

FINANCE AND AUDIT SCRUTINY PANEL

27 JULY 2010

Present :- Councillor Dennis Willetts (Chairman)
Councillors Nick Cope, Scott Greenhill, Sue Lissimore,
Jon Manning, Gerard Oxford and Colin Sykes

Substitute Member :- Councillor Terry Sutton
for Councillor Christopher Arnold

Also in Attendance :- Councillor Paul Smith

8. Apologies

Councillor Naish gave his apology for not attending the meeting.

9. Minutes

The minutes of the meeting held on 29 June 2010 was confirmed as a correct record.

10. Freedom of Information Case Management

Mr. Phil Pettit, ICT Programme Manager, attended the meeting for this item. Mr. Pettit presented the report on Freedom of Information Case Management.

In response to Councillor Manning, Mr. Pettit said the Information Commissioner had found in favour of the person making the request, in respect of the one decision taken by the Council to withhold information in the period since 1 January 2009.

Mr. Pettit, in response to Councillor Cope said there was not a mechanism or procedure in place for determining the financial cost of providing information under the Freedom of Information requests. Ms. Ann Wain, Executive Director said it was possible using a simple formula of the average hourly rate, times the average time to process a request, to determine an approximation of cost, and agreed to provide this information to members of the panel.

In response to Councillor C. Sykes, Mr. Pettit said if the person requesting information does not have on-line access, then officers will make the information available in other forms. Ms. Wain said she would expect officers to use common sense and as an example send a hard copy of the information if appropriate. Whilst Mr. Pettit said it was not a requirement to generate information in another language, Ms. Wain said the Council's translation service where appropriate could be used.

RESOLVED that the Panel considered and noted the authority's performance against requests for information under the Freedom of Information Act 2001.

11. 2009-10 Risk Management Summary

Ms. Hayley McGrath, Risk and Resilience Manager, attended the meeting for this item. Ms. McGrath presented the report on the 2009/10 Year End Review of Risk Management.

In response to Councillor Manning concerned about the risk of the decline in staff motivation and morale due to the impact of fundamental service reviews (FSR) and other budget implications, Ms. Wain said senior management are very conscious of staff morale. A consequence of the budget situation is a reduction in staffing, and it is unlikely that further redundancies will be avoidable. The staff morale is being constantly monitored, with group sessions between the Executive Directors and staff within services undertaking a FSR.

The Chief Executive is to provide messages and updates to staff via intranet video, and staff will shortly receive an email that it was hoped would provide the impetus for greater staff involvement and ownership of the process.

In regards to risks 4d and 6c and the potential impact of future Government decisions to reduce public funding and the inability to deliver the budget strategy in the current economic climate, Ms. Wain said the FSR and other budget changes are to some extent starting to address these risks, and budget changes are already happening, for example, gaps in the budget due to the loss of grants. There will also inevitably be an impact on those partners funded by the Council and partnership projects.

Councillor Smith, Portfolio Holder for Resources and Diversity said Colchester was recognised as a leading Council in preparing for this type of eventuality, and contact by other local authorities was now common place in respect of learning from the Colchester model. The Council was facing up to the inevitable changes shortly to occur.

Councillor Sykes commented on the clarity of the colour coded slide illustrating the quarterly one risk matrix, saying it provided clear identification to those with colour blindness. Councillor Sykes thanked officers for producing the colour slide.

RESOLVED that the Panel considered and noted the risk management work undertaken during 2009/10, considered the current strategic risk register and proposed risk management strategy for 2010/11, and endorsed the submission of the report to Cabinet.

12. Annual Report on Treasury Management

Mr. Steve Heath, Finance Manager, attended the meeting for this item. Mr. Heath presented the report on Treasury Management Annual Report 2009/10.

Mr. Heath told Councillor C. Sykes that he believed the asterisked investments, reference 1043 and 1050 was almost certainly a software formatting quirk, but would investigate and provide feedback to the panel.

In response to Councillor Lissimore, Mr. Heath said the average rate of debt was up slightly from 5.72% in 2008/09 to 5.79%, and was in part due to a particular LOBO (Lender Option Borrower Option) loan.

RESOLVED that the Panel noted the activities relating to treasury management performance in 2009/10.

13. Work Programme

RESOLVED that members noted the current 2010/11 Work Programme.