

Finance and Audit Scrutiny Committee

Tuesday 30 June 2015

A meeting of the above Committee will be held at the Town Hall, Royal Leamington Spa on Tuesday 30 June 2015 at 6.00pm.

Membership:

	Councillor Barrott (Chair)	
Councillor Butler		Councillor Heath
Councillor Day		Councillor Illingworth
Councillor Gifford		Councillor Quinney
Councillor Miss Grainger		Councillor Rhead
Councillor Harrington		Councillor Thompson

Emergency Procedure

At the commencement of the meeting, the Chairman will announce the emergency procedure for the Town Hall.

Agenda

Part A – General Items

*1. **Substitutes**

To receive the name of any Councillor who is to act as a substitute, notice of which has been given to the Chief Executive, together with the name of the Councillor for whom they are acting.

*2. **Declarations of Interest**

Members to declare the existence and nature of interests in items on the agenda in accordance with the adopted Code of Conduct.

Declarations should be entered on the form to be circulated with the attendance sheet and declared during this item. However, the existence and nature of any interest that subsequently becomes apparent during the course of the meeting must be disclosed immediately. If the interest is not registered, Members must notify the Monitoring Officer of the interest within 28 days.

Members are also reminded of the need to declare predetermination on any matter.

*3. **Minutes**

To confirm the minutes of the meeting held on 10 June 2015

(Item 3/Page 1)

Part B – Audit Items

*4. **Treasury Management Activity Report for the period 1st October 2014 to 31st March 2015**

To consider a report from Finance

(Item 4/Page 1)

*5. **Anti Fraud & Corruption Progress Report 2014/15**

To consider a report from Finance

(Item 5/Page 1)

*6. **External Audit Fees 2015/16**

To consider a report from Finance

(Item 6/Page 1)

Part C – Scrutiny Items

*7. **Development Services Contract Register**

To consider a report from Development Services

(Item 7/Page 1)

*8. **Comments from the Executive**

To receive a report from Civic & Committee Services

(Item 8/Page 1)

*9. **Review of the Work Programme & Forward Plan**

To consider a report from Civic & Committee Services

(Item 9/Page 1)

*10. **Executive Agenda (Non Confidential Items and Reports) – Wednesday 1 July 2015**

To consider non-confidential items on the Executive agenda which fall within the remit of this Committee. The only items to be considered are those which Committee Services have received notice of by 9.00am on the day of the meeting. You are requested to bring your copy of that agenda to this meeting.

*11. **Public and Press**

To consider resolving that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following item by reason of the likely disclosure of exempt information within paragraphs 1 and 3 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

*12. **Executive Agenda (Confidential Items and Reports) – Wednesday 1 July 2015**

To consider the confidential items on the Executive agenda which fall within the remit of this Committee. The only items to be considered are those which Committee Services have received notice of by 9.00am on the day of the meeting. You are requested to bring your copy of that agenda to this meeting (circulated separately).

(*Denotes those items upon which decisions will be made under delegated powers, as previously granted by Council)

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Enquiries about specific reports: Please contact the officers named in the reports.

You can e-mail the members of the this Committee at
F&Ascrutinycommittee@warwickdc.gov.uk

Details of all the Council's committees, councillors and agenda papers are available via our website www.warwickdc.gov.uk/committees

Please note that the majority of the meetings are held on the first floor at the Town Hall. If you feel that this may restrict you attending this meeting, please call (01926) 353362 prior to this meeting, so that we can assist you and make any necessary arrangements to help you attend the meeting.

The agenda is also available in large print, on request, prior to the meeting by calling 01926 353362.

Finance and Audit Scrutiny Committee

Minutes of the meeting held on Wednesday, 10 June 2015 at the Town Hall, Royal Leamington Spa at 6.00pm.

Present: Councillors Barrott, Butler, Day, Gifford, Miss Grainger, Harrington, Heath, Illingworth, Mrs Knight and Thompson.

Also Present: Councillor Whiting (Portfolio Holder for Finance); Councillors Mann and Phillips (observing).

Apologies for absence were received from Councillors Quinney and Rhead.

1. **Substitutes**

Councillor Mrs Knight substituted for Councillor Quinney.

2. **Appointment of Chair**

Resolved that Councillor Barrott be appointed Chair of the Committee for the 2015/16 municipal year.

3. **Declarations of Interest**

There were no declarations of interest.

4. **Minutes**

The minutes of the meeting held on 8 April 2015 were taken as read and signed by the Chair as a correct record.

5. **Executive Agenda (Non Confidential Items & Reports) – Tuesday 16 June 2015**

The Committee considered the following item which would be discussed at the meeting of the Executive on Tuesday 16 June 2015.

Final Accounts 2014/15

The Finance & Audit Scrutiny Committee supported the recommendations in the report.

The Committee was concerned by levels of slippage detailed in the report and questioned officers extensively over why this should be. Members accepted that much of it had been down to forces outside of the Council's control, but suggested that where there were resource or other internal issues causing slippage, efforts should be made to address this and to keep the Committee informed of progress.

Officers responded to questions over the outcome and frequency of business rate appeals, pointing out that particularly over the last quarter there had been a significantly higher level of appeals than anticipated due to a 31 March 2015 deadline before which successful appeals could be backdated.

Officers detailed overspends relating to the Openbook process used by Housing & Property Services. The process was being reviewed in an effort to gain better control over repairs, pricing and resources, and it was intended that an update would be presented to Members in the autumn. Consultants who had projected highly optimistic savings through the use of Openbook were to be challenged as part of the review.

Members noted that work had yet to be carried out following asbestos surveys. Delays had been caused by the tendering process and it was intended that work would be completed over the summer.

6. **Internal Audit Report 2014/15**

The Committee received a report from Finance which presented Internal Audit's annual report.

Prior to considering this item, and particularly for the benefit of new Members, the Audit & Risk Manager explained that the Internal Audit and Review of Effectiveness of Internal Audit (minute 7) reports formed part of the evidence for the Annual Governance Statement (minute 8). The Statement and its supporting reports were produced annually and their format was prescribed, so the Council had to abide by that format. The Internal Audit quarterly report (minute 9) related to the Annual Governance Statement in that it formed evidence feeding into the annual reports. Quarterly reports were in a locally approved format agreed by this Committee.

The Audit & Risk Manager's Annual Report and Presentation of Audit Opinion 2014/15 were attached as appendices to the Internal Audit Report. The Annual Report presented a summary of the internal work undertaken during the year and provided an opinion on the overall adequacy and effectiveness of the Council's control environment.

In addition, it drew attention to any issues that needed to be considered for inclusion in the Annual Governance Statement.

The Audit & Risk Manager responded to questions in relation to procedure and the frequency and programming of audits. Members were encouraged to attend a training session arranged for Thursday 10 September which would go into greater detail. Regarding the Council's shared legal service and Section 106 agreements, he pointed out that following reports submitted in the last quarter, actions carried out to date were summarised in the latest quarterly report.

Members noted that the second paragraph under the "Summary of the internal work undertaken...." section of the report should read "moderate", not "limited".

Resolved that, subject to the amendment of "limited" to "moderate" on page 6, the report be noted, as part of the Committee's consideration and approval of the Annual Governance Statement 2014/15.

(Councillor Mann left the meeting during the course of this item)

7. **Review of Effectiveness of Internal Audit 2014/15**

The Committee received a report from Finance which formed part of the evidence for the Annual Governance Statement and presented the findings from the review of the effectiveness of the Council's internal audit for the year ended 31 March 2015.

The Audit & Risk Manager highlighted the fact that the Accounts and Audit (England) Regulations 2011 required such a review at least once a year and presentation of the results to the committee designated to consider or approve the Annual Governance Statement. The format of the report, as with the previous report, was prescribed.

Members noted that Public Sector Internal Audit Standards would replace current audit requirements in the near future and would require the Council to subject itself to extensive peer review.

The Audit & Risk Manager and his staff were thanked for their hard work, particularly given that they had responded well to a number of urgent issues over the past 12 months.

Resolved that the report, forming part of the evidence for the Annual Governance Statement, be noted.

8. **Annual Governance Statement 2014/15**

The Committee received a report from Finance which set out an Annual Governance Statement for 2014/2015 in draft. The Statement described the governance arrangements that were in place during the financial year. The Statement would in due course be signed by the Chief Executive and the Leader of the Council and would accompany the Council's Statement of Accounts, to be approved by Council.

An action plan to improve governance formed part of the Statement. Actions would be addressed by management in line with an agreed timetable. Progress in achieving these actions would be reported to Members quarterly.

The Audit & Risk Manager outlined the report and drew particular attention to section 5 of Appendix A to the report, which listed significant governance issues. From now on this Committee would receive a quarterly update on the status of these items.

Members asked what had been included on the list previously and noted that this information would come before the Committee in due course.

Officers responded to questions relating to business continuity following a recent incident affecting the Council's IT network. The Senior Management Team had reflected on the problem and asked the Audit & Risk Manager to discuss a number of issues with Heads of Service. Business Continuity Plans would be checked to ensure they were up to date.

Differing opinions were expressed over how and when the Annual Governance Statement and its supporting reports were presented to the Committee. Members accepted that the Statement had to be approved by the end of June, but some felt it might be better for supporting reports to be submitted to an earlier meeting. This would allow for a period of reflection prior to consideration of the Annual Governance Statement. Officers agreed to give this some thought.

Resolved that the Annual Governance Statement for 2014/15 be approved.

(Councillor Heath left the meeting during the course of this item)

9. **Internal Audit Quarter 4 2014/15 Progress Report**

The Committee received a report from Finance which advised on progress in achieving the Internal Audit Plan 2014/15 and summarised the audit work completed in the fourth quarter of the year. The report provided assurance that action had been taken by managers in respect of the issues raised by Internal Audit.

Members had responsibility for corporate governance, of which internal audit formed a key part and the report explained the role and responsibilities of Audit Committees in section 8 of the report.

In addition, the report provided an analysis of the progress made against the Audit Plan for 2014/15 which was attached at Appendix 2 to the report.

The Audit & Risk Manager responded to questions about how progress in the status of implementation of audits was highlighted.


The Audit & Risk Manager was pleased to report that all audits planned for 2014/15 had been completed, including fourteen in the fourth quarter of the year. Only one of the fourteen had been awarded a lower than substantial assurance opinion, that being Newbold Comyn Leisure Centre.

Members expressed concern that the Leisure Centre had previously failed to achieve a substantial assurance opinion, but the Audit & Risk Manager expressed a great deal of confidence in the Centre's new Manager.

The Portfolio Holder for Finance added that he was due to discuss the Leisure Centre with the Head of Cultural Services and other officers. He offered his support to the Audit & Risk Manager in expediting the process where there were any concerns about audit conclusions not being implemented.

Resolved that the report be noted.

(The meeting ended at 8.15 pm)

 Finance & Audit Scrutiny Committee - 30 June 2015		Agenda Item No. <div style="text-align: right; font-size: 2em;">4</div>
Title	Treasury Management Activity Report for the period 1st October 2014 to 31st March 2015.	
For further information about this report please contact	Karen Allison, Assistant Accountant 01926 456334 Karen.allison@warwickdc.gov.uk	
Wards of the District directly affected	All	
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	Treasury Management File L2/9 Treasury Management Information via External Advisers, Brokers, External Investment Agents etc.	

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 & Sustainability Impact Assessment Undertaken	No – not relevant

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	10/06/2015	Andrew Jones
Head of Service	N/A	
CMT	N/A	
Section 151 Officer	10/06/2015	Mike Snow
Monitoring Officer	N/A	
Finance	9/06/2015	Roger Wyton
Portfolio Holder(s)	N/A	
Consultation & Community Engagement		
None		
Final Decision?	Yes	
Suggested next steps (if not final decision please set out below)		

1. Summary

1.1 This report details the Council's Treasury Management performance for the period 1st October 2014 to 31st March 2015.

2. Recommendations

2.1 That Finance and Audit Scrutiny Committee notes the contents of this report.

3. Reasons for the Recommendation

3.1 The Council's 2014/15 Treasury Management Strategy and Treasury Management Practices (TMP's) require the performance of the Treasury Management Function to be reported to Members on a half yearly basis.

3.2 This report informs Members of past performance, hence Members are just asked to note the information contained within it.

4. Policy Framework

4.1 **Policy Framework** -The Treasury Management function enables the Council to achieve its objectives within the strategy and policies.

4.2 **Fit for the Future** – The Treasury Management function enables the Council to meet its vision of a great place to live work and visit as set out in the Sustainable Community.

4.3 **Impact Assessments** – No impacts of new or significant policy changes proposed in respect of Equalities.

5. Budgetary framework

5.1 Treasury Management has a potentially significant impact on the Council's budget through its ability to maximise its investment interest income and minimize borrowing interest payable whilst ensuring the security of the capital. The Council is reliant upon interest received to help fund the services it provides. The actual investment interest earned in 2014/15 compared with the original and latest budgets is shown in the table below:

	2014/15 Actual	Latest 2014/15 Budget (Jan 15)	Original 2014/15 Budget (Jan 14)
	£	£	£
Gross Investment Interest	428,947	399,932	311,100
Less HRA allocation	178,300	167,500	137,600
Net interest to General Fund	250,647	232,432	173,500

6. Risks

6.1 Investing the Council's funds inevitably creates risk and the Treasury Management function effectively manages this risk through the application of the SLY principle. Security(S) ranks uppermost followed by Liquidity (L) and finally Yield(Y).

- 6.2 In addition, the introduction, for 2014/15, of Variable Net Asset Money Market Funds into the portfolio potentially increases capital risk. This is through potential capital loss due to market price fluctuations, for instance if investments have to be withdrawn early. This is mitigated by good cash flow management ensuring that investments are available for the necessary length of time to ensure that there is no negative impact on the capital value of the fund. In addition, mitigation is achieved by having a lower investment limit than for Constant Net Asset Value Money Market Funds in which there is no risk of capital loss. In 2014/15 the Council invested in the Federated Cash Plus Fund which is a variable net asset Money Market fund and suffered no loss in capital as a result of doing so.
- 6.3 Corporate Bonds and Floating Rate Notes (FRN's) introduce Counterparty credit risk into the portfolio by virtue of the fact that it is possible that the institution invested in could become bankrupt leading to the loss of all or part of the Council's investment. This is mitigated by only investing in Corporate Bonds or FRN's with a strong Fitch credit rating, in this case A+ and issued as Senior Unsecured debt which ranks above all other debt in the case of a bankruptcy. The Council made no use of these instruments in 2014/15.

7. Alternative Option(s) considered

- 7.1 None.

8. Background

A detailed commentary by our Treasury Consultants, Capita Asset Services, of the economic background surrounding this quarter appears as Appendix A.

9. Interest rate environment

- 9.1. The major influence on the Council's investments is the Bank Rate. The Bank Rate remained at 0.5% for the second half of the year to 31st March 2015. The Council's Treasury Management Advisors, Capita Asset Services, provided the following forecast for future Bank Rates:

Capita Asset Services Bank Rate Forecasts:

Qtr ending	Now (April 15)	Jun 2015	Sep 2015	Dec 2015	Mar 2016	Jun 2016	Sep 2016	Dec 2016	Mar 2017	Jun 2017	Sep 2017
Current Forecast, as at April 2015:											
Bank Rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.50%
Forecast, as at January 2014, (when Original Budgets were set):											
Bank Rate	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.25%	1.50%	1.75%	n/a	n/a

The forecast as at January 2014 is shown for comparison purposes as this forecast was used in calculating the original budgets.

