



Overview and Scrutiny Committee

Notice of a Meeting, to be held in the Council Chamber, Civic Centre, Tannery Lane, Ashford, Kent TN23 1PL on Tuesday 22nd January 2013 after the conclusion of the Briefing to Members which starts at 7.00pm*.

The Members of this Committee are:-

Cllr. Adby (Chairman)

Cllr. Chilton (Vice-Chairman)

Cllrs Apps, Bartlett, Mrs Bell, Bennett, Davison, Feacey, Galpin, Mrs Heyes, Hodgkinson, Mrs Hutchinson, Link, Mrs Martin, Mortimer, Robey, Shorter, Smith, Yeo.

* Prior to the commencement of the meeting, there will be a Member Briefing on Welfare Reform, which will be an updated version of the briefing to Members on the 13th December 2012 (this will start at 7.00pm).

Agenda

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Nos.

1. **Apologies/Substitutes** – To receive Notification of Substitutes in accordance with Procedure Rule 1.2(iii)
2. **Declarations of Interest (see “Advice to Members” overleaf)**

- (a) Disclosable Pecuniary Interests (DPI) under the Localism Act 2011 relating to items on this agenda. The nature as well as the existence of any such interest must be declared, and the agenda item(s) to which it relates must be stated.

A Member who declares a DPI in relation to any item will need to leave the Council Chamber for the whole of that item, and will not be able to speak or take part (unless a relevant Dispensation has been granted).

- (b) Other Significant Interests (OSI) under the Kent Code of Conduct as adopted by the Council on 19 July 2012, relating to items on this agenda. The nature as well as the existence of any such interest must be declared, and the agenda item(s) to which it relates must be stated.

A Member who declares an OSI in relation to any item will need to leave the Council Chamber before the debate and vote on that item (unless a relevant Dispensation has been granted). However, prior to leaving, the Member may address the Committee in the same way that a member of the public may do so.

- (c) Voluntary Announcements of Other Interests not required to be declared under (a) or (b), i.e. announcements made for transparency reasons alone, such as:
- membership of outside bodies that have made representations on agenda items, or
 - where a Member knows a person involved, but does not have a close association with that person, or
 - where an item would affect the well-being of a Member, relative, close associate, employer, etc, but not his/her financial position

[Note: an effect on the financial position of a Member, relative, close associate, employer, etc; OR an application made by a Member, relative, close associate, employer, etc, would both probably constitute an OSI].

Advice to Members on Declarations of Interest:

- (a) Government Guidance on DPI is available in DCLG's Guide for Councillors, at <http://www.communities.gov.uk/documents/localgovernment/pdf/2193362.pdf>
- (b) The Kent Code of Conduct was adopted by the Full Council on 19 July 2012, and a copy can be found with the papers for that Meeting.
- (c) If any Councillor has any doubt about the existence or nature of any DPI or OSI which he/she may have in any item on this agenda, he/she should seek advice from the Head of Legal and Democratic Services and Monitoring Officer or from other Solicitors in Legal and Democratic Services as early as possible, and in advance of the Meeting

3. **Minutes** – To approve the Minutes of the Meeting of this Committee held on the 23rd October 2012

Part I – Matters Referred to the Committee for a Decision in Relation to Call-in of a Decision Made by the Cabinet

None for this Meeting

Part II – Responses of the Cabinet to Reports of the Overview and Scrutiny Committee

None for this Meeting

Part III – Ordinary Decision Items

4. Report of the Budget Scrutiny Task Group

Part IV – Information/Monitoring Items

5. Future Reviews and Report Tracker

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HC/JV – 14th January 2013

Overview and Scrutiny Committee

Minutes of a Meeting of the Overview and Scrutiny Committee held in the Council Chamber, Civic Centre, Tannery Lane, Ashford on the **23rd October 2012**

Present:

Cllr. Adby (Chairman);

Cllrs. Bennett, Burgess, Galpin, Mrs Hutchinson, Link, Mrs Martin, Mortimer, Smith.

In accordance with Procedural Rule 1.2 (iii) Councillor Burgess attended as Substitute Member for Councillor Apps.

Apologies:

Cllrs. Apps, Chilton, Davison, Feacey, Hodgkinson, Robey, Taylor,

Also Present:

Development Control Manager, Policy and Performance Officer, Senior Scrutiny Officer, Member Services & Scrutiny Support Officer.

188 Declarations of Interest

Councillor	Interest	Minute No.
Adby	Declared 'Other Interests' as he was employed by Govia/South Eastern Trains and as he was the tenant in a listed building.	191 and 192
Galpin	Declared an 'Other Interest' as he lived in a listed building.	192
Hutchinson	Declared an 'Other Interest' as she lived in a listed building.	192

189 Minutes

Members considered the Minutes of the Meeting held on the 25th September 2012 and agreed their accuracy.

