

## SCRUTINY COMMITTEE

Monday 10 November 2003

PRESENT:

**Councillor WARNER (Chairman), Councillor SKILTON (Deputy Chairman) and Councillors LACEY O.B.E, LEGGETT, MARSH, Mrs MURRAY and Mrs POOLEY**

**10. MINUTES.** The minutes of the meeting held on 8 September 2003 were submitted and approved and the Chairman was authorised to sign them as a correct record.

**11. INTERNAL AUDIT SERVICES.** The Committee considered the report of the Director of Finance and Corporate Services providing a summary of activities and performance of Internal Audit for the Financial year 1 April 2002 to 31 March 2003 and the period 1 April 2003 to 30 September 2003.

Members were advised that much of the planned work of internal audit is structured to gain assurance on the adequacy of internal controls. The report detailed the work of Internal Audit across the council during the 2002/03 financial year, and the year 1 April 2003 to 30 September 2003.

Despite the fact that the 2002-03 Audit Plan was not completed, the Division was still able to produce a significant portfolio of work as set out in Section 5.0 of the report. The Work completed in the current financial year was detailed in Section 7.0.

Members were advised that some of the reviews planned for last year, such as Historic Building Grants, Parks and Sports Pitches, Open Downland and Ranger, Farms, Conferences, Events and Attractions, Pest Control, Licensing, Phones, Press and Public Relations and Engineering Services were not carried out. This was because of important work Audit has carried out on a number of new corporate initiatives, a higher than anticipated number of special investigations and an increase in other non-chargeable time. The audit reviews not completed last year had been incorporated in the 2003-04 Operational Audit Plan. With over 50% of the Operational Audit Plan completed at the time of writing the report.

Members noted new developments included Internet Policy and Information Security, Anti Fraud and Corruption Policy, Financial and Contract Procedure Rules, E-government and Equality Objectives.

A report to Cabinet on 5 December 2002 highlighted that the Council had not carried out a formal review of its corporate governance arrangements and that it did not have a code of corporate governance. It was recommended that a corporate governance review be started in 2003 based upon the CIPFA and SOLACE guidance and framework. This review had now been started and would illustrate the Council's approach to corporate governance, evidence of compliance with good practice and the actions proposed in further strengthening the Council's arrangements. It was proposed that the review document form the Council's Code of Corporate Governance.

### NOTED.

**12. PLANNING PERFORMANCE.** The Committee considered the report of the Director of Planning, Regeneration and Amenities, as requested at the Scrutiny Committee on 9 July 2003 reviewing the planning performance indicator because of a marked deterioration of performance during 2002. The number of planning applications had increased significantly in the last three years from 626 in 1999 to 796 in 2002, a 27% increase. In addition there had been a substantial increase in the workload in development control generally as a result of inquiries by the public, solicitors and developers.

Increased complexity had resulted from changes in Government regulations such as additional resources required to consider telecommunications proposals. The increased volume and complexity of work needed additional staff resources to ensure a sustained improvement.

Significant improvements in performance had been made during the first two quarters of 2003/04 (April to September) and was hoped to sustain and improve on this. This significant improvement was due to the hard work of staff in the Development Control and Support teams. They had focused on the targets and been willing to work additional hours to meet deadlines. There had been a difficulty in recruiting permanent staff although a trainee planning officer had been recently recruited and was expected to start shortly.

Members received an additional paper prior to the meeting, outlining the reason for the backlog of section 106 agreements over that past 18 months, primarily because of

- a) Staffing shortages in Legal Services
- b) A large number of complex section 106 agreements required for development at Sovereign Harbour;
- c) The fact that the detailed requirements for a section 106 agreement were often left unresolved until after a decision by the committee to grant permission; and
- d) Delays on the part of some applicants in providing documents and / or entering into dialogue with the Council.

Members noted that the backlog had been substantially reduced due to completion of most outstanding section 106 agreements. Subject to co-operation from applicants, the balance of the outstanding agreements should be completed by early December. Some of the agreements had been outsourced to a firm of solicitors based in Hove.

Members were concerned that the Council's performance may be compromised by delays on the part of some applicants. One potential solution was to give delegated authority to the Head of planning to refuse permission if he was satisfied that an applicant (or party with an interest in the application site) had failed to co-operate. This would be run as a pilot project over the coming months.

Members were advised that the Legal Services and the Development Control section in the Planning Division had been working on new procedures and processes since June of this year, which were detailed within the report. These proposals would form part of a Service Level Agreement (SLA) between Legal Services and Development Control. The SLA would be completed and operational by 8 December 2003. The SLA includes target timescales for various stages in the planning process.

