

 Finance & Audit Scrutiny Committee - 15 November 2011		Agenda Item No. <div style="font-size: 2em; float: right;">8</div>
Title	Comments from the Executive	
For further information about this report please contact	Peter Dixon Committee Services Officer 01926 456114 committee@warwickdc.gov.uk	
Service Area	Members' Services	
Wards of the District directly affected	N/A	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	Finance & Audit minutes 11/10/2011 & Executive minutes 12/10/2011	

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		Andrew Jones
Chief Executive		
CMT		
Section 151 Officer		Mike Snow
Legal		
Finance		Jenny Clayton
Portfolio Holders		Councillors Caborn, Coker, Doody, Mrs Gallagher, Mrs Grainger, Hammon, Mobbs, Shilton and Vincett

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 which the Finance & Audit Scrutiny Committee gave on reports submitted to the Executive on 12 October 2011.

2. RECOMMENDATION

- 2.1 The responses made by the Executive be noted.

3. REASONS FOR THE RECOMMENDATION

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

4. ALTERNATIVE OPTIONS CONSIDERED

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

5. BUDGETARY FRAMEWORK

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

6. POLICY FRAMEWORK

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

7. BACKGROUND

- 7.1 As part of the new scrutiny process, the Committee no longer considers the whole of the Executive agenda.
- 7.2 Councillors are emailed at the time of the publication of the Executive and Scrutiny Committee agendas, asking them to contact Committee Services by 9.00am on the day of the Scrutiny Committee, to advise which Executive items they wish the Scrutiny Committee to pass comment on, and the reasons why.
- 7.3 As a result, at its meeting on 11 October 2011, the Finance & Audit Scrutiny Committee considered the items detailed in appendix 1. The responses which Executive gave are also shown.

APPENDIX 1**Responses from the meeting of the Executive held on 11 October 2011 on the Finance and Audit Scrutiny Committee's Comments**

Item no.	4	Title	Fees and Charges 2012/13	Requested by	Chair
Reason considered	To look at the financial implications for the Council.				
Scrutiny Comment	<p>The Committee noted revised figures relating to paragraph 8.2 which were circulated at the meeting and supported the recommendations in the report.</p> <p>An offer of a meeting with the Parking Services Manager was extended to Councillor Edwards in order to reassure him that the Council was taking a strategic approach to parking charges.</p> <p>Officers agreed to investigate and clarify possible discrepancies identified by Councillor Copping in swimming and sauna charges for senior citizens.</p>				
Executive Response	<p>No direct response to the Committee. The Portfolio Holder for Finance stated that officers continuously listened to comments from interested parties and that changes to car parking charges were not based on income generating, especially as it was a relatively small amount to be gained in cash terms. Councillor Hammon felt that the Executive had a duty to urge Warwickshire County Council to reduce their rates to assist with stimulating the economy in the District's town centres. Councillor Doody agreed that it was a balance of income and boosting the economy.</p>				

Item no.	5	Title	Events in Parks – Charges Policy	Requested by	Chair
Reason considered	To look at the financial implications for the Council.				
Scrutiny Comment	<p>The Committee felt there should be a way to ensure that the Council's costs were recoverable in the event of misuse or wilful damage of sites and equipment, but supported the recommendations in the report.</p>				
Executive Response	<p>It was agreed to incorporate wording into the policy to allow the Head of Cultural Services to use discretion and potentially charge a damage deposit.</p>				

Item no.	6	Title	Future Provision of Parking at Abbey Fields	Requested by	Chair
Reason considered	To consider the financial implications.				
Scrutiny Comment	The Committee was keen to see that charges were consistent with those at other car parks in the area, and supported the recommendations in the report.				
Executive Response	The Executive agreed the recommendations.				