At the meeting on the 25th September 2012, when considering the accuracy of the Minutes of the Meeting held on 24th July 2012, a Member had considered that Minute No 103 (7th bullet point) did not fully reflect the wording of the KCC Officer who presented the report on Ashford's Shared Space to the Committee with regards to the funding of the scheme. The Minute Clerk's notes had been revisited and, based on this, the Senior Scrutiny Officer suggested an amendment to the Minutes from the 24th July 2012 and Members supported this.

Resolved:

- That: (i) The Minutes of the Meeting of this Committee held on the 25th September 2012 be approved and confirmed as a correct record.**
- (ii) The Minutes of the Meeting of this Committee held on the 24th July 2012 be approved and confirmed as a correct record with the exception that Minute No 103 (7th bullet point), which, following on from the word “Way”, would be amended to read “He considered that it was unlikely that any future scheme would be funded so generously. He also commented that the money had had to be spent quickly, which was perhaps not the best process.”**

190 Ashford Borough Council’s Business Plan Performance Report Quarter 2 2012/13 (to end August 2012)

The Policy and Performance Officer introduced the report which had been presented to Cabinet on 11th October 2012 and was now in front of the Overview and Scrutiny Committee for consideration. The report provided an overview of how the Council was performing against its strategic objectives contained within the Cabinet’s ‘Ashford 2030’ framework and the Council’s Five Year Business Plan.

Members were advised that most of the projects on the Five Year Business Plan remained on course and were subject to a monthly review by the Council’s Senior Management Team. There were still significant pressures, principally relating to the continued difficulties in the wider economic landscape and the higher demand for the Council’s frontline services was a pressure on some key areas. There were some signs of economic improvement and at present no service was particularly at risk.

The Senior Scrutiny Officer read a comment from the Portfolio Holder who had been unable to attend the meeting. He said “The Performance Report shows that that we are managing our resources well, but more importantly, it notes the up-date of the Risk Register which highlights the several potential risks we face over the coming future and shows that we have action in hand to contain them.”

The Chairman opened the debate during which the following issues were raised:

- The timing of the report was discussed. It was accepted that the information was a “snapshot” of a certain period in time (in this case quarter 2 of the year to August 2012) and as such some of the information contained within it was no longer up to date. Members were assured that any developments would be shown in the next quarterly report. A Member questioned the relevance of considering reports that contained out of date information.
- With regard to the Solar Photovoltaic Project, a Member questioned how an annual figure could be known when the panels had not yet been in place for a year. She was concerned that the budget would be based on “guesswork”. She was advised that software would have been provided by the company which would have given very accurate predictions for the year against established norms. Having had 6 months “real” information regarding the

money generated by the panels, the Authority was in a far better position to accurately predict the annual amount generated by the panels. The Policy and Performance Officer explained that he could get further figures for comparison if the Member wished it. Another Member warned that care should be taken when comparing revenue with capital as they were very different areas.

- Regarding Customer Services and in particular the telephone service, a Member reported that there was now too much pressure on the call centre and in her opinion there was bad management of the pressure on the service. She received complaints from residents that their calls were not being answered and on occasion were answered unprofessionally. Another Member explained that he understood the Channel Shift programme had been developed partially to take some of the pressure off the telephones and onto the internet. If this was successful some of the pressures currently being experienced in the call centre would be overcome. Overall Members agreed that the Gateway Plus itself was a huge success and, as with any big venture, there were always going to be teething problems.

Resolved:

That the report be noted.

191 Transportation Costs

The Chairman of the Overview and Scrutiny Budget Scrutiny Task Group introduced this item and explained that it had been considered by the Task Group on the 17th September 2012. He explained that the item had been considered as a result of the Overview and Scrutiny Committee (through the Task Group) wishing to understand the fluctuation in transportation costs from year to year.

The transport costs incurred by the Council included lease car subsidies/cash alternatives, essential user allowances, business mileage expenses and public transport cost and the report gave further details relating to this. The key change was the number of essential users. Year on year this was reducing as roles were replaced and the designations for these roles reviewed. In addition the number of business miles claimed had reduced as officers worked more generically and planned their working day more efficiently.

The Task Group had been satisfied that the Council was working to make the best and most economical use of travel costs and considered this was being done efficiently and was being constantly reviewed.

The Senior Scrutiny Officer read a comment from the Portfolio Holder who had been unable to attend the meeting. He said "I am pleased that the Task Group expressed satisfaction with the Transport review. Personnel and the former Procurement Board put considerable effort into negotiating an improved contract and in assessing the most effective use of the funding involved".

The Chairman opened the debate and the following issues were raised:

- A Member was surprised to note that the costs were reducing. With increased pressure on individuals to do more work, she had considered costs would increase. It was explained that the reduction was mostly due to the roles being reviewed and the essential car user element being removed from many posts. Those still deemed essential users were working far more wisely and efficiently and as such costs were reducing. It was a Council requirement that Officers Car Shared or use public transport for work related journeys.
- A Member considered that reduction in transport costs had been successfully and carefully achieved. It was amazing how efficient, hard working and effective the Council had become.

