

MINUTES

FINANCE AND RESOURCES OVERVIEW AND SCRUTINY

16 JUNE 2015

Present:

Members:

Councillors: Herbert Chapman
(Chair)
Douris (Vice-
Chairman)
Ashbourn
Barnes
Clark
Collins
Taylor
Mills
Silwal
Harden
Elliot

Officers:

Cabinet Support Members

The meeting began at 7.30 pm

1 **MINUTES**

The Chairman welcomed all new Members to the committee.

The minutes of the Finance & Resources OSC meeting held on 3 March 2015 were confirmed by the Members present and signed by the Chairman.

2 **APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillor Tindall and Imarni.

3 **DECLARATIONS OF INTEREST**

None.

4 **PUBLIC PARTICIPATION**

None.

5 **CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO CALL-IN**

None.

6 **ACTION POINTS FROM PREVIOUS MEETING**

The Chairman of the committee went through the action points from the previous meeting and the responses to those points. All Members agreed the action points.

Councillor Taylor highlighted that there were 8 new Members on the Committee and requested that officers have a table to show the acronyms on their reports to help all new and existing Members understand the terminology of the Finance reports.

7 **QUARTER 4 RISK MANAGEMENT REPORT 2014/15**

Linda Dargue, Insurance and Risk Manager presented her report to the committee. She informed Members that this would be her last Performance report for Finance and Resources due to the report being scrutinised by the Audit Committee from 2015/16. She also mentioned that there would be a joint meeting for interested parties such as CMT, Portfolio Holders and the Leader of the opposition to look at the new Strategic Risk Registers.

Councillor Harden arrived at 7.35pm

Questions

Councillor Anderson referred to last week's SPAE meeting and the Operational Risk Register and Members questions around the Operational reports. He asked Councillor Taylor if this could be something that could be looked at within Member Development.

The Chair referred to the Risk Reports being taken to the Audit Committee and asked if this was standard practise across local authorities or something Dacorum is leading the way on.

L Dargue mentioned that lots of authorities do reports to their Audit Committees and felt that this would be beneficial and highlighted that Members will get updates on the Quarterly reports.

Councillor Silwal asked for an explanation of the terms 'political fallout' and 'reputational damage' in relation to Strategic Risk C3 – Failure to use the Council's commitment to invest £30m across the Borough.

L Dargue explained that a possible consequence of the risk occurring was that there could be reputational damage and political fall- out for the authority. The inclusion of risks on the register does not mean that they will necessarily arise, but these are things that may happen unless measures/ controls are put in place. '

The Chair referred to Page 8 and asked if there was any effect on Cil.

Councillor Anderson said that S106 is continuing for affordable Housing only.

L Dargue explained that if the Council has objectives and they are not met, the public could query as to why they have not been met leading to some reputational damage to the authority. Just because the risks are on the register does not mean that they will happen but the Council needs to safe guard them for the future.

Outcome

The report was noted and agreed.

8 QUARTER 4 PERFORMANCE AND OPERATIONAL RISK REGISTER REPORT - LEGAL GOVERNANCE, DEMOCRATIC SERVICES AND PEOPLE

Mark Brookes gave apologies on behalf of Matt Rawdon and Steve Baker who were unable to attend the meeting.

Mark Brookes, Group Manager for Legal Governance presented the Quarter 4 Performance and Operational report on behalf of S Baker. He brought Members attention to the two red indicators in the report and said that they related to the People group which Matt Rawdon was responsible for. He went on to say that under the Sickness Absence policy there were now provisions put in place for officers to call in and speak to a registered nurse rather than their Line Manager if they are sick.

M Brookes highlighted to Members the success over the Election period and thanked Jim Doyle's team, Democratic Services for all of their hard work.

Questions

Councillor Douris made reference to page 20 of the report and the November start dates for the "Stay with it programme". He asked if the figures reported represented a ½ yearly figure.

R Baker, Group Manager (Financial Services), confirmed that the year runs from September to September and the figures represent ½ yearly.

Outcome:

The report was noted.

9 QUARTER 4 PERFORMANCE AND OPERATIONAL RISK REGISTER REPORTS - PERFORMANCE & PROJECTS

R Smyth, Assistant Director for Performance & Projects presented the Quarter 4 Performance and Operational Risk Register Report for Performance and Projects. He highlighted that there was one red indicator which showed the number of new starters in the last 5 days within the IT Services. These issues have now been

addressed despite the number of challenges that have been faced in the past. R Smyth also added that his team are working on different ideas for productivity and will have their findings available for the next Finance and Resources meeting.

Questions

Councillor Ashbourn referred to page 39 of the report, points 2.3 and 2.5 regarding the IT systems and Process Performance. He asked if there are metrics in place for network performance.

R Smyth said that they do not currently have specific measures in place to measure network performance but they have measures in place to measure information security.

Councillor Harden asked if the officer could explain what happens when the external hackers gain access to the system.

R Smyth confirmed that they commission hackers to come in to try and reach the networks. This was recently carried out and the results proved very positive however there were a few areas that need improvement which will be looked at. He also mentioned that over the last 12 months his team have carried out their own testing to make sure that the system appears more robust.

Councillor Anderson asked if this would cause an unnecessary overhead if we record that information on the OPI.

R Smyth said that he would report back to the committee regarding suggestions for measuring network security.

Councillor Taylor referred to Councillor Ashbourn's earlier question regarding the IT systems and mentioned that Member Development were hoping to carry out a training session prior to Full Council to cover this area, but haven't been able to at present. Instead there will be a briefing session before the next Council meeting on the ICT system and ICO.