Forecasting interest rates remains difficult. However the MPC's latest thoughts on the economic circumstances surrounding the potential for a bank rate rise are listed below:-

- There has been very little change in Capita's forecasts since their previous forecast in February. They have moved back the start of the increases in Bank Rate by one quarter, to quarter 2 of 2016, to reflect a lowering of forecasts for growth, and in line with comments from the Bank of England.
- In its May Inflation Report, the Bank of England reduced its forecasts for annual growth from 2.9% to 2.5% in 2015 and 2.7% in 2016. 2017 growth was forecast at 2.4% from 2.7%. There were a number of contributing factors to these downward revisions.
- UK quarterly growth in quarter 1 2015 was disappointing and slowed to 0.3% (2.4% y/y), from 0.6% (3.0% y/y), in the previous quarter.
- The Bank also took a more pessimistic view on the rate of, and timing, of the keenly hoped for recovery of growth in labour productivity and of increases in wages; it cut its forecast for wages growth in 2015 from 3.5% to 2.5%. This is despite strong growth in employment and continuing reductions in the rate of unemployment; employment increased by 202,000 in the three months January to March and by 1.25m over the last two years. Unemployment has dropped by 386,000 over the last year and the unemployment rate has fallen to 5.5%. On the other hand, job vacancies stood at 736,000 in the last quarter, close to their highest level since records began in 2001. Despite all this positive news, annual wage increases (excluding bonuses), in the last three months were only 1.9%. For this recovery to become sustainable over the longer term, there must be a recovery in the growth of productivity and real wages in excess of the rate of inflation.
- The election of a majority Conservative Government which is going to implement significant cuts in government expenditure in order to reduce the size of the annual budget deficit, will slow GDP growth marginally.
- CPI inflation dipped into deflation territory last month to -0.1%. This dip into deflation will only last for a short period until the fall in the prices of oil and food drop out of the twelve month calculation of CPI, especially during Q4 2015, when inflation is expected to tick up markedly. The latest Inflation Report clearly shows an anticipated rise in inflation to being slightly above the 2% target in the two to three year time horizon.
- Greece: the Greek government led by the anti EU and anti-austerity party Syriza, is making a strong push to renegotiate the austerity programme and debt repayments. This has been met with a robust rejection by the ECB, EU and IMF. There is, therefore, a risk that this could end with Greece leaving the Euro. However, the Eurozone has put in place sufficient firewalls that a Greek exit would have little direct impact on the rest of the EZ and the Euro. It now also appears that the trauma experienced by Greece this year has severely depressed support for anti-austerity political parties in other EU countries and they are not expected to gain much influence in general elections coming up in the next year or so.
- Capita remain concerned at the level of potential risk surrounding the government and corporate debt of several of the major emerging economies, from the perspective of both the potential for default in some countries and also a sharp swing in investor sentiment: investors have previously sought out higher yields in these economies during an extended period when yields in western countries have been heavily suppressed.
- Capita expect a high level of volatility in PWLB rates over 2015, depending on how long it takes to decide what will happen in Greece and as other factors impinge on market and investor sentiment. They would not be surprised to see PWLB rates swinging by 50 bps in a quarter, which makes any forecasts in the shorter term subject to a much higher level of volatility than has been usual.

9.2. The Council aims to achieve the optimum return on investments commensurate with the proper levels of security and liquidity. The Annual Investment Strategy

2015/16 was approved by Council on 11th February 2015. This approved the current lending criteria which reflect the level of risk appetite of the Council. However, the Council continues to review its Standard Lending List as a result of frequent changes to Banking Institutions credit ratings, to ensure that it does not lend to those institutions identified as being at risk. A copy of the April 2015 lending list is shown as Appendix B. This list includes the recommendations from the 2015/16 Treasury Management Strategy report concerning new investment vehicles and limits.

10 INVESTMENT PERFORMANCE

Money Market Investments

- 10.1. During 2014/15, the in house function has invested its core cash in fixed term deposits in the Money Markets. The table below illustrates the performance of the in house function during this second half year for each category normally invested in:

Period	Investment Return (Annualised)	LIBID Benchmark (Annualised)	Out/(Under) performance
Up to 7 days			
April to Sept 2014	No investments made in this half year.		
Oct to Mar 2015	No investments made in this half year		
Year to Date	No investments made in year		
Over 7 days & Up to 3 Months			
April to Sept 2014	0.48%	0.48%	0.00%
Value of Interest earned first half year	£4,756	£4,748	+£8
Oct to Mar 2015	No investments made in this half year		
Rate for Year	0.48%	0.48%	0.00%
Value of Interest earned in Year	£4,756	£4,748	+£8
Over 3 Months & Up to 6 Months			
April to Sept 2014	0.68%	0.61%	+0.07%
Value of Interest earned first half year	£23,755	£21,543	+£2,212
Oct to Mar 2015	0.66%	0.62%	+0.04%
Value of Interest earned second half year	£6,546	£6,178	+£368
Rate for Year	0.67%	0.62%	+0.05%
Value of Interest earned in Year	£30,301	£27,721	+£2,580
Over 6 Months to 365 days			
April to Sept 2014	0.91%	0.94%	-0.03%
Value of Interest earned first half year	£90,655	£93,975	-£3,320
Oct to Mar 2015	0.92%	0.92%	0.00%
Value of Interest earned second half	£63,924	£64,204	-£280

year			
Rate for Year	0.91%	0.93%	-0.02%
Value of Interest earned in Year	£154,579	£158,179	-£3,600
Period	Investment Return (Annualised)	LIBID Benchmark (Annualised)	Out/(Under) performance
1 year and over			
April to Sept 2014	0.95%	1.10%	-0.15%
Value of Interest earned first half year	£28,526	£33,105	-£4,579
Oct to Mar 2014	1.00%	0.92%	+0.08%
Value of Interest earned second half year	£40,137	£36,915	+£3,222
Rate for Year	0.98%	1.00%	-0.02%
Value of Interest earned in Year	£68,663	£70,020	-£1,357
TOTAL INTEREST FIRST HALF YEAR	£147,692	£153,371	-£5,679
TOTAL INTEREST SECOND HALF YEAR	£110,607	£107,297	+£3,310
TOTAL INTEREST FOR YEAR	£258,299	£260,668	-£2,369

- 10.2 All the LIBID rates in the table above and referred to below include a margin of 0.0625%.
- 10.3 During October to March, nine core investments matured. Capita's advice for this period was 'given the expectation that interest rates will remain low for some time, there is value in longer dated investments with the stronger rated counterparties'. Therefore when a three month Nordea Bank CD matured it was replaced by a RBS CD for 364 days. Due to the good yield and security (as a part nationalised UK Bank) of this counterparty, a further two RBS CDs were purchased following maturities of Glasgow City Council and DBS Bank investments. This higher yield is reflected in the table above in the 'over 6 months to 1 year' section as the underperformance compared to the first half year has reduced.
- 10.4 Lloyds Banking Group was still offering enhanced rates for 1 year deposits therefore three investments were rolled over. Two of these were converted from 6 month durations.
- 10.5 A £2 million DBS Bank investment which matured in March was held in the HSBC Business Deposit Account whilst a Royal London Asset Management Cash Plus Fund was in the process of being opened for 2015/16.
- 10.6 During January to March the Council's cash flow investments began to unwind themselves as cash outflows (Precepts, NNDR payments to DCLG etc.)

exceeded the inflows and any cash flow investments during this period were made into the Money Market Funds.

- 10.7 Given that the current Bank Rate is only 0.50% and counterparty security is of the utmost importance over return of yield, the level of performance achieved in this half year continues to be satisfactory.

Money Market Funds & Call Accounts

- 10.8 The in house function continues to utilise the Money Market Funds and Call Accounts to assist in managing its short term liquidity needs. Their performance in this period together with a summary of the performance for the full year is shown in the following table:

Fund	Investment Return (Annualised)	LIBID Benchmark (Annualised)	Out/(Under) Performance
Deutsche			
April to Sept 2014	0.36%	0.41%	-0.05%
Value of Interest earned first half year	£199	£227	-£28
Oct to Mar 2015	0.40%	0.42%	-0.01%
Value of Interest earned second half year	£312	£326	-£14
Rate for Year	0.38%	0.42%	-0.04%
Value of Interest earned in year	£511	£553	-£42
Goldman Sachs			
April to Sept 2014	0.38%	0.41%	-0.03%
Value of Interest earned first half year	£1,082	£1,155	-£73
Oct to Mar 2015	0.43%	0.42%	+0.01%
Value of Interest earned second half year	£1,391	£1,360	+£31
Rate for Year	0.41%	0.42%	-0.01%
Value of Interest earned in Year	£2,473	£2,515	-£42
Invesco Aim			
April to Sept 2014	0.42%	0.41%	+0.01%
Value of Interest earned first half year	£1,658	£1,614	+£44
Oct to Mar 2015	0.42%	0.42%	0.00%

Value of Interest earned second half year	£1,877	£1,854	+£23
Rate for Year	0.42%	0.42%	0.00%
Value of Interest earned in Year	£3,535	£3,468	+£67
Federated Prime Rate Constant Net Asset Value (CNAV)			
April to Sept 2014	0.46%	0.41%	+0.05%
Value of Interest earned first half year	£9,056	£8,070	+£986
Oct to Mar 2015	0.50%	0.42%	+0.08%
Value of Interest earned second half year	£7,503	£6,260	+£1,243
Rate for Year	0.48%	0.42%	+0.06%
Value of Interest earned in Year	£16,559	£14,330	+£2,229
Federated Prime Rate Variable Net Asset Value (VNAV) from 29th April 2014			
April to Sept 2014	0.62%	0.61%	+0.01%
Value of Interest earned first half year	£15,811	£15,652	+£159
Oct to Mar 2015	0.70%	0.62%	+0.08%
Value of Interest earned second half year	£21,081	£18,636	+£2,445
Rate for Year	0.66%	0.62%	+0.04%
Value of Interest earned in Year	£36,892	£34,288	+£2,604
Ignis			
April to Sept 2014	0.45%	0.41%	+0.04%
Value of Interest earned first half year	£19,201	£17,494	+£1,707
Oct to Mar 2015	0.47%	0.42%	+0.05%
Value of Interest earned second half year	£19,817	£17,533	+£2,284
Rate for Year	0.46%	0.42%	+0.04%
Value of Interest earned in Year	£39,018	£35,027	+£3,991
TOTAL INTEREST FIRST HALF YEAR	£47,007	£44,212	+£2,795

TOTAL INTEREST SECOND HALF YEAR	£51,981	£45,969	+£6,012
TOTAL INTEREST FOR YEAR	£98,988	£90,181	+£8,807

10.9 As with the Money Market investments in paragraph 10.1, the LIBID benchmark which in this case is the 7 day rate (except for the Federated Prime Rate Variable Net Asset Fund where a 6 month LIBID rate is used) has been increased by a margin of 0.0625% and it can be seen from the table above that the total interest out performance of the benchmark continues to be satisfactory. The Council continued to concentrate its investments in the three highest performing funds Prime Rate (variable and constant net asset value funds), Ignis, and Goldman Sachs along with the two call accounts, HSBC Business Deposit Account and Svenska Handelsbanken.

10.10 During 2014/15 the Council earned £98,988 interest on its Money Market Fund investments at an average rate of 0.52%. The average balance during the year was £19,078,603.

Call Accounts

Fund	Investment Return (Annualised)	LIBID Benchmark (Annualised)	Out/(Under) Performance
HSBC Business Deposit a/c			
April to Sept 2014	0.39%	0.41%	-0.02%
Value of Interest earned first half year	£4,894	£5,205	-£311
Oct to Mar 2015	0.39%	0.42%	-0.03%
Value of Interest earned second half year	£4,332	£4,744	-£412
Rate for Year	0.38%	0.42%	-0.04%
Value of Interest earned in year	£9,226	£9,949	-£723
Svenska Handelsbanken a/c			
April to Oct 2014	0.55%	0.41%	+0.14%
Value of Interest earned first half year	£13,808	£10,283	+£3,525
Oct to Mar 2015	0.55%	0.42%	+0.13%
Value of Interest earned second half year	£13,751	£10,244	+£3,507
Rate for Year	0.55%	0.42%	+0.13%
Value of Interest earned in Year	£27,559	£20,527	+£7,032
TOTAL INTEREST FIRST HALF YEAR	£18,702	£15,488	+£3,214

TOTAL INTEREST SECOND HALF YEAR	£18,083	£14,988	+£3,095
TOTAL INTEREST FOR YEAR	£36,785	£30,476	+£6,309

- 10.11 In February 2015 £5 million was transferred from our Svenska Handelsbanken Deposit Account to their 35 Day Notice Account to allow us to still take advantage of a 0.55% interest rate.
- 10.12 As with the Money Market investments in paragraph 10.1, the LIBID benchmark, which in this case is the 7 day rate, has been increased by a margin of 0.0625%. The return for the second half year in the Svenska accounts outperformed the benchmark rate. However, there was a continuation of an underperformance on HSBC BDA account due to adverse cash flows towards the end of the year.
- 10.13 During 2014/15 the Council earned £36,785 interest on its Call Accounts at an average rate of 0.49% and the average balance held was £7,415,686.
- 10.14 In addition the Council operates a Business Reserve account with Lloyds Banking Group. If sufficient balances are maintained these accounts offer a guaranteed rate of return equivalent to Bank Rate or slightly higher. However, the rate offered on this Reserve account wasn't attractive and therefore the account was not used.
- 10.15 The following table brings together the investments made in the various investment vehicles during the year to give an overall picture of the investment return:-

Investment Vehicle	Investment Return (Annualised) £	LIBID Benchmark (Annualised) £	Out/(Under) Performance £
Money Markets	258,299	260,688	-2,389
Money Market Funds	98,988	90,181	+8,807
Call Accounts	36,785	30,476	+6,309
Total	394,072	381,345	+12,727

The original estimate of annual external investment interest for 2014/15 was £311,100 gross and this was subsequently revised to £399,900, the increase being mainly due to additional interest earned on increased balances as a result of variations in the 2013/14 and 2014/15 revenue and capital programmes (+£57,000) and in addition a higher than expected interest rate due to the markets expectations that bank rate will rise in the relatively near future (+£32,000). The actual outturn for 2014/15 is £394,072 which is comparable with the latest estimate of £399,900. It should be noted that the total investment return of £394,072 shown in the table above will not all be received in 2014/15 as it is an annualised figure and will include interest relating to 2015/16.

- 10.16 An analysis of the overall in house investments held by the Council at the end of March 2015 is shown below:

(The previous half year is shown for comparison)

Type of Investment	Closing Balance first half year as at 30 th Sept 2014	Closing Balance as at 31st March 2015
	£	£
Money Markets incl. CD's	36,000,000	32,000,000
Money Market Funds	15,842,000	15,541,000
Business Reserve Accounts including Call Accounts	5,666,000	7,278,000
Total	57,508,000	54,819,000

11. COUNTERPARTY CREDIT RATINGS

11.1 The investments made in the second half year and the credit ratings applicable to the counterparty at the point at which the investment was made is shown in the table below:-

Counterparty	Investment Amount £	Credit Rating			
		Long Term	Short Term	Viability	Support
UK Government Part Owned Banks					
WDC Minimum	(Fitch)	A	F1	BBB	1
RBS (CD)	£2,000,000	A	F1	BBB	1
RBS (CD)	£2,000,000	A	F1	BBB	1
RBS (CD)	£1,000,000	A	F1	BBB	1
Lloyds TSB Bank	£1,000,000	A	F1	A-	1
Lloyds TSB Bank	£2,000,000	A	F1	A-	1
Lloyds TSB Bank	£3,000,000	A	F1	A-	1
Building Societies					
WDC Minimum		< A+	F1	N/A	N/A
Nationwide	£2,000,000	A	F1	A	1

MoneyMarket Funds (Investment amount is average principal in fund during the half year)		
WDC Minimum	Fitch AAA & Volatility rating VR1+ or S & P AAAM or Moodys AAA & Volatility Rating MR1+	
Deutsche	£156,268	Fund retained its rating throughout period
Federated Prime Rate	£9,000,000	Fund retained its rating throughout period
Ignis	£23,006	Fund retained its rating throughout period
Goldman Sachs	£651,308	Fund retained its rating throughout period
Invesco	£888,070	Fund retained its rating throughout period
Call Accounts		
HSBC Business Deposit Account	£2,272,072	Counterparty retained its rating throughout period of AA- long term, F1+ short term, A+ viability and 1 for support.
Svenska Handelsbanken	£5,000,000	Counterparty retained its rating throughout period of AA- long term, F1+ short term, A+ viability and 1 for support.