Resolved:

That the report be noted.

192 Listed Buildings

The Development Control Manager introduced the report which provided information on listed buildings as requested by the Overview and Scrutiny Committee on the 26th June 2012. The report addressed three main areas, namely: how many listed buildings there were in the borough; what are the main duties/responsibilities of the owners, and; what duties/responsibilities/powers rest with the Council.

The Development Control Manager explained that whilst he didn't have a precise number of listed buildings albeit that all of the listed buildings were known. Some had more than one building under one listing for example, but there were more than 3000 listed buildings in the Borough.

With regard to the duties/responsibilities of the owners, Members were informed that there was no statutory duty on owners to maintain their buildings, despite it being in their best interest, but for the most part owners did maintain their properties. For those who let their properties fall into disrepair the Authority did have powers to take action which ultimately could result in them losing ownership of the building altogether. The report set out details of the statutory powers controlling works which affect listed buildings which made it a criminal offence to carry out works to a listed building without appropriate consent.

In terms of the Authority's powers, it could serve an Urgent Works Notice to ensure repairs were carried out to keep the building weather tight and any costs incurred by the Authority could be recovered from the owner. More rarely, a Repairs Notice could be served, but this could result in the Authority having to buy the property. The last example of this notice being used in the Borough was with regard to the Willesborough Windmill and now served as a nationally famous example of the costs associated with serving a Repairs Notice.

Section 215 of the Town and Country Planning Act 1990 provided a further piece of legislation which allowed the Local Planning Authority to require works to be carried out to land or buildings where they believed the condition to be causing "substantial injury to public amenity". This had proved to be a more effective tool and Members

were told that Hastings had used this legislation (and an input of regeneration funding) to improve the sea front.

Overall there was an assurance that listed buildings were monitored and would be protected if greatly at risk. The resources with which to do this were limited and would affect the level of proactive work that could be applied to overseeing listed buildings.

The Chairman opened the debate during which the following issues were raised:

- Members could by all means flag up concerns they may have regarding listed buildings in their wards. There would however need to be some prioritising as listed buildings were resource hungry. In the most part a strongly worded letter was sufficient.
- Tenants in listed buildings used for commercial use were increasingly being expected to maintain their properties but it very much depended on the lease agreement in place.
- A Member thought the report to be excellent. He suggested that a system, which prioritised monitoring of Grade I and Grade II*listed buildings, could be put in place, with Officers carrying out routine visual inspections (perhaps every 3 years) which may help protect some of these valuable assets. The Development Control Manager confirmed that as this actually represented a very small number of the buildings in the Borough, this would be possible.
- Members were asked to bear in mind that whilst there was an accepted duty of care on behalf of the Authority towards listed buildings, there were resource issues to consider. There was now only one FTE Conservation Officer which limited the response capability. There was no evidence that there was a systemic risk to the listed buildings in the Borough.
- Members discussed a number of properties in the Borough, some of which the Authority had been heavily involved with in regard to the repairs. Whilst these properties were precious and joyful to see, they rarely had financial value and were not something the Authority wished to own. The Archbishops' Palace was the only property on the National at Risk Register.
- In terms of the listed buildings in the town centre, it was considered hard to promote the town when visitors were faced with buildings in disrepair. It was suggested that investment was needed into the way the town looked, and that there were some towns where there were schemes that provided financial support to owners to maintain their listed building. The Development Control Manager said he would be happy to look into such a scheme if the Members could provide details. Members needed to bear in mind that some of these towns where money was made available for listed buildings were very affluent university towns and cities or popular tourist locations. A Member suggested that the Heritage Townscape lottery funding may provide some supporting funds if still available and the Development Control Manager agreed to review the funding available. A Member added that any scheme should be borough wide and not specific to the Town Centre.

- The Authority had no power to delist a property. This was a national power and owners could apply to have their property delisted.

The Development Control Manager concluded by assuring Members that if any of the Borough's listed buildings got into a really poor state of repair then the Authority would consider doing all in its powers to save it. The Planning team were aware of problem properties and he would consider the individual property issues raised as part of the meeting.

Resolved:

That: (i) The report be noted.

- (ii) A further report be submitted in the future subject to there being concerns of an increased risk of deterioration of the Borough's listed buildings.**

193 Future Reviews and Report Tracker

Members considered the report and tracker. Members were reminded that the appropriate way to get items on the tracker was for the request to be put in writing to the Chairman.

A Member requested that a message be passed to the Ashford Clinical Commissioning Group that their presentation to the Committee in February 2013 be given in ordinary English to be easily understandable by all.

Resolved:

That the Future Reviews and Report Tracker be noted.

