

Finance and Audit Scrutiny Committee

Minutes of the meeting held on Tuesday 6 February 2018 at the Town Hall, Royal Leamington Spa at 6.00pm.

Present: Councillors Ashford, Cain, Gallagher, Gifford, Howe, Illingworth, Mrs Knight, Margrave, Noone, Quinney and Wright.

Also present: Councillors Butler, Coker and Phillips.

108. **Appointment of Chairman**

In the absence of the Chairman of the Committee it was proposed, duly seconded and

Resolved that Councillor Quinney be appointed as Chairman for the meeting.

109. **Apologies and Substitutes**

- (a) There were no apologies for absence; and
- (b) Councillor Ashford substituted for Councillor Davies and Councillor Mrs Knight substituted for Councillor Barrott.

110. **Declarations of Interest**

Minute 111 - Executive Agenda (Non-Confidential Items & Reports – Wednesday 7 February 2018)

Councillor Gifford declared an interest, when during the close of the debate on Item 21, Investment in Playbox Theatre, it was identified that Warwickshire County Council was the landowner for the site and he was a County Councillor. He did not leave the room as it was at the end of the debate.

111. **Public & 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 item by reason of the likely disclosure of exempt information within paragraph 3 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

112. **Executive Agenda (Confidential Items & Reports – Wednesday 7 February 2018)**

Item 18 - Proposed purchase of the site of the former Stoneleigh Arms, Royal Leamington Spa

The Committee noted that there had been an independent valuation of the premises which was considered reasonable and that the Deputy Chief Executive (BH) would circulate this valuation to the Executive before it took this decision.

Item 20 - Investment in Newbold Comyn Arms Manor House

The Committee supported and accepted assurances that the agreement would seek to minimise any risk to the Council of any hiatus in the business or loss of key equipment, in the event of the contractor 'failing or withdrawing'.

Item 21 - Investment in Playbox Theatre

The Committee supported the recommendations in the report, but asked that before the loan was provided assurance was sought from them that the sponsorship and grants were recurring and that the theatre should be encouraged to undertake more fundraising itself.

Urgent Item – Beauchamp House – 77-79 Coten End

The Committee supported the recommendations in the report including a revised wording to recommendation 2.1 so it read "in the region of" and not "exceeding".

113. **Cultural Services Risk Register (Feb 2018)**

The Committee considered the Cultural Services risk register as part of the role of the Committee in managing risk.

The Committee was pleased with the register and that the register had subsequently been updated to reflect the issues that had occurred with MacGolf

Resolved that the register be noted.

113. **Executive Agenda (Non-Confidential Items & Reports – Wednesday 7 February 2018)**

The Committee considered the following non-confidential item which would be discussed at the meeting of the Executive on Wednesday 7 February 2018.

Item 3 - 2018/19 General Fund Budget & Council Tax

The Committee recognised the challenge of depreciation of our assets within accounts and asked that any work that could be done to provide funds for replacing and maintaining assets should be taken.

The Committee agreed to add to its Work Programme a review of the budgeted reserves to ensure they are necessary and appropriate.

The Committee supported the use of new homes bonus for specific projects and not being used to support core general fund service.

Item 4 - Treasury Management Strategy 2018/19

The Committee supported the recommendations in the report and asked for the equity fund options to be shared with Councillors before this was considered by Council in February.

Item 10 - Private Sector Leasing Scheme

The Committee supported the recommendations in the report.

Item 5 - Housing Revenue Account (HRA) Budget 2018/19 and Housing Rents

The Committee supported the recommendations in the report.

Item 6 - Heating, Lighting and Water Charges 2018/19 – Council Tenants

The Committee supported the recommendations in the report.

Item 16(B) - Significant Business Risk Register

The Committee did not comment on this item, and have added it to their Work Plan for next meeting and ask that the Leader or his Deputy plus Councillor Whiting to attend their meeting.

114. **Minutes**

The minutes of the meeting held on 3 January 2018 were taken as read and signed by the Chair as a correct record.

115. **Comments from the Executive**

The Committee received a report from Democratic Services which summarised the Executive's response to comments given by the Finance & Audit Scrutiny Committee on reports submitted to the Executive on 4 January 2018.

The responses which the Executive gave to those items considered by the Finance & Audit Scrutiny Committee on 3 January 2018 were detailed in the appendix to the report.

Resolved that the responses made by the Executive, as set out in Appendix 1 to the report, be noted.

116. **Review of the Work Programme and Forward Plan**

The Committee received a report from Democratic Services which informed the Committee of its work programme for 2018 and the current Forward Plan. Both of these documents were attached as appendices to the report.

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

The pre-decision scrutiny of Executive decisions fell within the role of 'holding to account'. To feed into the pre-decision scrutiny of Executive decisions, the Committee needed to examine the Council's Forward Plan and identify items upon which it would like to have an impact.

The Council's Forward Plan was published on a monthly basis and set out the key decisions to be taken by the Council in the next twelve months. The Council only had 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 would be making important decisions.

The Committee was mindful that any work it wished 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.

Resolved that

- (1) the Forward Plan be noted;
- (2) a report be brought to the April meeting of the Committee on the level of exposure to major companies, for example capita;
- (3) a report be brought to the April meeting detailing the number of Council's contracts are subject to parent company guarantees and the level of risk associated with this; and
- (4) a report to the Committee in May to discuss the Council's Equity Funds.

(The meeting ended at 9.40 pm)