11.2 It can be seen that all investments made within the second half year were in accordance with the Council's credit rating criteria.

11.3 Also attached for the Committee's information as Appendix B is the Council's current 2014/15 Counterparty lending list.

12. BENCHMARKING

12.1 With regard to the Capita Asset Services Treasury Management Benchmarking Club, the Council is part of a local group comprising both District and County Councils, the results are published quarterly. Analysis of the results for quarters three and four show that the Councils weighted average rate of return on its investments at 0.71% and 0.77% respectively was in-line with Capita's model portfolio band range.

12.2 Analysis of the benchmarking groups' data suggests that the continuing trend has been to invest longer term with the highly rated counter parties in line with the advice from Capita Asset Services as in paragraph 10.3.

13. BORROWING

13.1 During the second half year, there was no long term borrowing activity other than to pay the second half year interest instalment on the £136.157m PWLB borrowing taken out in March 2012 for the HRA Self Financing settlement which amounted to £2.383m.

13.2 During the half year it was not necessary to undertake any Money Market borrowing to fund cashflow deficits, with any deficits being managed within the Council's £50,000 overdraft facility with HSBC. The interest rate on this facility is 2% above Bank Rate and is charged on the cleared balance at the end of each day when that balance is in debit i.e. overdrawn. In the second half year no overdraft interest was paid. Overdraft interest is normally offset by the interest earned at 1% below Bank Rate on the days when the end of day balance was in credit; however, with Bank Rate at 0.50% this is not applicable.

14 PRUDENTIAL INDICATORS

14.1 The 2014/15 Treasury Management Strategy included a number of Prudential Indicators within which the Council must operate. The two major ones are the Authorised Limit and Operational Boundary for borrowing purposes. It is confirmed that during the half year neither indicator has been exceeded.

1. CAPITA ASSET SERVICES COMMENTARY ON THE CURRENT ECONOMIC BACKGROUND

1.1 During the quarter ended 31 March: -

- 1.1.1 After strong UK GDP growth in 2013 at an annual rate of 2.7%, and then growth in 2014 of 0.6% in Q1, 0.8% Q2, 0.6% Q3 and 0.6% Q4 (annual rate for 2014 of 2.8% - the strongest rate since 2006), there are good grounds for optimism that the growth rate will increase further during 2015 as the positive effects from the fall in the price of oil feeds through to consumers and other parts of the economy. In its February quarterly Inflation Report, the Bank of England maintained its GDP forecast for 2015 at 2.9%, but revised up its forecasts for 2016 and 2017 to 2.9% and 2.7% respectively, from 2.6% in both years.
- 1.1.2 The main source of upward revisions came from higher consumption growth, which is now expected to accelerate to 3.75% in 2015 due primarily to a 3.5% rise in real post-tax household income growth. Income growth is also supported by solid employment growth and a pick-up in average weekly pay growth of 3.5% in 2014 and 4.0% in 2016 and 2017. Unit labour cost growth is consequently forecast to be 2.0% in 2015 and 2.75% in 2016 which then pushes up the inflation forecast slightly in two years' time to 1.96%, while in three years' time it is forecast at 2.15%.
- 1.1.3 The American economy is well on track to making a full recovery from the financial crash. GDP quarterly growth rates (annualised) for Q2, Q3 and Q4 of 4.6%, 5.0% and 2.2%, (2.4% for 2014 as a whole), hold great promise for strong growth going forward and for further falls in unemployment. It is therefore confidently predicted that the Federal Open Market Committee will start on the first increase in the Fed funds rate during 2015 and is likely to be ahead of the UK in being the first major western country to raise rates.
- 1.1.4 As for the Eurozone, on 21 January 2015 the ECB fired its big bazooka in unleashing a massive €1.1 trillion programme of quantitative easing to buy up high credit quality government and other debt of selected EZ countries. This programme of €60bn of monthly purchases started in March 2015 and it is currently intended to run initially to September 2016. However, it remains to be seen whether this will have a significant enough effect in terms of boosting growth and employment, though the fall in the price of oil will provide additional support.

WARWICK DISTRICT COUNCIL STANDARD LENDING LIST AS AT APRIL 2015

BANKS

Investments up to 364 days (3 months for explicitly guaranteed subsidiaries)

Maximum investment limit with any one part or fully nationalised bank = £9m

Maximum investment limit with any one private sector bank = £5m

Group limit = £5m (£9m UK govt part owned banks) (group = other banks on WDC list as identified below* including explicitly guaranteed subsidiaries)

Minimum Fitch ratings credit rating = long term a+ (UK govt part owned a), short term f1, viability rating of BBB and support rating of 1. Sovereign country rating – at least equal to that of the UK (currently AA+).

Investments over 364 days

As above but maximum overall investment per counterparty and/or group is £5m for a maximum of two years, subject to an overall limit of £15m (including category a building societies, corporate bonds, corporate bond funds and property funds) seek advice from capita asset services before placing deals in this category to ensure that the interest rate offered is appropriate.

Nb - £15m over 364 day limit only applies to those investments where at 1st April the remaining term is greater than 364 days. Any over 364 day investment with 364 days or less to maturity at 1st April is deemed to be short term.

BANK NAME	OTHER BANKS IN GROUP (* = Not on list but included for information re potential problems etc)	GROUP LIMIT APPLIES
AUSTRALIA (AAA)		
Australia & New Zealand Banking Group Ltd		
Commonwealth Bank of Australia		
National Australia Bank Ltd	Bank of New Zealand* Yorkshire Bank *(Trading name of Clydesdale Clydesdale Bank*	Yes
Westpac Banking Corporation		
CANADA (AAA)		
Bank of Montreal	Bank of Montreal Ireland plc*	
Bank of Nova Scotia	Scotia Bank* Scotia Bank (Ireland) Ltd* Scotia Bank Capital Trust (United States)* Scotia Bank Europe plc*	
Canadian Imperial Bank of Commerce	Canadian Imperial Holdings Inc New York* CIBC World Markets Holdings Inc*	

National Bank of Canada	National Bank of Canada New York Branch*	
Royal Bank of Canada	Royal Trust Company* Royal Bank of Canada Europe* Royal Bank of Canada Suisse* RBC Centura Banks Inc*	
Toronto Dominion Bank	TD Banknorth Inc*	
FINLAND (AAA)		
Nordea Bank Finland	Nordea Bank Denmark* Nordea Bank AB Nordea Bank Norge* Nordea Bank North America*	Yes
GERMANY (AAA)		
Commerzbank AG		
Deutsche Bank AG	Bankers Trust International plc* Deutsche Asset Management* Deutsche Bank Americas Finance LLC* Deutsche Bank Securities * Deutsche Bank Trust Company Americas* Deutsche Trust Corporation New York*	
Landesbank Baden Weurttemberg		
HONG KONG (AA+)		
The Hong Kong & Shanghai Banking Corporation Ltd		
LUXEMBOURG (AAA)		
Clearstream Banking		
NETHERLANDS(AAA)		
ING Bank NV	ING Belgium*	
SINGAPORE (AAA)		
DBS Bank Ltd	DBS Bank (Hong Kong)*	
Oversea Chinese Banking Corporation Ltd		
United Overseas Bank Ltd		
SWEDEN (AAA)		
Nordea Bank AB	Nordea Bank Denmark* Nordea Bank Finland Nordea Bank Norge* Nordea Bank North America*	Yes
Skandinaviska Enskilde	SEB Bolan*	

Banken AB		
Svenska Handelsbanken AB	Stadtshypotek* Svenska Handelsbanken Inc USA*	
Swedbank AB		
UNITED KINGDOM (AA+)		
HSBC Bank plc	HSBC AM* HFC Bank Ltd* Hong Kong & Shanghai Banking Corporation* HSBC Finance Corp* HSBC Finance* HSBC USA Hang Seng Bank*	Yes
Standard Chartered Bank-		
Lloyds Banking Group Including :- Lloyds TSB Bank of Scotland	Halifax plc* Bank of Western Australia Ltd*. Cheltenham & Gloucester* Scottish Widows Investment Partnership* Scottish Widows plc*	Yes
Royal Bank of Scotland Group Including :- Royal Bank of Scotland	Citizens Financial Group Inc* First Active plc (Ireland)* National Westminster Bank* Ulster Bank*	Yes
UNITED STATES OF AMERICA (AAA)		
Bank of New York Mellon	Bank of New York (Delaware USA)* Bank of New York (New York USA)* Bank of New York Trust Company*	
HSBC Bank USA NA	HSBC AM* HFC Bank Ltd* Hong Kong & Shanghai Banking Corporation* HSBC Finance Corp* HSBC Finance* HSBC UK Hang Seng Bank*	Yes
JP Morgan Chase Bank NA	Bank One Corp* Bank One Financial LLC* Bank One NA * First USA Inc* NDB Bank NA* Chemical Bank * Chemical Banking Corp* JP Morgan & Co Inc*	

	Chase Bank USA* Robert Fleming Ltd*	
State Street Bank and Trust Company	State Street Banque* State Street Corporation*	
Wells Fargo Bank NA	Wachovia Bank* Wachovia Bank NA North Carolina USA*	

BUILDING SOCIETIES – CATEGORY A

INVESTMENTS UP TO 364 DAYS

Maximum investment limit with any one building society = £4m

Minimum Fitch ratings credit rating = at least equal to UK sovereign rating (currently AA+), long term A+ and short term F1.

None

INVESTMENTS OVER 364 DAYS

Category A building societies up to £1m for up to 2yrs subject to overall £15m limit for over 364 day investments.

BUILDING SOCIETIES – CATEGORY B

Maximum investment limit = £2m

Maximum length of investment = 364 days

Minimum Fitch ratings credit rating = at least equal to UK (currently AA+) sovereign rating, long term less than A+ and short term F1 or above

- Coventry
- Nationwide

BUILDING SOCIETIES – CATEGORY C

All other building societies in the top 20 (at 04.04.15) ranked by asset value (floor £500m)

Maximum investment limit = £1m

Maximum length of investment = 3 months

Group limit = £8m

- Yorkshire
- Skipton
- Leeds
- Principality
- West Bromwich
- Newcastle
- Nottingham
- Progressive
- Cumberland
- National Counties
- Saffron
- Cambridge
- Monmouthshire
- Furness
- Leek United
- Newbury
- Manchester
- Ipswich

NATIONALISED INDUSTRIES AND PUBLIC CORPORATIONS

Maximum investment limit = £9m

Maximum length of investment = 364 days

LOCAL AUTHORITIES INCLUDING POLICE & FIRE AUTHORITIES

Maximum investment limit = £9m

Maximum length of investment	Short term – up to and including 364 days
	Long term – over 364 days and up to 5 years subject to overall over 364 day limit of £15m

Any local authority in Great Britain and Northern Ireland at the discretion of the Head of Finance

SUPRANATIONAL INSTITUTIONS / MULTI-LATERAL DEVELOPMENT BANKS

Minimum Fitch credit rating = AAA or government guaranteed

Maximum investment limit = £5m per counterparty

Maximum length of investment = 364 days. Seek advice from capita asset services before placing deals in this category to ensure that the interest rate offered is appropriate.

European Community

European Investment Bank

African Development Bank

Asian Development Bank

Council of Europe Development Bank

European Bank for Reconstruction & Development

Inter-American Development Bank

International Bank of Reconstruction & Development

Or any other Supranational/Multi-Lateral Development Bank meeting criteria

CNAV MONEY MARKET FUNDS

Minimum credit rating – Standard and Poors aaam or Moodys aaa-mf or Fitch AAAMMF

Maximum investment limit = £9m

Maximum length of investment = not defined – depends on cash flow

CURRENT

Aim Global (£9m limit)

Deutsche (£9m limit)

Prime Rate (£9m limit)

Goldman Sachs (£9m limit)

Ignis (£9m limit)

Any other MMF satisfying above credit rating criteria (£9m limit)

VNAV MONEY MARKET FUNDS

Minimum credit rating – Standard and Poors aaafs1 or Moodys aaa-bf or Fitch AAA/v1

Maximum investment limit = £6m (also group limit)

Maximum length of investment = not defined – depends on cash flow

CORPORATE BONDS AND FLOATING RATE NOTES – CATEGORY 1

SHORT TERM

Senior Unsecured Corporate Bonds and Floating Rate Notes issued by Financial Institutions with minimum Fitch rating of A+ and sovereign rating at least equal to that of the UK at the time of purchasing the bond or note - maximum limit per counterparty =£5m for maximum of 364 days subject to overall group limit of £5m.

LONG TERM – CORPORATE BONDS ONLY

Senior Unsecured Corporate Bonds issued by Financial Institutions with minimum Fitch rating of A+ and sovereign rating at least equal to that of the UK at the time of purchasing the bond - maximum limit per counterparty =£5m for maximum of 2 years subject to overall group limit of £5m and overall over 364 day limit of £15m

CORPORATE BONDS AND FLOATING RATE NOTES – CATEGORY 2

SHORT TERM

Senior Unsecured Corporate Bonds and Floating Rate Notes issued by Financial Institutions part or wholly owned by the UK Government and with minimum Fitch rating of A and sovereign rating at least equal to that of the UK at the time of purchasing the bond or note- maximum limit per counterparty =£9m for maximum of 364 days subject to overall group limit of £9m.

LONG TERM – CORPORATE BONDS ONLY

Senior Unsecured Corporate Bonds issued by Financial Institutions part or wholly owned by the UK Government and with minimum Fitch rating of A and sovereign rating at least equal to that of the UK at the time of purchasing the bond - maximum limit per counterparty =£9m for maximum of 2 years subject to overall group limit of £9m and overall over 364 day limit of £15m

CORPORATE BONDS AND FLOATING RATE NOTES – CATEGORY 3

SHORT TERM

Senior Unsecured Corporate Bonds and Floating Rate Notes issued by Corporate Entities with minimum Fitch rating of A + and sovereign rating at least equal to that of the UK at the time of purchasing the bond or note - maximum limit per counterparty =£3m for maximum of 364 days.

LONG TERM – CORPORATE BONDS ONLY

Senior Unsecured Corporate Bonds issued by Corporate Entities with minimum Fitch rating of A + and sovereign rating at least equal to that of the UK at the time of purchasing the bond - maximum limit per counterparty =£3m for maximum of 2 years subject to overall 364 day limit of £15m.

CORPORATE BOND FUNDS

LONG TERM ONLY

Any Corporate Bond Fund with a minimum investment grade rating of BBB (Fitch). £5m per counterparty for a maximum of 10 years subject to Corporate Bond Fund/Property Fund group limit of £10m and overall over 364 day limit of £15m.

POOLED PROPERTY FUNDS (E.G. REITS)

LONG TERM ONLY

Any Pooled Property Fund authorised by the FS&MA. £5m per counterparty for a maximum of 10 years subject to Corporate Bond Fund/Property Fund group limit of £10m and overall over 364 day limit of £15m.

