

Cabinet

Minutes of the meeting held on Wednesday 9 August 2023 in the Town Hall, Royal Leamington Spa at 8.10pm.

Present: Councillors Davison (Leader), Billiald, Chilvers, J Harrison, Kennedy, Roberts, Sinnott and Wightman.

Also Present: Councillors: Boad (Liberal Democrat Group Observer), Day (Conservative Group Observer), Falp (Whitnash Residents Association Group Observer), and Milton (Chair of Overview & Scrutiny Committee).

18. **Apologies for Absence**

Apologies were received from Councillor King.

19. **Declarations of Interest**

There were no declarations of interest.

20. **Minutes**

The minutes of the meeting held on 5 July were taken as read and signed by the Chairman as a correct record, subject to an amendment to page 7 – Minute Number 4 - to read:

“It was estimated that the shop’s turnover was around £50,000 to £60,000 each year”.

Part 1

(Items upon which a decision by the Council was required)

21. **Introduction of an Additional Licensing Scheme**

The Cabinet considered a report from Housing. Local housing authorities had a discretionary power under Part 2 of the Housing Act 2004 to licence living accommodation in multiple occupation ('HMOs') which fell outside of the mandatory HMO licensing scheme ('non-licensable HMOs'). This power enabled local housing authorities to designate either the whole, or part of its District, as being subject to additional licensing in relation to HMOs.

At its 7 December 2022 meeting, Cabinet considered a Feasibility Study on the introduction of an additional licensing scheme and approved a statutory public consultation exercise which took place between 9 January and 20 March 2023.

Cabinet agreed to receive a report following the consultation exercise to determine whether to proceed with an additional licensing scheme and if so, the proposed scheme arrangements. The report considered the consultation responses and made a recommendation to proceed with the introduction of an additional licensing scheme.

There were known to be in order of 1400 HMOs operating in the Warwick District. Of these, only 600 (43%) were licensable under the mandatory

licensing scheme. A study of the available evidence (as set out in Section 6 of the Feasibility Study) indicated that a significant proportion of known non-licensable HMOs, were being managed sufficiently ineffectively as to give rise/or to be likely to give rise to issues including fire safety, poor housing conditions/hazards, noise nuisance and ineffective waste management. It could also be inferred from the data that unknown non-licensable HMOs were also generating similar types of problems. Additional Licensing offered an opportunity to bring all HMOs within the District up to a minimum standard ensuring that those homes were well managed and maintained, safe and secure so as to contribute to the health and well-being of the occupiers and the wider neighbourhood.

The Feasibility Study commissioned in 2022 indicated the benefits an Additional Licensing scheme could offer, and the recent public consultation response had been very positive with a clear majority of respondents in favour of the introduction of an Additional Licensing scheme.

Paragraph 8.4 of the Feasibility Study considered a range of alternative options for dealing with non-licensable HMOs and improving standards in the sector, taking account of their respective advantages and disadvantages. These options had been further considered (Appendix 5 to the report) to reflect on issues arising from the public consultation exercise.

The current arrangements only offered a reactive response when there was either a complaint about a particular HMO or the landlord requested assistance in bringing an HMO up to standard. This was a piecemeal response which did not offer any strategic approach to bringing the non-licensable HMO stock to standard in a set timescale.

Working with existing resources in a growing private rented sector effectively restricted any substantial proactive or targeted approach to non-licensable HMO inspections.

Accreditation schemes, which relied on landlords voluntarily meeting minimum standards were a useful tool and had been used in the past in the District, but they only tended to attract landlords who were motivated to set good standards, leaving those who chose not to engage to continue operating below the standard required.

The Renters Reform Bill, which was currently progressing through Parliament contains provisions to introduce a 'Private Rented Sector Database' to be operated by the Secretary of State and requiring all landlords to register themselves and their rental properties. Whilst this would be welcomed and assist in the identification of rental properties within the District, it could not be regarded as an effective alternative to a licensing scheme which would require full inspections of properties and demonstration of landlords' management capabilities.

Additional Licensing offered the opportunity to bring all non-licensable HMOs up to standard in a systematic way over a set time period and properly resourced through licensing fees.

