

FINANCE AND AUDIT SCRUTINY COMMITTEE

Minutes of the meeting held on Tuesday, 2 February 2010, at the Town Hall, Royal Leamington Spa at 6.00pm.

PRESENT: Councillor Mrs Knight (Chair); Councillors Malcolm Doody, Edwards, Guest, Illingworth, MacKay, Pittarello, Mrs Tyrrell, and Vincett.

ALSO PRESENT: Councillors Michael Doody, Grainger and Mobbs.

Apologies for absence were received from Councillors Kinson and Rhead.

96. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

97. **MINUTES**

The minutes of the meeting held on 1 December 2009 were taken as read and signed by the Chair as a correct record with the removal of the last paragraph of Minute 84 as it was duplicated.

98. **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 3 February 2010.

Item Number 6 - Budget 2010/11 and Council Tax and Capital

The Committee noted the recommendations in the report and the limited options that were available. They were pleased to see the discussion on shared services.

They also noted that budgetary provision has been made for potential national agreements of pay increases for salary costs along with potential increases in cost of the assisted travel scheme.

(Councillors Michael Doody, Grainger and Mobbs left after the consideration of this item)

99. **ANNUAL AUDIT LETTER**

The Committee considered a report from Finance that commented upon the Council's Annual Audit and Inspection Letter that was appended to the report.

The letter was the Council's External Auditors assessment of the Council, drawing on audit, inspection and performance assessment work and was prepared by the Council's District Auditor.

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The Executive had been invited to attend the meeting to discuss any particular issue with the external auditor.

The external auditors attended and were represented by Mr N Preece and Ms J Gilmour. They explained that this was a new inspection regime and therefore could not be tested against previous results. The Audit Commission recognised that it was very hard for smaller authorities to achieve the higher levels because there was little discretion between what was expected of larger and smaller authorities.

The external auditors explained that there was a need for greater work force planning along with improved measurement of what the district receives for its investments. Senior Management of the Council was aware of both these issues and were taking steps to resolve them.

It was highlighted to the Committee that the Principal Benefits Officer had undertaken a significant piece of work on benefit subsidy claims which had significantly reduced the Council's external audit bill.

RESOLVED that

- (1) the report be noted;
- (2) the Principal Benefits Officer be thanked for the work they had undertaken a significant piece of work on benefit subsidy claims which had significantly reduced the Council's external audit bill; and
- (3) The following comment be passed to the Executive with regard to item number 14 – Comprehensive Area Assessment of their agenda for 3 February 2010;

"The Committee noted the content of the report and were pleased to hear that officers and Councillors were bringing forward a new Corporate Strategy which would work to resolving some of the issues raised in ensuring the changes would be resolved. However at the same time the Committee were of the opinion that the process should be assessed and not the outcomes."

100. **PROGRESS REPORT ON ENTERPRISE PROJECTS**

The Committee received a report from Development Services that updated them on the operational performance of the new enterprise projects of this Council. The report also provided an update on the Spencer Yard (Phase 1) project which was managed by the enterprise team.

The Council currently had three enterprise projects, Althorpe Enterprise Hub, Court Street Creative Arches and Brunswick Enterprise Zone.

FINANCE AND AUDIT SCRUTINY COMMITTEE (Continued)

RESOLVED that

- (1) the report be noted; and
- (2) the Committee receives a further update on the projects in six months.

101. TASK AND FINISH GROUP PROCEDURES

The Committee considered a report from Members' Services that brought forward procedures to be used for Task and Finish groups.

The procedures had been drawn in up in consultation with the Overview and Scrutiny Committee Chairmen, Chief Executive, Deputy Chief Executive and Members' Services.

The procedure, attached as appendix 1 to the report, was designed to provide guidance on why a Task and Finish Group would be established, the procedure to be followed during the review and how the review should be concluded. It also detailed the responsibilities of Members' Services, Councillors and other officers.

