

Annual Audit and Inspection Letter

February 2007



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Borough of Poole

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For further information on the work of the Commission please contact:

Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 020 7828 1212 Fax: 020 7976 6187 Textphone (minicom): 020 7630 0421

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Contents

Our overall summary	4
Action needed by the Council	4
How is Borough of Poole performing?	6
The improvement since last year - our Direction of Travel report	7
Service inspections	12
Financial management and value for money	14
Financial reporting	16
Financial management	16
Financial standing	16
The Council manages its spending within the available resources.	16
Internal control	16
Value for money	17
Conclusion	20
Availability of this letter	20

Our overall summary

- 1 This report provides an overall summary of the Audit Commission's assessment of the Council. It draws on the findings and conclusions from the audit of the Council, and from a wider analysis of the Council's performance and its improvement over the last year, as measured through the Comprehensive Performance Assessment (CPA) framework.
- 2 The report is addressed to the Council, in particular it has been written for councillors, but is available as a public document for stakeholders, including members of the community served by the Council.
- 3 The main messages for the Council included in this letter are:
 - the Council has maintained its overall CPA score of three stars;
 - the Council has improved well during the past calendar year and has made progress against most of the improvement priorities in its corporate plan;
 - the Council commendably improved its overall Use of Resources score from 2 to 3 in 2006/07 although asset management arrangements remained inadequate;
 - as reported in our ISA260 audit report in September 2006, we issued an unqualified audit opinion for 2005/06 although our Value for Money conclusion for that year was qualified because of inadequate arrangements for asset management;
 - we also drew attention in the ISA 260 report to ways in which the planning of the Schools for the Future project could be improved;
 - the recommendations for improving the management of the Full Sail Ahead Project summarised in our previous AAIL have been largely implemented; and
 - this letter considers the Council's delivery of affordable housing through the use of Section 106 agreements and concludes that many good arrangements are in place but that some areas can be or are in the process of being improved.

Action needed by the Council

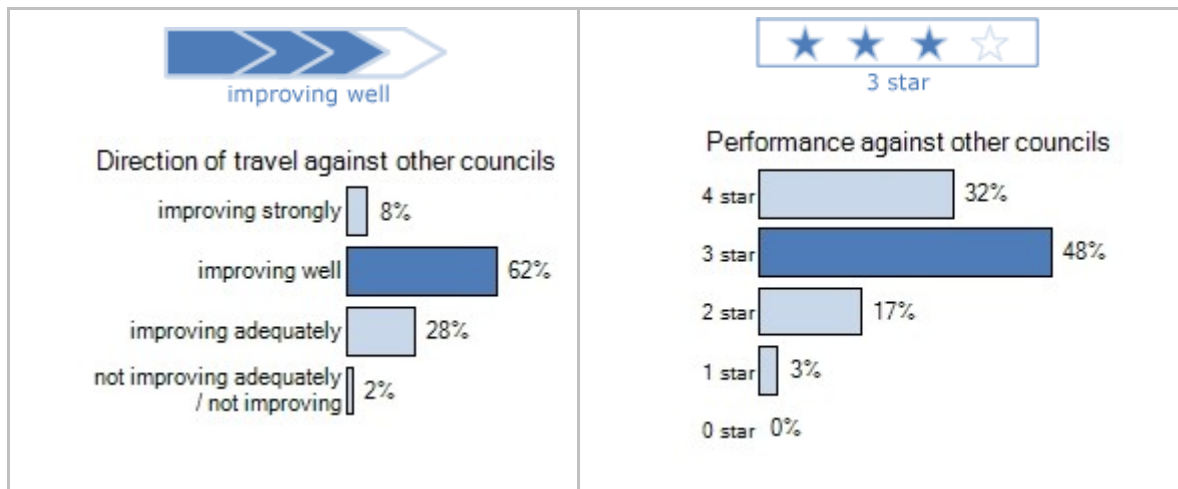
- 4 The Council should maintain its improvements in the Use of Resources assessment and in particular improve the arrangements for asset management which are not yet adequate. The Council should also ensure that the previous development work on improving risk management arrangements is implemented and should take action to improve services for which performance indicators are in the worst quartile for unitary councils nationally.
- 5 The Council should ensure that the improvements made in project managing the Schools for the Future project are maintained.