Recommended to Council that the proposed fees and charges structure set out in Appendix 6 to the report, be adopted and those fees and charges be reviewed annually to ensure they remain reasonable and proportionate.

Resolved that the following, be approved:

- (1) the whole of Warwick District be designated as subject to Additional Licensing under Section 56(1) of the Housing Act ('HA') 2004 for all houses and flats in multiple occupation (HMOs) that contain three or four occupiers;
- (2) the whole of Warwick district be designated as subject to Additional Licensing under Section 56(1) of the HA 2004 for all flats in multiple occupation situated in purpose-built blocks of flats, irrespective of the number of occupiers in each flat;
- (3) the designations in paragraphs i. and ii. above shall come into force on 18 January 2024 for a period of 5 years; and
- (4) the Chief Executive be authorised to sign the Warwick District Council Designation of an area of Additional Licensing of Houses in Multiple Occupation 2023

(The Portfolio Holder for this item was Councillor Wightman)
Forward Plan Reference 1,353

22. **Resident Engagement Strategy**

The Cabinet considered a report from Housing. A Warwick District Council Resident Engagement Strategy 2023-2027 had been developed to meet the requirements of the Social Housing Regulator and build on the work already being carried out by the housing service. The Resident Engagement Strategy 2023 to 2027 set out the ambitions of the Council in relation to the involvement and influence residents had in the way the service was delivered. The aim was for the Resident Engagement Strategy 2023-2027 and actions contained to be adopted and be subject to regular review by residents. For clarification, residents for the purposes of the report were tenants and where appropriate, leaseholders of Warwick District Council.

Following the sad events of the Grenfell Tower fire in June 2017, and the subsequent public enquiry, in November 2020, the Government published their 'Charter for Social Housing Residents' (White Paper). The document set out priorities for providers of social housing and new powers for the Regulator for Social Housing (RSH) and Housing Ombudsman, to hold social landlords to account.

Effective resident engagement was viewed as essential to the delivery of a high-quality housing service. Warwick District Council was committed to engaging with residents and already invested resources into engagement activities. The Government emphasised the importance of resident engagement and outlined the expectation that landlords would improve tenant engagement and that the Regulator of Social Housing would require this from landlords.

The Charter referred to landlords taking a much more tailored approach to engagement which better reflected the needs of different residents, and to a requirement for landlords to demonstrate how they had sought and considered ways in which they could improve resident engagement. The focus was on health and safety, accountability and transparency, and resident empowerment.

The Resident Engagement Strategy 2023-3026 (Appendix 1 to the report) set out how the Council would address engagement and would ensure that actions were set out to ensure the "Resident voice" was heard and was able to influence the service provided. Such a strategy established a clear approach and a cohesive 'direction of travel'. It set out the plans for increasing the breadth and depth of engagement activities, as well as acting as a statement of intent and demonstrating that residents could help to shape the service.

In terms of alternative options, one would be to continue without a Resident Engagement Strategy which was not recommended. The adoption of the strategy would comply with the requirements of the Social Housing Regulator and outline the actions required to involve Residents fully in the delivery of the service.

The Overview & Scrutiny Committee did not scrutinise this report at the meeting, but the Chair had liaised with the Head of Housing on the recommendation to Cabinet he would propose to the Committee.

To strengthen the Resident Engagement Strategy, the Committee recommended to Cabinet that:

- (1) Cabinet asks the Portfolio Holder to define key measures of success and metrics that can be used to determine the impact of the strategy and the effective use of Council resources; and
- (2) Cabinet asks the Head of Housing to agree appropriate measures of success with tenants to understand the level of impact on their needs.

These measures should be made available on the Council's Dashboard.

The Cabinet was required to vote on this because it formed a recommendation to it.

Councillor Wightman proposed that the recommendation from the Overview & Scrutiny Committee be refused as he was uneasy with the success of the strategy to be derived from the tenants themselves, and he wished to recommend alternative wording. When put to a vote, this

proposal was carried. Councillor Wightman then proposed the following additional recommendation:

“the Portfolio Holder and Head of Housing be asked to agree appropriate measures of success with tenants to understand the level of impact on their needs. These measures should be reported by way of an annual report to tenants and on the Council’s Dashboard”.

