

Meeting: AUDIT COMMITTEE

Agenda Item:

Date: 12 January 2009

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TOWN CENTRE REGENERATION - PROJECT AND RISK MANAGEMENT
AUDIT

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1 PURPOSE

To advise the Committee of the outcome of an external audit of the project and risk management provisions for the Town Centre Regeneration project.

2 RECOMMENDATIONS

That the Committee notes the contents of Audit Commission Final Report including the Action Plan (Appendix A) to deal with the Report's recommendations.

3 BACKGROUND

The 2007/8 Audit Plan included an audit of the Town Centre regeneration proposals. This audit was carried out by the Audit Commission in early 2008. The final report was received in October and made two recommendations.

4 REASONS FOR RECOMMENDED COURSE OF ACTIONS AND OTHER OPTIONS

- 4.1 The Report concludes that the Council has a clear vision to revitalise the town centre with cross party support and strong project leadership. Whilst financial appraisal arrangements have been effective and the majority of financial risks have been transferred to the developer, there was some concern over affordable housing delivery and the risk of recovering assets from the developers if the project fails after commencement.
- 4.2 Risk management arrangements were found to be adequate although risk workshops had been irregular and control documents did not provide an adequate audit trail. Some concern was also expressed that, at one point, limited officer capacity had proved a difficulty.

- 4.3 The Report also notes that the Council has recognised and dealt with its potential conflict of interest as both landowner and local planning authority but lacks published protocols in this area.
- 4.4 The report made two recommendations to enhance the robustness of the risk management process and improve confidence that key project objectives can be achieved. The Action Plan attached to the report sets out the response to those recommendations and the proposed actions.

5 IMPLICATIONS

5.1 Financial Implications

None - Management actions will be funded from existing budgets.

5.2 Legal Implications

None at present.

5.3 Policy Implications

Town Centre regeneration is a priority in both the Sustainable Community Strategy and the Corporate Business Strategy.

BACKGROUND PAPERS

- Stevenage Regeneration Ltd's proposals for the town centre
- Minutes of Town Centre Project Team meetings
- Minutes of Town Centre Clients' Core Team Meetings

APPENDICES

- [Appendix A - Town Centre Regeneration Project – Project and Risk Management – October 2008 including the Action Plan.](#)