- 6 The Full Sail Ahead project is a landmark scheme which will have a major impact on the Borough. It will require a long term commitment from the Council to help deliver a scheme which meets the aspirations of the Council. A report was considered by the Full Sail Ahead Project Board on 13 February 2007 which considers the future delivery mechanism. The Council should consider whether the arrangements for the Project Board to brief Cabinet should be strengthened.
- 7 Although the Council is making good use of opportunities for developing new affordable housing, it should also ensure that the recommendations for improvement, some of which have already been addressed, are effectively implemented.

How is Borough of Poole performing?

- 8 The Audit Commission’s overall judgement is that Borough of Poole is improving well and we have classified Borough of Poole as three star in its current level of performance under the Comprehensive Performance Assessment. These assessments have been completed in all single tier and county councils with the following results.

Table 1



Source: Audit Commission

- 9 The detailed assessment for Borough of Poole is as follows.

Our overall assessment - the CPA scorecard

Table 2 CPA scorecard

Element	Assessment
Direction of Travel judgement	Improving well
Overall	3
Children and young people	3 out of 4
Social care (adults)	3 out of 4
Use of resources	3 out of 4
Housing	2 out of 4
Environment	3 out of 4
Culture	3 out of 4
Benefits	3 out of 4
Corporate assessment/capacity to improve	3 out of 4

(Note: 1=lowest, 4= highest)

The improvement since last year - our Direction of Travel report

Overview – summary statement

- 10 The following is Borough of Poole’s agreed summary Direction of Travel statement, as it appears on the Audit Commission’s website to accompany the above scorecard. This is followed by a more detailed discussion in support of this summary.

‘Poole Borough Council is improving well and is a 3 star council.

The Council has continued to improve most priority services. It has improved services for children and young people, in line with national and local objectives, and educational performance remains strong, although there is scope for improving some national test results compared with similar councils. It has also improved adult social services, making progress against most national performance indicators, and performing particularly well in helping service users maintain their independence, especially older people.

Other important service improvements include higher recycling rates for domestic waste and reduced landfill, a significant reduction in the use of bed and breakfast and hostel accommodation for homeless people, and success in securing good levels of affordable housing. However, performance in processing planning applications and housing benefit claims has declined, and progress in making Council buildings accessible to disabled people remains slow.

The Council has made progress in delivering its major corporate improvement projects, and is working closely with Poole Partnership to implement the new Local Area Agreement. It is also taking initiatives to strengthen programme and project management, and performance management.'

Improving outcomes

Supporting young people

- 11 Working with partners, the Council made progress in reducing health inequalities among children and young people, particularly among vulnerable groups, and in ensuring that children and young people are kept safe. Infant mortality, childhood obesity, and drug and alcohol abuse among children and young people were below national averages, and teenage conceptions fell. Juvenile crime was below national averages in 2005/06, and there was a fall in the number of first time entrants to the local youth justice system. A high proportion of children in care were placed with foster families, and the stability of placements was good and improving.
- 12 Educational performance remained strong. Results for A and A/S levels and GCSEs in 2005/06 maintained Poole's strong performance in comparison with other councils. Most national test results showed continued gradual improvement and compared well with other councils, although there is scope for further improvement in Key Stage 2 mathematics. Work with partners extended the curriculum options open to young people, and the proportion of 16 to 19 year olds not in education, training or employment remained below the average for similar councils.

Vibrant economy

- 13 The Council led and facilitated the delivery of 320 affordable housing units in 2005/06, which has helped more local people to live and work in the borough. In addition to work with RSL partners, the Council has consistently achieved 35 - 40 per cent affordable housing on key sites given planning permission, a commendable performance.
- 14 There were improvements in some transport services last year. The Department of Transport assessed delivery of Local Transport Plan 1 objectives in 2006 as good. The number of people killed or seriously injured on the borough's roads fell from 70 in 2004/05 to 55 in 2005/06, a reduction of 21.4 per cent, which now puts the Council in the best quartile for unitary councils nationally. The number of local passenger bus journeys rose from 5.3 million in 2004/05 to 7.2 million in 2005/06, which comfortably exceeded the LPSA interim target for the year of 5.6 million, and represented a commendable increase of 35 per cent.