This additional recommendation when put to a vote was carried. Councillor Wightman then proposed the report as laid out, subject to the additional recommendation.

Recommended to Council that the Resident Engagement Strategy 2023 to 2027, be adopted.

Resolved that

- (1) authority be delegated to the Head of Housing in consultation with the Portfolio Holder for Housing to deliver the actions contained within the Resident Engagement Strategy 2023 to 2027; and
- (2) the Portfolio Holder and Head of Housing be asked to agree appropriate measures of success with tenants to understand the level of impact on their needs. These measures should be reported by way of an annual report to tenants and on the Council’s Dashboard.

(The Portfolio Holder for this item was Councillor Wightman)
Forward Plan Reference 1,367

Part 2

(Items upon which a decision by the Council was not required)

23. Quarter 1 Budget Update

The Cabinet considered a report from Finance which provided an update on the current financial position as at 30 June 2023, providing a full year forecast for the 2023/24 financial year, and for the medium term through the financial strategy. Key variances and changes were highlighted to inform members, with some recommendations also being put forward for their consideration.

The Medium-Term Financial Strategy showed that the Council was still reliant on making further changes to ensure that the Council operated within a balanced sustainable budget in future years, in addition to delivering the service initiatives previously agreed in December 2020, and last updated as part of the 2023/24 Budget Setting. With the significant risks facing the Council’s finances in future years, it was important that officers and Members took all actions to ensure that the change management programme was developed to enable the Council to achieve this objective.

A full review and full year forecast had been completed by all Cost Centre Managers to estimate the total financial commitment for this current year. Accountancy had supported managers in the preparation of these figures. As at 30 June (end of Quarter One) there was an adverse forecast variance of £0.572m for the 2023/24 financial year to 31 March. A summary was provided in the table in paragraph 1 in the report and below.

Salary Costs

At Cabinet in February 2023, a Contingency Budget was approved for £0.900m to fund the Working for Warwick award and the national pay award (which remained subject to final approval). The contingency budget had now been distributed to all relevant Cost Centers based on Establishment requirements.

Continuing with the Salary Vacancy Factor process established during 2021-22, a full assessment of vacancies had been completed at Quarter One (Q1). These were offset against a pre-determined value agreed at budget setting of expected levels of savings driven by gaps in establishments throughout the year, which was set at 6%. This was an increase from previous years target of 3.6% based on the underspend during last year, to better reflect the current challenges the organization was facing relating to recruitment and retention. The Vacancy Factor for the General Fund in 2023/24 was set at £1.132m.

As part of the Vacancy Factor process for Q1, a full year forecast for all salary budgets had been completed, with the Vacancy Factor being offset against forecast underspends in salary budgets. This forecasted that 89.2% of the General Fund Vacancy Factor (£1.010m) would be met, leaving a further £0.122m outstanding. This would be reassessed in Q2 and further adjustments would be made to reflect any future changes in establishment spend.

Agency use was currently forecast over budget by £0.396m. This had been offset as part of the Vacancy Factor calculations. A further review on the use of agency staffing would be carried out as part of a wider review into long-term vacancies held by the Council, forming part of the ongoing work in improving recruitment.

Customer & Digital Services

An increase in Homelessness Rent Rebates for which the authority did not receive full government subsidy. The number of residents claiming this allowance, and the duration for which they claimed it, had increased in recent years, while the subsidy had remained at a level set back in 2011 (Local Housing Allowance Rate). Further work would take place to look at the accommodation in which people were placed, and whether there was more that could be done to reduce durations, particularly in accommodation such as hotels and B&B's which were not fully reimbursed by the subsidy.

Finance

At budget setting in February 2023, contingency budgets were set to mitigate the unknown rising costs of contracts linked to inflation. These

were held and managed centrally by the Head of Finance. In Q1, the contingency budgets had been forecast to offset some of the increased expenditure reflected in the report.

