

 Finance & Audit Scrutiny Committee - 10 July 2012		Agenda Item No. <h1 style="text-align: right;">10</h1>
Title	Comments from the Executive	
For further information about this report please contact	Peter Dixon Committee Services Officer 01926 456114 committee@warwickdc.gov.uk	
Service Area	Members' Services	
Wards of the District directly affected	N/A	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	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	N/A	
Background Papers	Finance & Audit minutes 19/06/2012 and Executive minutes 20/06/2012	

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

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Deputy Chief Executive	28.06.2012	Andrew Jones
Chief Executive		
CMT		
Section 151 Officer	28.06.2012	Mike Snow
Legal		
Finance	28.06.2012	Jenny Clayton
Portfolio Holders		

Consultation Undertaken	
N/A	
Final Decision?	Yes
Suggested next steps (if not final decision please set out below)	

1. SUMMARY

- 1.1 This report summarises the Executive's response to comments given by the Finance & Audit Scrutiny Committee on reports submitted to the Executive on 20 June 2012.

2. RECOMMENDATION

- 2.1 The responses made by the Executive be noted.

3. REASONS FOR THE RECOMMENDATION

- 3.1 This report is produced to create a dialogue between the Executive and the Finance & Audit Scrutiny Committee, ensuring that the Scrutiny Committee is formally made aware of the Executive's responses.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The Committee receives and notes the minutes of the Executive instead.

5. BUDGETARY FRAMEWORK

- 5.1 There is no impact on the budgetary framework. This is for the Committee's information only.

6. POLICY FRAMEWORK

- 6.1 The work carried out by the Committee helps the Council to improve in line with its priority to manage services openly, efficiently and effectively.

7. BACKGROUND

- 7.1 As part of the new scrutiny process, the Committee no longer considers the whole of the Executive agenda.
- 7.2 Councillors are emailed at the time of the publication of the Executive and Scrutiny Committee agendas, asking them to contact Committee Services by 9.00am on the day of the Scrutiny Committee, to advise which Executive items they wish the Scrutiny Committee to pass comment on, and the reasons why.
- 7.3 As a result, at its meeting on 19 June 2012, the Finance & Audit Scrutiny Committee considered the items detailed in appendix 1. The responses which Executive gave are also shown.

Responses from the meeting of the Executive held on 20 June 2012 on the Finance and Audit Scrutiny Committee's Comments

Item no.	4	Title	Final Accounts 2011/12	Requested by	Chair
Reason considered	Financial monitoring				
Scrutiny Comment	<p>The Committee was surprised that so large a surplus could appear in such a short time and felt that there was therefore a need to improve the budgetary process, to include establishing whether budget managers actually require the amount of money in their budgets in the first place. Members also expressed concern that one saving which had been made had promptly been spent without consultation with and approval by the Portfolio Holder. There was a general feeling among Members that budget setting and monitoring needs to be improved. Managers were reminded that if emergencies crop-up, there is a fast tracking process to deal with them.</p> <p>The Committee supported the recommendations in the report and made an additional recommendation: that procurement savings (devolved down to each budget holder) is still set in the budget as a separate item, to assist in monitoring budgets and maintaining disciplined contract management.</p> <p>The Finance & Audit Scrutiny Committee congratulated officers on their excellent rate of collection of Council Tax.</p> <p>Officers agreed to investigate whether the golf course should be responsible for paying for its own gas.</p>				
Executive Response	<p>The Portfolio Holder for Finance did not feel able to alter the recommendations from those printed because he felt that existing monitoring processes were sound and the budgets were monitored very tightly. He reminded members that the Council had a savings target to head towards and procurement was only a portion of this figure. Monitoring of all finances had become much tighter in recent years and processes were in place to ensure more disciplined contract management. In addition, the Council's Budget Managers were doing what was being asked of them to help the Council reach its target. The Head of Finance reiterated the Portfolio Holder's comments, stating that significant savings had already been made and that, under the new monitoring system, budgets could be instantly reviewed. He reminded members that the process had only been in place since April 2012 and it would be prudent to allow more time to pass, to show the results more clearly.</p>				

Item no.	6	Title	Expansion of Biomass Heating Programme	Requested by	Chair
Reason considered	Financial implications for the Council				
Scrutiny Comment	<p>The Committee supported the recommendations in the report.</p> <p>Officers agreed to email Councillor Mrs Syson in response to queries about gas boiler savings at Chandos Court and the level of chips available should there be a particularly hard winter.</p>				
Executive Response	Responding to Councillor Mrs Syson's queries, the Portfolio Holder commented that this was a difficult amount to quantify in the same way that supplies of any fuel were not within our control.				

Item no.	7	Title	Concessions and Income Generation	Requested by	Chair
Reason considered	To consider the financial implications				
Scrutiny Comment	<p>The Committee noted that the policy-setting element of the review was complete and that further proposals on income maximisation would be included in the Fees and Charges report due to be presented to members in October 2012. Members felt that the Policy should be amended to refer to "60+" rather than "pensioners".</p> <p>The Committee supported the recommendations in the report, noting that 2.5 should read "delegate", not "delete".</p> <p>Officers agreed to investigate whether Military Fitness were paying for their use of the District's parks.</p>				
Executive Response	<p>The Portfolio Holder for Finance reiterated that the Policy would apply to individuals aged 60+ and assured members that the Income Maximisation Working Group met regularly. He advised that the Policy and Register would provide transparency and clarity and ensure that all groups were being provided for, fairly.</p> <p>The Executive agreed the recommendations with an amendment to the wording in recommendation 2.5.</p>				

Item no.	9	Title	Corporate Property Repair and Improvement Programme	Requested by	Chair
Reason considered	Financial implications for the Council				
Scrutiny Comment	<p>The Committee supported the recommendations, noting that an additional £51,000 was being sought because it had been established that flume repairs were not viable and replacement was necessary. Officers were confident that the budget would now include all unforeseen works and pointed out that a 10% contingency was built into the budget to accommodate this.</p> <p>Officers agreed to confirm when the Castle Farm Sports Centre was likely to get its new roof.</p>				
Executive Response	The Portfolio Holder agreed that it was important to continue close monitoring of the situation at Castle Farm and explained the reasons for the increased expenditure of the repairs to the flume at Newbold Comyn.				

Item no.	10	Title	Managing Events in the District – Experiment	Requested by	Chair
Reason considered	Financial implications for the Council				
Scrutiny Comment	<p>The Committee supported the standardisation of arrangements up to a point, but felt that there should be some room for movement as every event was unique. The Committee therefore resolved to review the situation in 6 months time. Members supported recommendations 2.1 and 2.2 and put forward an amendment to recommendation 2.3: RECOMMENDED to the Executive that 2.3 be amended to include the phrase "the experiment is overseen by the Portfolio Holders for Culture and Development Services" before "officers will bring a further report".</p>				
Executive Response	<p>It was agreed that F&A, relevant Portfolio Holders & CMT would receive an update report in 6 months time to assist with the monitoring of the experiment. Any pertinent issues would be forwarded to Executive. Otherwise, the Executive would receive an update in 12 months time.</p> <p>The Executive agreed to re-word recommendation 2.3 as suggested. The Portfolio Holder for Development Services felt this proposal was the best course of action because the increased workload that events brought needed to be managed effectively. The Portfolio Holder for Neighbourhood Services stated that his Service Area had a big part to play in arranging events and highlighted the 'One Council' approach to working.</p>				