CCLA PROPERTY FUND

LONG TERM ONLY

£5m for a maximum of 10 years subject to Corporate Bond Fund/Property Fund group limit of £10m and overall over 364 day limit of £15m.

UK GOVERNMENT

UK Government Debt Management Account Facility

Maximum investment limit = £12m


Maximum length of investment = 364 days

UK Government Gilt Edges Securities

UK Government Treasury Bills

Maximum investment limit = £9m

Maximum length of investment = not defined.

 Finance & Audit Scrutiny Committee - 30 June 2015		Agenda Item No. 5
Title	Anti Fraud & Corruption Progress Report 2014/15	
For further information about this report please contact	John King Tel: (01926) 456816 E Mail: john.king@warwickdc.gov.uk	
Service Area	Finance	
Wards of the District directly affected	Not applicable	
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	Finance and Audit Scrutiny Committee – 1 July 2014 Minute 22	
Background Papers	Anti Fraud and Corruption Strategy	

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 & Sustainability Impact Assessment Undertaken	N/A: no direct service implications

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report author's relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Chief Executive	12 June 2015	Chris Elliott
Section 151 Officer	12 June 2015	Mike Snow
Monitoring Officer	12 June 2015	Andrew Jones
Human Resources		
Finance	12 June 2015	As Section 151 Officer
Portfolio Holder	12 June 2015	Councillor Whiting
Consultation and Community Engagement		
None other than consultation with members and officers listed above.		
Final Decision?	Yes	
Suggested next steps (if not final decision please set out below)		

1 **SUMMARY**

- 1.1 The council has in place an Anti Fraud and Corruption Strategy that is subject to an annual review. At the same time an action plan is prepared to maintain the strategy and to help deliver its objectives. A copy of the strategy is attached as Appendix C.
- 1.2 Keeping the strategy under review, coupled with the completion of an action plan, plays a part in improving the overall control environment, raising awareness on fraud and corruption matters and the prevention and detection of fraud and corruption.
- 1.3 The Strategy relates to corporate fraud, not Housing Benefit and Council Tax Reduction.
- 1.4 This report updates members on the steps taken to deliver the 2014/2015 action plan and presents the 2015/2016 action plan for approval.

2 **RECOMMENDATIONS**

- 2.1 That members note the report and the progress made in implementing the 2014/2015 action plan. (Appendix A)
- 2.2 That members approve the action plan for 2015/2016. (Appendix B)

3 **REASON FOR THE RECOMMENDATIONS**

- 3.1 The Anti Fraud and Corruption Strategy has been reviewed to ensure that it remains relevant to the council's structure and organisation and that it bears comparison with strategies in place at other authorities. Some cosmetic changes are considered necessary and they will be dealt with as part of a complete review of the strategy scheduled for the coming year.
- 3.2 The action plan for 2015/2016 needs to be approved. The action plan is based on the continuous improvement of the council's anti fraud and corruption measures. Progress against the 2014/2015 action plan needs to be considered.

4 **ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 This report is not concerned with recommending a particular option in preference to others so this section is not applicable.

5 **BUDGETARY FRAMEWORK**

- 5.1 All of the council's services and activities can be affected by fraud and corruption but approval of the action plan does not have any direct impact on council budgets.

6 **POLICY FRAMEWORK**

- 6.1 The council is committed to managing services and resources openly, fairly and efficiently. The Anti Fraud and Corruption Strategy assists in delivering those aims.

7 **RISKS**

- 7.1 The risk of not approving an action plan for 2015/2016 relates to a perception that the action plan is not supported by the council's leadership. This could impact on the level of fraud in the community. Conversely no risks are evident from approving the action plan.

8. **BACKGROUND**

- 8.1 Increasing concerns about the level of fraud and corruption in the public sector in the mid 1990s prompted the Audit Commission to produce a series of reports entitled "Protecting the Public Purse". Prior to this time most local authorities had no formal stance on fraud and no policies, procedures and systems in place to deal with it. One of the recommendations in the first report concerned the creation of an anti fraud culture with the formal adoption of a policy stating an authority's zero tolerance attitude to fraud and corruption.
- 8.2 Warwick District Council was amongst the first local authorities to act on this recommendation and adopted a policy and strategy in September 1995. The policy and strategy was revised and replaced by the current version in September 2005. Minor amendments were approved in July 2011 and July 2013.
- 8.3 As part of the Government's Welfare Reforms a Single Fraud Investigation Service (SFIS) has been set up and is being operated by the Department for Work and Pensions (DWP). It investigates state benefit fraud, HMRC fraud and Housing Benefit fraud previously investigated by local authorities. Accordingly the council's Benefit Fraud staff have been transferred to the DWP.
- 8.4 This move raised some questions over resourcing the investigation of any remaining fraud i.e. council tax reduction, single person discount and tenancy fraud. There were a number of options including buying in some time, joining with another authority or providing a service in house. In September 2014 the post of Corporate Fraud Investigator was approved by Employment Committee. A recruitment exercise resulted in a job offer which was initially accepted but soon declined. Measures are in place to recruit to the post.
- 8.5 The Strategy relates to corporate fraud, not Housing Benefit and Council Tax Reduction.

ANTI FRAUD & CORRUPTION ACTION PLAN 2014/15

Review of Progress in Achieving the 2014/15 Action Plan

ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS / ACTION NEEDED
OBJECTIVE: Undertake all assignments in the 2014/2015 Audit Plan and any investigations required			
Complete all audit assignments set out in the annual Audit Plan with objectives to include the assessment of fraud prevention controls and the identification of fraud where it exists.	Audit and Risk Manager	March 2015	Progress against the plan is monitored by the Audit and Risk Manager and the Internal Audit Team as the main item of monthly team meetings to ensure that the plan is completed by 31 March. Quarterly progress reports are submitted to Finance and Audit Scrutiny Committee. For 2014/15 all audits in the plan, as amended, were completed.
Carry out fraud and irregularity investigations as and when they occur with reporting to committee of the circumstances and the outcome if necessary. Report to committee if the scale of the fraud impacts on the Audit Plan and the measures to address any shortfall.	Audit and Risk Manager	As required	There were no reports of fraud or irregularity during the year. There were a small number of cases of theft which were investigated resulting in recommendations to change procedures to improve control and help prevent a recurrence. The incidents were reported to the Police but other than allocating crime numbers no action was taken.
Compile a Fraud Response Plan for use in the investigation of suspected fraud and corruption cases.	Audit and Risk Manager	December 2014	The current Fraud Response Plan, which has been in place for a number of years, has been reviewed and amended so that it can be applied if necessary. It is a very comprehensive document based on a CIPFA model and it was felt that a shorter, user friendly version would be an improvement. A first draft of a completely new response plan has been prepared and it will be developed during 2015/16.

ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS / ACTION NEEDED
Report outcome of audit assignments to Finance & Audit Scrutiny Committee.	Audit and Risk Manager	Quarterly	Details of all audits completed during a quarter together with the action plans are reported to Finance and Audit Scrutiny Committee.
OBJECTIVE: Promote fraud awareness within the Council			
Issue fraud awareness reminders for members, managers, staff and agency staff.	Audit and Risk Manager	December 2014	Completed as planned.
Issue a reminder of the option to invoke the council's Whistleblowing policy and procedure.	Audit and Risk Manager	December 2014	Completed as planned.
Continue to run Anti Fraud and Corruption sessions as part of the corporate induction programme.	Audit and Risk Manager	Throughout the year	Members of Internal Audit attended all of the corporate induction sessions during the year to outline the council's approach to managing fraud and corruption.

ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS / ACTION NEEDED
Revise, if necessary, relaunch and restock the "Don't Turn A Blind Eye" leaflet which encourages staff and the public to report any suspicions of fraud and corruption.	Audit and Risk Manager	December 2014	The leaflet was produced and distributed in April 2008. The stock that remains following the initial distribution is issued as part of corporate induction. Its value cannot be demonstrated but it has not resulted in any reports of fraudulent or corrupt activity. It could be revised and redistributed for relatively small cost but it is felt that it would not be productive. A narrative version of the leaflet is available on the council's website. Word and PDF versions of the leaflet exist and they can be distributed to staff electronically as part of fraud awareness reminders as in December 2014.
Publicise details of new types of fraud received or identified.	Audit and Risk Manager	Throughout the year	During the year notices were posted on the council's Intranet warning staff to be on their guard against particular types of attempted fraud as they occurred. In the main there are controls in place within systems that will prevent what are normally fairly crude attempts from succeeding. If an attempted fraud identifies a possible weakness in control then appropriate changes are made and details are circulated.
OBJECTIVE: Participate in data exchange and research initiatives			
Provide data to the National Fraud Initiative (NFI) and respond to referrals received as a result.	Audit and Risk Manager	February 2015	Completed.

ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS / ACTION NEEDED
Present a report to Finance and Audit Scrutiny on the outcome of the NFI exercise.	Audit and Risk Manager	October 2014	Completed.
Complete the Audit Commission Fraud and Corruption survey.	Audit and Risk Manager	May 2015	Completed.
OBJECTIVE: Ensure Internal Audit staff remain aware of best practice and new developments			
Arrange for attendance of Internal Audit staff at appropriate training events and professional networking groups.	Audit and Risk Manager	Throughout the year	Completed. Training has been undertaken as appropriate and affordable. The traditional main source of training, a series of seminars arranged by CIPFA in the Midlands, was cancelled in 2014 but it is expected to resurface in the autumn. Staff have attended the meetings of the Warwickshire and Midlands Chief Auditors' groups whenever possible.
Arrange to run workshops for Internal Audit staff on investigative practice having successfully completed the CIPFA Certificate in Investigate Practice.	Audit and Risk Manager	Throughout the year	An initial workshop has taken place and further sessions will take place in 2015/16.

ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS / ACTION NEEDED
OBJECTIVE: Review Strategy and Action Plan			
Review the currency of the Anti Fraud and Corruption Strategy annually and report to Members.	Audit and Risk Manager	May 2015	Completed. The council's Anti Fraud and Corruption Strategy was first approved in September 1995 and formally reviewed in September 2005. Since then some minor amendments have been made. In essence though it remains very close to the original version. As a series of broad measures the strategy does stand the test of time with only a small number of cosmetic changes needed. As the strategy is almost 20 years old it might benefit from a complete overhaul and this is included in the action plan for 2015/16.
Review any CIPFA and Audit Commission guidance on fraud and corruption issued during the year and consider if any of the recommendations impact on WDC's fraud prevention procedures or the policy and strategy.	Audit and Risk Manager	As received	The Audit Commission's annual fraud report, Protecting The Public Purse – Fighting Fraud Against Local Government, issued in October 2014 was the last in the series before the Audit Commission closed in March 2015. It will continue in some guise as the function has been transferred to the Counter Fraud Centre run by CIPFA. The report is partly statistical with historical data on fraud numbers, values and trends. It also includes recommendations that tend to be fairly broad and repetitive. It includes a "checklist for councillors and others responsible for governance" for councils to review their counter fraud arrangements. The checklist was broadly similar to the previous year's and nothing was identified requiring any action.

ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS / ACTION NEEDED
Present an annual report recording progress against the Action Plan together with a revised Action Plan.	Audit and Risk Manager	July 2015	Completed. Undertaken as part of this report.

ANTI FRAUD & CORRUPTION ACTION PLAN 2015/16

Action Plan to Improve Further the Authority's Arrangements for Countering Fraud and Corruption

ACTIONS	RESPONSIBILITY	TIMESCALE
OBJECTIVE: Undertake all assignments in the 2015/2016 Audit Plan and any investigations required		
Complete the audits contained in the annual Audit Plan approved by members. The scope and objectives of the audits will include the assessment of controls that assist in fraud prevention and detection.	Audit and Risk Manager	March 2016
Investigate any fraud or irregularity cases uncovered. Where appropriate report the circumstances, the approach to the investigation and the outcome to members. Assess the effect of the scale of the incident and the resultant investigation on the Audit Plan and report to F & A listing the options if a shortfall is identified.	Audit and Risk Manager	As required
Complete the revision of a Fraud Response Plan for use in the investigation of any suspected fraud and corruption cases.	Audit and Risk Manager	December 2015
Continue to report the outcome of all completed audit assignments together with the action plan to Finance & Audit Scrutiny Committee.	Audit and Risk Manager	Quarterly
OBJECTIVE: Promote fraud awareness within the Council		
Post a notice on the council's Intranet as a reminder of the ever present threat of fraud and how to deal with any discovery or suspicion.	Audit and Risk Manager	December 2015

ACTIONS	RESPONSIBILITY	TIMESCALE
Issue a reminder of the council's instructions for staff for the prevention of money laundering.	Audit and Risk Manager	December 2015
Continue to attend the council's corporate induction programme to provide Anti Fraud and Corruption sessions.	Audit and Risk Manager	Throughout the year
Circulate details of any attempted frauds as they occur and details of any potential fraudulent activity received.	Audit and Risk Manager	Throughout the year
OBJECTIVE: Participate in data exchange and research initiatives		
Provide data to the National Fraud Initiative (NFI) and respond to referrals received as a result.	Audit and Risk Manager	February 2016
Present a report to Finance and Audit Scrutiny on the outcome of the NFI exercise.	Audit and Risk Manager	October 2015
Complete the annual CIPFA Counter Fraud Centre Fraud and Corruption survey.	Audit and Risk Manager	May 2015

ACTIONS	RESPONSIBILITY	TIMESCALE
OBJECTIVE: Ensure Internal Audit staff remain aware of best practice and new developments		
Arrange for the attendance of members of the Audit team at appropriate and affordable training events and attendance at Warwickshire and Midlands professional networking groups.	Audit and Risk Manager	Throughout the year
Arrange to run workshops for Internal Audit staff on investigative practice following the recent successful completion of the CIPFA Certificate in Investigate Practice.	Audit and Risk Manager	Throughout the year
OBJECTIVE: Review Strategy and Action Plan		
Review the content, currency and format of the Anti Fraud and Corruption Strategy and if necessary present to members for approval.	Audit and Risk Manager	January 2016
Review any CIPFA or other relevant bodies' guidance on fraud and corruption issued during the year and consider if any of the recommendations require changes to WDC's fraud prevention procedures or the policy and strategy.	Audit and Risk Manager	As received
Present an annual report recording progress against the Action Plan together with a revised Action Plan.	Audit and Risk Manager	July 2016

**WARWICK DISTRICT COUNCIL
ANTI FRAUD AND CORRUPTION STRATEGY**

1 INTRODUCTION

- 1.1 Warwick District Council is a large organisation employing more than 500 staff and spending over £20 million a year of taxpayers' money. Like most organisations it is a possible target for fraud and corruption which could be attempted by employees, external organisations or members of the public.
- 1.2 The Council is determined to do everything that it reasonably can to deter, prevent and detect fraud and corruption and it is committed to the Anti Fraud and Corruption Strategy.
- 1.3 The Strategy relates to corporate fraud, not Housing Benefit and Council Tax Reduction.

2 POLICY STATEMENT

- 2.1 Warwick District Council aims to provide quality services that are accessible to all sections of the community and delivered fairly and efficiently. In doing so the Council is firmly opposed to fraud and corruption of any kind and will take prompt and decisive action to deal with any instances that are identified and will deal equally with perpetrators from inside and outside the Council.
- 2.2 At all times the Council will endeavour to ensure that all of its dealings are carried out with honesty and integrity with no thoughts of fraudulent or corrupt acts and in turn it will expect all partners, suppliers, contractors, organisations and individuals that it deals with to behave in the same way.
- 2.3 The Council's elected Members and staff will lead by example and ensure that they comply with all policies, codes, regulations and controls that are in place.
- 2.4 The Council will pursue all individuals or organisations suspected of having defrauded or having committed corrupt acts and will report them to the Police if appropriate.
- 2.5 This policy will be delivered by a series of measures contained in the Anti Fraud and Corruption Strategy.