Housing Services – General Fund

A Service level agreement (SLA) was in place between Warwick District Council (WDC) and Milverton Homes, covering the cost of staff time and consultancy work. This income was not budgeted for at budget setting. The costs relating to this SLA would continue to be updated on an annual basis.

The Council had received an increase in grant for Homelessness Advice, which would be used in conjunction with previously allocated budgets within the homelessness service. The grant was ring-fenced to support the delivery of this specific service.

Car Parking.

There had been a loss of income due to the closure of Covent Garden Car Park (only the surface car park remained open) of £0.230m. The closure of Linen Street car park meant no charges would be made in year, but there were still an ongoing cost for the car park of £0.050m as the basement was still used by tenants. Other car parks in Leamington had had their income projections increased, totaling £120k, as part of assessing data from this year to date and last year, with a driver of this being the displacement of vehicles from Covent Garden. As part of the 2024/25 Fees and Charges process due to commence at the start of September, a comprehensive review of our Car Parking Portfolio would be carried out.

The original budget set in February 2023 estimated that WDC would move out of Riverside House in June 2023. The additional running costs for continuing to occupy Riverside House was estimated at £0.322m for this financial year.

When setting the budget for the Waste Contract, it was expected that the Council would continue to receive income from the sale of dry recycling. As part of the new contract, the income from sales of dry waste was now offset against the per ton price, and therefore this cost had already been incorporated into the core Waste Contract budget. Late receipt of invoices for the service towards the end of the last financial year meant that this was unable to be reflected when the budget was set in February 2023. No changes had been made to the MTFs for this as yet, noting that updated contract values should be available in August, with the contract value driven by a number of metrics weighted across key components, including staffing and vehicle running costs. Any changes to this from current forecasts would be reflected within the Q2 budget review report in December.

Increase in the annual cleaning contract was not known at budget setting, would be offset against the release of contingency as discussed in section 1.1.4.1 in the report.

People & Communications

Reduced external printing income and reduced internal income from printer clicks estimated in year, and this had been partially offset by reduced printing expenditure.

The centralised Occupational Health Budget was showing a forecast over budget of £0.029m; this estimate was based on the costs for last financial year, which were higher than the agreed budget.

The Apprenticeship Levy forecast had been based on actual costs from 2022/23. As this was calculated at year end, it was not reflected in setting the budget for 2023/24, an increase of £0.031m.

Due to the profile of current Apprentices, there was a surplus forecast within apprenticeship salaries of £0.073m. This related to new apprentices being employed at initial programme rates.

Place, Arts & Economy

Planning fees reduced income based on current performance at Q1. This would continue to be assessed and might improve if larger planning applications were received during the year.

Building control reduction of income due to the service provision provided for Daventry returning to West Northamptonshire Council. This had been partially offset by a reduction in service delivery costs.

There had been an increase in income generated at the box office for the Spa Centre for events, which had produced an over recovery of fees against Budget of £0.134m. It was expected that there would continue to be strong delivery over the Christmas period, when the Pantomime, the largest event, took place.

Due to the partial closure of the Town Hall for development, a loss of income had been forecast of £0.055m as the Council was unable to hire space out during this time.

The Women's cycle tour due to take place in 2023 was unfortunately cancelled. Therefore the £0.030m budget in place would not be used in year. The event was scheduled to go ahead in 2024, and so it was expected that the budget would be carried forward to support this taking place.

Safer Communities, Leisure & Environment

Green Spaces - Extensive works were required in the maintenance of outdoor paddling pools. There was £0.021m reduction of income from sponsorships and sales of hanging baskets.

Electricity Costs for CCTV were still difficult to estimate due to issues with the supplier providing accurate bills. This was being further investigated by officers within the authority.

Loss of income as Castle Farm was closed and an increase in the contract cleaning costs in year. Bowls income budget was unachievable, and this would be reviewed at budget setting 2024/25.

Strategic Leadership

Grant received for Voter ID's was not budgeted for offset against increase postage, staff promotion and services costs relating to Elections.

Advertisement costs for the Deputy Chief Executive Post.

Variations had been identified by the Accountancy Team in conjunction with the relevant budget managers, giving a full year adverse variance of £0.420m. A summary was provided in the table at 1.2.1 in the report.