Clean, green and safe

- 15 The Council raised environmental standards in 2005/06, although there is scope for further improving some aspects of comparative performance. Recycling rates for household waste rose from 16.7 per cent in 2004/05 to 21.6 per cent in 2005/06, which was in the best quartile for unitary councils nationally. Including composting, the total amount of waste recycled was 28 per cent, compared with the target of 30 per cent that DEFRA set for the borough. Both the weight of household waste collected per head of population and the proportion of relevant land and highways with unacceptable levels of litter and detritus remained in the worst quartile, despite improvements since 2004/05. The Council made progress against LPSA targets for improving response times for the removal of graffiti, fly posters and abandoned cars.
- 16 Crime statistics for the borough for 2005/06 show mixed trends. Overall crime rose by 8 per cent compared with 2004/05 but there were significant reductions in burglaries, motor vehicle theft and drug offences. However, anti social behaviour (reducing which is the first priority of the Poole Safe Together Partnership and an improvement priority in the corporate plan) rose by 22 per cent. Poole continues to compare well with unitary councils nationally in respect of community safety, and most of its BV performance indicators for this were in the best quartile for 2005/06.

Strong sense of community

- 17 The Council has worked actively with the local strategic partnership, Poole Partnership, to promote a strong sense of community in the borough. Funding provided by the Council is enabling the faith, community and voluntary sectors to undertake a range of projects for improving the quality of life for people in Poole, particularly those in vulnerable groups. The Council has also taken steps to engage with 'hard to reach groups' and achievements have included an innovative outreach service for young people, in partnership with the police, and initiatives in support of the borough's black and minority ethnic population. However, the Council has undertaken limited work to identify the housing-related support needs of minority groups.

Health and well-being

- 18 The Council has made progress against the improvement priorities it has set for the health and well-being of people in Poole. It continued to work in close partnership with Poole Primary Care on programmes to keep people fit and healthy and to tackle health inequalities. Achievements included increased take-up of the exercise referral scheme, and an increase in the number of people giving up smoking through the smoking cessation service. The number of drug users receiving and completing treatment exceeded the LPSA targets for this.

- 19 The Council helped more older people maintain their independence last year, in line with its improvement priority for this. Older people helped to live at home per 1,000 population aged 65 or over rose from 73 in 2004/05 to 96 in 2005/06. The Council also began its Partnership for Older People (POPPs) pilot scheme to provide new locality services for vulnerable older people. The Council and partners have increased the use of intermediate care in support of timely hospital discharges, and delayed discharges remain below the south west regional average. However, although the proportion of care packages provided within four weeks rose from 70 per cent in 2004/05 to 83 per cent in 2005/06, this indicator remained in the worst quartile for unitary councils nationally.
- 20 The Council improved services for homeless people, against a background of increased applications. The average length of stay in bed and breakfast accommodation fell from 4.2 weeks in 2004/05 to 3.4 weeks in 2005/06, and in hostels from 53 weeks to 11.2 weeks. However, both these indicators remained in the worst quartiles for unitary councils nationally in 2005/06.

An efficient and effective council

- 21 The Council has established a central Customer Service Unit, as part of its Customers First programme. The Unit's specialist advisers use a customer management system to deal with customer contacts by telephone, the website or e-mail in connection with Environmental and Consumer Protection, Leisure, Transportation, Libraries, Council Tax and Non Domestic Rates, and deal with more than 150 different services. The operations of the Customer Service Unit have improved the speed and quality of service for customers contacting the Council.
- 22 Progress in meeting other improvement priorities has been mixed. The Council achieved level 2 of the Equality Standard for Local Government in 2005/06, against level 1 in 2004/05. Accessibility of Council buildings for the disabled rose from 29 per cent to 35 per cent in 2005/06, but remains firmly in the worst quartile. The Council met its e-government targets, and more than 980 transactions are now available on line.
- 23 There were some performance weaknesses in processing planning applications in 2005/06. The proportion of major applications determined in 13 weeks fell from 61 per cent in 2004/05 to 57 per cent in 2005/06, which did not meet the Government's target of 60 per cent, and was below the average of 64 per cent for unitary councils nationally. However, only 20 per cent of appeals against the Council's planning decisions were allowed in 2005/06, which was in the best quartile for unitary councils nationally. The proportion of minor applications determined in eight weeks rose from 64 per cent in 2004/05 to 66 per cent in 2005/06, which met the Government's target of 65 per cent, but was in the worst quartile for unitary councils. The proportion of other applications determined in eight weeks was 86 per cent, which exceeded the Government's target of 80 per cent, and was in line with the average of 85 per cent for unitary councils.

