

**FINANCE & PERFORMANCE SCRUTINY COMMITTEE
7TH SEPTEMBER 2021**

PRESENT: The Chair (Councillor Charles)
The Vice Chair (Councillor Miah)
Councillors Fryer, Grimley, Hamilton, C. Harris,
Paling, Shepherd and Taylor

Councillor Bailey (Cabinet Lead Member for
Planning), Barkley (Deputy Leader of the Council
and Cabinet Lead Member for Finance and
Property Services), Mercer (Cabinet Lead Member
for Private Housing) and Rollings (Cabinet Lead
Member for Transformation)

Strategic Director; Environmental and Corporate
Services
Head of Financial Services
Head of Planning and Regeneration
Head of Strategic and Private Sector Housing
Organisational Change Officer
Democratic Services Officer (NC)

APOLOGIES: Councillor Ward

The Chair stated that the meeting would be recorded and the sound recording subsequently made available via the Council's website. He also advised that, under the Openness of Local Government Bodies Regulations 2014, other people may film, record, tweet or blog from this meeting, and the use of any such images or sound recordings was not under the Council's control.

9. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 22nd June 2021 were confirmed as an accurate record of the meeting.

10. DISCLOSURES OF PECUNIARY AND PERSONAL INTERESTS

Councillor Fryer disclosed a personal interest for item 6, Performance Monitoring, as the Chair of the Outwoods Management Committee.

11. DECLARATIONS - THE PARTY WHIP

No declarations were made.

12. QUESTIONS UNDER SCRUTINY COMMITTEE PROCEDURE 11.16

No questions had been submitted.

13. PERFORMANCE MONITORING

Considered a report of the Strategic Director, Environmental and Corporate Services providing performance monitoring information and results for the first quarter of 2021-22 (item 6 on the agenda filed with these minutes). The Chair confirmed with the Heads of Service and Cabinet Lead Members attending the meeting virtually that they could hear the proceedings before considering this item.

Assisting with the consideration of the report: Cabinet Lead Member for Planning, Cabinet Lead Member for Private Housing, Strategic Director, Environmental and Corporate Services, Head of Planning and Regeneration, Head of Strategic and Private Sector Housing, and Organisational Change Officer.

The Organisational Change Officer noted that it had been agreed prior to the meeting to focus on two specific areas of performance with regard to questions from the Committee.

Summary Key points of discussion:

- With respect to KI1 (net additional homes provided) and KI 2 (number of affordable homes delivered), whether the performance in Quarter 1 of number of additional houses provided was indicative of an undershoot for the whole year and consideration of its impact on the five-year land supply. It was likely that the number of homes completed by the end of the year would fall short of the target of 1105. This was due to a number of factors including a shortage of supply of housing, the reduction in the number of sites available to build on, and the supply chain shortages for building materials, labour and HGV drivers. It was anticipated that work on Sustainable Urban Extensions (SUEs) recently approved would soon come on stream; the Thorpebury SUE had started building. Since November when it had been identified that the five year land supply was falling short, more applications had been approved, but it was noted that these were unlikely to contribute to the target number of homes built during this year.
- The number of homes to be completed was set out in the draft Local Plan up to 2037 and included the expected 850 homes for this financial year. From a broader perspective, meeting this target was complex, applications could be approved by the Plans Committee but only in accordance with the Development Plan and Strategy regardless of whether a lack of five-year housing supply was indicated for future years.
- With respect to KI 11 % rent loss from void properties, concerns were raised regarding the loss of rent, the average void of 126 days before returning to use, the number of homeless people and the types of houses available. There were several reasons why the situation was as indicated in Appendix B. the Voids performance had continued to be impacted by the COVID pandemic and related restrictions, which had affected customers, staff and services. In addition with staff vacancies, both the reviews on the Council housing stock for sheltered and age designated had been delayed. Planning advice had been sought for options for the Sheltered Housing and would be presented to the Sheltered Housing review Board prior to submitting a report to Cabinet. Once the vacancies were filled the data already collated for age designated

- properties will be analysed to determine whether the age restrictions should be lifted.
- The Choice based lettings bidding system was effective; when an applicant was accepted on to the Housing Register they would be notified of their band and the properties they were eligible for. It was noted that tenant aspirations had changed and that the types of properties available did not match these. The Council had 400+ properties to allocate yearly and nearly 2000 to be housed, there was not enough stock available. The policy of allowing three refusals of properties before the Council could state that it didn't have a duty to house people had been agreed as part of the consultation exercise when the Allocation Policy had been introduced. A review was planned during this financial year and this approach would be reconsidered.
 - With respect to KI 9 (% of non-domestic rates collected) and Business rates being 7% off target, and its impact by Q4. It was noted that businesses were struggling, with empty shops appearing on the high street. This had an impact on the budget and there had been a struggle to collect rates. However it was early in the financial year and this KPI could merit additional scrutiny later at a later meeting.

