


|  |   |   |
|--|---|---|
|  <b>Finance &amp; Audit Scrutiny Committee</b><br><b>- 12 February 2013</b>   |   | <b>Agenda Item No.</b><br><br><div style="font-size: 2em; float: right;"><b>5</b></div> |
| <b>Title</b>   | <b>Comments from the Executive</b>  |   |
| <b>For further information about this report please contact</b>  | Peter Dixon<br>Committee Services Officer<br>01926 456114<br><a href="mailto:committee@warwickdc.gov.uk">committee@warwickdc.gov.uk</a> |   |
| <b>Service Area</b>  | Civic & Committee Services  |   |
| <b>Wards of the District directly affected</b>   | N/A   |   |
| <b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006</b> | No  |   |
| <b>Date and meeting when issue was last considered and relevant minute number</b>  | N/A   |   |
| <b>Background Papers</b>   | Finance & Audit minutes 8/1/2013<br>Executive minutes 9/1/2013  |   |

|  |    |
|--|----|
| <b>Contrary to the policy framework:</b>                                   | No |
| <b>Contrary to the budgetary framework:</b>                                | No |
| <b>Key Decision?</b>   | No |
| <b>Included within the Forward Plan? (If yes include reference number)</b> | No |

|  |             |               |
|--|-------------|---------------|
| <b>Officer/Councillor Approval</b>   |             |               |
| 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). |             |               |
| <b>Officer Approval</b>  | <b>Date</b> | <b>Name</b>   |
| Deputy Chief Executive   |             | Andrew Jones  |
| Chief Executive  |             |               |
| CMT  |             |               |
| Section 151 Officer  |             | Mike Snow     |
| Legal  |             |               |
| Finance  |             | Jenny Clayton |
| Portfolio Holders  |             |               |

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

## **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 9 January 2013.

## **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 8 January 2013, the Finance & Audit Scrutiny Committee considered the items detailed in appendix 1. The responses which Executive gave are also shown.

**APPENDIX 1****Responses from the meeting of the Executive held on 9 January 2013 on the Finance and Audit Scrutiny Committee's Comments**

|                           |  |              |   |                     |       |
|---------------------------|--|--------------|---|---------------------|-------|
| <b>Item no</b>            | 5  | <b>Title</b> | General Fund Housing Investment Programme | <b>Requested by</b> | Chair |
| <b>Scrutiny Comment</b>   | The Committee noted the recommendations in the report.   |              |   |                     |       |
| <b>Executive Response</b> | Members were informed that a further report would be submitted regarding a wider review of Private Sector Housing. |              |   |                     |       |

|                           |   |              |                                 |                     |       |
|---------------------------|---|--------------|---------------------------------|---------------------|-------|
| <b>Item no</b>            | 6   | <b>Title</b> | Provision of WDC Legal Services | <b>Requested by</b> | Chair |
| <b>Scrutiny Comment</b>   | The Committee supported the recommendations and welcomed the continuation of the excellent level of service received by this Council.   |              |                                 |                     |       |
| <b>Executive Response</b> | Councillor Caborn praised the successful partnership and asked Members to note the excellent service given by the legal officers along with the assurance that the Council was receiving good value for money, as detailed in Appendix D to the report. |              |                                 |                     |       |

|                         |  |              |                                    |                     |       |
|-------------------------|--|--------------|------------------------------------|---------------------|-------|
| <b>Item no</b>          | 11<br>d  | <b>Title</b> | Significant Business Risk Register | <b>Requested by</b> | Chair |
| <b>Scrutiny Comment</b> | <p>The Committee was pleased to see that trails had been included and asked that in future the register identify who the owners were for the individual risks. Members asked that when a risk moved, the report should include details as to why, what impact mitigation had had so far and what time frame was anticipated for the impact of any revised mitigation. The Chairman would also be writing to the Leader and Chief Executive asking for a written response re. details about risks 2, 6 and 8. On behalf of the Committee she would ask what was happening with the risks and what action was being taken to reduce risks to the Council. If the Committee did not feel that questions had been answered satisfactorily they would invite the Leader, Chief Executive and appropriate risk owner to attend the March meeting of the Committee for further discussion. The Committee had already received some assurances on item 17 within the Risk Register and asked Councillor Caborn to attend their February meeting to discuss this further. The Committee also had significant concerns regarding the major contract award. They were aware that the contract for cleaning had not yet been signed but that signing was imminent following some amendments over Christmas. However the Committee were deeply concerned about the Waste Collection Contract where the preferred contractor appeared to be stalling. The contractor was being issued with a final letter demanding a response by close of play on Wednesday and signing of contracts by Friday. If this did not happen the Council would need to look at the second choice supplier. This would be a lengthy process and could see an impact on service delivery and therefore the Committee recommended that the Executive should take immediate action to remedy the situation and include it within the Risk Register as</p> |              |                                    |                     |       |

|                           |  |
|---------------------------|--|
|                           | <p>previously highlighted by this Committee.</p> <p>As a note the Committee were also disappointed with the news about the waste contract as similar problems had occurred with this contractor previously and because the portfolio holder had promised this matter would be resolved swiftly at an earlier meeting of the Committee.</p>   |
| <b>Executive Response</b> | <p>In response to the comments, Councillor Caborn reminded Members that this was a Corporate Risk Register, owned and managed by the Executive. He assured those present that all Councillors and Senior Officers were aware of the current financial risks and that the Head of Finance kept a close eye on them. He stated that he was happy to attend any F&amp;A Scrutiny Committee and the risk register was continually being re-written to reflect changing circumstances.</p> <p>Councillor Shilton advised that two contractors had now signed their contracts and that officers had been assured that the Waste contract would be signed by 18 January and, if not, the contract would be awarded to the second place company. If this was to happen, there would be no delay in the changeover timetable.</p> <p>Councillor Vincett explained that the cleaning contract had not yet been signed but assured Members that this was planned to take place next week, following some further detailed work over the Christmas period.</p> <p>Councillor Mobbs explained that although they acknowledged the projected surplus for the current year and 2013/14, he was aware that further work needed to be done and was being done to address the financial planning for the next five years. He stated that this work included more detailed forecasting, continuing with the Fit for the Future programme and examining the positive implication of the Local Plan. He reminded Members that many other actions needed to be considered which might include not applying an inflationary increase to individual budgets over the next five years.</p> <p>In response to some of the Committee's concerns, Councillor Mobbs suggested that they may wish to wait to read the Budget report due to be submitted in February.</p> |

| Item no                   | 11<br>e | Title  | Risk Management Annual Report | Requested by | Chair |
|---------------------------|---------|--|-------------------------------|--------------|-------|
| <b>Scrutiny Comment</b>   |         | The Committee supported the recommendations and were pleased to note that risk assessment and management was becoming a growing part of the council culture. |                               |              |       |
| <b>Executive Response</b> |         | Councillor Mrs Knight endorsed the report and expressed delight that this was an area of growing knowledge that she hoped other Members would find useful.   |                               |              |       |

| Item no                   | 14 | Title   | Warwick Heritage Improvement Programme (Saltisford) – Transfer of Land off Albert Street, Warwick | Requested by | Chair |
|---------------------------|----|---|---|--------------|-------|
| <b>Scrutiny Comment</b>   |    | The Finance & Audit Scrutiny Committee supported the recommendations in the report. |   |              |       |
| <b>Executive Response</b> |    | -   |   |              |       |