

HINCKLEY AND BOSWORTH BOROUGH COUNCIL

FINANCE, AUDIT & PERFORMANCE COMMITTEE

15 SEPTEMBER 2014 AT 6.30 PM

PRESENT: Miss DM Taylor - Chairman
Mr JS Moore – Vice-Chairman

Mr PR Batty, Mrs R Camamile, Mrs L Hodgkins (for Mr PAS Hall), Mr R Mayne and Mr K Morrell

Officers in attendance: Sanjiv Kohli, Rebecca Owen, Katherine Plummer and Julie Stay

145 APOLOGIES AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor Mr Hall, with the substitution of Councillor Hodgkins authorise in accordance with Council Procedure Rule 4.

146 MINUTES OF PREVIOUS MEETING

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

RESOLVED – the minutes of the meeting held on 4 August 2014 be confirmed and signed by the Chairman.

147 DECLARATIONS OF INTEREST

No declarations were made at this stage.

148 STATEMENT OF ACCOUNTS 2013/14 AND ANNUAL GOVERNANCE STATEMENT

Members were presented with the Statement of Accounts and Annual Governance Statement along with a report which detailed material or notable changes. Members were reminded that training had been provided on the Statement the previous week. In response to members' questions, the following was noted:

- The special expenses reserve had increased due to previous underspends and now operated on the same basis as general fund reserves in maintaining a 10% reserve. This reserve would be used to fund the Green Space Delivery Plan
- The line in the accounts regarding a reserve for Hinckley Club for Young People had been removed in the 14/15 budget
- Section 106 monies not drawn down would be claimed back, but if the developer had, in the meantime, been liquidated, legal advice would be sought on how to progress
- The authority had not been successful in securing grant funding for the leisure centre – officers agreed to provide the member with details of applications made but refused
- The waste management reserve had initially been set up to cover improvements but the landscape had changed and more recently the County Council had indicated they would accelerate cuts to recycling credits
- Other cuts by the County Council in areas such as Young People and Community Safety would have an impact on HBBC.

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

149 REPORT TO THOSE CHARGED WITH GOVERNANCE (ISA 260)

Alison Breadon of PricewaterhouseCoopers presented the ISA 260 and explained their risk based approach, the review of any new issues or those which require an element of judgement and the checking for material inaccuracies. It was explained that any inaccuracies below £25,000 were discussed with officers but not reported. Concern was expressed, however, that at the time of issuing the ISA 260, the decisions to fund the moveable floor in the new leisure centre had not been made, and that this decision would have a significant impact on the future finances of the authority. It was explained that such decisions which benefit a small number of people but have a serious impact on the financial standing of the authority may attract public attention when the accounts were opened up to public scrutiny.

RESOLVED – the ISA 260 be endorsed.

150 REVENUE AND CAPITAL OUTTURN - 1ST QUARTER 2014/15

Members were updated on the outturn position and were informed that there were some unknown issues, such as whether business rates would be retained at the year end and whether there would be a number of business rate appeals which would result in a cost to the authority. It was highlighted that the underspend on Housing Repairs was mostly due to timing and work in progress, and also that there had been a reduction in rental income due to void properties.

A member expressed concern that several residents had complained to him that they had been told the reason they had had to wait over six months for repairs to council owned properties was because the council “couldn’t afford” to do the work. It was agreed that if this message was being sent out, it was unacceptable. A report on housing repairs, including the budget position and waiting list, was requested for the next meeting of the Committee.

RESOLVED –

- (i) The report be noted;
- (ii) A report on housing repairs be brought to the next meeting.

151 INTERNAL AUDIT PROGRESS REPORT

Tim Ridout of CW Audit presented the Internal Audit progress report, highlighting the increase in the number of days (due to carry forward of unused days from the previous year) and where these days would be used.

Discussion ensued regarding the Section 106 process and work undertaken to improve monitoring of monies received, drawn down and clawed back by the developer, and further work required. It was hoped that the new process would look in more detail at delivery to also ensure that the provision made was delivered to an acceptable standard.

Mr Ridout provided an update on the Electoral Registration audit which had looked at the council’s approach to implementing individual electoral registration (IER) and had recommended restarting some meetings which had not been convened, keep risk registers up to date, and looking to work with partners to share data.

A member drew attention to the section of the reports about homelessness in light of recent media attention regarding care leavers being placed in bed & breakfast accommodation, and following discussion it was requested that a report be taken to the Scrutiny Commission regarding homelessness, including a definition of homeless.

RESOLVED –

- (i) The report be noted;
- (ii) A report on homelessness be presented to a future meeting of the Scrutiny Commission.

Councillor Batty left the meeting at 7.40pm.

152 PERFORMANCE & RISK MANAGEMENT FRAMEWORK

Members were presented with an update on the Performance & Risk Management Framework. They agreed to continue to receive this reports in addition to the regular service review reports.

153 FINANCE, AUDIT & PERFORMANCE UPDATE - CORPORATE SERVICES

The service review report for Corporate Services was presented to members and it was reported that there had been no performance slippage and sickness absence was improving. Some discussion ensued regarding sickness absence and it was explained that the increase the previous year had been due to a few cases of long term sickness which had distorted the figures. So far this year sickness absence was well below target, which was mostly due to some long term cases being closed. The closer monitoring of sickness and return to work procedures was explained to members and it was confirmed that the sickness absence framework was embedded in the authority and managers were aware that they were responsible.

154 BUDGET STRATEGY 2015/16

The Committee received a report outlining the budget strategy for 2015/16 which set out the context and challenges. Discussion ensued regarding grants to parishes and it was reiterated that the continuation of council tax support grants to parish councils should continue, but withdrawing the payment of a portion of the New Homes Bonus to parishes would be reconsidered in light of budget constraints for the borough council.

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

RESOLVED – Council be RECOMMENDED to withdraw the allocation of 25% of New Homes Bonus to parish councils in full from 2015/16.

155 WORK PROGRAMME

The work programme was considered and noted.

156 MATTERS FROM WHICH THE PUBLIC MAY BE EXCLUDED

On the motion of Councillor Taylor seconded by Councillor Camamile, 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 2, 3, 7 and 10 of Part I of Schedule 12A of that Act.

157 FRAUD UPDATE

Members were reminded of the fraud self-assessment that had been undertaken which had identified improvements required with regard to detecting and preventing fraud. It was noted that a joint bid with other Leicestershire authorities had been submitted to the DCLG for funding to support corporate fraud.

Members confirmed that they were happy with the style and content of the report and would like to receive it on a six-monthly basis.

RESOLVED – the report be noted and endorsed.

(The Meeting closed at 8.05 pm)

CHAIRMAN