

 Finance & Audit Scrutiny Committee - 2 December 2014		Agenda Item No. 7
Title	Comments from the Executive	
For further information about this report please contact	Graham Leach Democratic Services Manager & Deputy Monitoring 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Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	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		

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 5 November 2014.

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 4 November 2014, 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 1 October 2014 to the Finance and Audit Scrutiny Committee's comments

Item no	4	Title	Sports & Leisure Options
Scrutiny Comment		The Finance and Audit Committee was in agreement that it is extremely important that this work is carried out so that members are in possession of all the facts when the final decision on options for this service is made next year. The committee fully supported the recommendations in the report.	
Executive Response		Councillor Mrs Gallagher thanked the scrutiny committee for their support and was pleased that Members had clearly read all the papers prior to scrutiny and felt this was largely down to the effective communication by officers.	

Item no	5	Title	Budget Review to 30 September 2014
Scrutiny Comment		The Finance & Audit Scrutiny Committee was content with the report but it did have concerns about the above budget spend on Legal Services and asked that the Executive look closely at this matter.	
Executive Response		<p>Officers advised that the Council had a service level agreement with Legal Services and had to estimate how many hours of legal advice would be needed. At present, officers were re-aligning the budgets because departments were reaching the higher level of hours outlined in the agreement. In addition, Managers were mindful of the need to try to keep costs down, where possible.</p> <p>The Portfolio Holder for Finance, Councillor Cross, agreed to look into the issue of high legal costs.</p>	

Item no	6	Title	Bishop's Tachbrook Community Centre
Scrutiny Comment		<p>The Finance and Audit Committee do support the aspirations for a community centre to be built in Bishop's Tachbrook. However, there were significant concerns about the consequences of this request as laid out before the Executive. The amount of funding that that the Council is being asked to approve today, albeit with some constraints as outlined within the recommendations, the committee felt very strongly that the Executive do not approve this request this evening.</p> <p>The Finance & Audit Committee therefore made the following recommendations to the Executive:</p> <p>(1) Before any funding is considered for approval a robust and viable business case should be in place and submitted to the District Council</p> <p>(2) That a representative of this council should be appointed to the board for the St Chads Centre to enable input as the key financial</p>	

	<p>supporter of this scheme;</p> <p>(3) A robust and effective process must be in place for assessing how such schemes are assessed and determined before any application is considered.</p>
Executive Response	<p>The Executive did not support the recommendations put forward by the Finance and Audit Scrutiny Committee because Members felt that the concerns regarding the lack of a business case were covered by recommendations 2.2.6 and 2.3 and the risks were also covered in section 6 of the report. In addition, the Chief Executive advised that a business case had been submitted but it was not necessarily in the correct format and needed to be presented better.</p> <p>Members did, however, think that the words 'robust and viable' could be added to recommendation 2.2.6 to strengthen the request.</p> <p>In addition, it was not felt that it would be productive to appoint a Member to the board because the St Chad's Trust would be held to account as a registered charity. It could also lead to a conflict of interest for the Member appointed, if the Trust made a further bid at a later date. Members agreed that insisting on a Member representative would not create as much strength as the governance arrangements regarding the type and length of any lease issued to the board.</p>

Item no	7	Title	Procurement Action Plan Update
Scrutiny Comment			<p>There were concerns from the Finance and Audit Scrutiny Committee about how far procurement had been improved within the Council since it was first raised as a concern over 6 years ago. For this reason the Scrutiny Committee asked for the Executive and the Committee to be notified of the agreed actions, regarding procurement, from the SMT away day. The Scrutiny Committee also asked the Executive to consider the Procurement Team resources and if these are sufficient considering the demands placed upon the team in terms of the need for improved procurement within the Council. This potential need for greater resources must be defined by February 2015 to enable any bid to be included budget setting process for 2015/16.</p>
Executive Response			<p>The Executive accepted the comments made by the Finance and Audit Scrutiny Committee and noted that a six month wait for a further report would take them to May 2015. The Portfolio Holder for Finance, therefore, proposed that a report be submitted in March 2015, prior to the elections in May.</p> <p>It was also noted that the agreed actions arising from the SMT away day would be circulated.</p>

Item no	8	Title	Future Use of the Warwick Limited Liability Partnership
Scrutiny Comment			<p>The Finance and Audit Committee supported the recommendations in the report.</p>

Executive Response	The Executive thanked the scrutiny committee for their support.
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Item no	9	Title	Prosperity Agenda
Scrutiny Comment	The Finance & Audit Scrutiny Committee supported the recommendations in the report.		
Executive Response	The Executive thanked the scrutiny committee for their support.		

Item no	10	Title	Use of Delegate powers – CSW Broadband
Scrutiny Comment	The Finance & Audit Scrutiny Committee felt that the Executive should be content on why such a large amount of funding is required for such a low (6,000) number of properties.		
Executive Response	The Executive assured Members that they were content with the values and figures provided in the report and proposed the recommendations as written.		