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## Meeting of Audit And Governance Committee

4<sup>th</sup> October 2006

Report of the Director of Resources

### **Audit Commission Report : Arrangements for the Disposal of the Barbican**

#### **Summary**

1. The purpose of this report is to report to Councillors the findings of Audit Commission's review of the Council's arrangements for the disposal of the Barbican.

#### **Background**

2. The Audit Commission have received and taken account of information from York residents and Council Officers in carrying out their review (attached at Annex A). The objectives of the review were to assess the Council's arrangements for: -
  - Securing best consideration for the site.
  - Ensuring appropriate governance controls are maintained.
  - Managing the impact on service delivery.

At the time of writing this report the Council was awaiting the results of the Planning Committee's considerations on the Barbican, which are due to take place on September the 28<sup>th</sup> 2006. Whilst the outcome of this meeting is awaited the Council has not finalised the sale of the Barbican site, but does expect to do so fairly soon after the Planning Committee meeting, subject to the outcome of that meeting. This is not likely to be before the Audit and Governance Committee meeting on the 4<sup>th</sup> October.

#### **Consultation**

3. The only consultation on the contents of this report has been that which the Auditor has referred to in his report and between the Auditor and Officers of the Council with regard to the factual accuracy of the report.

#### **Conclusion**

4. The Audit Commission have not highlighted any significant weaknesses in the Council's approach to the disposal of the Barbican however, they have made

three recommendations which are set out in paragraph 15 at the end of the Audit Commission report.

- 4.1 Recommendation R.1 refers to the need to include within the reports the legal framework and basis for making key decisions. This echoes one of the findings in the recent Osabaldwick/Derwenthope Audit Commission review and requires Officers to be more specific in this area. The Council has already responded by making this a requirement within its recently agreed template for committee reports, and the Monitoring Officer and I will follow this up by sending a reminder of the requirements to all Chief Officers.
- 4.2 Recommendation R.2 has two parts. The first involves the Council being clearer in its selection criteria for future partners, in particular with regard to their legal status. Again this echoes a finding in the Osbaldwick/Derwenthope review. Since these projects were commenced the Chief Executive's Department has established a post responsible for keeping records on and advising on partnerships (although this is under review) and the Resources department has 0.5 of a post responsible for the financial aspects of partnerships.

The second element of recommendation R2 advises that the Council should set parameters for major schemes, variation beyond which would give rise to a review of the validity of proposed development. This recommendation will be considered further by Officers and is likely to be linked with R3 below.

- 4.3 Recommendation R3 focusses on requesting the Council to clearly articulate and record the objectives of major projects and transactions at the outset, so that success can be evaluated against them in the future. Whilst this does take place in many projects it is not universal and consistent and Officers need to give consideration as to how this approach can be embedded within it process.

### **Other Implications**

5. There are no specific Financial, Human Resources, Equalities, Crime and Disorder, Information Technology or Property implications raised by this report other than those directly referred to within it.

### **RISK Management**

6. The three Audit Commission recommendations are all aimed at enabling the Council to better manage risk and as such it is important that further steps are taken to embed these approaches into working practice within the Council.

### **Options**

7. The Audit Commission report does not offer options but does make three recommendations, which Officers are intending to accept, but which in some cases require further consideration about how to implement.

## Recommendations

8. Members are asked to:-

- a) note the Audit Commissions report.
- b) Delegate to the Director of Resources the actions to devise and implement appropriate responses, through giving advice and guidance to other Officers on Council procedures and requirements.

**Reason:** In order to improve governance and risk management of council projects and developments.

## Contact Details

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**Report Approved**

**Date** *25<sup>th</sup> September  
2006*

**Wards Affected:** Fishergate

**All**

For further information please contact the author of the report

**Background Papers:**

**Barbican files are held in the Resources Property Services offices in Swinegate**

**Annexes**

**Annex A is the Audit Commission's Report on the Arrangements for the disposal of the Barbican**