3 DEFINITIONS

- 3.1 Fraud is the intentional distortion of financial statements or other records by persons internal or external to the authority which is carried out to conceal the misappropriation of assets or otherwise for gain or to mislead or misrepresent.

- 3.2 Corruption is the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person; or the failure to disclose an interest in order to enjoy financial or other pecuniary gain.

4 STRATEGY

- 4.1 The strategy comprises a series of measures and procedures, detailed below, that are designed to frustrate any attempted fraudulent or corrupt acts.

5 CULTURE

- 5.1 The Council wishes it to be known that the culture and tone of the authority is one of openness, honesty and equality with wholehearted opposition to fraud and corruption in any form.

- 5.2 The Council Taxpayers are entitled to expect the highest standards of accountability, stewardship and probity from the Council. To an extent these expectations will be met by the Council complying with legislation. For example:

The Council must appoint a Responsible Financial Officer who is responsible for the Council's financial strategy and direction and also for ensuring that there are sound systems of financial control in place;

The Council is required to ensure the existence of adequate and effective internal audit arrangements;

Independent external auditors are appointed by the Audit Commission to scrutinise the Council's business;

Procedures exist for the public to inspect the Council's accounts and to question the external auditors;

The Council is required to appoint a Monitoring Officer to monitor the lawfulness and fairness of decision making;

Decisions are made in public meeting except in circumstances where the need for confidentiality is paramount;

Members of the public can request the Local Government Ombudsman to investigate cases of alleged maladministration.

- 5.3 Additionally the Council will have:

A Code of Corporate Governance

A system of Overview and Scrutiny whereby Members of the Council review past decisions and examine specific issues within service areas.

6 PREVENTION

6.1 Staff

- 6.1.1 The Council acknowledges that the recruitment and retention of high calibre staff is vital to the delivery of quality services and that staff have a key role to play in the prevention and detection of fraud and corruption.

- 6.1.2 Written references will always be taken up and referees will be asked to give their views on candidates' honesty and integrity.
- 6.1.3 Confirmation of any academic qualifications will be obtained before any offers of employment are made.
- 6.1.4 Depending on the duties of the post, the selection process will include reference to the Criminal Records Bureau.
- 6.1.5 Council staff who are members of professional bodies will be expected to observe the standards advocated by those bodies which may be laid down in codes of conduct.
- 6.1.6 All staff of the Council will be bound by any National, Local or Departmental codes of conduct.
- 6.1.7 All staff must operate and adhere to all of the relevant procedures and codes that form the Council's overall control framework.

6.2 Members

- 6.2.1 Elected members are expected to observe the highest standards of conduct which are enshrined in legislation and the Council's constitution.
- 6.2.2 Members are required to declare specific information concerning their financial and other interests and for ensuring that this information is kept up to date.
- 6.2.3 Members are required to declare their interests at all meetings, both internal and external, whether decision making or not.
- 6.2.4 Members are required to declare the offer or receipt of all gifts and hospitality in a register maintained by the Chief Executive.
- 6.2.5 The Council has a Standards Committee which includes two independent members from outside the Council. Its role is to promote and maintain high standards amongst members and to investigate any alleged breaches of the Code of Conduct.

6.3 Systems

- 6.3.1 The Council is committed to operating financial and management systems and procedures which incorporate efficient and effective internal controls.
- 6.3.2 Senior managers with responsibility for systems are responsible for ensuring that such controls are achieved and maintained.
- 6.3.3 The Council's Internal Audit Service will carry out periodic reviews of all systems to ensure that controls exist and are being adhered to and that senior managers are meeting their responsibility.

6.4 Working with others

- 6.4.1 Arrangements are in place for the regular exchange of information between the Council and other Local Authorities and Government agencies for the purpose of preventing and detecting fraud.
- 6.4.2 The Council will participate in data matching exercises with appropriate organisations in order to detect fraud.
- 6.4.3 Whenever any information is to be exchanged the person or organisation supplying the information will be advised accordingly.
- 6.4.4 Staff will be encouraged to participate in local and national professional groups and forums in order to exchange information, ideas and experiences.

6.5 Internal Audit

- 6.5.1 The Council is required to maintain an adequate and effective system of internal audit as part of the Responsible Financial Officer's duty to ensure that there are proper arrangements in place to administer the Council's financial affairs.
- 6.5.2 The adequacy and effectiveness of internal controls is monitored by the Council's Audit Section as part of their annual programme of work. Any weaknesses in internal control are reported to management whose duty it is to ensure that corrective action is taken.
- 6.5.3 The work of the Audit Section and their progress against the Audit Plan is overseen by a committee of the Council who receive summaries of all audit reports and management responses.
- 6.5.4 The Audit Plan is prepared following a risk assessment of audit areas which determines the frequency of audits and particular areas to focus attention on. The risk assessment process is subject to an ongoing review.
- 6.5.5 The Head of Internal Audit will ensure that all Internal Audit staff have the appropriate skills and expertise to carry out their duties.

6.6 External Audit

- 6.6.1 Independent external audit is an essential safeguard to the stewardship of public money. The Council's external auditors will carry out their duties in accordance with the Code of Audit Practice.
- 6.6.2 The Code emphasises management's role in preventing and detecting fraud and corruption. It is the external auditor's role to review the Council's arrangements for meeting this responsibility.
- 6.6.3 The Audit Commission will be notified of all frauds involving sums over £1,000 and of any corrupt acts.

7 DETECTION

- 7.1 Managers are responsible for the prevention and detection of fraud, corruption and other irregularities. Managers should pay special attention to particular circumstances which may indicate an irregularity.
- 7.2 Managers are required to notify the Head of Audit immediately if a fraud or other irregularity is discovered or suspected. They should also ensure that:
 - any supporting documentation or other evidence is secured; and
 - confidentiality is maintained so as not to prejudice any subsequent investigation.
- 7.3 Staff should report any suspected irregularities to their line manager or they may use the Council's Whistleblowing Policy and Procedure.
- 7.4 Internal Audit will assist managers to discharge their responsibilities when they are conducting audits by establishing and testing expected controls. Any control weaknesses will be reported to managers and also to committee together with managers' responses.

8 INVESTIGATION

- 8.1 If an act of fraud or corruption is discovered or suspected, the initial investigation will be conducted by Internal Audit.
- 8.2 If the initial investigation reveals that a full investigation is warranted Internal Audit will invoke the Council's Fraud Response Plan and Disciplinary Procedure.
- 8.3 The decision to involve the Police will be taken by the Head of Audit in consultation with the relevant managers and the Chief Executive. The Council will co-operate fully with the Police and Internal Audit will work closely with them to gather evidence and provide information.
- 8.4 Whenever possible the Council will seek restitution for any losses suffered. This may include recovery from a Pension Fund, an insurance claim or civil action.
- 8.5 At the conclusion of the investigation a report will be prepared for management and for committee. A review of the investigation will be carried out and any control weaknesses identified will be considered with a view to taking appropriate remedial action.
- 8.6 The Monitoring Officer will investigate allegations of fraud or criminal misconduct against Members. Investigations will be subject to supervision by and report to the Standards Committee. Where the allegation is within the terms of reference of the Council's auditors the matter will be referred to them.

9 DETERRENCE

- 9.1 The Council will state publicly at every appropriate opportunity that it is strongly opposed to all forms of fraud and corruption.

- 9.2 The Council will act firmly and decisively when fraud and corruption is suspected and proven e.g. the termination of contracts, the dismissal of staff, the prosecution of staff or other offenders.
- 9.3 The Council will take action to effect the maximum recoveries e.g. through agreement, court action, penalties, insurance, Pension Funds.
- 9.4 The Council's systems will contain sound internal controls that are kept under review to minimise the opportunity for fraud and corruption.
- 9.5 The Council's Anti Fraud and Corruption Strategy will be publicised to all staff and posted on the Council's website.


10 TRAINING

- 10.1 The Council recognises that the success of its Anti Fraud and Corruption Strategy will very much depend on the effectiveness of staff throughout the authority.
- 10.2 The Council supports the concept of induction training and follow up training, particularly for those staff involved with internal control systems.
- 10.3 It is the responsibility of managers to ensure that their staff are adequately trained to carry out their duties.
- 10.4 Investigation of fraud and corruption will be undertaken primarily by Internal Audit. Staff of the section should receive appropriate training in this area.
- 10.5 Members of the Council will receive training on a wide range of topics including declarations of interest, the Code of Conduct and their role in promoting the Anti Fraud and Corruption stance.

11 CONCLUSION

- 11.1 The Council has in place a framework of systems and procedures, to assist in the fight against fraud and corruption. It is determined to ensure that these systems:
 - are complied with;
 - keep pace with future developments;
 - are fully supported by staff and members.
- 11.2 This document will be subject to annual review to ensure its currency. The responsibility for this rests with the Head of Audit and the Responsible Financial Officer.
- 11.3 The Council is committed to ensuring the wide circulation of this Strategy within and outside the Council in order that all relevant parties appreciate the high standards which the Council is determined to observe in all its business.

Approved September 2005
Amended July 2011
Amended July 2013

 Finance & Audit Scrutiny Committee - 30 June 2015		Agenda Item No. <div style="text-align: right; font-size: 2em;">6</div>
Title	External Audit Fees 2015/16	
For further information about this report please contact	Mike Snow 01926 456800	
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	May 2014	
Background Papers		

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

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	9/6/2015	Andrew Jones
Head of Service	9/6/2015	Mike Snow
CMT		
Section 151 Officer	9/6/2015	Mike Snow
Monitoring Officer	9/6/2015	Andrew Jones
Finance	9/6/2015	Mike Snow
Portfolio Holder(s)	9/6/2015	Cllr Peter Whiting
Consultation & Community Engagement		
Insert details of any consultation undertaken or proposed to be undertaken with regard to this report.		
Final Decision?	Yes/No	
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 Grant Thornton, the Council's external auditors have issued details of the proposed 2015/16 audit fees which are also presented for the Committee to consider. This is set out as an appendix to this report.

2. **Recommendation**

- 2.1 The Committee note the proposed fee for the 2015/16 audit.

3. **Reasons for the Recommendation**

- 3.1 Details of the proposed audit fees for 2015/16 are discussed in paragraph 5.

4. **Policy Framework**

- 4.1 By considering the documents, members can see how external audit can assist the Council in its priority of managing the Councils resources effectively and ensuring its services are of a high quality.

5. **Budgetary Framework**

- 5.1 The proposed fee to be charged for the Annual Audit of the 2014/15 Accounts, and associated work is £53,623, excluding grant claims with an indicative fee of £9,540, giving a total fee of £63,163. Details of the fees are set out in the Planned Audit Fee letter from Grant Thornton.
- 5.2 For 2013/14 the main fee was £70,597 and £8,530 for grant claims. The reduction in fees has been enabled by the procurement exercises run by the former Audit Commission across both the Local Government and Health Sectors.
- 5.3 This reduction in the fees charged will be used towards the savings targets that have been built into the financial projections and reflected within the Budget Review report to the Executive on 29 July.

6. **Risks**

- 6.1 As outlined in the fees letter, any additional work required may attract additional fees. This is the case for the work required on the 2013/14 Objections to the Accounts, for which an additional fee is still expected.
- 6.2 Whilst the number of grant claims being audited has reduced in recent years, the proposed fee may vary depending on the amount of work required.

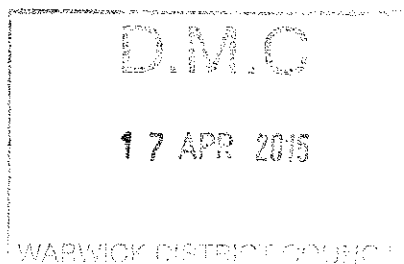
7. **Alternative Option(s) considered**

- 7.1 No alternative options are proposed.



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16 April 2015

Dear Andy

Planned audit fee for 2015/16

Before it closed on 31 March 2015, the Audit Commission was asked to set the scale fees for audits for 2015/16. The Commission published its work programme and scales of fees for 2015/16 at the end of March 2015. In this letter we set out details of the audit fee for Warwick District Council along with the scope and timing of our work and details of our team.

Scale fee

The Audit Commission defines the scale audit fee as “the fee required by auditors to carry out the work necessary to meet their statutory responsibilities in accordance with the Code of Audit Practice. It represents the best estimate of the fee required to complete an audit where the audited body has no significant audit risks and it has in place a sound control environment that ensures the auditor is provided with complete and materially accurate financial statements with supporting working papers within agreed timeframes.”

The Council's scale fee for 2015/16 has been set by the Audit Commission at £53,623, which compares to the audit fee of £70,597 for 2014/15. The reduction in fees has been enabled by the procurement exercises run by the Commission across both the Local Government and Health sectors.

After the Commission's closure, the 2015/16 work programme and fees will be accessible from the archived Audit Commission website from the National Archives http://webarchive.nationalarchives.gov.uk/*/http://www.audit-commission.gov.uk/ and on the Public Sector Audit Appointments PSAA website psaa.co.uk

The audit planning process for 2015/16, including the risk assessment, will continue as the year progresses and fees will be reviewed and updated as necessary as our work progresses.

Chartered Accountants

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Scope of the audit fee

The scale fee covers:

- our audit of your financial statements
- our work to reach a conclusion on the economy, efficiency and effectiveness in your use of resources (the value for money conclusion)
- our work on your whole of government accounts return.

Value for Money conclusion

Under the Audit Commission Act, we must be satisfied that the Council has adequate arrangements in place to secure economy, efficiency and effectiveness in its use of resources, focusing on the arrangements for:

- securing financial resilience; and
- prioritising resources within tighter budgets.

We undertake a risk assessment to identify any significant risks which we will need to address before reaching our value for money conclusion. We will assess the Council's financial resilience as part of our work on the VfM conclusion and provide feedback in our Audit Findings Report.

Certification of grant claims and returns

The Council's indicative grant certification fee has been set by the Audit Commission at £9,540.

Billing schedule

Fees will be billed as follows:

Main Audit fee	£
September 2015	13,406
December 2015	13,406
March 2016	13,406
June 2016	13,405
Grant Certification	
December 2016	9,540
Total	63,163

Outline audit timetable

We will undertake our audit planning and interim audit procedures in November 2015 to February 2016. Upon completion of this phase of our work we will issue a detailed audit plan setting out our findings and details of our audit approach. Our final accounts audit and work on the VfM conclusion will be completed in August 2016 and work on the whole of government accounts return in September 2016.

Phase of work	Timing	Outputs	Comments
Audit planning and interim audit	November 2015- February 2016	Audit plan	The plan summarises the findings of our audit planning and our approach to the audit of the Council's accounts and VfM.
Final accounts audit	June to Sept 2016	Audit Findings (Report to those charged with governance)	This report sets out the findings of our accounts audit and VfM work for the consideration of those charged with governance.
VfM conclusion	Jan to Sept 2016	Audit Findings (Report to those charged with governance)	As above
Whole of government accounts	September 2016	Opinion on the WGA return	This work will be completed alongside the accounts audit.
Annual audit letter	October 2016	Annual audit letter to the Council	The letter will summarise the findings of all aspects of our work.
Grant certification	June to December 2016	Grant certification report	A report summarising the findings of our grant certification work

Our team

The key members of the audit team for 2015/16 are:

	Name	Phone Number	E-mail
Engagement Lead	John Gregory	0121 232 5333	john.gregory@uk.gt.com
Engagement Manager	Helen Lillington	0121 232 5312	helen.m.lillington@uk.gt.com


Additional work

The scale fee excludes any work requested by the Council that we may agree to undertake outside of our Code audit. Each additional piece of work will be separately agreed and a detailed project specification and fee agreed with the Council.


