

FINANCE AND AUDIT SCRUTINY COMMITTEE

Minutes of the meeting held on Tuesday, 9 October 2012 at the Town Hall, Royal Leamington Spa at 6.00pm.

PRESENT: Councillor Mrs Knight (Chair): Councillors Barrott, Illingworth, MacKay, Mrs Mellor, Pittarello, Rhead, Mrs Syson and Williams.

ALSO PRESENT: Councillors Mobbs and Shilton (Portfolio Holder).

Apologies for absence were received from Councillors Pratt and Mrs Sawdon.

72. **SUBSTITUTES**

Councillor Illingworth substituted for Councillor Mrs Sawdon.

73. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

74. **MINUTES**

The minutes of the meetings held on 7 August, 11 September and 26 September 2012 were taken as read and signed by the Chair as a correct record.

75. **EXECUTIVE AGENDA (NON-CONFIDENTIAL ITEMS & REPORTS)**

The Committee considered the following non-confidential item which would be discussed at the meeting of the Executive on Wednesday 10 October 2012.

Item Number 4 – Fees and Charges 2013/14

The Committee was reassured as to the level to which the Maximisation Working Party had been involved in the fees and charges process.

Members were concerned that no increase to Houses in Multiple Occupation (HMO) licensing fees could have a detrimental effect on the district, as the Planning Committee had seen a number of applications for HMOs and was worried about the social impact of a large number of HMOs in one place, such as in Royal Leamington Spa.

While some concern was expressed over the crematorium's ability to meet targets in light of a fall in the mortality rate and the possibility of increased competition from a crematorium to be built in Rugby, the Committee noted that the Executive had recently agreed investment in Oakley Wood and that cremation charges for both residents and non-residents of the district had been equalised and were now just below the national average.

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Subject to clarification in respect of the surcharge for burials, referenced at the bottom of page 65 of the report, the Committee supported the recommendations.

76. REVIEW OF NEIGHBOURHOOD SERVICES RISK REGISTER

The Committee received a report from Finance which set out the process for review by the Committee of the Neighbourhood Services Risk Register.

The Audit and Risk Manager presented the report, reminding the Committee that this was the third of nine service risk register reviews. He was of the opinion that the approach taken so far by the Committee to the review had been appropriate.

The Audit and Risk Manager stated that, while some services had not managed their registers as well as others in the past, Neighbourhood Services had taken the current review very seriously. The service had been diligent in meeting regularly to keep its register up-to-date and, following concerns expressed by the Committee that risk registers were too generic, had attempted to address this by subdividing the register in a way appropriate to the service.

The Audit and Risk Manager introduced Councillor Shilton (Portfolio Holder for Neighbourhood Services), Robert Hoof (Contract Services Manager) and Gary Charlton (Parking Services Manager) who attended the meeting to present the service register and respond to Members' questions.

Councillor Shilton informed the Committee that he met with officers to review the register at least once a week. The register was treated as a working document. Implementation of risk management was carried out on a day-to-day basis by the team as a whole. Councillor Shilton saw everybody in the service as having a role in managing risk. He summarised how the Service had set about subdividing its register and the reasons for doing that. Refuse, grounds maintenance and maintaining a quality service during the changeover period of the contracts re-let were the three biggest risks currently facing the service, although the biggest risks were reviewed as a matter of course and could change very quickly. Item 20 on the risk register would become redundant once contracts had been signed and the Portfolio Holder agreed to email the Committee once this had been done. He also talked about Warwickshire County Council's current approach to parking enforcement having a significant impact on the service and ongoing efforts to persuade them to modify that approach.

The Portfolio Holder and officers responded to Members' questions, explaining that they dealt with key risks first, some of which were financial or health and safety issues. They responded to points about how contractors were held to account over risk management, maintaining services through periods of staff sickness, answering Councillors' enquiries about trees, risk assessments which related to specific roles and tasks such as cash handling, having only appropriately trained staff to deal with the public and checking for errors in modelling relating to tenders. It was noted that risk 19 was the same as risk 26 and should be deleted from the register. In response to a comment about public conveniences, Councillor

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Shilton hoped that they could soon be re-lined with non-slip floors in order to prevent falls and trips due to wet floors.

Responding to comments that the register was useful and interesting in stark contrast to the significant business risk register, the Deputy Chief Executive (AJ) said that he did not want to see Members becoming disengaged from the significant business risk register and would pass on their concerns to the Executive.