- 24 There was a decline in performance in several areas of housing benefit administration in 2005/06. The average time for processing changes in circumstances rose from 15.9 days in 2004/05 to 17.8 days in 2005/06, although there was a small improvement in the time taken to process new claims. The proportion of housing benefit payments calculated correctly fell marginally to 94.4 per cent, which was in the worst quartile for unitary councils nationally. The numbers of fraud investigations, and prosecutions and sanctions, per 1,000 cases also fell. However, overpayment recoveries were broadly in line with the average for unitary councils. The performance of the Benefits Service improved in the first nine months of 2006/07, in relation both to speed in processing claims and to the investigation and prosecution of fraud.

Residents' satisfaction survey

- 25 Residents' overall satisfaction with the Council has improved over the last three years. The BVPI User Survey for 2006/07 showed that 63 per cent of residents were satisfied with overall service provided by Council, which compared with 53 per cent in 2003/04, and was the highest for all unitary councils.
- 26 Residents' satisfaction with most of the Council's major services has risen during the three years 2003/04 to 2006/07 and compares well other councils. Levels of satisfaction with waste collection (93 per cent), recycling (84 per cent), street cleanliness (76 per cent), sports and leisure facilities (66 per cent), libraries (81 per cent) and theatre and concert halls (69 per cent) have increased over the last three years and are in the best quartile. Satisfaction with parks and open spaces remains at 86 per cent and in the best quartile. Although satisfaction with the housing landlord service has fallen from 87 per cent in 2003/04 to 83 per cent in 2006/07 this remains in the best quartile. However, tenants' satisfaction with opportunities to participate in decision-making has declined sharply from 92 per cent to 52 per cent, which is in the worst quartile.
- 27 Satisfaction with planning and transport has declined during the last three years. Satisfaction with the planning service fell from 67 per cent in 2003/04 to 56 per cent in 2006/07, and with buses from 66 per cent to 56 per cent – putting both these services in the worst quartile. Traffic congestion was identified by 47 per cent of residents as something most of need of improvement in the area, which put the borough in the worst quartile.

Sustaining improvement

Improvement plans

- 28 The Local Area Agreement (LAA) for Poole agreed in March 2006, *'Closing the Gap, 2006 - 2009'*, provides a robust strategic framework for the initiatives that the Council and Poole Partnership are taking to improve the quality of life in Poole and to reduce relative deprivation. The Council is working with partners to develop a community strategy, scheduled for publication this spring, which will incorporate the targets and initiatives in the LAA and the Council's major strategic projects. It also revised its corporate plan in 2006, *Striving for Excellence*, which now provides a clearer picture of improvement priorities and initiatives to achieve these.

- 29 The Council has developed a number of major new strategies during the past year to support the delivery of its corporate priorities. As part of the Local Development Framework, it has developed two area action plans for the Bridge Regeneration Area and the Town Centre North, which will, if successful, help to meet the social and economic needs of the town. It has also played an active role in developing sub-regional development strategies, with the publication of the cross-conurbation Local Transport Plan 2 and the economic development strategy *'Raising the Game'*. Other major new corporate strategies developed with partners include *The Children and Young People's Plan 2006 - 2009* and the *Supporting People Strategy*. The Council has also worked with partners to develop strategies and initiatives in support of the Crime and Drugs Strategy, which include the *Poole Safe* awards for the management of licensed premises and the night time economy.