Quality assurance

We are committed to providing you with a high quality service. If you are in any way dissatisfied, or would like to discuss how we can improve our service, please contact me in the first instance. Alternatively you may wish to contact Jon Roberts our Public Sector Assurance regional lead partner Jon.Roberts@uk.gt.com

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Gregory', written in a cursive style.

John Gregory
Director
For Grant Thornton UK LLP

 FINANCE & AUDIT SCRUTINY COMMITTEE 30TH JUNE 2015		Agenda Item No. 7
Title	Review of Development Services Contracts Register by Finance & audit Scrutiny Committee	
For further information about this report please contact	Tracy Darke Head of Development Services Tel: 01926 456501 Or Mike Snow Head of Finance Tel: 01926 456800	
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	None	

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

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	18/6/15	Chris Elliott/Bill Hunt
Head of Service	18/6/15	Tracy Darke
CMT	18/6/15	
Section 151 Officer	18/6/15	Mike Snow
Monitoring Officer	18/6/15	Andrew Jones
Finance	18/6/15	Mike Snow
Portfolio Holder(s)		Cllr Stephen Cross
Consultation & Community Engagement		
N/A		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 This report sets out the process for the review by Finance & Audit Scrutiny Committee of the Development Services Contracts Register, and highlights any issues which need to be addressed in the next 12 months.

2. **Recommendation**

- 2.1 That Finance & Audit Scrutiny Committee should review the Development Services Contracts Register attached at Appendix 1 and make observations on it as appropriate.

3. **Reasons for the Recommendation**

- 3.1 The review of Development Services Risk Register allows members of the Finance and Audit Scrutiny Committee the opportunity to consider the robustness of the register, make appropriate suggestions on how the register could be improved, and consider the document within the context of promoting sound procurement practice across the Council.

4. **Policy Framework**

- 4.1 **Policy Framework** – Under the Council’s Code of Procurement Practice, details of all contracts for the supply of goods, services and supplies should be held on the Council’s central Contracts Register. The Code also states the tender process to be used by officers when procuring goods and services.
- 4.2 **Fit for the Future** – By following the Council’s Code of Procurement Practice in procuring goods, services and supplies, officers will be contributing to the Council’s vision, and key policy priorities included within the Sustainable Community Strategy. The following specific benefits should arise:-
- The Council will be sure it is obtaining value for money from its expenditure, in the provision of all its services for local council tax payers.
 - Opportunities will be given to local employers to tender for Council contracts, thus contributing to the Prosperity Agenda.
 - It will be demonstrable that the Council, and officers, are operating fairly, in an open and transparent manner.

5. **Budgetary Framework**

- 5.1 There are no direct budgetary implications arising from this report. All of the Council’s expenditure should be made in accordance with the requirements of the Council’s Code of Procurement Practice. This should help the Council to ensure that it achieves value for money from its expenditure through the correct tendering of contracts, and the subsequent management of those contracts.

6. **Risks**

- 6.1 It is important that all procurement across the Council complies with the relevant procurement regulations and directives and also the Council’s Code of Procurement Practice. By following this approach the Council will reduce the risk of challenge.
- 6.2 Contract Management is an important element of procurement. Contracts need to be properly managed to ensure compliance with the contract, whilst

considering all relevant aspect that may affect the performance of the contract. Also, it is important that contract managers pro-actively plan ahead to ensure the procurement of future contracts is properly managed.

7. Alternative Option(s) considered

7.1 This report is not concerned with recommending a particular option in preference to others so this section is not applicable.

8. Background

8.1 The Terms of Reference for the Finance and Audit Scrutiny include "Promote value for money and good procurement practice". This is a role that the Committee has actively pursued. In carrying out this role the Committee appointed three of its members to act as Procurement Champions to assist and advise the Procurement Manager. Partly as a result of these actions, the status and knowledge of procurement has increased substantially across the organisation in recent years.

8.2 In March 2014 the Finance and Audit Scrutiny Committee requested that it review each departmental Contract Register in turn. These reviews were intended to follow the approach used to review the Risk Register, whereby the relevant Portfolio Holder and Head of Service are available to answer the Committee's questions.

9. Development Services Contract Register

9.1 The latest version of the Development Services elements of the Corporate Contracts Register is set out as Appendix 1.

9.2 Contract Management in Development Services

9.2.1 With the recognised need to improve information held on the Contracts Register, officers now work very closely with Procurement officers to discuss the best approach for the variety of contracts and procurement activities required within the service area. Responsibility for the day-to-day management of individual contracts is delegated within the respective part of the service area. It is recognised that in some areas, there are contract arrangements that have been inherited and the original contract is not readily available.

9.2.2 Primarily, the greatest need for the service area is to procure specialist consultancy services. This is done in various ways, either through established frameworks, a formal tender process, or Service Level Agreements.

9.2.3 For example, the provision of specialist archaeological, ecological, tree and landscape advice which is routinely required in connection with the consideration of planning and tree applications is provided by Warwickshire County Council through service level agreements. The first two are provided through longstanding agreements which provide for an annual payment and which are reviewed on an annual basis whilst the latter two are currently managed on an hourly rate basis whilst the service level agreements are being finalised.

9.2.4 In considering the procurement of this specialist advice, officers were mindful of the availability of the required skills and experience within the County Council at very competitive rates relative to the private sector and the potential

benefits of working collaboratively with a partner organisation with which officers are already familiar.

- 9.2.5 Other specialist advice is required as part of the consideration of planning applications and appeals, such as viability assessments, retail assessments and agricultural appraisals, and there is often a need to call on such consultants at short notice. Often, the number of consultants available to undertake such work at short notice can be limited as is the case with agricultural consultants. Whilst that particular type of specialist advice is infrequently required, in view of the constraints on the timing of its commissioning and provision, there are clear benefits in commissioning consultants with whom officers are familiar, however, it is recognised that we need to set up specific agreements with the available suppliers and these will be put in place in the next six months.
- 9.2.6 The commissioning of specialist legal advice in connection with public inquiries relating to planning appeals is undertaken through the District Council's service level agreement with Warwickshire County Council. That work is commissioned by the County Council or, on occasion, directly by ourselves, often through discussion with our Legal Officers to ensure that they are comfortable with the barristers we are using. In terms of best value, it is often more cost effective to use the same barrister who understands our policies and knows the issues within the district as there will be less preparatory work.
- 9.2.7 There are a number of consultants that we have used for the local plan process, and whilst we may have a contract in place for these to carry out a specific piece of evidence work, there is often an agreed day rate, as we may require further work to be done, eg. Community Infrastructure Levy viability work. These have been procured either through the tendering process, or have been consultants that we have used through other Council's framework. For example, work that G L Hearn has carried out for the Joint Strategic Housing Market Assessment has been commissioned by Rugby Borough Council on behalf of all the districts in the sub-region. As our local plan is held in abeyance, it is not clear what additional work will be required from the consultants used previously, and therefore many are being kept on the contract register for the time being.
- 9.2.8 Work on asset valuations, together with commercial advice on valuations of our properties is carried out by the Valuation Office Agency and contracts have been in place, previously, they have since expired.. These are being reviewed during August 2015 with Procurement Officers as the VOA is on the HCA framework. It would be better to draw down from the framework as part of the new arrangement.
- 9.2.9 One of the areas for improvement is where a particular consultant is commissioned separately by different parts of the service area and yet collectively the amount spent may exceed thresholds, requiring a different approach to the procurement of the consultant. This is an issue highlighted through the recent work on the contract register and will be addressed in the next six months.
- 9.3 Procurement training
- 9.3.1 Training on procurement and contract management is recognised as essential for officers commissioning work across the service area to ensure it is done in line with the Council's Code of Procurement Practice. To that end, officers have either undergone training or have arrangements in place to do so. There is


room for improvement and as a result of the Contracts Register now capturing all our contracts, this has resulted in better monitoring, and the opportunity to identify where further work is necessary. It is a quarterly standing agenda item on our Service Area team meetings to ensure that it is kept up to date and is identified in our Service Area Plan.

Contract Reference Number	Procurement Procedure	Status	Contract Title	Description	Contract Type	Supplier	SME/ Enterprise/ Voluntary/Community	Company Registration Number	Lead Department	Contact	Stakeholders	Start date	End date	Review Dates	Annual value	Contract value	Irrecoverable VAT	2014 - 2015 Spend against contract	Extension Option	Comments - including price change provisions and review dates.	Signed Contract Agreement is with DMC (Deed Store)
ED02TQ0106	Invitation to Quote (2+ Suppliers)	Live	Business Start Up Support Services (Project)	Support and professional advice to new business in the Warwick District	Services	Coventry & Warwickshire Chamber of Commerce	N/A	3292593	Development Services	Gayle Spencer	WDC employees and customers (business tenants)	24/01/2012	31/09/2015	Currently reviewing	£10,050	£10,050	Nil	£10,050	Seeking further approval to extend until end Sept 2015	Contract extended for a further period following agreement and financial allocations approval from Executive October 2014. C&WCoC held prices to previous levels - exemption sought and received.	NO
ED04LV1012	Open: Published Invitation to Tender	Live	Retail consultant	Retail consultancy: Retail planning advice	Services	Carter Jonas	N/A	6287947	Development Services	Dave Barber	Gary Fisher	31/10/2012	30/10/2016	30/10/2015	£3,000	£24,000	Nil	£3,000	No option to extend	Variable contract with a unit price, annual and contract value will depend upon usage.	YES
DS08XXXXXX	Direct Award	Live	Maintenance support for car park barrier	Maintenance support for car park barrier	Services	Parkare Ltd	N/A	2276171	Development Services	Gayle Spencer	WDC employees and customers (business tenants)	10/06/2014	09/06/2015	09/05/2014	£170	£170	Nil	£170	Annually reviewed	Annually reviewed and renewed	NO
ED07TQ1212	Invitation to Quote (2+ Suppliers)	Live	Cleaning for Althorpe Enterprise Hub	Internal cleaning for the Althorpe Enterprise Hub, offices, toilet facilities, kitchen and communal areas	Services	Goldcrest Cleaning	N/A	4271766	Development Services	Gayle Spencer	WDC employees and customers (business tenants)	01/12/2014	30/11/2015	30/10/2015	£5,724	£5,724	Nil	£5,493	Annually reviewed	Termination at anytime with one months notice. Annually reviewed and renewed.	YES
DS01UT0314	Invitation to Quote (2+ Suppliers)	Live	Broadband and wi-fi provider and maintenance support	Data and comms connectivity and management	Services	Konnex	N/A	6829185	Development Services	Gayle Spencer	WDC employees and customers (business tenants)	24/03/2014	23/03/2016	23/02/2016	£2,939	£7,779	Nil	£5,188	Review in Feb 2016	Two year contract - reviewed every two years and renewed as appropriate	yes
DS09XXXXXX	Direct Award	Live	Maintenance support for Elephant Telephone Billing System	Maintenance support for Elephant Telephone Billing System	Services	The 116 Group	N/A	6361168	Development Services	Gayle Spencer	WDC employees and customers (business tenants)	01/05/2014	30/04/2015	30/03/2015	£295	£295	Nil	£275	Annually reviewed	Annually reviewed and renewed, annual cost of contract is for 2015/16. Spend relates to 2014/5	NO
DS11XXXXXX	Invitation to Quote (2+ Suppliers)	Live	Asset Valuations	Rolling Asset Valuations of WDC properties	Services	Valuation Office Agency - District Valuers	N/A		Development Services	Chris Makasis	WDC	01/04/2009	31/03/2015	6 yearly	£8,700	£52,000	Nil	£8,700	under review now	re-tender process is currently underway. To be complete by end July 2015.	YES
DS	Framework: Direct Award	Live	Commerical Property Advice	Commercial advice on valuation of properties	Services	Valuation Office Agency - District Valuers	N/A		Development Services	Joe Baconnet	WDC	19/06/2015	30/09/2015	underway now	£9,999	£9,999	Nil	£0	none	Call off for advice under HCA framework underway now. Full procurement being prepared with procurement - likely to be a call off from the HCA framework (on a 3 +2 basis).	no
DS13XXXXXX		Live	Structural engineer Advice	Structural engineer to assess Building Control calculations		Barnevelids			Development Services	Denis Maddy	WDC	Aug. 2008	01/04/2016	Annually	£6,000		Nil	£740		Advice called on for structural calculations to be checked for Building Regulation applications as and when required.	NO
DS14DA0403	Direct Award	Live	Provision of planning software and updates	The provision of software and updates to manage and administer planning submissions	Services	IDOX Group	N/A	2933889	Development Services	Gary Fisher	Gary Fisher	01-Apr-03	01/04/2016	Annually	£50,924	N/A	Nil	£50,924		This relates to the provision of software; updates etc to support the electronic operating system through which all planning submissions; appeals; enforcement investigations and land charges are administered. The provision of this service can only be undertaken by the company who designed and provided the relevant software. The software and updates are provided on an ongoing basis and this contract does not have an end date as such, however the end date indicated on 1/4/16 has been added as the date when the contract will be reviewed. For that reason, a total contract value has not been provided. Officers are currently locating the original contract in order that it can be added into the deed store.	NO
DS15XXXXXX	Direct Award	Live	Building control software	Software for building control to manage BC process.		IDOX Group			Development Services	Denis Maddy	Denis Maddy	01/04/2003	01/04/2016	Annually	£16,000		Nil	£16,000		This relates to CBC WDC only. Does not include software costs for Rugby and Daventry.	NO
DS03TQ0914	Invitation to Quote (2+ Suppliers)	Live	Data & Phone Communication 26HT	Data & Phone Communication 26HT	Services	Konnex	Small	6829185	Development Services	Gayle Spencer	WDC employees and customers (business tenants)	17/09/2014	16/09/2017	16/08/2017	Year 1 £12,569.40 Year 2 £7,919.40 Year 3 £7,919.40	£28,408	Nil	£1,034	Fixed price for three year period	Three quote route followed however due to restrictions from the market on minimum period of contract took the total value of the contract over the threshold of £20k. Mike Snow agreed that the process was followed and happy to countersign the three quote form.	YES
DS04LV0914	Invitation to Quote (2+ Suppliers)	Live	Kenilworth Christmas Lights	Contract for erection, dismantling and storage of Christmas illuminations in Kenilworth	Works	Hi Lite Electrical	Small	4813923	Development Services	Paul Garrison	WDC employees and customers	01/11/2014	31/10/2017	31/10/2017	£16,765	£88,122	Nil	£14,069	Option to extend for a further 2 years	Awarded to Hi-Lite Electrical	NO
DS05TQ1214	Invitation to Quote (2+ Suppliers)	Live	Local Plan Programme Officer	Local Plan Programme Officer	Services	Ian Kemp	Small	N/A	Development Services	David Barber	None	02/02/2015	30/09/2016	01/04/2016	£20,000	£20,000	Nil		one off	Company not registered at Companies House. Ian Kemp is a self employed individual who is registered with the Planning Inspectorate as a Programme Officer. £20k is the estimated cost to cover the Local Plan Examination. Quotes accepted via order (order no. 85741)	NO