As part of the Vacancy factor process for Q1, a full year forecast of all Salary budgets had been completed and the Vacancy factor calculations had been made. This forecasted 64.33% of the for HRA Vacancy Factor (£0.151m) had been met, leaving a further £0.084m to be completed during the financial year. This would be reassessed in Q2 and further adjustments made to reflect any future slippage in vacancies.

HRA Stock Conditional Surveys were estimated to be completed in year. These were continuous surveys completed each year, an earmarked reserve request to fund this from previous year underspend was currently being reviewed.

Housing Development Consultancy expenditure including Leyes & Rouncil Lane developments. An earmarked reserve request to fund this from previous year underspends was expected to be recommended for approval by Cabinet in the final accounts report in September.

Building & Estates Management overspend to make small Estate improvements to the external communal areas of low mid and high rise blocks and gardens across the District. An earmarked reserve request to fund this from previous year underspends was expected to be recommended for approval by Cabinet in the final accounts report in September.

The MTFS was last formally reported to members in February as part of the Budget setting and Council Tax setting reports. In light of the variations highlighted in the report, the MTFS had been updated as outlined in section 1.3.2 in the report.

It was expected that some of the variances highlighted at Q1 might become recurrent (housing benefits / waste contract), or were linked to ongoing decisions (Relocation project). Further work would be undertaken to assess their future impact and would be reflected in the Q2 budget review MTFS update.

Officers were continuing to review ways of reducing the deficit, including income generation, service efficiency and cost saving schemes, with the expectation that an update would be provided within the Q2 report in December, and help inform decisions for the budget setting process 2024/25.

Capital slippage requested from 2022/23 to 2023/24 ranged across 15 General Fund and 15 HRA projects. The total amount slippage requested was £7.602m General Fund, and £20.565m HRA. A breakdown of all

projects requesting slippage and a review of 2022/23 final position for these projects is shown in Appendix 1 to the report.

Capital forecast (including slippage budgets) currently forecasted an additional funding requirement in year of £0.556m for General Fund and £0.103m for HRA. A full breakdown of Capital Variances was shown in Appendix 2 to the report.

The table at 1.5.1 in the report presented the latest summary of available reserves as at Q1. This reflected non committed, and non-ringfenced balances up to 1 April 2027 (the period covered by the current MTFS). This was subject to the final outturn of 2022/23 financial position, which was being completed as part of the draft statement of accounts process and would be reported to Cabinet in September 2023. The adjustments reflected approvals made since Budget Setting by Cabinet. A full breakdown of reserves was shown in Appendix 3 to the report.

The Overview & Scrutiny Committee thanked officers for their work on the report.

It requested that in future budget setting, more visibility about the range of inflation rates used on the assumptions made was provided. Movement in the Council's Reserve funds should also be highlighted and an historical context to this should be provided to show the trend in movement.

The Committee was keen to see the use of more visual or graphical presentation in the report which will make the report aid easier understanding of the figures.

The Committee was concerned about the adverse position in relation to the waste contract. It would be asking that the next report it received on its Work Programme relating to the waste and recycling contract (in October) included a review of the finance considerations and would be asking that Finance provide support to the officer who would be writing the report. The level of reporting required should also be addressed in the report following on from conversations between the Chair and the Head of Finance.

Resolved that

- (1) the latest current year financial position for (General Fund £0.572m Adverse and Housing Revenue Account £0.420m Adverse), with the key variations that drive these positions, be noted;
- (2) the impact on the Medium Term Financial Strategy (MTFS) due to changes detailed within the report, and how these changes are expected to be accommodated, be noted;
- (3) the ongoing forecast deficit outlined in the MTFS is reviewed further as part of a later report to Cabinet once proposals for tackling the deficit have been developed, be agreed,

- (4) the Capital Slippage from 2022/23 into the 2023/24, be agreed; and
- (5) the current capital variations for schemes originally approved in February 2023 be noted, and all changes be approved.