HC

Queries concerning these Minutes? Please contact Hayley Curd:
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Agendas, Reports and Minutes are available on: www.ashford.gov.uk/committees

Agenda Item No: 4
Report To: Overview and Scrutiny Committee
Date: 22 January 2013
Report Title: Report of Budget Scrutiny Task Group
Report Author: Senior Scrutiny Officer



Summary:	The Overview and Scrutiny Budget Scrutiny Task Group has scrutinised the Council's draft 2013/14 budget and regards it as achievable.
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Key Decision: NO

Affected Wards:

- Recommendations:**
1. **The O&S Committee recommends that the Cabinet:**
 - **Be advised that the O&S Committee regards the Council's draft 2013/14 budget as achievable**
 - **Endorses the Risk Matrices and the risks identified within them, particularly noting those that fall in the shaded part of the matrix**
 - **Note any future risk items in the main issues tables**
 2. **The O&S Committee is asked to:**
 - **consider including the items from the Task Group's report as part of their work programme**

Policy Overview: Under the Council's Constitution the O&S Committee has a duty to scrutinise the Council's draft Revenue and Capital Budgets.

Financial Implications: As noted in the report

Risk Assessment N/A

Equalities Impact Assessment N/A

Other Material Implications: As noted in the report.

**Exemption
Clauses:** N/A

**Background
Papers:** All individual services draft 2013/14 budgets

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Foreword

Budget Scrutiny Task Group – Scrutiny of the 2013-14 Draft Budget

I am pleased to present the report of the Budget Scrutiny Task Group to the Overview and Scrutiny Committee. I would like to thank my colleague members Cllrs Apps, Chilton, and Mrs Martin and the regular support of Cllrs Davidson and Smith. I would also like to thank the officers who worked hard to present budget data when, for most of the period, no Formula Grant had been forthcoming from central Government.

Because of this absence of data two “bottom lines” were offered by officers; one based upon no increase in Council Tax, a second showing the balance with an increase of 2%. The Council was informed of the Formula Grant just before Christmas 2012 and only the January 2013 meetings were conducted in the certainty of a known level.

Contemporaneously to the Grant data release DCLG drew a number of the lowest taxing Councils’ attention to the significant loss they are making against inflation by not raising Council Tax. The lowest quartile of local authorities was encouraged to increase their tax by £5 per annum on Band D properties.

The Council has a number of options to close the gap between expenditure and projected income. Without any increase in Council Tax this would be £259,000. With a 2% increase and including Council Tax Benefit support Grant this gap would be reduced to £203,000.

The draft budget does not include the latest round of New Homes Bonus, which in-line with Cabinet recommendations cannot be defrayed until it has been received. The selection of the most appropriate option for closing this gap and balancing the budget must be the responsibility of Cabinet and should be presented to Full Council in February.

The Task Group recognised that reserves had been secured through a risk averse approach to investment, however this may be the time to reconsider and re-evaluate this approach.

Unlike the Budget Scrutiny process last year many Portfolio Holders were unable to attend the scrutiny process. This was a disappointment as it is important that the Task Group is comfortable that the Portfolio Holders have been fully involved in drafting the budgets for which they have responsibility. It is recommended that Portfolio holders attend next year’s scrutiny process.

Last year the Task Group highlighted that there was little resilience in many services as a consequence of staffing reductions. We were reassured at that time that most services were able to respond to peaks and troughs in their work load. In this year’s scrutiny process it appeared that departments were more aware of their exposure and were nearing a “tipping point”. This has been the subject of a recent report by the consultants Grant Thornton which identifies that there is a significant risk nationally.

The Task Group felt that officers were still keen to provide a Rolls-Royce service on a Mini budget but this was having an impact. Whilst we recognise that staff absence has declined, we recommend that Overview and Scrutiny review the 'Best service resources allow' activity to ensure that the Council is not prejudicing our ability to deliver core services at an acceptable level.

Significant risks remain in budgetary terms with the retention of NNDR. Whilst there are clear benefits, we also carry risks. The success of the management of the process must be reviewed by Cabinet with the quarterly budget reports. The risks associated with the Makro case appear to have been included in contingencies but the Task Group recommends that the Council takes a robust approach to countering claims. This should, if necessary, include supporting lobbying to overturn the case-law and supporting any other Council that challenges it in the higher courts.

A reduction in Council Tax benefit carries some risk as does Universal Credit, where tenants are required to pay their own Council Tax and it is not deducted at source.

The Task Group was grateful for the excellent work carried out by officers to present this year's rather more complex Draft Budget. It recognises that the Succession Plan agreed in Senior Management Team will make the alignment of service delivery diverge somewhat from the service budgets presented. It is recognised that the expenditure should not differ but the responsibility for each budget element in Environmental Services will change.

I commend the budget to the Overview and Scrutiny Committee as deliverable and achievable. I would also recommend that unlike last year the Committee does not maintain the Task Group beyond this report but dissolves that Group and re-appoints a new Group for the next budget round.