Capacity

- 30 The Council is strengthening capacity, in support of the delivery of its improvement priorities. It has restructured the Children's Service, to provide a greater focus on child protection and to facilitate locality working with the PCT, and completed the governance arrangements for the Children's Trust. It plans to include Planning, Building Consultancy and Adult Learning as part of its Customers First programme later this year, a development which is also expected to help deliver business process efficiencies. Weaknesses in asset management, performance management and programme and project management are being addressed.

Service inspections

- 31 An important aspect of the role of the Relationship Manager is to work with other inspectorates and regulators who also review and report on the council's performance. Relationship Managers share information and seek to provide 'joined up' regulation to the Council.
- 32 Following the annual performance assessment, the Commission for Social Care Inspection (CSCI) awarded the Council three stars (out of four) for Adult Social Services in 2006, the same rating as in 2005. The service was found to be 'serving most people well', and to have 'excellent prospects for improvement', compared with 'good prospects for improvement' in 2005. Among the conclusions reached by the Commission were that the service had good strategic direction and had made progress against most national performance indicators. However, support for carers, including respite breaks, was too low and needed to be increased.

- 33 Following the annual performance assessment, CSCI and OfSTED awarded the Council three stars (out of four) for Children's Services, the same rating as in 2005. The service was assessed as 'good' for delivering and maintaining outcomes for children and young people, and as 'excellent' for its capacity to improve. Among the conclusions reached by the assessment were that partnership working was very effective, and that consultation with children and young people was a particular strength. However, there is scope for improving performance management of the social care of children.
- 34 A national review of community mental health services by the Mental Health Commission and CSCI judged Poole to have excellent services.
- 35 In October 2005, the Benefit Fraud Inspectorate (BFI) inspected the Council's security arrangements for housing and council tax benefits, and identified some major weaknesses in these. The Council subsequently appointed a benefits fraud manager and has worked with the BFI's Performance and Development Team to address security weaknesses. Some of the 'security-enablers' that the BFI recommended were still not in place at the time of the 2006 CPA assessment, but the Council has since made further progress in implementing these.
- 36 The BFI's 2006 CPA assessment of the Council's benefit service was 'good', the same rating as in 2005. However, of the four performance themes, the scores for security, user focus and resource management were lower than in 2005, and only claims administration was unchanged.
- 37 The Council's Supporting People programme was inspected by the Audit Commission in 2005/06. The service was assessed as 'fair' with 'uncertain prospects for improvement'. The inspection identified a number of strengths, including the high quality of services provided, effective partnership working and sound financial management. However, needs analyses to support the new five year strategy were incomplete, service priorities were not clear, and the role of the voluntary sector was not fully exploited. The Council developed an action plan to address the recommendations made in the inspection report and is currently implementing this.

Financial management and value for money

- 38 As your appointed auditor I have reported separately to the Service Provision Scrutiny and Audit Committee in my Annual Governance Report in September 2006 on the issues arising from the 2005/06 audit and have provided:
- an unqualified opinion on your accounts;
 - a conclusion on your VFM arrangements to say that these arrangements are adequate, except in respect of putting in place adequate arrangements for the management of the Council's asset base; and
 - a report on the Best Value Performance Plan confirming that the Plan has been audited.
- 39 A brief summary of the main issues reported in the Annual Governance Report follows.

Financial standing

- 40 The Council's level of balances is well within the range of other unitary councils. Total balances and earmarked funds as a percentage of net operating expenditure amount to 18.2 per cent in Poole and 19.9 per cent for all unitary councils.
- 41 The Council continues to update its risk assessment of balance requirements annually and is improving the links between the level of balances and medium term financial planning.
- 42 The Council produces monthly financial monitoring reports to members referred to as the Corporate Financial Monitoring Statement. The presentation of the CFMS was changed in March 2006 to more closely reflect the format of the accounts. The outturn for the year was reported in the June 2006 CFM report and identified that an additional £1.8m reserves had been generated. The Council is currently working to improve the CFMS to make it clearer for members to monitor outturn against the budget.

Use of resources assessment 2006/07

- 43 The findings of the auditor are an important component of the CPA framework described above. In particular the Use of Resources score is derived from the assessments made by the auditor in the following areas.
- Financial Reporting (including the preparation of the accounts of the Council and the way these are presented to the public).
 - Financial management (including how the financial management is integrated with strategy to support council priorities).
 - Financial Standing (including the strength of the Council's financial position).

