

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

FINANCE, AUDIT & PERFORMANCE COMMITTEE

6 JANUARY 2014 AT 6.30 PM

PRESENT: Miss DM Taylor - Chairman

Mr PR Batty, Mrs R Camamile, Mr PAS Hall, Mrs WA Hall (for Mr R Mayne),
Mr JS Moore and Mr K Morrell

Also in attendance: Councillor K Nichols

Officers in attendance: Storme Coop, Louisa Horton, Simon D Jones, Sanjiv Kohli,
Katherine Plummer and Sharon Stacey

327 APOLOGIES AND SUBSTITUTIONS

Apologies were submitted on behalf of Councillor Mayne with the substitution of
Councillor Mrs Hall authorised in accordance with Council Procedure Rule 4.

328 MINUTES OF PREVIOUS MEETING

RESOLVED – the minutes of the meeting held on 11 November 2013 be
confirmed and signed by the Chairman.

329 DECLARATIONS OF INTEREST

Whilst not a member of the Committee, Councillor Nichols wished it to be noted that he
was the council's representative on the board of Hinckley Club for Young People.

No interests were declared.

330 MATTERS FROM WHICH THE PUBLIC MAY BE EXCLUDED

On the motion of Councillor Camamile seconded by Councillor Mr Hall, it was

RESOLVED – in accordance with section 100A(4) of the Local
Government Act 1972, the public be excluded from the following item of
business on the grounds that it involves the disclosure of exempt
information as defined in paragraphs 3 and 10 of Part I of Schedule 12A
of that Act.

331 HINCKLEY CLUB FOR YOUNG PEOPLE - AUDIT REVIEW

Following the request of the Committee that a review of the position of Hinckley Club for
Young People be reviewed, a report was presented to members which had been
prepared by Internal Audit and outlined the club's position, strengths and weaknesses.
The report had been shared with the Club and they had responded to certain points
within the report. This had been circulated to members in advance of the meeting. It was
reiterated that the report wasn't a review of the accounts, but was a review of the general
position in order to facilitate discussion and encourage interaction with the Club, which
had now been achieved.

During discussion, the following matters were raised or discussed:

- The rental cost for the bar and reasons for decreasing the rent and agreeing profit share;
- The status of the Club as a charity, and independent of the Council;
- Praise for the facilities by users of the Club;
- The drop in membership;
- The increase in income from room hire.

It was noted that some members had originally asked to see a business plan, but it had not been forthcoming. Whilst they acknowledged that the Club was a separate entity to the Council and did not answer to the Committee or the Council, members asked again that a copy of the business plan be provided.

Members generally felt that Internal Audit should have the opportunity to consider the comments made by the Club on the report and suggested that it be deferred for further consideration. It was also requested that a letter be sent to the Club outlining the committee's requests.

On the motion of Councillor Moore, seconded by Councillor Batty, it was

RESOLVED –

- (i) the item be deferred to the meeting on 31 March to allow Internal Audit to consider the responses provided by the Club and business cases be provided to members;
- (ii) a letter be sent to the Club from the Chairman to outline the committee's requests.

Councillors Mrs Hall and Nichols left the meeting.

332 RE-ADMISSION OF PUBLIC AND PRESS

RESOLVED – the public and press be re-admitted for the remaining items of business.

333 INTERNAL AUDIT BLOCK REPORT

In presenting the Internal Audit report, it was noted that Significant Assurance had been given to Markets, Payments and Creditors and that minor recommendations with Moderate Assurance had been given to Members' Allowances and Car Parking. Members requested that a report detailing progress on car parking issues and options for providing car parking provisions be brought to the next meeting.

With regard to tracking of previous recommendations it was noted that of 94 recommendations, 56 had been implemented, 17 had been closed and 21 had not been completed. Eight recommendations were more than six months overdue, but none of these were high risk areas.

Some changes to the Audit Plan were proposed by the Auditor to allow for focus on corporate risk including housing investment, MIRA and the town centre.

RESOLVED –

- (i) a report on car parking be brought to the next meeting;
- (ii) the report be noted.

334 DRAFT CAPITAL PROGRAMME

In introducing the draft Capital Programme, attention was drawn to the large projects, potential changes following the Green Spaces review, and the HRA Investment Plan. Members were reminded that they would be invited to the Scrutiny Commission on 16 January where the draft budget would be scrutinised. During discussion the following points were raised:

- The legal agreement for use of the Squash Club as a community facility.
- The current position regarding the housing investment priority of new build of affordable housing, where a development partner was being procured. Council-owned land and garage sites would be considered in the first instance, and a report was being drafted to regarding buy back of former right to buy properties. The brief for the development partner would include looking for opportunities such as rural exception site development.
- There was an error in the report which referred to Care and Repair, as this organisation was no longer the council's contractor for carrying out disabled adaptations.

RESOLVED – the report be noted.

Councillor Camamile left the meeting at 7.56pm.

335 SECOND QUARTER BUDGET MONITORING

Members received the budget monitoring report for the second quarter 2013-14. It was noted that the general fund was currently showing a £406,000 underspend which would be slightly decreased due to the supplementary budget for the Squash Club. In respect of the Capital Programme, £2.9m of the £4m available had been spent, and there was assurance that there would be no underspend by the end of the year on the Green Deal element of the capital programme as it had all been committed. With regard to the Housing Revenue Account, a £13,000 overspend was forecast.

RESOLVED – the report be noted.

336 RISK MANAGEMENT FRAMEWORK

Members received an update which highlighted 'red' service and corporate risks.

RESOLVED – the report be noted.

337 LOCAL COUNCIL TAX SUPPORT & BUSINESS RATES

With regard to the Localisation of Council Tax Support it was noted that the position was extremely positive for cumulative collection rates. On the matter of business rates retention, the forecasts were not as positive as anticipated. It was felt that this was due partly to the introduction of Academy schools which were eligible for charitable relief and partly due to the decrease in rateable values.

The recent decision to disband the Leicestershire Pool (for business rates) due to not being financially viable was reported.

RESOLVED – the report be noted.

338 SUNDRY DEBTS UPDATE

In relation to sundry debts, it was noted that these had increased slightly but that the majority was new debt due to quarterly invoices having been produced in October.

RESOLVED – the report be noted.

339 TENANT RECHARGE POLICY

The development of the Tenant Recharge Policy which would operate alongside a revised Tenancy Agreement was reported to members. It was explained that the policy would be developed with tenants, and the intention of the Policy was to encourage good tenant behaviour and responsibility for actions and that it would cover lock changes, repairs required due to neglect, unsafe DIY and voids repairs resulting from lack of care by the tenant. It was noted that there would be exceptions and affordable payment plans.

With regard to untidy gardens it was advised that officers would work with tenants and if improvements were not made, the works could be carried out and a recharge made. The Tidy Garden scheme was discussed which would include a tool share scheme to assist residents.

In response to a query about how the Recharge policy would be enforced, it was noted that it would be carried out in liaison with the finance team and the formal recovery process would be instigated.

RESOLVED – the report be noted.

340 WORK PROGRAMME

Members were reminded that they were invited to the Scrutiny Commission on 16 January where the budget would be scrutinised. It was suggested that due to the budget being considered at this meeting rather than by the Finance, Audit & Performance Committee in February, there may be little need for the February meeting. This would be confirmed as soon as possible.

It was reiterated that a further report on Hinckley Club for Young People would be considered at the meeting on 31 March.

(The Meeting closed at 8.27 pm)

CHAIRMAN