Graham Galpin

Chairman, Budget Scrutiny Task Group

Summary

Achieving a balanced budget is a fundamental requirement for the Council. The Council's provisional draft budget for 2013/14 was presented to the Cabinet on 6th December 2012. This budget has been built against a backdrop of continued economic stress, continued reductions in Government spending, radical reforms to the way local government is funded and the potential that the level of cuts may be greater than previously announced. It is important to note that the government's welfare reforms will also impact on the council's income - especially of council tax – but the level of impact cannot be predicted.

When the draft budget and Medium Term Financial Plan were being prepared the local government settlement figures had not been announced and an estimation of the figures was used. Two scenarios were presented – one assuming a council tax freeze, the other showing an increase in council tax at the maximum permitted (2% or about £2.80 per year for a property in Band D). The announcement of the settlement just before Christmas may mean that adjustments have to be made.

A decision on any increase in council tax will be made when the final budget is presented to Cabinet for approval in February.

This provisional draft budget presented to the Cabinet was then submitted to the Overview and Scrutiny Committee's Budget Scrutiny Task Group for formal scrutiny.

This draft budget was scrutinised by the Overview and Scrutiny Budget Scrutiny Task Group over a series of meetings. The Task Group met on six occasions and at each meeting Members asked the relevant Officers to give the Group an overview of their service, the risks and uncertainties facing them and their proposed service developments.

This report highlights the areas that the Task Group considered could be a risk to the 2013/14 budget and places them in a Risk Matrix which shows the probability of the event occurring and the material impact it would have on the Council if it were to occur. The Risk Matrix is separated into Financial risk and Operational (i.e. service quality) risk.

Where necessary additional explanatory notes – (e.g. an explanation of the background to the issues) are attached to the table. The Minutes of the meetings are available to Members and should be read in conjunction with this report for more information.

There were some issues/risks highlighted in the papers that would not be risks for this year but for the future. These are also noted. The 2013/14 budget is for the third year of the council's 5 year business plan, a key point of which was that the council will deliver 'the best service

resources allow'. On the whole the levels of service provided had been maintained, but it was important that Members and Officers acknowledged that this may not always be the case. There was awareness of some concern, across all service budgets, of whether income levels would be sufficient and of pressure on staff to cope with rising demands.

By the end of the Budget Scrutiny process the Task Group had not raised any issues that caused it to be concerned that the Budget for 2013/14 would not be achievable and were encouraged to know that financial position of the Council was being regularly monitored.

With regard to the Risk Matrix, members of the main O&S Committee are asked to be particularly aware of any issues which fall into the shaded areas of the matrix i.e. any issues of high probability or materiality. Any such issues could impact on the 2013/14 Budget and would require careful monitoring during the year.

Julia Vink
Senior Scrutiny Officer

	Main issues	Probability	Materiality	Responsibility For Action
		Financial/Operational risk		
1	10 December 2012 – Cultural & Project Services			
1.1	Stour Centre Utilities – ALT has worked closely with the council to save energy where possible and officers are seeking to lessen the impact of any future increase in charges. However expenditure on utilities will continue to be an unpredictable expense.	M	M	MC
		F		
1.2	Courtside/Pitchside – if an agreement for ALT to take on the management of the site cannot be reached, the facility will continue to be managed by the council during 2013/14 and there is a risk that income levels may be insufficient to cover expenditure.	L	L	CF
		F		
1.3	There is continued pressure on staffing levels as Cultural Services will be involved in work to deliver upcoming corporate projects and major built infrastructure.	L	L	MC + CF
		O		

Additional Notes

Cultural & Project Services

1.1 Should be seen to include the impacts of ageing equipment in the short term

	Main issues	Probability	Materiality	Responsibility For Action
		Financial/Operational risk		
2	10 December 2012 – Business Change & Technology, Communications			
2.1	IT has limited capacity to deliver projects that are in addition to maintaining the routine availability of systems.	L	L	RN
		O		
2.2	The increasing stringency of central government security requirements for the Public Services Network connection could result in unexpected expenditure if the Code of Connection requirements change.	L	L	RN
		F/O		
2.3	Increasing numbers of FOI and EIR requests, and of internal reviews, could result in statutory timescales for responses not being met.	L	L	RN
		O		

Additional Notes

Business Change & Technology, Communications

1. Kent Public Services Network – original posts supporting this have been removed from KCC establishment but new staffing structure in place to protect members of the partnership. No additional cost to ABC.