The procedure had also been submitted to the Overview & Scrutiny Committee to enable both Committees to adopt a single consistent procedure for Task & Finish Group procedures.

RESOLVED that the procedure for Task and Finish Groups, as set out in appendix 1 to the report, be approved.

102. COMMENTS FROM THE EXECUTIVE

The Committee considered a report from Committee Services summarising the Executive's response to comments which the Finance & Audit Scrutiny Committee gave on reports submitted to the Executive on 2 December 2009.

RESOLVED that the contents of this report be noted.

103. FORWARD PLAN

The Committee considered a report from Members' 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

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provide useful background to the Committee when the report was submitted to the Executive and they were passing comment on it.

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

104. REVIEW OF THE WORK PROGRAMME

A report from Members' Services detailed the Committee's work programme for the year.

RESOLVED that

- (1) the Procurement Report be brought to the meeting in April 2010;
- (2) Use of Resources Quarterly report be brought to the meeting in April 2010; and
- (3) Internal Audit Plan for 2010/11 be brought to the meeting April 2010.

101. PUBLIC AND PRESS

RESOLVED that under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following item, by reason of the likely disclosure of exempt information within the paragraph 3 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

102. EXPENDITURE ON TOURISM – UPDATE REPORT

The Committee considered a report from Development Services updating them on the implementation of the recommendations of scrutiny review of expenditure on tourism.

The report highlighted to the Committee that the majority of the recommendations would be responded to directly in the report due to be considered by the Executive in March on this matter.

RESOLVED that the report be noted.

103. 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 3 February 2010.

Item Number 5. Treasury Management Strategy Plan for 2010/2011

The Committee noted the recommendations in the report.

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Item Number 6. Budget 2010/11 and Council Tax and Capital

The Committee noted the recommendations in the report and the limited options that were available. They were pleased to see the discussion on shared services.

They also noted that budgetary provision has been made for potential national agreements of pay increases for salary costs along with potential increases in cost of the assisted travel scheme.

Item Number 7. Housing Rents and Housing Revenue Account 2010/11

The Committee noted the recommendations in the report.

Item Number 8. Heating Lighting and Water Charges 2010/11 – Council tenants

The Committee noted the recommendations in the report.

Item Number 9. Amendments to Scheme of Delegation

The Committee wished to highlight that Para 1.1 was incorrect and should say "shared service" with WCC not "transfer of service".

The Deputy Chief Executive explained that this point had been raised with WCC. The response to the Council was that if any Council transfer staff under TUPE to WCC, EU regulations state where this arrangement takes place this can be considered as a shared service. We will have a Service Level Agreement which includes conflict resolution issues and on any issue we will be instructing a solicitor who has the client confidentiality obligation.

Item Number 10 Petitions

The Committee were significantly concerned about the interpretation of "holding officers to account" even on the limited level (Page 169 of the Executive agenda) and that there was no specific requirement to hold portfolio holders to account which they felt would be more appropriate.

Item Number 11 Notice of Motion

The Committee were not unanimously happy with this motion and felt that it should be referred to Council to enable all Councillors to debate the matter.

Item Number 14 Comprehensive Area Assessment

The Committee noted the content of the report and were pleased to hear that officers and councillors were bringing forward a new Corporate Strategy which would work to resolving some of the issues raised in ensuring the changes would be resolved. However at the same time the Committee were of the opinion that the process should be assessed and not the outcomes.

FINANCE AND AUDIT SCRUTINY COMMITTEE (Continued)

104. EXECUTIVE AGENDA (CONFIDENTIAL ITEMS & REPORTS)

The Committee considered the following confidential items which would be discussed at the meeting of the Executive on Wednesday 2 December 2009.

Item Number 20. Future of Newbold Comyn Golf Course

The Finance & Audit Scrutiny Committee supported recommendations of the report. The Committee highlighted that they were pleased the Council had undertaken this process and were particularly keen about the steps taken to ensure the cost will be reasonable for any member of the public who wanted to use the course.

(The meeting ended at 8.50pm)