The Chair and Councillor Rhead thanked Neighbourhood Services and the Audit and Risk Manager for a thorough and interesting presentation, which had reassured the Committee that the service recognised its register's value as a management tool and was using it appropriately. The Chair also thanked the Committee for asking very pertinent questions.

The Committee noted that the next service due to be reviewed was Corporate & Community Services, scheduled for the January 2013 meeting.

(Councillors Pittarello and Shilton left the meeting at the conclusion of this item.)

77. COMMENTS FROM THE EXECUTIVE

A report from Civic and Committee Services summarised the Executive's response to comments which the Finance & Audit Scrutiny Committee gave on reports submitted to the Executive on 12 September 2012.

RESOLVED that the contents of the report be noted.

78. FORWARD PLAN

The Committee considered a report from Civic and Committee Services informing them of the current Forward Plan, attached as an appendix to the report.

One of the five main roles of overview and scrutiny in local government was to undertake pre-decision scrutiny of Executive decisions. If the Committee had an interest in a future decision to be made by the Executive it was within the Committee's remit to feed into the process.

The Forward Plan detailed the future work programme for the Executive. If a non-executive member highlighted a decision which was to be taken by the Executive which they would like to be involved in, members could then provide useful background to the Committee when the report was submitted to the Executive and they were passing comment on it.

In response to a suggestion that it might be pertinent for members to look at the evening economy (on page 13 of the Forward Plan), the Chair felt that it was not directly within this Committee's remit, but that if the Overview and Scrutiny Committee chose to consider the issue, a member of this Committee would be invited to get involved.

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RESOLVED that there were no forthcoming Executive decisions which they wished to have an input into before the Executive make their decision, at present.

79. REVIEW OF THE WORK PROGRAMME

A report from Civic and Committee Services detailed the Committee's work programme for 2012/13.

The Committee agreed that it wished to revisit the shared service arrangement on business rates, to consider why this arrangement with Stratford District Council worked so well and to consider whether there were any other services which could be shared, building on what made the business rates arrangement a success.

RESOLVED that the work programme for 2012/13 be noted.

80. EXECUTIVE AGENDA (NON-CONFIDENTIAL ITEMS & REPORTS)

The Committee considered the following non-confidential items which would be discussed at the meeting of the Executive on Wednesday 10 October 2012.

Item Number 5 – Use of G4 Powers for Chase Meadow Community Centre Funding

The Committee noted that the Chief Executive had exercised his emergency powers to permit funding for the development. Members were pleased to see that the report emphasised that there would be no further funding from the Council (paragraph 3.10 under the "Note for Group Leaders – Chase Meadow Community Centre") and were assured that Sport England's funding would be released if the project were up and running by September 2013, which officers were confident it would be. Therefore the Committee supported the recommendations in the report.

Item Number 6 – Business Rates Retention - Pooling

The Committee sought reassurance from officers that the Executive recognised the risks should there be a significant decline in business rate income, noted that for some time local business rates had been stable year on year and supported the recommendations in the report.

Item Number 7 – Outcome of Warwick District Council's Peer Challenge

The Committee supported the recommendations in the report and agreed that the quarterly budget review reports made to the Committee by the Head of Finance should reference the peer challenge improvement programme in order to assist members in monitoring progress. The Chair also asked members of the Committee to reflect on any improvements they could think of to make the Council even better.

(Councillor Mobbs left the meeting at conclusion of this item.)

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Item Number 9 – Play Area Improvement Programme

The Committee supported the recommendations in the report.

Item Number 11A – Significant Business Risk Register

The Committee was keen to reemphasise the responsibilities of members as set out by the Audit Commission in paragraph 7.1 in the report; for the Executive to take ownership of the register rather than it being officer led. The Committee felt that the register should identify the highest risks to the Council at a given time and include strategies to address risks, action plans, preventative measures and information on where risks changed. The Committee had struggled to engage with the document and suggested that it should be more like the Neighbourhood Services Risk Register in how it was presented. Some Members also expressed a desire for the register to be presented to the Committee by the Leader of the Council and Chief Executive in line with the presentations the Committee was receiving as part of the review of Service Risk Registers, and wanted reassurance that the register's value as a management tool was appreciated.

The Committee supported the recommendations in the report and looked forward to feedback on the outcome of the Executive's review.

(The meeting ended at 8.02 pm)