The committee agreed that the Director of Finance and Corporate Services and the Director of Planning, Regeneration & Amenities would review progress one month after the SLA became operational. It was suggested that progress should be reported to Scrutiny Committee six months after the SLA becomes operational.

**RESOLVED:** (1) That Cabinet be advised that the Scrutiny Committee endorse the development of the SLA between the Legal Services and the Development Control section

(2) That the progress of the SLA be reported back to Scrutiny Committee in July 2004.

**13. IT SECURITY ISSUES. The Committee considered the report of the Director of Finance and Corporate Services regarding**

## **the request to investigate issues arising from the virus infection, which disrupted Council business during August.**

A detailed chronology of events over the following week was attached to the report at Appendix A. Following the virus attack the Head of Audit was commissioned to investigate the cause. In addition, Vivista commissioned a review of the Council's IT security structure with a view to identifying weaknesses and areas for improvement. Relevant conclusions from the investigations by the Head of Audit and Vivista and subsequent work by the in-house IT team were detailed within the report.

Members noted that in the light of the above an I.T. Security Forum had been established to ensure that the lessons from this incident were learned and that security issues retained a high profile within the Council. Details of the action plan were contained within the report.

Members were advised that alongside the establishment of the IT Security Forum a project had been established with the aim of Improving IT Service Delivery across the Council. A key part of this project was the renegotiation of the current contract and Service Level Agreement with Vivista. As part of this, responsibilities for all aspects of security coverage would be clarified and documented.

Members had also requested that the council identify measures to halt the large numbers of inappropriate SPAM e-mails being received.

### **Members were advised that the following could be done to limit SPAM:**

- Blocking the email source of any item via Websense (although distributors would take steps to avoid this).**
- As explained in section 4 of the report, officers were in the process of replacing the current desktop anti virus product. As part of the evaluation of products, features that limit SPAM would be considered.**
- The IT Security Forum was due to consider SPAM issues as part of the**

## **2004/05 work programme. In the shorter term, the IT team would be providing advice on measures that could be taken to limit SPAM**

- Where SPAM was a particular problem, one option was to set up a new email address for the user and discontinue use of the old address.**

The Scrutiny Committee resolution suggested that the costs should be recovered from those responsible for the attack. This would not be possible for the following reasons:

- Responsibility for the attack ultimately rests with the authors of the virus. EBC has no means of obtaining recompense from them.
- It has not been possible to establish conclusively how the virus entered the Council's systems.
- A number of shortcomings in current security arrangements have come to light as a consequence of the virus attack and the subsequent investigations. However, it cannot be shown that any one of these caused the infection.
- The virus succeeded in entering the systems of a high proportion of organisations world wide, including most of our neighbouring authorities and the Audit Commission. It cannot be said that any particular change in the current security arrangements would definitely have avoided the infection.

It is therefore not possible to conclude that any individual or organisation should bear responsibility for the costs incurred.

### **NOTED.**

**14. AUDIT COMMISSION CORPORATE GOVERNANCE MEMORANDUM.** The Committee considered the report of the Director of Finance and Corporate Services presenting the Audit Commission's annual statement in respect of corporate governance; copy of which was appended to the report. The Audit Commission had reported that there were no matters that Members needed to consider in relation to the 2002/03 financial statements.

**RESOLVED:** That the Council be informed that the Scrutiny Committee had considered the memorandum and that there were no comments.

**15. SCRUTINY SEMINAR 'MAKING IT WORK' – THE WAY FORWARD.** The chairman requested that this item be added to the agenda as an item for discussion following the 'Making it Work' training seminar on 28 October 2003. The notes from the seminar were provided prior to the meeting.

Members agreed that it was important to have a full discussion with their respective groups, regarding the seminar prior to deciding the way forward for the Scrutiny Committee, and therefore Members agreed that a

workshop should be held to formulate a plan for the future working of the Committee. It was proposed that the Workshop would be held following group discussions in the next two weeks. Members were requested to advise the Chairman or Katie Armstrong of dates when they were available for the workshop.

**RESOLVED:** (1) That the Committee hold a workshop to formulate plans for the future working of the Scrutiny Committee.

(2) That Members inform the Chairman or Katie Armstrong of suitable dates for the workshop to be held following discussions with respective Groups.

The meeting closed at 7.51 p.m.

**P WARNER**

**Chairman**