Item no.	8	Title	Racing Club Warwick	Requested by	Cllr Williams
Reason considered	To consider financial implications, bearing in mind the current position following negotiations.				
Scrutiny Comment	<p>The Committee noted with sadness that current negotiations over Racing Club Warwick had ceased. Members were disappointed with the outcome of the Council's efforts to support Racing Club Warwick and were concerned about the risks which had arisen.</p> <p>The Committee recommended to the Executive that</p> <ol style="list-style-type: none"> (1) the current Racing Club Warwick Constitution be examined by officers to clearly identify how Racing Club Warwick would operate in future if there was any further involvement with the Council; (2) the Council's current legal position in respect of Racing Club Warwick be clarified, including investigation of any personal liability; (3) drawing lessons from this experience, in future, before any legal arrangements were made in partnerships between Warwick District Council and other organisations, precautionary investigations of the status of the signatories should be made, including examination of the financial affairs of prospective partners through the acquisition of detailed audited accounts, a copy of their constitution and evidence that it was being adhered to; and (4) in future, any grants made should be accounted for with a final report on progress and expenditure. 				
Executive Response	<p>Members were assured that the Council's legal position was continuously being assessed. Any future partnerships with organisations would be handled through new procedures which would ensure organisations' constitutions and financial backgrounds were investigated thoroughly before being entered into. The Chief Financial Officer agreed to look into this.</p> <p>The Executive resolved to ringfence the £120,000 in a specifically named reserve called 'St Mary's Lands / Forbes Estate Community Fund'.</p>				

Item no.	11 C	Title	Significant Business Risk Register	Requested by	Chair
Reason considered	The Committee is responsible for monitoring significant business risk.				
Scrutiny Comment	<p>The Committee expressed concern that the Risk Register was too abstract and questioned whether it was possible for the Committee to use it, in its present form, to monitor risk effectively, particularly in relation to operational changes and the management of risk. The Register needed to be more measurable. The Committee agreed that Councillors Edwards and Rhead would discuss this further with the Deputy Chief Executive (AJ) and Audit & Risk Manager and report back to the Committee. Members requested more information on how risk was selected, how it was rated, and suggested that "workshopping" of the list needed professional input so that the register could be properly managed and monitored.</p> <p>The Committee recommended to the Executive that the Risk Register be revised, with professional input, to more precisely identify the risks facing the Council and to be presented in a more measurable way.</p> <p>With regard to the Summary of Significant Business Risks, Members suggested that a possible trigger for procurement risks was the monitoring of compliance with procurement practices. It was also suggested that if a health check of Partnership Risks was progressed through the year, rather than annually, potential problems would be more easily managed.</p>				
Executive Response	<p>The Executive disagreed with the Committee's comments because the register had originally been overhauled due to the Committee's concerns that the document was too detailed. This had resulted in the new register being a more corporate overarching document.</p> <p>Members were sympathetic to the Finance and Audit Scrutiny Committee Chair's concerns and suggested a number of ways to tackle smaller areas of risk by adding them to the work programme to scrutinise.</p>				

Item no.	11 E	Title	Business Rates Retention	Requested by	Chair
Reason considered	Financial implications.				
Scrutiny Comment	The Committee supported the recommendations in the report.				
Executive Response	The Scrutiny Committees' comments were welcomed.				

Item no.	11F	Title	Localisation of Council Tax Support	Requested by	Chair
Reason considered	Financial implications.				
Scrutiny Comment	<p>The Committee recommended to the Executive that the Council lobby the Government to reiterate concerns that, while the improvements which Universal Benefits could bring were welcomed, Members were concerned that the aims of Universal Benefits could be seriously undermined by the proposed localisation of Council Tax, which was likely to result in heavy cuts to benefits for a large number of vulnerable people.</p> <p>The Committee pointed out that such comments could form part of the response to the consultation process.</p> <p>Councillors Dagg and Edwards volunteered to be involved in closer examination of the proposals, alongside any other volunteers that were forthcoming.</p>				
Executive Response	Assured the Chair of the Finance and Audit Scrutiny Committee that there would be a lot of lobbying by interested parties and local MP's to ensure that all concerns were raised and dealt with.				