

	Finance and Audit Scrutiny Committee 17th December 2019	Agenda Item No. 5
Title	Environment & Business Portfolio – Service Review	
For further information about this report please contact	Dave Barber - Head of Development Services dave.barber@warwickdc.gov.uk Marianne Rolfe - Head of Health & Community Protection Marianne.rolfe@warwickdc.gov.uk Philip Clarke - Policy and Projects Manager Philip.clarke@warwickdc.gov.uk Cllr Alan Rhead Env and Business Portfolio Holder	
Wards of the District directly affected		
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	NA	
Background Papers	NA	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	No
NA	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	29/11/19	Chris Elliott
Head of Service		Dave Barber
CMT	29/11/19	Bill Hunt
Section 151 Officer	29/11/19	Mike Snow
Monitoring Officer	29/11/19	Andrew Jones
Finance	29/11/19	Mike Snow
Portfolio Holder(s)	29/11/19	Cllr Alan Rhead
Consultation & Community Engagement		

NA	
Final Decision?	NA
Suggested next steps (if not final decision please set out below)	

1. Summary

- 1.1 This report brings together details of performance relating to the Environment and Business Portfolio. It should be noted that as the Business part of this portfolio is predominantly focused on services within the Development Services. The Development Services risk register, contracts register and budget has therefore been used as the basis for reporting on this. However, the Environment part of this portfolio cuts across all services and is also a new dimension to the portfolio. This part of the portfolio was subject of the recent Executive report (November 2018). It does not have an independent risk register, contracts register or budget as these are dispersed across all services. Therefore, this update concentrates mainly upon the Business element of the portfolio. The reporting and governance arrangements for the Environment element of the portfolio are still being established following the approval of the update on the Climate Change Emergency Action Plan at Executive.

2. Recommendation

- 2.1 That Finance and Audit Committee should review the Portfolio's Business contract register, risk register and budget and make comments as appropriate.

3. Reasons for the Recommendation

- 3.1 It has been requested by members that the two registers for each portfolio should be considered together, along with details of the budget and performance for the relevant service.
- 3.2 The Portfolio Holder and Heads of Service are presenting a report to the Finance and Audit Scrutiny Committee that brings together:
- the risk register relating to the Portfolio's Business element
 - the contract register relating to the Portfolio's Business element
 - budget outline relating to the Portfolio's Business element

It should be noted that Development Services also encompasses the Development Portfolio. Updates relating to the Development Portfolio are not included in this report and were the subject of a separate report to the Committee in November 2019. It should also be noted that the Environment element of the portfolio does not currently have an individual risk register, contract register, and budget. Currently, the risks, contract and budgets are contained with individual service areas risk registers, contracts and budgets.

3.3 Risk Register

- 3.3.1 The Business Portfolio risk register was last reviewed on 26th November 2019. This version of the risk register is set out as Appendix A to this report.

- 3.3.2 The scoring criteria for the risk register are subjective and are based on an assessment of the likelihood of something occurring, and the impact that might occur.
- 3.3.3 In line with the traditional risk matrix approach, greater concern should be focused on those risks plotted towards the top right corner of the matrix whilst the converse is true for those risks plotted towards the bottom left corner of the matrix. If viewed in colour, the former-described set of risks are within the area shaded red, whilst the latter-described set of risks are within the area shaded green; the mid-range are in the area seen as yellow.
- 3.3.4 The Business element of the portfolio is responsible for a wide range of services which consequently lead to a number of potential risks. There are 21 risks contained in the risk register.
- 3.3.5 There are 4 risks rated "green", 16 rated "yellow", and 1 rated "red", in accordance with the Council's risk scoring matrix. The risk rated red is the risk of *"Network Rail arches to be sold (confirmed - this refers to ALL arches whether under active or inactive tracks)"*
- 3.3.6 As with all the risks in the register, it is the controls and mitigations that are being undertaken to control the risks that are of importance. These reflect the tangible actions over which there is more control. As a result, many of the risks have reduced in likelihood over time which explains why a significant proportion are now within the "yellow" band. In addition, a number of risks that were included within the risk register in previous years have now fallen away.

3.4 Contract Register

- 3.4.1 The latest version of the contract register in so far as it relates to the Business element of Portfolio is set out in Appendix B and was last reviewed on 19th November 2019. There are 17 live contracts listed. All the contracts reviews planned for 2019 have been completed.

3.5 Budget

- 3.5.1 Details of Development Services budgets (as relevant to the Business element of the Portfolio) are included as Appendix C.
- 3.5.2 Management of the budget set out in Appendix C is part of the ongoing processes which ensures that significant variances are discussed with finance. The budgets are devolved to budget managers who are responsible for the delivery of specific services. Each budget manager is trained on their responsibilities. Those responsibilities include regular liaison with the relevant accountant in finance to discuss and resolve issues and variances associated with the budget. Managing expenditure in line with the budget is therefore part of the established practice of the service.

4. **Policy Framework**

4.1 **Fit for the Future (FFF)**

"The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

“The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council’s FFF Strategy.”

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Neighbourhood needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
Impacts of Proposal		
The Portfolio plays a key role in supporting the delivery of key projects many of which have important implications for homes, health and communities.	The Portfolio plays a key role in supporting the delivery of key projects many of which have important implications for the quality and appreciation of the public realm. The portfolio coordinates the Council’s environmental activities, including the response to the declaration of the Climate Emergency	The Portfolio is directly concerned with promoting and supporting a dynamic and diverse economy. All elements of the Portfolio’s work are undertaken with this aim in mind including Economic Development, Business Support and Events, Projects and Enterprise.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers’ needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
Staff are continually developed using a range of methods including formal courses, in-house training and attendance	The portfolio is continually looking at ways of improving the way services are delivered to customers,	Development Services ensures that any expenditure achieves the best value for money. It is also responsible for

at seminars, conferences or regional bodies.	through improved working practices and use of ICT. The service, is encouraging improved environmental consideration in the way services are run, including staff travel and paper usage	income streams (including the Enterprise Service rental income) which are continually reviewed to ensure income targets are met, and exceeded where possible.
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4.2 Supporting Strategies

4.2.1 The declaration of the Climate Change Emergency and the associated documentation approved at Executive in November 2019, provides a major focus for the Portfolio. In addition, the Prosperity theme of Fit for the Future provides an important framework to shape the work of the Business aspects of the Portfolio. Increasingly work is taking place to ensure the two elements of the portfolio fully dovetail. The Local Plan is key to the work of Development Services. Its policies are used many times every day to ensure high quality developments, business support and projects are supported.

4.2.2 The report also relates to the Medium Term Financial Strategy and sets out how Development Services is delivering its financial commitments.

4.3 Changes to Existing Policies

4.3.1 There are no changes to existing policies as a result of this report.

5. Budgetary Framework

5.1 Details of the Business budgets are set out in appendix C.

5.2 Annual Budgets for Development Services are set by the Executive on an annual basis and budget reports are routinely considered by the Senior Management Team, with quarterly reports issued to the Executive.

6. Risks

6.1 Details of the Portfolio's Risk Register has been included in para 3.3 and Appendix A.

7. Alternative Option(s) considered

7.1 As this report is predominantly for information, at the request of the Finance and Audit Committee, no other options are proposed.