	0	1	0	0	0
Condition of the facilities	0	1	0	0	0
Safety and security	0	1	0	1	0
Pool water temperature	0	1	1	0	0
Air temperature	0	1	0	0	1
Value for money	0	1	1	0	0
Overall experience	0	0	1	0	0
	3	7	5	1	1

October	Changing area is freezing, turn the temperature up.	Along with the water temperature the changing room temperature is controlled from Ryedale house. We take regular readings and inform RDC should the temperature be below what is acceptable. Please inform reception if you feel it is cold, who will then notify RDC once a reading is taken.
	Extend Saturday morning swim as was busy and was bumped into 3 times.	We will continue to monitor bathing loads and should the pool continue to be busy, will review the timetable.
November	Please install a playpen in the changing rooms.	We will look into having a playpen put into the changing rooms.
	Both of my children moved up with Adams teaching please can we have him again next term.	Thank you for the positive comments regarding Adam. We are unable to say who will be teaching your children next term as due to the way in which rotas are done, different teachers work different days. We hope all our teachers, teach at the same high level as that of Adam.
December	It was disappointing that children were allowed to stay in the adult only session, and could prove dangerous for children if the adults felt they could swim as vigorously as usual.	Please note on the 29th of December the pool was operating Bank holiday hours as outlined on the posters and website. During these hours the pool is open for use by the public without any specific sessions. We will look into the need of an adult swim during bank holidays if demand requires it.



---

**REPORT TO:** OVERVIEW AND SCRUTINY COMMITTEE

**DATE:** 16 FEBRUARY 2012

**REPORT OF THE:** HEAD OF TRANSFORMATION  
CLARE SLATER

**TITLE OF REPORT:** SCRUTINY REVIEWS PROGRESS REPORT –  
'SUPPORTING A SUSTAINABLE COMMUNITY AND  
VOLUNTARY SECTOR'

**WARDS AFFECTED:** ALL

---

## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

1.1 To present the progress of the scrutiny review currently being undertaken.

### **2.0 RECOMMENDATION**

2.1 That members note the progress made with the current scrutiny review

### **3.0 SIGNIFICANT RISKS**

3.1 No significant risks have been identified at this point but this will be reviewed as the review progresses.

### **4.0 BACKGROUND AND INTRODUCTION**

4.1 The Overview and Scrutiny Committee has commissioned a scrutiny review of the Council's role in supporting a sustainable voluntary and community sector.

4.2 The terms of reference for the review were agreed at the previous meeting of the Committee and these will be reviewed periodically throughout the period of the review. (Attached at Annex A)

### **5.0 CONSULTATION**

5.1 Engagement of the voluntary and community sector, partners other funding bodies and parish councils is being planned as part of the review to be undertaken.

## 6.0 REPORT DETAILS

6.1 The aim of the review is to make recommendations to the policy committees of the Council on the options available to Council for ensuring it utilises any of its resources in the most efficient, effective and economical way to support a sustainable voluntary and community sector.

6.2 The inaugural meeting of the task group took place on Monday 23 January 2012. The agenda included:

- A discussion of the current policy position in relation to Localism and the Big Society
- The legislative context - the Localism Act and the Best Value Statutory Guidance.
- Other scrutiny reviews being undertaken and how lessons can be learned from these and also a current review being undertaken in Harrogate which could provide some opportunity to share evidence and information
- A desk based study of other research has identified a number of recent documents which are referenced at the end of this report
- A discussion on the relevance of the role of demographic information in the review
- Key actions and milestones for the review
- Development of a plan for undertaking the review

6.3 The task group agreed a plan for undertaking the review which will be reviewed at each task group meeting and is as follows:

