

Overview and Scrutiny Committee

Minutes of the meeting held on Tuesday 8 August 2023 in the Town Hall, Royal Leamington Spa at 6.00pm.

Present: Councillor Milton (Chair); Councillors Barton, Day, D Harrison, Luckhurst, Payne, Redford, Rosu, Russell and Williams.

Also Present: Councillor Chilvers – Portfolio Holder for Resources and Councillor Davison – Leader of the Council.

22. **Apologies and Substitutes**

- (a) An apology for absence was received from Councillor Browne.
- (b) Councillor Rosu substituted for Councillor Collins and Councillor Williams substituted for Councillor Armstrong.

23. **Declarations of Interest**

There were no declarations of interest made.

24. **Minutes**

The minutes of the Overview and Scrutiny Committee meeting held on 4 July 2023 were taken as read and signed by the Chair as a correct record.

Minute Number 10 – Future High Streets Fund Update

In response to a request the Leader made at the meeting for a short update about the concerns raised at the meeting over the risks to the Council posed by the Future High Streets Fund, the Chair responded by email to the Leader. The Committee agreed that a copy of the Chair's emailed response should be appended to the minutes of the meeting 8 August 2023 (Appendix 1).

Minute Number 15 – Appointment of the Children's and Adults Safeguarding Champion

At the meeting 4 July, Councillor Sinnott had been appointed as a Children's and Adults Safeguarding Champion subject to his appointment to Overview & Scrutiny Committee by Council 26 July 2023. Following his appointment, a vacancy arose on Cabinet and Councillor Sinnott was appointed to fill the vacancy. A member of Cabinet was not allowed to be a member of Overview & Scrutiny Committee. The consequence of this was that the Overview & Scrutiny Committee had to appoint someone else to be the Champion.

It was expected that Councillor Hunt, whom Councillor Sinnott was replacing on Cabinet would subsequently be appointed onto Overview & Scrutiny Committee at the next Council meeting. She had already gained an understanding of the Champion role in her capacity as the relevant Portfolio Holder. The Committee therefore

Resolved that subject to Councillor Hunt being appointed as a full member of the Overview &

Scrutiny Committee by Council, she acts as the Council's second Children's and Adults' Safeguarding Champion.

25. **Cabinet Agenda (Non-Confidential items and reports) – Wednesday 9 August 2023**

The Committee considered the following items which would be discussed at the meeting of the Cabinet on Wednesday 9 August 2023.

Item 6 – Quarter 1 Budget Update 2023/24

The Committee thanked officers for their work on the report.

It requested that in future budget setting, more visibility about the range of inflation rates used on the assumptions made was provided. Movement in the Council's Reserve funds should also be highlighted and an historical context to this should be provided to show the trend in movement.

The Committee was keen to see the use of more visual or graphical presentation in the report which would make the report aid easier understanding of the figures.

The Committee was concerned about the adverse position in relation to the waste contract. It will be asking that the next report it receives on its Work Programme relating to the waste and recycling contract (in October) included a review of the finance considerations and would be asking that Finance provided support to the officer who would be writing the report. The level of reporting required should also be addressed in the report following on from conversations between the Chair and the Head of Finance.

Item 8 – Review of Significant Business Risk Register

The Committee thanked officers for their work on the report.

With the evolution of the new Corporate Strategy the Committee recommended to Cabinet that it should take the opportunity to re-examine the whole framework for reviewing and managing risk and assurance. This should include the structure of the Risk Register with a view to ensure that it was focussed on informing actions that the Council could take and risk ratings which were meaningful. Assurance was required to show that the process of management of risk was effective, and this should be reflected in the reporting.

Item 5 – Resident Engagement Strategy

The Committee did not scrutinise this report at the meeting, but the Chair had liaised with the Head of Housing on the recommendation to Cabinet he would propose to the Committee.

To strengthen the Resident Engagement Strategy The Committee recommended to Cabinet that:

- (1) Cabinet asked the Portfolio Holder to define key measures of success and metrics that could be used to determine the impact of the strategy and the effective use of Council resources; and
- (2) Cabinet asked the Head of Housing to agree appropriate measures of success with tenants to understand the level of impact on their needs.

These measures should be made available on the Council's Dashboard.

Item 7 – Identification and Remediation of Damp and Mould in Council Homes

This report to Cabinet had not been called-in for scrutiny. The Chair had considered this report with others and the conclusion that had been reached was that there was nothing that the Committee could usefully add to the recommendations currently. It was agreed that a report would be added to the Committee's Work Programme six months' following implementation. The Committee would require a review on what was happening with the policy, was it being put into action and the impact it had made.

