

FINANCE AND AUDIT SCRUTINY COMMITTEE

Minutes of the meeting held on Tuesday, 10 January 2012 at the Town Hall, Royal Leamington Spa at 6.00pm.

PRESENT: Councillor Mrs Knight (Chair): Councillors Cross, Edwards, MacKay, Pittarello, Rhead, Mrs Sawdon, Mrs Syson and Williams.

ALSO PRESENT: Councillors Mobbs (Portfolio Holder for Finance) and Vincett (Portfolio Holder for Housing and Property).

An apology for absence was received from Councillor Dagg.

103. **SUBSTITUTES**

There were no substitutes.

104. **DECLARATIONS OF INTEREST**

There were no declarations of interest.

105. **MINUTES**

The minutes of the meeting held on 13 December 2011 were taken as read and signed by the Chair as a correct record.

106. **EXECUTIVE AGENDA (NON-CONFIDENTIAL ITEMS & REPORTS)**

The Committee considered the following non-confidential items which would be discussed at the meeting of the Executive on Wednesday 11 January 2012.

Item Number 9A – Significant Business Risk Register

The Committee supported the recommendations in the report and noted that, if the Executive agreed to the recommendations, the Committee would receive quarterly presentations on Service Risk Registers, commencing in April 2012.

Item Number 6 – HRA Draft Business Plan 2012 – 2042 and Self Financing

After discussion, this item was withdrawn from the agenda in order for a revised report to be presented to the February meeting of the Executive.

Item Number 8 – Photovoltaic Panels report

Members noted that the proposal was to install panels in social properties, not corporate ones. Some disappointment was expressed that current prices had not been incorporated into the business plan as soon as they had become available, but the Committee supported the recommendations in the report.

107. **PUBLIC AND PRESS**

FINANCE AND AUDIT SCRUTINY COMMITTEE (Continued)

RESOLVED that under Section 100A of the Local Government Act 1972, 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.

108. EXECUTIVE AGENDA (CONFIDENTIAL ITEMS & REPORTS)

The Committee considered the following confidential item which would be discussed at the meeting of the Executive on Wednesday 11 January 2012.

Item Number 11 – Rural Housing Biomass Heating Project and Exception Report

The Committee noted and supported the recommendations in the report.

(Councillor Vincett left the meeting at the conclusion of this item)

109. EXECUTIVE AGENDA (NON-CONFIDENTIAL ITEMS & REPORTS)

The Committee considered the following non-confidential items which would be discussed at the meeting of the Executive on Wednesday 11 January 2012.

Item Number 4 – General Fund Revenue Base Estimates Revised 2011/12 and Original 2012/13

The Committee discussed the Council's approach to its Fit for the Future programme and, in particular, the change programme element. Members noted work which was underway, including long term financial planning. A desire was expressed that efforts be taken to ensure that the Council's financial concerns be reflected in arrangements made with contractors. The Committee was pleased to see partial recovery of an overspend on Housing and Council Tax Benefits and thanked the officers involved. The Committee supported the recommendations in the report, in particular recommendation 2.2(a).

Item Number 5 – HRA Revenue Base Estimates Revised 2011/12 and Original 2012/13

While some dismay was expressed at the average increase in dwelling rents, the reasons for this were understood and the Committee supported the recommendations in the report.

Item Number 9B – Newbold Comyn Leisure Centre Water Flume Replacement Exception Report

The Committee discussed the justification for making an exception to procurement rules in this instance, recognised that in order to remove risk it was the only feasible option and supported the recommendations in the report.

110. RURAL/URBAN CAPITAL IMPROVEMENT SCHEME UPDATE

FINANCE AND AUDIT SCRUTINY COMMITTEE (Continued)

The Committee received a report from the Finance and Admin Support Manager updating members on the implementation of the Rural/Urban Capital Improvement Scheme. It also summarised the rationale behind why the budget had been split 50/50 between rural and urban areas.

An addendum circulated at the meeting added the following statement to paragraph 7.6 of the report, which had been omitted from the report in error and needed to be inserted after the word 'applicants':

"In considering the amount to grant award, regard shall be had to the applicant's level of financial reserves and to what extent the organisation is able to provide funding to the scheme."

Members agreed in principle that there was a case for reviewing applications on a quarterly basis and having due regard to the reserves of applicants so that grants were provided only where there was genuine need. The Chair agreed to discuss this with the Portfolio Holder (Community and Corporate Services), prior to pursuing it further at a CMT Executive briefing meeting.

RESOLVED that

- (1) the successful allocation of the Rural/Urban Capital Improvement Budget be approved;
- (2) the current budget split of 50/50 between Rural and Urban areas remain and it be noted that the rationale behind the budget split has proven appropriate to date;
- (3) a further report be presented in June 2012 to give Members a better view of how the scheme, currently in early stages, has been implemented; and
- (4) Members agree in principle to reviewing applications on a quarterly basis and having due regard to the reserves of applicants so that grants are provided only where there is genuine need, this being subject to the approval of the Portfolio Holder (Community and Corporate Services).

(Councillor Mobbs left the meeting at the conclusion of this item)

111. PROCUREMENT PROGRESS UPDATE

The Committee received a report from the Procurement Manager detailing progress on procurement during the first 8 months of the financial year 2011/12.

Some frustration was expressed at a lack of willingness shown to date by a number of organisations to consider joint working in the provision of shared

FINANCE AND AUDIT SCRUTINY COMMITTEE (Continued)

services, but members felt that the Council should continue to pursue this approach.

The Procurement Manager was thanked for her report.

RESOLVED that advances made in procurement during the first 8 months of 2011/12 be noted.

112. COMMENTS FROM THE EXECUTIVE

A report from Committee Services summarised the Executive's response to comments which the Finance & Audit Scrutiny Committee gave on reports submitted to the Executive on 14 December 2011.

RESOLVED that the contents of the report be noted.

113. FORWARD PLAN

The Committee considered a report from Members' Services informing them of the current Forward Plan, attached as an appendix to the report.

One of the five main roles of overview and scrutiny in local government was to undertake pre-decision scrutiny of Executive decisions. If the Committee had an interest in a future decision to be made by the Executive it was within the Committee's remit to feed into the process.

The Forward Plan detailed the future work programme for the Executive. If a non-executive member highlighted a decision which was to be taken by the Executive which they would like to be involved in, members could then provide useful background to the Committee when the report was submitted to the Executive and they were passing comment on it.

Members noted that Council was due to meet on 22 February, not 14 February as listed in the Forward Plan.

RESOLVED that there were no forthcoming Executive decisions which they wished to have an input into before the Executive make their decision, at present.

114. REVIEW OF THE WORK PROGRAMME

A report from Members' Services detailed the Committee's work programme for 2011/12.

Quarterly presentations on Service Risk Registers, commencing in April, would be added to the work plan subject to the Executive's agreement.

RESOLVED that the work plan for 2011/12 be noted.

(The meeting ended at 8.05 pm)