	Main issues	Probability	Materiality	Responsibility For Action
		Financial/Operational risk		
3	11 December 2012 – Customers, Homes & Property (General Fund)			
3.1	Welfare reform – benefit changes and the introduction of Universal credits will be a risk to the council but the scale of the financial impact is difficult to estimate at this moment in time. There will also be a knock-on effect with an increase in the number of enquiries to both the Housing Options and Customer Services teams.	H	M	TK
		F/O		
3.2	Economic environment – the economic downturn along with the reduction in Government spending continues to have an adverse impact on housing: rising homelessness, increased demand and cost of B&B (already increased in 2012/13 and expected to grow further in 2013/14)	H	M	TK
		F		
3.3	Affordable housing – provision will be adversely affected by changes to the Homes and Communities Agency funding and the reduction in building by private sector developers.	L	L	TK
		O		
3.4	Disabled Facilities Grants (DFGs) – financial pressure will continue as elderly population increases and more adaptations are required to help people maintain their independence. Additional funding from government was available for 2011/12 and 2012/13. Confirmation of 2013/14 funding expected at the end of March – provision expected to be similar to current year but always a risk of a reduction.	M	L	TK
		F		
3.5	Occupancy levels at Civic centre – income from renting out spare office space will be at risk if current occupancy levels not maintained.	L	L	TK
		F		
3.6	Customer Services – pressure on call centre and frontline services is unpredictable but welfare reform and implementation of new waste contract likely to increase enquiries. Channel shift project should help to reduce this pressure.	H	M	TK
		O		

Additional Notes

Customers, Homes & Property (General Fund) - none

	Main issues	Probability	Materiality	Responsibility
		Financial/Operational risk		For Action
4	11 December 2012 – Customers, Homes & Property (Housing Revenue Account)			
4.1	Welfare reform – it is expected that the ‘bedroom tax’ and the changes to payment methods will have an adverse impact on income collection and arrears, but, at this moment in time, it is difficult to predict the scale of this effect.	H	H	TK
		F/O		
4.2	HRA business plan – the reform of council housing finance enabled service improvement opportunities and projects that have been agreed by cabinet to be built in to the 2013/14 budget and business plan financial projections. Important to monitor the position regularly to ensure that flexibility is maintained to manage any developments/ changes arising in the future.	L	L	TK
		O		
4.3	Local Authority New Build (including rebuilding/remodelling sheltered schemes) – key priority for council but dependant in part on Homes & Communities Agency funding. HRA funding limited by HRA debt cap. Financial risks associated with each scheme but Business plan allows future pressures/risks to be managed by repositioning future delivery proposals.	L	L	TK
		F		
4.4	Supporting people – continued funding reduction by KCC has been built into 2013/14 budget, it is expected that funding will continue to reduce in future years.	M	L	TK
		F		
4.5	Disabled Adaptations – demand for disabled adaptations for tenants is strong (as also seen above with DFGs in the General Fund) and funding for this has increased as part of the council’s HRA priorities. Demand is managed in line with the resources that are available	L	L	TK
		F		

Additional Notes

Customers, Homes & Property (General Fund)

1. HRA income is presented in ‘pre welfare reform’ mode i.e. the figures are potential, not guaranteed. The impact of the reforms on HRA income have yet to be seen.

	Main issues	Probability	Materiality	Responsibility
		Financial/Operational risk		For Action
5	14 December 2012 – Financial Services			
5.1	The high level of people out of work claiming benefits could continue during 2013 and thus the pressure on resources to maintain performance would remain. The recession grant from government will help fund a small contingency to deal with this service pressure, also the Housing Benefit Admin grant has not been cut for 2013/14.	H	M	PN
		F		
5.2	Council Tax benefit scheme will be replaced by Council Tax support on 1 st April 2013, there will be a 10% reduction in funding for the replacement scheme. A pressure on cost recovery staff is expected, however, as KCC has agreed to contribute to the administration of the scheme and to underwrite the rising caseload risk this should reduce the pressure.	H	L	PN
		F		
5.3	Localisation of Business rates – from April 2013 the council and the major preceptors will retain a 50% share of the business rates collected (this then becomes part of the councils' overall funding along with the formula grant the councils will receive), but then this council's share is subject to a proportion then being a contribution it must make back to government (called the tariff) that is redistributed to other councils. The council will then retain a proportion of any increase in business rate yield. However, the council (and the major preceptors) will have to cover the risk of any local business failures, up to a safety net threshold when government support kicks in.	M	L*	PN
		F		
5.4	The proposed creation of a Single Fraud Investigation Service has been delayed until 2015 due to the uncertainty of plans from DWP – creating job uncertainty for staff.	L	L	PN
		O		

Additional Notes

Financial Services.

*5.3 – Low materiality based on the assumption that an element of New Homes Bonus will be used to cover the risk.

1. When Universal Credit is rolled out in October 2013, there will be a future risk due to loss of ABC responsibility for Housing Benefit admin – will start to have an effect in 2014 and increasingly through 2015 -17. Transfer of responsibility to Department of Work & Pensions (DWP) will reduce staff requirement and create uncertainty about job security. Staff reductions/retentions/ redundancy payments will create management and financial issues for the council.
2. Following advice from treasury management advisers, cautious approach to treasury management will continue to ensure credit risk is managed. As banks begin to recover there will be the possibility of greater income from investment.