Councillor Anderson mentioned that he has had several complaints in the last few weeks as a ward Councillor from residents whom have not received responses from e mails sent to the corporate e mail addresses nor have they been able to escalate their missed bin collections.

M Brookes asked Councillor Anderson to provide further information regarding the complaint so that he can look into it further.

Councillor Anderson said that he would provide this information to M Brooks.

Action:

1. R Smyth to report back to the committee regarding information being recorded in the OPI.
2. M Brookes to investigate the complaints sent to the corporate e mail address.

Outcome:

The report was noted.

10 **QUARTER 4 PERFORMANCE AND OPERATIONAL RISK REGISTER - FINANCE & RESOURCES**

David Skinner, Assistant Director, Finance and Resources presented the Quarter 4 Performance and Operational Risk report. He drew Members attention to pages 65/66 RBF/01 and RBF04 and mentioned that these were targets that were marginally missed. He went on to add that these were positive trends but they were near misses in terms of missing their targets and will be looking at improving their performance.

With regards to the business rates, the team has been looking at other authorities to see if what they do well and to see if we can benchmark against those authorities to match their performance.

There were no questions from Members.

Outcome:

The report was noted.

11 **PROVISIONAL OUTTURN REPORT 2014/15**

R Baker, Group Manager (Financial Services), presented his report to the Committee. He mentioned that sections 2-4 were the General Fund Revenue Account, Section 6 provided the Non – Controllable Expenditure, Section 7 provided details of the Housing Revenue Account (HRA), Section 8 provided the Provisional Capital Outturn information and Section 9 provided the Balances and Reserves accounts.

Questions

Councillor Anderson pointed out to the Committee that each year the Council achieves an underspend on the General Revenue Fund which involved the amount of ½ million, and expressed his concern that this was a lot of money. He asked how this would affect the Councils finances if the Council were to set up a reserve specifically stating what Members could use.

D Skinner said that are a number of different approaches to take and agreed with Councillor Andersons point that the amount of money as a surplus is a positive point.

If the funds were put into a reserve then it would have to go to the appropriate governance aspects to access the reserve, therefore it may potentially delay the speed of some of the projects that it could be used for.

Councillor Birnie asked if it would be possible to set up a separate head under the General Fund and via some of the surpluses in the financial year.

D Skinner explained that the earlier and more accurate the projection is then the existing budget could be used and the funds moved around.

Councillor Douris referred to page 82, 4.1 and the low level of staff turnover. He said this was to be applauded as it provided consistency within the organisation.

4.3 – A surplus of £250k on car parking; Councillor Douris asked if this surplus meant that Hemel Hempstead and the whole of Dacorum is a more exciting place to come and visit and use our car parks, and therefore spend money in our car parks and spend money in our Borough.

R Baker said that he would explain the reasoning behind this and inform Members before the next meeting.

Councillor Douris referred to 5.2 and the saving of £70k in the Homelessness Service and asked if this was partly due to the Dens project on the Redbourn Road.

R Baker confirmed that at this stage it has nothing to do with the new project on the Redbourn Road.

Councillor Douris referred to the Car parking and the footfall. He asked if there are measurements from those who take them and do we know exactly what the footfall is.

R Baker said that he would come back to the Committee with an answer for the next meeting.

The Chairman made reference to page 86 and the £500k uninsured losses relating to insurance claims from tenants for damages to buildings and water leaks. He asked if this had any connection with subsidence or if this was a separate matter.

R Baker confirmed that this was a separate issue.

R Baker said that he would get back to the committee with regards to the £500k uninsured losses relating to insurance claims from tenants for damages to buildings and water leaks.

Action:

1. R Baker to inform the Committee with regards to the Car Parking and of the no of footfall in Hemel Hempstead.
2. R Baker to provide the committee with feedback regarding the £500k uninsured losses relating to insurance claims from tenants for damages to buildings and water leaks.

Outcome:

The Committee noted the report.

12 **ANNUAL REVIEW OF FINANCIAL REGULATIONS**

D Skinner, Assistant Director, Finance and Resources, presented the Annual Review of Financial Regulations to the committee.

Questions

The Chair referred to page 98 and the proposed Section 106 Contributions and asked why CIL was not involved.

R Baker explained that S106 is slightly different in that the Council are in charge of the money whereas CIL there is not as much control.

Councillor Anderson also agreed with R Bakers comments on CIL and S106 in that they are both different.

M Brookes mentioned that there was a separate paper that went to Cabinet setting out the Governments range of CIL spending.

Councillor Douris added that S106 contributions are normally agreed at the time of the planning application by the planning authorities and the developer. He mentioned that CIL is less defined and broken down into smaller proportions.

Outcome

The committee noted the report.

13 **WORK PROGRAMME 2015/2016**

There were no amendments to the work programme.

Councillor Harden suggested that as there are so many new Members on the Finance and Resources Committee that officers could come and present an overview of their department and what they are currently doing.

The Chair agreed with Councillor Harden's comment and said that this was a good idea and it would be beneficial to all Members.

M Brookes confirmed that last year officers had a summary on their reports for the beginning of the financial year for the benefit of new Members.

Councillor E Collins said that she felt there was a need for training with regards to giving presentations to Members and asked officers not to assume that all Members, including new Members knew all of the terminology relating to financial matters.

Councillor Taylor noted Councillor E Collins' comment regarding absorbing new information and said that this is still a big issue on Member Development. However if Members have an issue, there are officers available to help Members with any questions they may have.

The Chair highlighted that all Members can liaise with the Portfolio Holders for further clarification should they have any queries regarding the reports or help understanding any of the terminology in the reports.

The Meeting ended at 8.25 pm