

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

FINANCE, AUDIT & PERFORMANCE COMMITTEE

16 SEPTEMBER 2013 AT 6.30 PM

PRESENT: Miss DM Taylor - Chairman
Mr R Mayne – Vice-Chairman

Mr JG Bannister (for Mr JS Moore), Mr PR Batty, Mrs R Camamile and Mr K Morrell

Officers in attendance: Cal Bellavia, Katherine Bennett, Sanjiv Kohli and Rebecca Owen

167 APOLOGIES AND SUBSTITUTIONS

Apologies were submitted on behalf of Councillors P Hall and Moore, with the substitution of Councillor Bannister for Councillor Moore authorised in accordance with Council Procedure Rule 4.

168 DECLARATIONS OF INTEREST

No interests were declared at this stage.

169 MINUTES OF PREVIOUS MEETING

On the motion of Councillor Morrell, seconded by Councillor Camamile, it was

RESOLVED – the minutes of the meeting held on 10 June 2013 were confirmed as a correct record and signed by the Chairman.

170 STATEMENT OF ACCOUNTS 2012/13

The Committee was presented with the 2012/13 Statement of Accounts. During discussion, reference was made to the following:

- The total amount of Regional Growth funding expected;
- The allocation of pinch point funding;
- The possible reasons for the increase in sickness absence and steps being taken to improve.

It was moved by Councillor Mayne, seconded by Councillor Camamile and

RESOLVED – the Statement of Accounts 2012/13 be endorsed and RECOMMENDED to Council for approval.

171 ANNUAL GOVERNANCE STATEMENT 2012/13

Members received the 2012/13 Annual Governance Statement. It was moved by Councillor Camamile, seconded by Councillor Batty and

RESOLVED – the Annual Governance Statement be RECOMMENDED to Council for approval.

172 REPORT TO THOSE CHARGED WITH GOVERNANCE (ISA260)

Alison Breadon of PricewaterhouseCoopers LLP presented the ISA260. During her presentation, Alison referred to:

- The thorough and lengthy accounts produced by the authority;
- The overall positive view;
- The good working relationship between the finance team and internal audit;
- The absence of unadjusted queries or deficiencies in internal control during the audit;
- The intention to issue an unqualified opinion on the use of resources;
- Satisfaction with the processing of RGF monies;
- The recommendation to include future investment in capital information.

It was noted that rewording was required regarding the financing of the bus station development on page 16 of the agenda, which should have read that the Council would retain 20% of the profit after the first £5m.

Concern was expressed regarding the pension fund and the provisions that were being made. It was stated that Leicestershire County Council were responsibility for carrying out the valuation and that the impending increase was as yet unknown. It was anticipated that the figure would be received in November.

On the motion of Councillor Camamile, seconded by Councillor Mayne, it was

RESOLVED – the ISA260 be endorsed.

173 AUDIT PROGRESS

Members were updated on the audit plan 2013/14, recent audit work and progress against action plans of previous audits. During discussion reference was made to:

- The link between the end of the current contract for leisure provision at Hinckley Leisure Centre and completion of a new leisure centre, and the good response to the tender process;
- The 'low risk' recommendation regarding risk management training and awareness;
- The need for a more robust way of identifying new corporate risks;
- Continuing concerns regarding purchases for which Orders had not been raised;
- The tenant recharge policy and consultation prior to possible implementation.

It was requested that a report be brought to the next meeting regarding the tenant recharge policy and the type of consultation that would be carried out and how the decision whether or not to implement it would be made.

It was moved by Councillor Camamile, seconded by Councillor Mayne and

RESOLVED –

- (i) the report be noted;
- (ii) a report on the tenant recharge policy be brought to the next meeting of the Committee.

(Councillor Bannister was absent for the vote).

174 CW AUDIT ANNUAL SATISFACTION SURVEY

CW Audit presented its customer satisfaction survey for information. It was moved by Councillor Batty, seconded by Councillor Mayne and

RESOLVED – the report be noted.

(Councillor Bannister was absent for the vote).

175 REVENUE & CAPITAL OUTTURN - 1ST QUARTER 2013/14

Members were informed of the revenue and capital outturn at the end of the first quarter of 2013/14. It was reported that the underspend recorded at the end of June was due to works in progress regarding Housing repairs and therefore a result of timing differences. Members were reassured that there was no backlog in housing repairs and that an underspend of £9,000 was forecast. It was noted that the HRA was also on track and any overspend showing was due to reverse accounting entries. It was moved by Councillor Bannister, seconded by Councillor Mayne and

RESOLVED – the report be noted.

176 PERFORMANCE & RISK MANAGEMENT FRAMEWORK

The Council's first quarter position for 2013/14 was provided to the Committee. It was highlighted that of the 47 indicators reported, only four were below target. With regard to benchmarking it was explained that the statutory benchmarking group had been disbanded, but that there appeared to be a new appetite for sharing indicators again now. On the motion of Councillor Morrell, seconded by Councillor Mayne, it was

RESOLVED – the report be noted.

177 LOCAL COUNCIL TAX REPORT & BUSINESS RATE RETENTION QUARTER 1 2013-14

The Committee was updated on the performance of Local Council Tax Support and Business Rates Retention schemes. With regard to council tax support, it was noted that there were 1600 people affected by the changes, yet the recovery rate was similar to that of standard council tax. It was reported that most authorities were achieving higher recovery rates than anticipated.

The need to consult on the level of council tax support to be provided in 2014/15 was discussed and it was noted that the transitional grant that the government had announced would also be taken into consideration in deciding the level of support. Members were reminded that the level of support would also impact on other preceptors, so this would also have to be taken into account. It was suggested that the hardship fund may have to be increased if the level of support was decreased.

With regard to business rate pooling, it was reported that the Leicestershire Pool had originally forecast a balance of £685,000 which had been reduced to £600,000 due to reduction in rates collected in some other districts since some schools had become academies and therefore been granted charitable status. It was stated that the threshold for the Pool being worthwhile was £400,000.

Discussion ensued regarding the benefits of being part of a 'pool' managed by a Local Enterprise Partnership versus the benefits of an officer group from the authorities involved managing the funds.

It was noted that this report would be a standing item at each meeting.

On the motion of Councillor Mayne, seconded by Councillor Morrell, it was

RESOLVED – the report be noted.

178 SUNDRY DEBTS UPDATE REPORT

The Committee was informed of the position with regard to sundry debts and debt recovery procedures as requested at the previous meeting. Members queried the patterns of debt and how the issues were being addressed. In response it was explained that Managers were being asked to talk to their customers about debt to try to reach a resolution.

179 WORK PROGRAMME

The work programme was considered and it was emphasised that meetings should be regular and that every effort should be made to attend training sessions.

(The Meeting closed at 8.11 pm)

CHAIRMAN