	Main issues	Probability	Materiality	Responsibility For Action
		Financial/Operational risk		
6	14 December 2012 – Corporate, Strategy & Personnel			
6.1	Future capacity of teams: Corporate Management and Strategy, Partnerships & Performance - to deliver ABC’s strategic policy response to Localism and the council’s commitment to involve local people/communities - will be stretched; but it is aimed to mitigate this through developing a more flexible workforce, that can support project work, across all services.	H	L	PN
		O		
6.2	Slight risk to Ward Member grants if they remain dependant on New Homes Bonus because of competing priorities from other projects.	L	L	PN
		F		
6.3	Personnel – concern over capacity of team to cover greater demand on service to support anticipated corporate change projects in 2013/14.	L	L	PN
		O		

Additional Notes

Corporate, Strategy & Personnel

1. Audit Partnership - no significant risk but with resources available is ongoing challenge to continue to provide an effective service that continues to meet client needs.

	Main issues	Probability	Materiality	Responsibility For Action
		Financial/Operational risk		
7	17 December 2012 – Planning & Development			
7.1	Reduction in staffing levels across the department, including specialist functions e.g. conservation and enforcement – with planners taking on this work as part of a more generic job. The reduced case load resulting from the economic downturn had been balanced by staffing cuts but, if there was a sustained increase in applications, pressures would arise.	M	L	RA
		O		
7.2	Only a 15% increase in Fees (from Nov 2012) agreed by Government, not the full Cost Recovery of Fees hoped for. Fee income will therefore be less than anticipated and will not cover the cost of dealing with major applications (e.g. Chilmington), pre application schemes, and any additional specialist advice needed. Extra payments may be agreed by applicants, but cannot be required.	M	M	RA
		F		
7.3	An additional financial burden and service pressure will result from the review of the Core Strategy and the examination into the Chilmington Area Action Plan. Specialist work outside of the unit's skill base will also have to be commissioned. Support for this will come largely from Planning reserve.	H	L	RA
		F/O		
7.4	Economic Development team – the economic downturn and the need to respond positively to projects (e.g. Mary Portas pilot and rural broadband) puts this small team under pressure to cover an agenda outside its resource capacity. Expansion of this team could be covered by the New Homes Bonus.	H	H	RA
		O		

Additional Notes

Planning & Development - none

	Main issues	Probability	Materiality	Responsibility
		Financial/Operational risk		For Action
8	17 December 2012 – Legal & Democratic			
8.1	Legal income for 2013/14 – in previous years much of this income has come from developers in relation to S106 agreements. There is a risk that past levels of income will not be achieved but if the large scale applications in prospect proceed, that gives confidence that the income level may be met.	L	L	TM
		F		
8.2	The Legal succession plan reduces the establishment by two 0.5 FTEs over the five year period. Demand from client departments shows no likelihood of any reduction, major projects (e.g. development/economic growth) requiring legal support are likely to increase and large corporate projects generate additional demand. These pressures are acknowledged and Management team has a supportive approach to the needs and pressures of the service.	L	L	TM
		O		
8.3	The abolition of the Standards Board for England regime has reduced the support available for the Monitoring Officer and Deputy Monitoring Officer. The council's ethical framework has had to be re-engineered - how it operates and its effectiveness are still uncertain. Parish councils also look to the Monitoring Officer for advice/support for code of conduct and complaint issues which creates an extra burden.	M	M	TM
		O		

Additional Notes

Legal & Democratic - none

	Main issues	Probability	Materiality	Responsibility For Action
		Financial/Operational risk		
9	7 January 2013 – Environmental Services			
9.1	Implementation of service succession plan – to be completed for the start of the new financial year, with the aim that the transition to the new structure and management arrangements should be seamless.	H	H	PJ
		O		
9.2	New recycling and street cleaning contract will commence in April 2013, the introduction of the service will be phased in across the borough with a planned completion date of July 2013. A roll-out plan and publicity will effect as smooth a transition as possible but teething problems and queries from residents have to be anticipated.	H	M	PJ
		O		

Additional Notes

Environmental Services - none

	Main issues	Probability	Materiality	Responsibility
		Financial/Operational risk		For Action
10	7 January 2013 – Capital Charges & Net Interest and Treasury Management			
10.1	Interest rates are lower than inflation, with the current policy of restricting investments to parties having the highest credit rating the low returns are devaluing the capital invested. Now banks have strengthened their balance sheets and credit risk has lessened there may be a case to extend the list of parties the council invests with to get better interest.	H	H	BL
		F		
10.2	Debt portfolio – Opportunities to restructure these debts (for the General Fund and from the buyout of the HRA subsidy) will be monitored.	L	L	BL
		F		
10.3	Debt cap – the buyout of the HRA subsidy introduced a debt cap on the HRA account. Any new initiatives impacting on HRA debt have to be considered against this cap.	H	L	BL
		O		
11	7 January 2013 – General Fund Summary			
	None			
12	7 January 2013 – Capital and Repairs & Renewals			
12.1	Many capital projects require additional staff resources which can create short term pressure on departments and on the revenue budget.	L	L	BL
		F		