Contract Reference Number	Procurement Procedure	Status	Contract Title	Description	Contract Type	Supplier	SME/ Enterprise/ Voluntary/Community	Company Registration Number	Lead Department	Contact	Stakeholders	Start date	End date	Review Dates	Annual value	Contract value	Irrecoverable VAT	2014 - 2015 Spend against contract	Extension Option	Comments - including price change provisions and review dates.	Signed Contract Agreement is with DMC (Deed Store)
DS18DA0513	Direct Award	Live	Provision of Counsels advice and advocacy	Advice and professional services in relation to planning matters particularly Planning Inquiries.	Services	4-5 Grays Inn Square (Tim Leader)	N/A	1511340	Development Services	Gary Fisher	WDC officers Appellant Interested parties	01/05/2013	01/04/2016	Annually	N/A	N/A	Nil	£31,000		This relates to specialist legal advice for example in relation to the more complex planning appeals which is regularly required often at short notice. The service is currently provided by a barrister who has a proven track record in this field and who is experienced in working within this District and familiar with WDC procedures and officers. The value of this work varies significantly from year to year, that variance arising from the nature and scale of the appeals that are received over any given period. Officers are currently liaising with the procurement team in relation to the future procurement of this service including the use of a "call off" contract.	NO
DS19DA0410	Direct Award	Live	Press advertisements in relation to planning and building control	Ongoing contract to place advertisements required under the relevant legislation in relation to development proposals in a local newspaper	Services	Leamington Courier	N/A	1919088	Development Services	Teresa Muddeman	WDC officers Applicant Interested parties	No known	01/04/2016	Annually	£20,800	N/A	Nil	£23,014		Planning legislation requires that publicity for planning applications (where necessary) should be placed in a local newspaper. The Courier was selected because of its extent of circulation within the District. Other alternatives were considered and discounted for that reason. This service is provided on an annual ongoing basis and for that reason a total contract value figure has not been provided. However, an end date of 1/4/16 has been indicated which is the date by when the contract will have been reviewed.	NO
DS20DS0413	Direct Award	Live	Professional advice in relation to the viability of development proposals	Advice and professional services to determine the viability of development projects in accordance with planning legislation.	Services	Jones Laing Lasalle	N/A	1188567	Development Services	Gary Fisher	WDC officers Applicant Interested parties	01/04/2013	01/04/2016	Annually	N/A	N/A	Nil	£13,532		This relates to the provision of specialist advice as to the viability of development proposals. The need for such advice varies considerably over time and arises from the nature and complexity of planning applications that are received. For that reason, it is not possible to provide a total contract value. The range of providers of this service is limited which is currently provided by a company with a proven track record in this field. Officers are currently liaising with the procurement team in relation to the future procurement of this service including the use of a "call off" contract.	NO
DS21DS0414	Direct Award	Live	Professional advice in relation to agricultural aspects of planning applications	Advice and professional services to assist in the consideration of planning applications and appeals where there is an agricultural or similar element in accordance with planning legislation.	Services	Rhodes Rural Planning and Land Management	N/A	N/A	Development Services	Gary Fisher	WDC officers Applicant Interested parties	01/04/2014	01/04/2016	Annually	N/A	N/A	Nil	£4,525		This relates to the provision of specialist advice as to agricultural aspects/considerations of development proposals. The need for such advice is limited and arises from the nature of planning applications that are received. For that reason, it is not possible to provide a total contract value. The range of providers of this service is limited which is currently provided by a small company with a proven track record in this field. Officers are currently liaising with the procurement team in relation to the future procurement of this service including the use of a "call off" contract.	NO
DS23MC0413	Framework: Mini Competition	Live	Local Plan Sustainability Appraisal.	Undertaking sustainability appraisal of local plan, and associated DPDs	Services	ENFUSION	N/A	4237131	Development Services	Dave Barber	WDC Officers	01/04/2013	31/03/2017	annual	£7,000	£25,000	Nil	£6,057	No option to extend	Contract arranged between supplier and PAS who are responsible for the management of the Framework and the management of the contract on our behalf. A copy of the contract will be provided to the Deed Store.	No
ED03LV1112	Open: Published Invitation to Tender	Live	CIL Viability	Viability Assessments to inform CIL charging	Services	BNP Paribas	N/A	4176965	Development Services	Dave Barber	WDC Officers	01/11/2012	01/11/2016	31/03/2016	£2,000	£24,000	Nil	£5,000	No option to extend	Day rate work is still being requested and will continue until CIL is examined or the contract reaches its end date. The contract is now being provided to the deed store.	No

Contract Reference Number	Procurement Procedure	Status	Contract Title	Description	Contract Type	Supplier	SME/ Enterprise/ Voluntary/Community	Company Registration Number	Lead Department	Contact	Stakeholders	Start date	End date	Review Dates	Annual value	Contract value	Irrecoverable VAT	2014 - 2015 Spend against contract	Extension Option	Comments - including price change provisions and review dates.	Signed Contract Agreement is with DMC (Deed Store)
DS27XXXXXX	Open: Published Invitation to Tender	Live	Specialist Markets Contract	Provision of Autumn and Yuletide Markets	Services	EG Skett Co	Small	Partnership and therefore no registration number	Development Services	David Butler	WDC / LTC / BID	01/06/2015	01/01/2018	annual review, break at 3 years	12000 (Income)	£60,000 (Income)	Nil	n/a	Option to extend at the end of the contract period for a further 2 years	New contract 2015-18/20. Contract awarded, but awaiting signature. It will then be deposited in the deed store.	NO
Quote	Invitation to Quote (Single Supplier)	Live	Footfall Counts	Manual Footfall counting in three towns	Services	PMRS Ltd	Small	3196723	Development Services	David Butler	WDC	01/06/2015	01/07/2015	annual	£2,550	£2,550	Nil	£2,550	annual single quote	Procurement advising on how best to extend the existing arrangements that provide continuity & consistency with the data set and methods (back to 1999). PMRS Ltd may be the only potential supplier with consistency to existing data sets. Options include a 3year + 2 option contract or an exemption to carry out annual single quote to keep flexibility.	NO
?	Invitation to Quote (Single Supplier)	Live	Banner Erection	Erection of Banners above the highway - principally in Warwick, Leamington and Kenilworth	Works	Hi Lite Electrical	Small	4813923	Development Services	David Butler	WDC & town councils	Annual	annual	annual	£1200 (approx)	£1,200	Nil	£1,200	no option to extend	Procurement have advise that a full tender should now be carried out. This will be complete by Sept 2015.	NO
	Invitation to Quote (2+ Suppliers)		Cleaning for 26 Hamilton Terrace (26HT)	Internal cleaning for the 26HT offices, toilet facilities, kitchen and communal areas	Services	Goldcrest Cleaning	Small	4271766	Development Services	Gayle Spencer	WDC employees and customers (business tenants)	06/05/2015	05/05/2015	05/04/2015	£2,999	£2,999	Nil	£0	Annually reviewed	Termination at anytime with one months notice. Annually reviewed and renewed.	YES
TQ	Invitation to Quote (2+ Suppliers)	Live	Marketing of vacant properties	marketing of (mainly) non-operational assets (eg: shops and offices)	Services	EhB Commercial & Bromwich Hardy	Small	OC386948 06581858	Development Services	Chris Makasis	Development Services	current	current	annual	estimated £2000		Nil		three quotes	Framework for marketing of properties is included within the procurement process for general valuation advice taking place shortly.	No
TQ	Invitation to Quote (2+ Suppliers)	Live	External Funding Consultant	Consultancy to deliver external funding advice to the authority, make applications to funding bodies and to set up monitoring procedures for successful bids.	Services	ATI Projects Ltd	Small	3140172	Development Services	Tracy Darke	WDC Departments	19/06/2015	18/12/2015	six months, with an option to extend for 3 x six months periods	£50,000	£50,000	nil	£0	initial contract for six months but with an option to extend for 3 x six months subject to funding and project completion	The aim of the project is to generate external funding for the authority that also covers the costs of preparation of those funding bids. The contract extension is subject to performance & available finance and also allows the appointed consultant to finish off projects that have a longer lead & delivery time. Subject to additional available finance, the actual contract value may be higher than the £50,000 but will always be less than the EU threshold.	no

Contract Reference Number	Status	Contract Title	Description	Supplier	Lead Department	Contact	Stakeholders	Start date	End date	Annual value	Contract value	Extension Option	Comments - including price change provisions and review dates.
TBC	Live	Provision of tree advice	Advice and professional services relating to the protection of trees within the District.	Warwickshire County Council	Development Services	Gary Fisher	WDC case officer Applicant	01/04/2015	01/07/2015	£26,000.00	£26,000.00	Y	This arrangement has recently commenced and is currently being trialled following the departure of the Tree Officer. The end date referred to relates to the trial itself: 1/7/15.
CS11NK0109	Live	Ecological Advice: Provision of Ecological Advice	Advice & professional services on ecological issues predominantly in relation to planning applications	Warwickshire County Council	Development Services	Gary Fisher	WDC case officer Applicant	Not known	01/04/2016	£14,420.00	£14,420.00	Y	This advice is delivered through a a service level agreement which is reviewed annually. That agreement has been in place for a number of years prior to arrival of the responsible officer and therefore the start date is not known. As the agreement is reviewed on an ongoing basis, there is no end specific date, however an end date of 1/4/16 has been included as the date on which the arrangement will be reviewed.
DS16DA0109	Live	Provision of Archeology advice	Advice & professional services on archaeological issues predominantly in relation to planning applications	Warwickshire County Council	Development Services	Gary Fisher	WDC case officer Applicant	Not known	01/04/2016	£13,397.00	£13,397.00	Y	This advice is delivered through a a service level agreement which is reviewed annually. That agreement has been in place for a number of years prior to arrival of the responsible officer and therefore the start date is not known. As the agreement is reviewed on an ongoing basis, there is no end specific date, however an end date of 1/4/16 has been included as the date on which the arrangement will be reviewed.
TBC	Live	Provision of Landscape advice	Advice & professional services on landscape issues predominantly in relation to planning applications	Warwickshire County Council	Development Services	Gary Fisher	WDC case officer Applicant	01/04/2014	01/09/2015	Currently being trialled and therefore not known.	N/A	Y	This arrangement has recently commenced and is currently being trialled on a case by case basis with the intention of then preparing a service level agreement. It is anticipated that the trial will end on 1/9/15 and therefore this date has been included as the end date.

 Finance & Audit Scrutiny Committee 30 June 2015		Agenda Item No. <h1 style="text-align: right;">8</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	Civic & Committee 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 Scrutiny Committee minutes 10/06/2015 Executive minutes from 16/06/2015	

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		
Chief Executive		
CMT		
Section 151 Officer		
Legal		
Finance		
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 16 June 2015.

2. Recommendation

- 2.1 That 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 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 9.00 am 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 10 June 2015, the Finance & Audit Scrutiny Committee considered the items detailed in the appendices. The responses which the Executive gave are also shown.

Responses from the meeting of the Executive held on 16 June 2015 to the Finance and Audit Scrutiny Committee's comments

Item no	2	Title	Final Accounts 2014/15
Scrutiny Comment		<p>The Committee supported the recommendations in the report.</p> <p>The Committee was concerned by levels of slippage detailed in the report and questioned officers extensively over why this should be. Members accepted that much of it had been down to forces outside of the Council's control, but suggested that where there were resource or other internal issues causing slippage, efforts should be made to address this and to keep the Committee informed of progress.</p> <p>Officers had pointing out that particularly over the last quarter there had been a significantly higher level of business rate appeals than anticipated due to a 31 March 2015 deadline before which successful appeals could be backdated.</p> <p>Officers also detailed overspends relating to the Openbook process used by Housing & Property Services. The process was being reviewed in an effort to gain better control over repairs, pricing and resources, and it was intended that an update would be presented to Members in the autumn. Consultants who had projected highly optimistic savings through the use of Openbook were to be challenged as part of the review.</p> <p>Members noted that work had yet to be carried out following asbestos surveys. Delays had been caused by the tendering process and it was intended that work would be completed over the summer.</p>	
Executive Response		<p>The Leader echoed Councillor Barrott's thanks to all Finance staff. He stated his confidence in every Head of Service and Senior Officer to assist in delivering the Council's objectives.</p> <p>The Head of Finance explained that it would take a long time to process the large volume of appeals logged. He advised that the appeals would not affect the 2014/15 figures but 2015/16 would receive the full impact.</p> <p>Councillor Whiting thanked Mike Snow for his assistance since taking on the new role as Finance Portfolio Holder and congratulated all officers for delivering a surplus in the current financial climate.</p> <p>Councillor Whiting assured the Committee that officers were already working on resolving issues and meetings had been booked.</p> <p>Councillor Whiting stated that whilst the report detailed great surplus results, the reserves needed observing carefully. He encouraged all Portfolio Holders and Heads of Service to engage with Finance and strengthen the work already underway.</p> <p>The recommendations were approved as laid out.</p>	

 Finance & Audit Scrutiny Committee - 30 June 2015		Agenda Item No. <div style="text-align: right; font-size: 2em;">9</div>
Title	Review of the Work Programme & Forward Plan	
For further information about this report please contact	Peter Dixon Committee Services Officer 01926 456114 or committee@warwickdc.gov.uk	
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	n/a	

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)	n/a
Equality & Sustainability Impact Assessment Undertaken	n/a

Officer/Councillor Approval		
Officer Approval	Date	Name
Deputy Chief Executive		
Head of Service		
CMT		
Section 151 Officer		
Monitoring Officer		
Finance		
Portfolio Holder(s)		
Consultation & Community Engagement		
n/a		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. Summary

- 1.1 This report informs the Committee of its work programme for 2015/16 (Appendix 1) and the current Forward Plan (Appendix 2).

2. Recommendation

- 2.1 Members consider the work programme and agree any changes as appropriate.
- 2.2 The Committee to; identify any Executive items on the Forward Plan which it wishes to have an input before the Executive makes its decision; and to nominate a Member to investigate that future decision and report back to the Committee.

3. Reasons for the Recommendation

- 3.1 The work programme should be updated at each meeting to accurately reflect the workload of the Committee.
- 3.2 If the Committee has an interest in a future decision to be made by the Executive it is within the Committee's remit to feed into the process.
- 3.3 The Forward Plan is the Executive's future work programme. If any non-Executive Member or Members highlight items which are to be taken by the Executive which they would like to be involved in, those Members can then provide useful background to the Committee when the report is submitted to the Executive and when the Committee passes comment on it.

4. Policy Framework

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

5. Budgetary Framework

- 5.1 All work for the Committee has to be carried out within existing resources. Therefore, there is a limit to the time available that officers will have to assist Members, so the Committee may wish to prioritise areas of investigation.

6. Risks

- 6.1 This Committee contributes to the effective minimisation of risk by fulfilling its duties in a timely manner and scrutinising the work undertaken by the Executive.

7. Alternative Option(s) Considered

- 7.1 The only alternative option is not to undertake this aspect of the overview and scrutiny function.

8. Background

- 8.1 The five main roles of overview and scrutiny in local government are: holding to account; performance management; policy review; policy development; and external scrutiny.

- 8.2 The pre-decision scrutiny of Executive decisions falls within the role of 'holding to account'. To feed into the pre-decision scrutiny of Executive decisions, the Committee needs to examine the Council's Forward Plan and identify items which it would like to have an impact upon.
- 8.3 The Council's Forward Plan is published on a monthly basis and sets out the key decisions to be taken by the Council in the next twelve months. The Council only has a statutory duty to publish key decisions to be taken in the next four months. However, the Forward Plan was expanded to a twelve month period to give a clearer picture of how and when the Council will be making important decisions.
- 8.4 A key decision is a decision which has a significant impact or effect on two or more wards and/or a budgetary effect of £50,000 or more.
- 8.5 The Forward Plan also identifies non-key decisions to be made by the Council in the next twelve months, and the Committee, if it wishes, may also pre-scrutinise these decisions.
- 8.6 The Committee should be mindful that any work it wishes to undertake would need to be undertaken without the need to change the timescales as set out within the Forward Plan. The Committee may wish to give greater consideration to the reports in Section 2 of Appendix 1, to maximise the time available for Members to input into the process.