Date	Tasks
Mon 23 January 2012	Inaugural meeting of the VCS Review Task Group
Weds 7 March 2012	Present initial findings of Audit of support provided by the Council to the VCS. Identify key areas to study the impact of the support provided.
Thurs 29 March 2012	Present the audit of report and assessment of impact
Thurs 26 April 2012	Plan engagement activity with VCS organisations and partners in Ryedale, include session with parishes in May
Thurs 14 June 2012	Hold the engagement event at RDC, undertake any visits and meet with partners and funding bodies
Thurs 19 July 2012	Present the findings of the engagement activities
Thurs 16 August 2012	First Draft of report and Recommendations
Thurs 13 Sept 2012	Draft Report and recommendations agreed by task group
Thurs 4 October 2012	O and S Committee meeting consider draft report and recommendations

**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) and [justine.coates@ryedale.gov.uk](mailto:justine.coates@ryedale.gov.uk)



**Background Papers:**

A Plain English Guide to the Localism Act:

<http://www.communities.gov.uk/publications/localgovernment/localismpainenglishupdate>

Statutory Best Value Guidance

<http://www.communities.gov.uk/documents/localgovernment/pdf/1976926.pdf>

National Council for Voluntary Organisations:

- [‘NCVO New Best Practice Guide’](#)

Community Development Foundation :

- [‘Structures for community development in local authorities’](#)
- [‘the role of the community sector within localism’ evidence to select committee](#)

Action with Communities in Rural England :

- [‘Making the most of Community Led Planning \(a best practice guide for local authorities\)’](#)

**Background Papers available for inspection at:**

Online see links above or in the Transformation Team Office – Ryedale House

## Appendix A – Revised Terms of Reference for the Scrutiny Review of the Councils Role in supporting a sustainable voluntary and community sector

<p><b>Aim of the Review</b></p>	<p>The aim of the review is to make recommendations to the policy committees of the Council on the options available to Council for ensuring it utilises any of its resources in the most efficient, effective and economical way to support a sustainable voluntary and community sector.</p> <p>The review will try to answer the following questions:</p> <ul style="list-style-type: none"> <li>• What is the current profile of the VCS in Ryedale?</li> <li>• How sustainable is the sector in Ryedale and what is the role of the Council in this?</li> <li>• How does the Council commission or procure work from the VCS, how is this funded, what is expected and what is the impact of this work?</li> <li>• What expectations are there of the VCS in the current policy and funding environment and how can these best be met whilst delivering value for money for both the Council and the communities of Ryedale?</li> <li>• Is there potential to increase the co-ordination of funding to the VCS both within the Council and with external partners?</li> <li>• Can savings be made from the financial support provided or value added through pooling resources?</li> <li>• Are there any grants that are not cost effective to administer or receive?</li> <li>• Are there barriers to RDC working with the VCS and vice versa, VCS working with the Council?</li> </ul>
<p><b>Why has this review been selected?</b></p>	<p>Changes being implemented by the government towards the achievement of ‘The Big Society’ agenda are placing increasing emphasis on the role of voluntary sector and community organisations. Members felt that the Council needed to review its policies and those of partners and the government in relation to these organisations.</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 members of O and S)</li> <li>• The Head of Transformation</li> <li>• The Economic and Community Services 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 Localism Act and Big Society policy agenda on the Voluntary and Community sector and also review the Councils policies in relation to the sector.</p> <p>Consideration would be made of existing data and evidence, national research on the impact of recent policy decisions made by the government on the VCS and any local research undertaken.</p> <p>This could include:</p> <ul style="list-style-type: none"> <li>• Reviews undertaken previously by the Council</li> <li>• Reviews undertaken by other local authorities</li> <li>• Government policy and the impact of reviews of funding arrangements</li> </ul>

	<ul style="list-style-type: none"> <li>• Research undertaken by organisations representing the interests of the VCS</li> </ul> <p>The task group will also liaise with representatives from the VCS in Ryedale.</p>
<b>What are the expected outputs?</b>	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.
<b>What outcomes are anticipated?</b>	<ul style="list-style-type: none"> <li>• To influence criteria for future funding schemes</li> <li>• To influence assessment criteria for applications and evaluation of grant applications and schemes</li> <li>• To establish ongoing dialogue with the VCS in Ryedale</li> <li>• Identify options for future community development support in Ryedale</li> </ul>
<b>Timescale</b>	It is anticipated that the group will conclude the review In October 2012. Progress reports will be submitted to the committee throughout the review.