26. **Scrutiny Arrangements**

The Committee considered a report from the Head of Governance & Deputy Monitoring Officer which informed the Committee of the current scrutiny arrangements at Warwick District Council and provided an opportunity for the Committee to reflect on these including the capacity of the Committee.

Appendix 1 to the report set out the criteria agreed for a subject or report to be called in for scrutiny by Overview & Scrutiny Committee.

In May 2022, the Council agreed that there would only be one Scrutiny Committee and therefore the Finance & Audit Scrutiny Committee would cease to exist.

The remit of the Finance & Audit Scrutiny Committee had covered a number of areas that were the responsibility of an Audit Committee role rather than scrutiny function. Whilst there would always be some overlap between the work of Scrutiny Committees and the Audit Committee, advice from the Chartered Institute of Public Finance and Accountancy (CIPFA) and Centre for Governance & Scrutiny (CfGS) was against them being a single Committee because it risked a conflict of interest amongst other risks.

In the municipal year 2022/23, Council approved a new structure around its scrutiny function. Overview & Scrutiny Committee's remit was changed with the addition of scrutiny of finances. An Audit & Standards Committee was formed.

The report gave an analysis of what work the Overview & Scrutiny Committee had undertaken since the municipal year 2019/20 up until 2022/23 at paragraph 1.8 in the report. There was also an analysis of the work that the Finance & Audit Scrutiny Committee had undertaken over the same period in paragraph 1.9 in the report.

A pre-scrutiny questions and answers process had been introduced which allowed Councillors to submit questions on Cabinet reports ahead of the meeting and those together with the answers had been published on the website under the respective meeting of Cabinet. This addition to the process had the effect of reducing the number of Cabinet reports that were called in for scrutiny at the Overview & Scrutiny Committee meeting.

Even so, concern had been raised by Councillors and Senior Officers that some key strategic financial reports were not receiving robust scrutiny because there simply was not enough time or capacity at the meetings.

After consideration of these points, the Committee agreed that to provide extra capacity within meetings held before Cabinet meetings, four additional meetings a year would be held which would focus solely on reports to Committee and not Cabinet matters, which would result in creating more capacity at meetings of Scrutiny the night before Cabinet.

Additionally, a Budget Review Group had been formed by Council combining some members from both Overview and Scrutiny Committee and Audit and Standards Committee with, a representative of each political group from both Committees. Its Terms of Reference were set out in Appendix 2 to the report.

Appendix 3 to the report gave an extract from the Committee's end of term report in which concerns on capacity and the scope of the remit of work were raised.

Prior to the elections, Councillors had raised concerns about the level of training received in respect of local government finance, in particular Warwick District Council finances. Mandatory training sessions would therefore be run for all Councillors following the elections. Discussions between the Head of Finance, the Head of Governance, Portfolio Holder for Resources and the Chairs of Overview & Scrutiny Committee and Audit & Standards Committee agreed the wider training on finance for Councillors and this was set out in Appendix 4 to the report.

The Chair asked Members for their thoughts on Overview & Scrutiny Committee over the last few months if they were new to the Committee, or longer if they were longer standing members of the Committee or Council. Longer standing members responded that:

- the discussions had become more focussed;
- having some meetings purely concentrating on Work Programme reports was beneficial because meetings before had been too long resulting in people not being able to focus as well when it was late;
- they still reserved judgement on whether the addition of finance scrutiny to the remit was beneficial and would still prefer that it was dealt with by a separate committee;
- more consideration should be given to how large-scale issues such as Climate Change would be scrutinised;
- consideration should be given on whether the Risk Register was better pointed at Audit & Standards Committee because risk was part of audit. The Head of Governance explained that the Risk Register was considered by Audit & Standards Committee but where

- it was focussed on had we done things right, Overview & Scrutiny Committee was focussed on were we doing the right thing; and
- consideration should be given to having shorter time gaps between reports on particular areas of Council services when more frequent scrutiny could be of benefit, for example the waste management contract.

A new Council Member responded that:

- there were a lot of pages in Cabinet reports to read so the advice he had received was not to read all of these but read in depth a few to identify areas that had been overlooked. The Chair encouraged Members to follow what the Liberal Democrat Group did; divvying out the reports amongst its membership to read in-depth and identify any issues or possible alternatives.

The Head of Governance & Deputy Monitoring Officer encouraged Members to read the supporting documents linked into the report, in particular, the relationship between this Committee and what an Audit Committee did.

A recommendation in the report was for a further report to be considered in January 2024.

27. **Work Programme, Forward Plan and Comments from the Cabinet**

The Committee considered its work programme for 2023/24 as detailed at Appendix 1 to the report.