Finance and Audit Scrutiny Committee WORK PROGRAMME 2015/16

30 JUNE 2015

AUDIT ITEMS

1	Anti-Fraud and Corruption Progress Report	Report	John King	Annual report
2	Treasury Management Half Year Review (October – March 2015)	Report	Mike Snow	2 nd half year biannual report

SCRUTINY ITEMS

3	Development Services Contract Register	Report	Tracy Darke	Approved Executive 11.01.12 minute 115
4	Housing Business Plan Performance Management	Report	Abigail Hay	Biannual report
5	Enterprise Projects – progress report	Report	Joe Baconnet	Annual report

28 JULY 2015

AUDIT ITEMS

1	Treasury Management 2014/15 Annual Report	Report	Roger Wyton	Annual report
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SCRUTINY ITEMS

2	Cultural Services Risk Register	Report	Rose Winship	Approved Executive 11.01.12 minute 115
3	Scrutiny of Infrastructure Planning	Report		Agreed by F&A 10.02.15 minute 116

2 SEPTEMBER 2015

AUDIT ITEMS

1	Internal Audit Quarterly Report Quarter 1 2015/16	Report	Richard Barr	Quarterly report
2	Housing Benefit Fraud Investigation - Performance	Report	Andrea Wyatt	Annual report
3	Risk Management Annual Report	Report	Richard Barr	Annual report

SCRUTINY ITEMS

4	Neighbourhood Services Contracts Register	Report		
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22 SEPTEMBER 2015 (ACCOUNTS)

AUDIT ITEMS

1	Audit Findings Report from External Auditor	Report	Mike Snow / EA	Annual report
2	Statement of Accounts 2014/15	Report	Mike Snow	Annual report

29 SEPTEMBER 2015

AUDIT ITEMS

1	National Fraud Initiative Update	Report	Ian Wilson	Annual report
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SCRUTINY ITEMS

2	Development Services Risk Register	Report		
3	Procurement Biannual Report	Report	Susan Simmonds	Biannual report

3 NOVEMBER 2015

AUDIT ITEMS

1	Annual Audit Letter	Report	Mike Snow	Annual report
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SCRUTINY ITEMS

2	Finance Contracts Register	Report		
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1 DECEMBER 2015

AUDIT ITEMS

1	Treasury Management Activity Report 2015/16	Report	Roger Wyton	1 st Half Year Biannual report
2	Internal Audit Quarterly Report – Quarter 2 2015/16	Report	Richard Barr	Quarterly report

SCRUTINY ITEMS

3	Housing Business Plan Performance Management	Report	Abigail Hay	Biannual report
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12 JANUARY 2016

AUDIT ITEMS

1	2015/16 Audit Opinion Plan	Report	Mike Snow / EA	Annual report
2	External Audit Certification of Claims and Returns	Report	Mike Snow	External Audit Annual report

SCRUTINY ITEMS

3	Procurement Biannual Report	Report	Susan Simmonds	Biannual report
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9 FEBRUARY 2016

No scheduled audit items

SCRUTINY ITEMS

1	Chief Executives Contracts Register	Report		
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8 MARCH 2016

AUDIT ITEMS

1	Internal Audit Strategy & Plan 2016/17 – 2018/19	Report	Richard Barr	Annual report
2	Internal Audit Quarterly Report Quarter 3 2015/16	Report	Richard Barr	Quarterly report
3	Auditing Standards	Report	Mike Snow	Annual report

No scheduled scrutiny items

5 APRIL 2016

SCRUTINY ITEMS

2	End of Term Report	Report	Peter Dixon / Chair	Annual report
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To be arranged

Presentation on Disabled Adaptations – agreed 11 December 2012 (minute 97, Executive item 5)

Contracts Registers Reviews 2016/17

June 2016 - Health & Community Protection



FORWARD PLAN

Forward Plan June 2015 to September 2015

COUNCILLOR ANDREW MOBBS
LEADER OF THE EXECUTIVE

The Forward Plan is a list of all the Key Decisions which will be taken by the Executive or its Committees in the next four months. The Warwick District Council definition of a key decision is: - a decision which has a significant impact or effect on two or more wards and/or a budgetary effect of £50,000 or more.

Whilst the majority of the Executive's business at the meetings listed in this Forward Plan will be open to the public and media organisations to attend, there will inevitably be some business to be considered that contains, for example, confidential, commercially sensitive or personal information.

This is formal notice under the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 that part of the Executive meeting listed in this Forward Plan will be held in private. This is because the agenda and reports for the meeting will contain exempt information under Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it. Those items which are proposed to be considered in private are marked as such along with the reason for the exclusion in the list below.

If you would like to make representations or comments on any of the topics listed below, including the confidentiality of any document, you can write to the contact officer, as shown below, at Riverside House, Milverton Hill, Royal Leamington Spa, Warwickshire, CV32 5HZ. Alternatively you can phone the contact officer on (01926) 353362. If your comments are to be referred to in the report to the Executive or Committee they will need to be with the officer 7 working days before the publication of the agenda. You can, however, make comments or representations up to the date of the meeting, which will be reported orally at the meeting. The Forward Plan will be updated monthly and you should check to see the progress of the report you are interested in.

(716)

Section 1 – The Forward Plan June 2015 to September 2015

Topic and Reference	Purpose of report	If requested by Executive –date, decision & minute no.	Date of Executive, Committee or Council meeting	Publication Date of Agendas	Contact Officer & Portfolio Holder	External Consultees/ Consultation Method/ Background Papers
16 June 2015						
Final Accounts (Ref 669)	To report on the Council's outturn position for both revenue and capital		16 June 2015	08/06/15	Marcus Miskinis Cllr Whiting	
1 July 2015						
Housing Allocations Policy (Ref 607)	To approve a new housing allocations policy (Moved reason 1 Portfolio Holder has deferred the consideration of the report due to Purdah)		Executive 9 April 2014 Executive 01/07/15	Tuesday 23/06/15	Ken Bruno Cllr Phillips	Housing Strategy 2014 – 2017
Disposal of WDC owned land at Station Approach (Ref 692)	To agree the details of the proposed disposal of this land. It is intended that this report will be Confidential by virtue of the information relating to the financial or business affairs of any particular person (including the authority holding that information)		Executive 01/07/15	Tuesday 23/06/15	Bill Hunt / Phil Clarke Cllr Cross	
Baginton, Bubbenhall, Stoneleigh and Ashow	To approve the designation for said area.		Executive 01/07/15	Tuesday 23/06/15	Lorna Coldicott Cllr Cross	Statutory consultees plus those expressing interest – via web,

Neighbourhood Plan Designation (Ref 693)						press, emails & letters.
Contaminated Land Inspection Strategy (Ref 702)	To approve an updated strategy.		Executive 01/07/15	Tuesday 23/06/15	Grahame Helm Cllr Shilton	Environment Agency, Natural England, Public Health, neighbouring local Councils
St Michael's Leper Hospital Contract and Bond (Ref 703)	This report asks Executive to release Coventry Turned Parts Limited (CTPL) from a Bond entered into by the aforementioned and Warwick District Council which was agreed following a contract also between the parties.		Executive 01/07/15	Tuesday 23/06/15	Andrew Jones Cllr Mrs Gallagher	Executive Meeting 12 th February 2014; Executive Meeting 18 th April 2012
Authority to Sign Deeds of Easement (Ref 704)	To enable access to the route of the Cubbington flood alleviation scheme.		Executive 01/07/15	Tuesday 23/06/15	Grahame Helm Cllr Shilton	District Valuer, Legal Services, Landowners
Discretionary Relief Application (Council Tax) (Ref 706)	To receive an application for Discretionary Relief It is intended that this report will be Confidential by virtue of the information relating to an individual		Executive 01/07/15	Tuesday 23/06/15	David Leech Cllr Whiting	
Long Barn, Plestowes (Ref 707)	Judicial Review of Planning Decisions It is intended that this report will be Confidential by virtue of the information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.		Executive 01/07/15	Tuesday 23/06/15	Liam D'Onofrio Cllr Cross	

Pre-Application Charging (Ref 708)	To approve the introduction of a proposed pre-application charging regime within Development Management		Executive 01/07/15	Tuesday 23/06/15	Gary Fisher Cllr Cross	Minute 103 Executive 14/01/15
Bishop's Tachbrook Community Centre (Ref 709)	Consideration of the business case for the release of funding to help pay for a new community centre in Bishop's Tachbrook		Executive 01/07/15	Tuesday 23/06/15	Chris Elliott Cllr Coker	
Housing Advisory Group Terms of Reference (Ref 710)	To notify of an urgent decision taken by the Chief Executive using his Special Powers.		Executive 01/07/15	Tuesday 23/06/15	Graham Leach / Chris Elliott Cllr Mobbs	
Warwick Town Centre Area Action Plan (Ref 653)	To consider a 5 year action plan for Warwick Town To cease work on the plan.		Executive 01/07/15	Tuesday 23/06/15	Lorna Coldicott Cross	Report of public consultation on Preferred Options
29 July 2015						
Budget Review Q1 (Ref 694)	To report expenditure for current year and update financial projections		Executive 29/07/15	Tuesday 21/07/15	Jenny Clayton Cllr Whiting	
Council Tax Reduction Scheme (Ref 695)	To consider alternative Banded Scheme for Council Tax Reduction		Executive 29/07/15	Tuesday 21/07/15	Andrea Wyatt Cllr Whiting	
Gypsy and Traveller Provision (Ref 705)	To update Members on progress made on the identification of sites for the use of Gypsies and Travellers		Executive 29/07/15	Tuesday 21/07/15	Lorna Coldicott Cllr Cross	

<p>Tenants Incentive Grant Scheme (Ref 687)</p>	<p>To approve a revised Policy</p>		<p>Executive 29/07/15</p>	<p>Tuesday 21/07/15</p>	<p>Jacky Oughton Cllr Phillips</p>	
<p>Strategic Opportunity Proposal (Ref 712)</p>	<p>To update Members on the current position. It is anticipated that this report will be, in part, Confidential by virtue of the information relating to the financial or business affairs of any particular person (including the authority holding that information)</p>		<p>Executive 29/07/15</p>	<p>Tuesday 21/07/15</p>	<p>Chris Elliott Cllrs Mobbs, Coker, Phillips, Whiting, Cross & Gallagher</p>	<p>The Local Plan proposals have been subject to a number of public consultations and planning applications involved have also been subject to public consultation. The proposal has been the subject of discussion privately and confidentially with a number of agencies but especially with the County Council. Submission version of Local Plan; Planning Application (W/14/1076); Planning Application (W/14/0967); Report to Executive in October 2014 re Council Housing Programme; Report to Executive in November 2014 re Sports and Leisure Review. Reports to Council and Executive January & March 2015 re: SOP</p>

RCW / Cadets Rent issue (Ref 713)	To update on the current position		Executive 29/07/15	Tuesday 21/07/15	Chris Elliott Cllr Mobbs	
Becoming a Dementia Friendly Council (Ref 714)	To consider a report from Health and Community Protection		Executive 29/07/15	Tuesday 21/07/15	Rob Chapleo Cllr Mrs Grainger	
Support and Re-settlement Service (Ref 715)	To consider an exemption from the Code of Procurement Practice.		Executive 29/07/15	Tuesday 21/07/15	Jacky Oughton Cllr Phillips	
3 September 2015						
Asset Management Strategy (Ref 641)	To propose an Asset Management Strategy for all the Council's buildings and land holdings. (Moved Reason 6 Seeking further clarification on implications of report)		5 November 2014 Executive (03/09/15)	25/08/15	Bill Hunt Cllrs Coker & Mobbs	
Budget Review to include Financial Projections and Business Rates Pooling (Ref 696)	To report on the latest financial prospects for the current and future 5 years		Executive 03/09/15	25/08/15	Jenny Clayton Cllr Whiting	
30 September 2015						
Leisure Development Programme (Ref 688)	To seek approval on the next stage of the programme on investment and management options		30 September 2015	22/09/15	Rose Winship Cllr Mrs Gallagher	Background Exec 05/11/14

Fees and Charges (Ref 697)	To propose the level of fees and charges to be levied from 2 nd January 2016		Executive 30/09/2015	22/09/15	Andy Crump Cllr Whiting	
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Section 2 Key decisions which are anticipated to be considered by the Council between October 2015 and January 2016

Topic and Reference	Purpose of report	If requested by Executive -date, decision & minute no.	Date of Executive, Committee or Council meeting	Publication Date of Agendas	Contact Officer & Portfolio Holder	External Consultees/ Consultation Method/ Background Papers
4 November 2015						
Budget Review Q2 (Ref 698)	To report expenditure for current year and update financial projections		Executive 04/11/15	27/10/15	Jenny Clayton Cllr Whiting	
Supporting People Grant Changes (Ref 674)	To provide an update on the outcome of the Supporting People Funding consultation and its effect on Warwick District (Moved Reason 2- Waiting for further information from a Government Agency)		Executive 11 th February 2015 Executive 04/11/15	27/10/15	Jacky Oughton Cllr Phillips	
2 December 2015						
Private sector housing grants policy (Ref 658)	To propose a revised policy for the allocation of grant funding for private residents		Executive – 11 th March 2015 Executive – 02/12/15	24/11/15	Abigail Hay Cllr Phillips	TBC
General Fund Budgets 2016-17 to include Budget Review for the current year	To consider the following year revenue budgets for the General Fund		Executive – 02/12/15	24/11/15	Marcus Miskinis Cllr Whiting	

(Ref 699)						
HRA Budgets 2016-17 (Ref 700)	To consider the following year revenue budgets for the HRA		Executive – 02/12/15		Mark Smith Cllr Whiting	
13 January 2016						

TO BE CONFIRMED

Topic and Reference	Purpose of report	History of Committee Dates & Reason code for deferment	Contact Officer & Portfolio Holder	Expansion on Reasons for Deferment	External Consultees/ Consultation Method/ Background Papers	Request for attendance by Committee
Health Strategy (Ref 576)	To update members on the formulation of the Council's Health Strategy, following the return of Public Health to local authorities (Moved March 14 Reason 3)	Executive 12 March 2014 TBC	Rob Chapleo Cllr Mrs Grainger	The strategy will need to take into account the approach of the new administration and County Health & Wellbeing Strategy		
Cleaning Services (Ref 659)	To approve a revised way of delivering the Cleaning Services to Council buildings.	14th Jan 2015 Executive 11th March 2015 2 February 2015 2 March 2015	Jacky Oughton Cllr Phillips	Moved from January – Reason 5 – pending further legal advice on implications of report		

Section 3 – Items which are anticipated to be considered by the Executive but are NOT key decisions

Topic and Reference	Purpose of report	If requested by Executive – date, decision & minute no.	Date of Executive, Committee or Council meeting	Publication Date of Agendas	Contact Officer & Portfolio Holder	External Consultees/ Consultation Method/ Background Papers
16 June 2015						
1 July 2015						
RUCIS Application	Rural/Urban Capital Improvement Scheme application for Cubbington Village Hall		Executive 01/07/15	23/06/15	Jon Dawson Cllr Whiting	
29 July 2015						
3 September 2015						
Statement of Accounts 2015-2015 (Ref 701)	To formally approve the Council's statutory accounts 2014/15		Council 23/09/15		Marcus Miskinis Cllr Whiting	
30 September 2015						

Delayed reports:

If a report is late, officers will establish the reason(s) for the delay from the list below and these will be included within the plan above:

1. Portfolio Holder has deferred the consideration of the report
2. Waiting for further information from a Government Agency
3. Waiting for further information from another body
4. New information received requires revision to report
5. Seeking further clarification on implications of report.

Details of all the Council's committees, Councillors and agenda papers are available via our website www.warwickdc.gov.uk/committees

The forward plan is also available, on request, in large print on request, by telephoning (01926) 353362