- Internal Control (including how effectively the Council maintains proper stewardship and control of its finances).
 - Value for money (including an assessment of how well the Council balances the costs and quality of its services).
- 44 For the purposes of the CPA we have assessed the Council's arrangements for use of resources in these five areas as follows.

Table 3 Use of Resources

Element	Assessment
Financial reporting	3 out of 4
Financial management	2 out of 4
Financial standing	3 out of 4
Internal control	2 out of 4
Value for money	3 out of 4
Overall assessment of the Audit Commission	3 out of 4

(Note: 1=lowest, 4=highest)

- 45 A summary of findings and conclusions by theme are set out in table 4.

Table 4 Summary of findings and conclusions by theme

<h2>Financial reporting</h2> <p>Theme score 3</p> <p>The Accounts were produced well within deadlines and were presented fairly. Specific improvements since the 2005 assessment include: a clearer explanatory paper and improved scrutiny of accounts. The Council now publishes summary financial information which is presented in a clear format as well as making financial statements available on website.</p>
<h2>Financial management</h2> <p>Theme score 2</p> <p>The Council has taken effective action over the past year to ensure that its medium-term financial strategy, budgets and capital programme are soundly based and are designed to deliver its strategic priorities. Performance is actively managed against budgets.</p> <p>The Council, however needs to improve management of and reporting arrangements for its asset base.</p>
<h2>Financial standing</h2> <p>Theme score 3</p> <p>The Council manages its spending within the available resources.</p>
<h2>Internal control</h2> <p>Theme score 2</p> <p>Although the Council has developed a reasonably comprehensive draft risk register this needs to be formally approved and adopted by the Council.</p> <p>Systems of internal control are generally sound but the assurance framework should be developed to map strategic objectives to risks and controls.</p> <p>The council should undertake more proactive counter fraud and corruption work which is determined by a formal risk assessment.</p>

Value for money

Theme score 3

Overall, Poole Borough Council achieves good value for money (VFM) by providing strong services on a comparatively low cost base. The Council receives low Government formula grant per capita compared to other unitary councils. Total net service expenditure per capita was in the lowest quartile for 2005/06, in comparison with both unitary councils nationally and 'family group' councils. Service performance is in general good, and in line with corporate priorities. However, there is scope for improving some aspects of service performance in areas (for example, Environment and Planning) where spending is comparatively high in relation to other councils.

The Council has some well-developed arrangements for managing and improving VFM. Councillors and senior managers monitor cost and performance information on a regular basis. The Council has a good record for attracting external funding, and is collaborating with Bournemouth Council in a major bid under the Government's Building Schools for the Future programme. However, there are improvement opportunities in the Council's approach to VFM. In particular, it has not yet embedded the management of VFM in either service planning or performance management. There is also significant scope for improving VFM through a more strategic approach to procurement.

- 46 In addition to the use of resources work we identified three areas of particular importance to the Council that we carried out some additional specific work on. These were:
- the 'Schools for the Future project';
 - the regeneration project: 'Full Sail Ahead'; and
 - affordable housing.

Schools for the Future

- 47 We reviewed the Council's management of its XL project 'Schools for the Future', as summarised in the ISA260 report to those charged with governance in September 2006. The Council has since developed more robust management arrangements and has collaborated with Bournemouth Council in a successful major bid under the Government's Building Schools for the Future programme to secure the desired improvements. The joint Poole-Bournemouth bid has been allocated to 'Wave Six' of the BSF programme, with work due to start in 2008.

Full Sail Ahead

- 48 This project entails facilitating the regeneration of brownfield land in Hamworthy together with the building of a new bridge between Poole and Hamworthy and the further redevelopment of other areas as set out in the Master Plan. It is an ambitious project particularly as the Council does not own any of the land; the Council relies on its planning powers to secure appropriate development and community benefits.