Additional Notes - none

Financial Risks to the Council				
Materiality	High >£500,000			4.1, 10.1
	Medium £100,000– £500,000		1.1, 7.2	3.1, 3.2, 5.1,
	Low <£100,000	1.2, 2.2, 3.5, 4.3, 4.5, 6.2, 8.1, 10.2, 12.1	3.4, 4.4, 5.3	5.2, 7.3
		Low	Medium	High
	Probability			

Operational Risks to the Council				
Materiality	High			4.1, 7.4, 9.1
	Medium		8.3	3.1, 3.6, 9.2
	Low	1.3, 2.1, 2.2, 2.3, 3.3, 4.2, 5.4, 6.3, 8.2	7.1	6.1, 7.3, 10.3
		Low	Medium	High
	Probability			

Agenda Item 5

Overview and Scrutiny Committee

22 January 2013

Scrutiny Reports/Reviews on the Forward Plan

February

Presentation from Ashford Clinical Commissioning Group: Health care Provision in Ashford Borough.

March

Update report on Community Engagement and Consultation
ABC Business Plan quarterly performance report
Community safety partnership – update

Year Plan 2012/13

Month	items	Task Group
May	<ul style="list-style-type: none"> • O&S annual report. • Membership of Budget Scrutiny Task Group 	
June	Sickness & Absenteeism annual report.	
July	<ul style="list-style-type: none"> • ABC Business Plan quarterly performance report. • Shared space 3 year post implementation report. 	
August	Cancelled	
September	<ul style="list-style-type: none"> • Post Mayoralty review – update on effect of changes. • Apprentices 	BSTG meeting
October	<ul style="list-style-type: none"> • ABC Business Plan quarterly performance report • Transportation costs • Listed Buildings 	
November		
December		Scrutiny of Council's draft 2013/14 budget – Budget Scrutiny TG meetings
January	<ul style="list-style-type: none"> • Report of Budget Scrutiny Task Group • Briefing on Welfare Reform 	Budget Scrutiny TG meetings
February	Presentation from Ashford Clinical Commissioning Group re Health Care Provision in Ashford Borough	
March	<ul style="list-style-type: none"> • Update report on Community Engagement and Consultation • ABC Business Plan quarterly performance report • Community safety partnership – update 	
April	ABC Business Plan quarterly performance report	

O&S Committee – Report Tracker – Current position

Minute No.	Report Title	Officer	Date due	Current position	Recommended action
299/10/06	Stour Centre	Head of Cultural & Project Services	TBC – after completion of claim work	Work ongoing	Await completion of claim work.
62/06/11	Housing Strategy Action Plan Monitoring Report	Head of Housing /Housing Strategy Officer		Housing Strategy under review. New Strategy/Action Plan not yet in place. Monitoring will recommence One year after adoption of new Strategy.	Timetable for one year after adoption of new Strategy.
432/03/11	Annual Review of Homelessness Strategy	Head of Housing		The Homelessness Strategy to be included in the Housing Strategy in future.	
61/06/12	Sickness and Absenteeism – annual report	Head of Personnel & development	June 2013		Timetable for June each year.
14/05/12	Overview and Scrutiny Annual Report	Senior Scrutiny Officer	May/June 2013		Timetable for May/June each year
197/10/11	Community Safety Partnership – update on Strategic Assessment Document	Head of Environmental Services and Chair of Ashford CSP	October 2012	Deferred to March 2013.	Timetable for March 2013
142/09/12	3 year review of Mayoralty		Sept 2015		
312/01/12	Council's preparations for the	TBA	Jan 2013	Briefing on Welfare Reform (updated repeat of 13.12.12	

	Universal Credit & Council tax benefit changes			briefing to Members before council).	
312/01/12	Street Markets	Licensing Manager		O&S may wish to review once report has been to Cabinet	Await report to Cabinet
389/03/12	Update report on Community Engagement and Consultation	Communications & Marketing Manager; Head of Business Change & Technology	February 2013		
429/04/12	Presentation by Stour Valley Arts	Stour Valley Arts, Arts & Cultural Industries Manager	TBA	Deferred to spring 2013	
431/04/12	ABC Business Plan performance report – quarter 3 2012/13	Policy & Performance Manager	Quarterly	Deferred to March 2013.	
62/06/12	Sports & Leisure		TBA		

Low Priority & other proposed reports

	Report Title	Officer	Date due	Current position	Recommended action
57/06/08 199/10/11	Recycling and the Blue box scheme	Head of Environmental Services	TBC	To be considered when procurement process completed and new contract in operation.	
135/08/08	Cultural strategy.	Head of Cultural & Project Services			
291/12/08	The effectiveness of a single O&S committee		TBA		