(The Portfolio Holder for this item was Councillor Chilvers)
Forward Plan Reference 1,383

24. **Identification and Remediation of Damp and Mould in Council Homes**

The Cabinet considered a report from Neighbourhood & Assets which requested that a policy be agreed on the reporting and remediation of damp and mould in Council homes, as set out at Appendix 1 to the report.

Members recalled the tragic case of a two-year-old boy who died in 2020 of a severe respiratory disease caused by mould in their social housing flat in Rochdale and severe criticism from the coroner late in 2022.

The Housing Ombudsman Service issued a report – Spotlight on: Damp and Mould – in October 2021 and following this tragic death, issued a follow up report in February 2023.

In the 2021 report, the Housing Ombudsman said that “Social landlords should adopt a zero-tolerance approach to damp and mould. Addressing damp and mould needs to be a higher priority for landlords, with a change in culture from reactive to proactive to improve the experience of residents.”

The Secretary of State for Levelling Up, Housing and Communities, through the Housing Regulator ordered in November, 2022 all landlords with more than 1,000 homes to report their most recent assessment of the extent of damp and mould hazards, action they were taking to remedy them and to detail the process they had to identify and deal promptly with damp and mould cases when they were raised by tenants.

Warwick District Council (WDC) submitted its assessment as required in the form of several set specific questions. To date no further response had been received by WDC from the regulator.

A key commitment given was for the Council to establish and publish a formal policy statement on its approach to dealing with damp and mould and it was the purpose of this report to agree that policy.

The policy proposed has been placed on the Council’s [web site](#) as a draft subject to Cabinet approval, to show intent to the Regulator.

The draft Policy set out the activities and responsibilities involved in the control of Condensation, Damp and Mould within Warwick District Council’s own Housing stock. The Council aimed to provide a consistently high-quality repairs and maintenance service to ensure that properties were well-functioning, habitable and safe.

The policy applied across all the Council and acknowledged that it needed to be a cross- service operation to ensure that there was a joined-up approach. This was crucial and there was an onus on all who could deliver on this service to work together to deliver the best outcome for tenants.

A key element in the tragic death referred to earlier was an admission and statement by the landlord (Rochdale Boroughwide Housing) that "We did make assumptions about lifestyle, and we accept that we got that wrong. We will be implementing further training across the whole organisation." In developing a policy for WDC, it had as a cornerstone that the Council will embrace the philosophy that was "Damp and mould - It's not lifestyle".

This meant that the Council would review, alongside tenants and residents, initial responses to reports of damp and mould to ensure it did not automatically apportion blame or use language that left residents feeling blamed.

The policy had been written to ensure that wherever possible, residents were not adversely affected by the causes of damp and mould. It also outlined how the Council would be proactive in taking the necessary action to tackle/manage the causes of damp and mould and integrate recommendations made in the Housing Ombudsman Service Report – Spotlight on: Damp and Mould – Oct 2021 and the follow up report issued in February 2023.

In developing a draft Policy, it was recognised that there might be a conflict with the aim of reducing energy demand and costs by advocating and building in additional ventilation but set aside that was the need to provide tenants with a home that was free from damp and mould, both to mitigate health risks as in the tragic case referred to above, but also to ensure that damp and mould did not constitute a statutory health hazard under the HHSRS, potentially leaving the Council open to prosecution and significant costs.

Any advice and/or work would always have in mind the need not to waste energy and costs, but properly managed ventilation was a key element in mitigating the causes of damp and mould.

Key principles of the draft Policy were:

- To ensure the Council provided and maintained dry, warm, and healthy homes for tenants.
- Enhance the understanding of housing stock in relation to damp and mould and have proactive programmes for managing this issue.
- Ensure that tenants had access to and/or were provided with comprehensive advice and guidance on managing and controlling damp and condensation.
- Focus on working in partnership with tenants ensuring that a safe and healthy internal environment was provided.
- Undertake effective investigations and implement all reasonable remedial repair solutions and improvements to eradicate damp including, managing, and controlling condensation.
- That the Housing, and the Repairs (Neighbourhood & Assets) services were supported by relevant training for operational staff,

and that the Policy should be supported by detailed procedures and agreed practices applied uniformly across the Council's services. Training on responding to Damp and Mould in homes would also be offered to Members.