The South Warwickshire Community Safety Board had been reviewed by the Committee in the last municipal year. The Committee had asked whether there was a possibility for the Council to obtain a third seat on this. This was not possible. The two appointments had already been made for this municipal year, with the one position held by the relevant Portfolio Holder and the second position appointed by Council. It had appointed Councillor Falp for this municipal year. It was decided that both representatives would be invited to Overview & Scrutiny Committee when the annual report was given in March 2024 so that the Committee might have a broader input.

Appendices 2 and 3 to the report gave responses from Cabinet to the Committee's comments and recommendations on reports to Cabinet 5 July meeting. Appendix 4 to the report gave Council's response on the Committee's comment on the call-in of the Cabinet decision made on 5 July on the Customer Services Relocations Options. The Committee was asked to note these appendices.

The report to Cabinet on the additional Licensing Scheme had not been called in for scrutiny but it was felt that a review on the operation of this additional licensing scheme should be added to the Work Programme six months after its implementation; how effective it had been; how many licenses had been issued; and was there enough resources in place.

The Head of Governance & Deputy Monitoring Officer asked if the Committee would also be looking at broad breadth of performance across

all waste contracts when the reports were next scheduled, such as missed collections, green bin sign-ups, recycling collections. The Chair confirmed that this was the intention, and the report should not just concentrate on finance. Were there areas that needed attention or lesson to be learnt for next time? Alongside the Portfolio Holder and main Officers, the Committee could consider forward thinking about the renewal of the waste contract next time, for example the Government had discussed introducing uniform collections across all Authorities and compensation for producers making waste. The views on that would be useful to explore and then consideration of how the Council's system might evolve to handle the anticipated change in Government policy. The Head of Governance suggested that Officers provide information to the Committee on the current position of the Government and thoughts on what was likely to come now in anticipation of the reports in October.

Resolved that:

- (1) appendices 1 to 4 to the Work Programme report be noted;
- (2) A review on the additional Licensing Scheme to be added to the Work Programme six months following its implementation; and
- (3) both representatives on the SW Community Safety Board will be invited to Overview & Scrutiny Committee when the annual report is made in March 2024.

28. Public & Press

Resolved that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following items by reason of the likely disclosure of exempt information within the paragraphs of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below:

Minute Number	Paragraph Number	Reason
29	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

29. Minutes

The confidential minutes of the Overview and Scrutiny Committee meeting held on 4 July 2023 were taken as read and signed by the Chair as a correct record.

It was agreed that an extract from Minute Number 12 could be made public and should be recorded in the minutes 8 August 2023 as follows:

Minute Number 12 – Confidential Appendices to Item 5 – Future High Streets Fund Update

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- The split of funding was as follows:
 - Town Hall Creative Hub - £950k FHSF and £787k Public Sector/WDC;
 - Spencer Yard - £1.53m FHSF and £3.6m Private Sector;
 - Stoneleigh Arms - £1.89m FHSF and £1.12m Public Sector/WDC;
 - Confidential site - £5.9m FHSF and £4.17m Private Sector;
and
 - East/West Cycle Route - £506k FHSF and £500k CIL monies.

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(The meeting ended at 7.47pm)

CHAIR
19 September 2023

Appendix 1

Minutes 4 July 2023, Minute Number 10 – Future High Streets Fund Update

In response to a request the Leader made at the meeting for a short update about the concerns raised at the meeting over the risks to the Council posed by the Future High Streets Fund, the Chair responded by email to the Leader. The Committee agreed that the content of the Chair's emailed response should be appended to the minutes of the meeting 8 August 2023 (Appendix 1).

Extract from an email sent by the Chair Overview & Scrutiny Committee, Councillor Milton to the Leader of the Council, Councillor Davison on 8 July 2023:

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When this matter was first called into scrutiny in the previous administration it was because we were concerned about the level of risk inherent in a project which involves the complex development and delivery of infrastructure and time-limited funding. This creates three main risks.

1. The risk that a project is commenced but has to be mothballed because it is not completed in time. This causes damage to the council's reputation.
2. The risk that a project is commenced but not completed requiring the council to provide funding to finish it. This is a financial risk.
3. The risk that significant sums of unspent money have to be returned causing risk to the Council's reputation.

Whilst there is a lot of energy behind the projects, we are concerned that there may be an over optimism about our ability to complete them on time, in particular on our assessment of the level of flexibility that the government will offer on deadlines. Whilst the project does conduct risk monitoring this is quite granular and seems not to be adequate in terms of recognising risks like the failure of the mini-holland scheme. It certainly doesn't seem to reflect the key macro risks that the scrutiny committee is concerned about.

We will continue to review the project in scrutiny on a quarterly basis but believe it should be firmly on Cabinet's agenda.

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