CS version 2 – revisions post 15.12.11 O&S and Task Group Meeting 23.1.12

This page is intentionally left blank

Ryedale District Council – Decisions taken by the Commissioning Board on Thursday, 26 January 2012

Agenda Item No	Topic	Decision
6	Housing Benefit Reforms Update	<p><b>PART TWO – A Items dealt with under delegated powers or matters determined by the Board</b></p> <p><b>Resolved</b></p> <ul style="list-style-type: none"> <li>(i) That the work being undertaken to reduce any detrimental impact of Housing Benefit reforms on Ryedale residents be endorsed;</li> <li>(ii) That the impact thus far of the benefit reforms, together with the anticipated future implications, for those Ryedale residents in receipt of Housing Benefit be noted; and</li> <li>(iii) That a further report on the impact of the Housing Benefit reforms be brought before the Commissioning Board in September 2012.</li> </ul>
7	Economy and Housing Joint Commissioning Group - Update	<p><b>Resolved</b></p> <p>That the report be noted.</p>
8	Ryedale Tourism Advisory Board Recommendations	<p><b>Resolved</b></p> <ul style="list-style-type: none"> <li>(i) That the following recommendation of the Ryedale Tourism Advisory Board be not endorsed; <ul style="list-style-type: none"> <li>a) the 'Y Charter' mark be used for businesses engaged in Council funded activities, in addition to other recognised Quality Assurance marks;</li> </ul> </li> <li>(ii) That the following recommendations of the Ryedale Tourism Advisory Board be endorsed; <ul style="list-style-type: none"> <li>b) there should be ongoing investment in the development of the <a href="http://discovernorthyorkshire.co.uk">discovernorthyorkshire.co.uk</a> website, using existing budgets;</li> </ul> </li> </ul>

Ryedale District Council – Decisions taken by the Commissioning Board on Thursday, 26 January 2012

Agenda Item No	Topic	Decision
		<p>c) Ryedale District Council commits to the partnership approach established in the VHEY ERDF bid 'Partners for Growth';</p> <p>(iii) The timetable for the relocation of Malton TIC be noted.</p>
9	Active and Environment Joint Commissioning Group - Update	<p><b>Resolved</b></p> <p>That the report be noted.</p>
10	Malton Air Quality Management Area Action Plan	<p>An amendment was moved by Councillor Mrs Cowling and seconded by Councillor Walker to;</p> <p>Transfer Action 2b from Section 4 "Proposed Measures" to Section 5 "Measures for Future Consideration"</p> <p>Upon being put to the vote the amendment was carried.</p> <p>Upon being put to the vote the substantive motion was carried.</p> <p><b>Resolved</b></p> <p>That the Malton Air Quality Management Area Action Plan be adopted.</p> <p>Councillor Andrews requested that his abstention be recorded.</p>
		<p><b>PART THREE – B Items – Matters to be referred to Council</b></p>

Ryedale District Council – Decisions taken by the Commissioning Board on Thursday, 26 January 2012

Agenda Item No	Topic	Decision
11	Empty Properties	<p><b>Resolved</b></p> <p>That Council be recommended to approve:</p> <ul style="list-style-type: none"> <li>(i) that the North Yorkshire Empty Property Strategy and the Ryedale Empty Property Action Plan be adopted; and</li> <li>(ii) that the principle of a recyclable capital resource of £100k, to be made available to pursue legal powers against owners of empty properties and to undertake works in default on properties, be supported and be considered through setting the Council budget for 2012/13.</li> </ul>

This page is intentionally left blank