- To comply with all statutory and regulatory requirements and with best practice relating to the provision of this service.
- Maximize the available budgets to deal with damp and condensation problems.
- Publicising damp remediation actions that might be available.

As this was a legislative and regulatory requirement, alternative approaches to a formal Policy were not considered.

Councillor Wightman proposed the report as laid out.

Resolved that

- (1) the draft Policy for Damp and Mould in Council homes for consultation with tenants, in accordance with agreed Tenants Consultation policies and procedures, be approved;
- (2) authority be delegated to the Head of Neighbourhood and Assets in consultation with the Portfolio Holder for Housing to make minor changes following consultation, with any significant comments or objections being referred to Cabinet for consideration; and
- (3) the policy be reviewed after one year of operation with a further report be brought to the Cabinet on the impact and operation of the policy, be agreed.

(The Portfolio Holder for this item was Councillor Wightman).
Forward Plan Reference 1,364

25. Review of Significant Business Risk Register

The Cabinet considered a report from Finance which set out the latest version of the Council's Significant Business Risk Register for review. It had been drafted following review by the Council's Senior Leadership Team (SLT) and by the Leader of the Council.

The Significant Business Risk Register (SBRR) recorded all significant risks to the Council's operations, key priorities, and major projects. Individual services also had their own service risk registers as did the major projects.

The SBRR was reviewed quarterly by the Council's Senior Leadership Team. This process was thorough and involved a focus on the higher rated risks, then a review of the others and then a discussion on emerging risks/horizon scanning. For this cycle, the SLT dedicated the whole of one of its fortnightly sessions. It was then examined by the Council Leader and

then, in keeping with Members' overall responsibilities for managing risk, by Cabinet following scrutiny by the Audit and Standards Committee.

The latest version of the SBRR was set out as Appendix 1 to the report with a summary of the relative priority of the risks set out as Appendix 2 to the report.

The assessments of risk were judgemental, being based on an assessment of the likelihood of something occurring and the impact that might have. Appendix 3 to the report set out the guidelines that were applied to assessing risk.

The Council had a positive appetite to risk undertaking feasibility studies and projects that had inherent risks of potentially some significance. Recent experiences in Kenilworth at the leisure centre sites and the new school demonstrated that when those risks manifested there could be financial consequences for the authority. Members would receive full details of these matters shortly but in the meantime as a point of principle, Members needed to assure themselves that when project budgets were being formed, there was an appropriate element of contingency provision.

In terms of alternative options. Members might take a differing view on the risks identified, on the ratings attributed, or the mitigations and might feel that they wished to indicate changes to be made.

The Overview & Scrutiny Committee thanked officers for their work on the report.

With the evolution of the new Corporate Strategy the Committee recommended to Cabinet that it should take the opportunity to re-examine the whole framework for reviewing and managing risk and assurance. This should include the structure of the Risk Register with a view to ensure that it is focussed on informing actions that the Council can take and risk ratings which are meaningful. Assurance is required to show that the process of management of risk is effective and this should be reflected in the reporting.

The Cabinet was required to vote on this because it formed a recommendation to it.

Councillor Davison proposed the report as laid out, subject to the recommendation from the Overview & Scrutiny Committee.

Resolved that

- (1) the contents of the report and appendices, be noted; and
- (2) with the evolution of the new Corporate Strategy, Cabinet should take the opportunity to re-examine the whole framework for reviewing and managing risk and assurance. This should include the structure of the Risk

Register with a view to ensure that it is focussed on informing actions that the Council can take and risk ratings which are meaningful. Assurance is required to show that the process of management of risk is effective and this should be reflected in the reporting

(The Portfolio Holder for this item was Councillor Davison)
Forward Plan Reference 1,372

26. **Public and Press**

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

| Minutes Numbers | Paragraph Numbers | Reason |
|-----------------|-------------------|---|
| 27 | 3 | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

27. **Minutes**

The confidential minutes of the meeting held on 5 July 2023 were taken as read and signed by the Chairman as a correct record.

(The meeting ended at 9:10pm)

CHAIRMAN
20 September 2023