- 49 We made several recommendations in our previous Annual Audit and Inspection Letter, particularly concerning the decision-making and financial management aspects of the project, and these have largely been implemented. Since then we note that the Council secured the granting of the Transport and Works Act Order in July 2006 effectively giving the necessary permission to build the new bridge.
- 50 Negotiations with landowners and developers have seen limited progress to date. The Council is likely to have to negotiate each element of the scheme separately as it has not been possible to agree a 'master development partner' as originally hoped. Work on the implementation strategy is ongoing.
- 51 The most recent report to the Project Board was made in February 2007. It is recommended that consideration is given to strengthening the reporting arrangements between the Project board and Cabinet, for instance by always tabling a summary report to Cabinet after each meeting of the project Board.
- 52 We expect to carry out a more detailed review of the current position in spring 2007.

Affordable Housing

- 53 Poole is an area of exceptionally high housing need. The purpose of the audit, carried out in winter 2006, was to review whether the Council has used its powers efficiently and effectively in providing, securing and delivering affordable housing in Poole through the use of S106 agreements specifically considering:
- how the notional value of the affordable housing element is determined;
 - how the balance between rental housing and shared ownership or other schemes is determined;
 - the arrangements for monitoring and managing the implementation and delivery of affordable housing; and
 - whether the Council is obtaining value for money from its section 106 agreements.
- 54 We completed our audit work in October 2006. Following discussions in October 2006 and February 2007 we agreed a draft report with your officers on 16 February 2007. A final version of the report will be issued shortly.
- 55 The Council benefits from an experienced and competent team of housing enablers and as a consequence is making good use of the opportunities that exist to develop new affordable housing through the planning system. It delivered 320 affordable units in 2005/06. Within this overall positive context there are some areas which can be, and in some cases, are already being improved and addressed.

- 56 There is a high degree of consensus on and support for affordable housing among Councillors and local people in Poole. The Council has commendably set out its policy on affordable housing in Supplementary Planning Guidance (Affordable Housing) and the Housing Strategy 2005 - 2008. Different indicators of housing need are cited in these documents and we recommended that the SPG should be updated to reflect the needs set out in the Housing Strategy. The Council is now preparing revised planning guidance which will include clearer messages on the overall mix of affordable homes that are needed.
- 57 The section 106 agreements that we examined contained the requirement for a relatively high proportion of affordable housing. The agreements and site plans reflected the high priority for affordable housing in terms of numbers. We recommended that the section 106 agreements should detail the actual mix of shared ownership and rented housing and the type and size of affordable homes being built and these are now being included in the latest agreements.
- 58 The type and size of homes are set out in the contract between the housing association and the developer. These details were not reported to or approved by the council. This meant that Councillors had less opportunity to monitor the delivery of affordable housing in accordance with the Council's priorities.
- 59 The Council is performing relatively well compared with others in the overall percentage of affordable homes, but needs to focus upon the detail of its target mix of 70 per cent rented and 30 per cent low cost home ownership and the mix of bedroom sizes, during the lifetime of the current housing strategy. From 2005/06 to September 2006 the actual mix achieved was 57:43 and so future section 106 agreements will need to achieve a higher percentage of rented housing to redress this imbalance.
- 60 Figures provided by the housing team show that the section 106 agreements are not yet achieving the targets for property sizes within the housing strategy. There has been an overprovision of one bedroom flats at the expense of three bedroom homes in the rented sector, while in the low cost home ownership sector the bedroom sizes are slightly higher than planned.
- 61 While a corporate reporting system is in place, it does not provide sufficiently detailed reports to enable managers of the service or council members to recognise the progress that the Council is making against the detailed targets of the mix and size of tenures.
- 62 There are sound arrangements in place to ensure that developer contributions are collected and spent on the purpose for which they were intended.
- 63 There is mixed evidence of value for money. While the system is close to delivering the desired percentage of affordable homes, the Council is some way from meeting its target property sizes and the proportion of rented homes.

Conclusion

- 64 This letter has been discussed and agreed with the management team. A copy of the letter will be presented to the Cabinet on 6 March 2007.
- 65 The Council has taken a positive and constructive approach to our audit and inspection work. I would like to take this opportunity to express my appreciation for the council's assistance and co-operation.

Availability of this letter

- 66 This letter will be published on the Audit Commission's website at www.audit-commission.gov.uk, and also on the council's website.

Martin Robinson

Relationship Manager