With respect to KI 6 (% rent collected) the Democratic Services Officer agreed to ask the Head of Landlord Services whether a plan was in place to achieve its target with consideration to the last year being somewhat unusual. Members wished to understand if it was reviewed monthly and how the data compared to non-COVID year.

Members considered that it was not acceptable as a Council, that there were high numbers of housing void, high numbers of people homeless and significant % rent loss. The Committee wished to highlight the difficulties facing the Strategic and Private Sector Housing Service to its Cabinet Lead Member portfolio holder suggesting that additional support was urgently required.

Members mentioned that limiting questions to one or two areas of performance and inviting only those Cabinet Lead Members and Officers to the meeting was not perceived as a satisfactory approach to effective scrutiny.

RESOLVED That the Committee noted the performance results, associated commentary and the explanations provided.

Reason

To ensure that targets and objectives are being met, and to identify areas where performance might be improved.

14. DELIVERY OF THE CLIMATE CHANGE STRATEGY

Considered a report of the Head of Planning and Regeneration providing members with an update on the progress in implementing the Council's Climate Change Strategy (item 7 on the agenda filed with these minutes).

The Chair confirmed with the Cabinet Lead Member of Transformation and Head of Planning and Regeneration attending the meeting virtually to assist with the consideration of the report that they could hear the proceedings before considering this item.

Summary, key points of discussion:

- With reference to the planned move of offices for the Council, it was noted that although the move itself was unlikely to be carbon neutral any changes made would significantly assist the Climate Change Strategy by reducing the Council's carbon footprint.
- With regard to the current Council offices located at Southfields, short term solutions were being considered to improve its carbon and environmental footprint. For example, the electricity supply was being provided by a carbon neutral source, and a carbon offsetting gas supplier was being sourced. It was important to ensure money and resources were not wasted on unnecessary improvements as the long-term plan was to move out of the building. .
- To ensure tree planting across Charnwood to offset CO2 emissions was being recorded, a spreadsheet had been created to document committed planting, big planning applications, annual 'Tree Giveaways' by the Council and the Hathern Woodland project. Although the data was approximate it did enable officers to assess the number of trees on a yearly basis, identify any gaps and provide assurance that the target was achievable.
- There had been limited consultation with the public during last year, which explained why some of the targets were flagging up as amber. It had not been possible to engage with the community and businesses as wished to widely communicate the Council's strategy to be carbon neutral by 2030. However, the Communications team had engaged with different sectors using different platforms (social media) with smaller but more frequent activities.
- The Council were taking part in a National Pilot for on-street parking which would involve installing more electric charging points into council owned car parks, three locations had been identified across the borough. The Local Plan indicated new residential housing applications could be favoured if electric charging points were part of the application. It was noted that the situation was changing very quickly and more work was required for on street facilities where there were no driveways or garages, although this was likely to be driven by national government.
- Difficulties with respect to parking outside of terraced homes were highlighted and that the limited number of charging points in car parks tended to be fully occupied very early in the day. It was important to focus on what the Council could achieve by introducing more charging points in its own car parks, by encouraging more private sector installations and by taking part in the national pilot scheme. New technology was being developed that could improve charging times and Council owned vehicles were being switched to electric.

Members wished to understand what percentage of Charnwood Borough residents were unable to install personal electric charging points due to the type of property they lived in.

RESOLVED that the Committee noted the contents of the report.

Reason

To ensure progress on the Action Plan is monitored, in accordance with the Committee's work programme.

15. REVENUE MONITORING POSITION (GENERAL FUND & HRA) PERIOD 4

Considered a report of the Head of Financial Services setting out the revenue position at period 4 (item 8 on the agenda filed with these minutes).

Assisting with the consideration of the report: Cabinet Lead Member for Finance and Property Services, Strategic Director, Environmental and Corporate Services, Head of Financial Services.

Summary, key points of discussion:

- Clarification was sought regarding the essential Car Allowance Saving scheme. A typographical error was noted for amendment, and it was explained that the review of the essential Car Allowance and year end saving was unlikely to be achieved in 2021-22.
- The estimated saving of £200K for the essential Car Allowance Saving scheme was still under discussion, and the review of whole scheme was required before the year end figure could be confirmed. It was anticipated that a final report would be considered by the Cabinet at end of October 2021 after consultation with staff and the Trade Unions. It was noted that the situation involved complex factors to be considered.
- Clarification was sought regarding the forecast overspend of £658K and whether this was in addition to agreed overspend noted elsewhere in the report. This forecast showed the potential additional net financial pressures which could be experienced by the Council over the financial year, and it was possible that some income losses could be claimed back from the Government.
- It was prudent to spend funds on the Buildings Feasibility study to confirm that the potential alternative office site was suitable, and the project was deliverable. Lessons learnt from previous projects indicated the relevance of considering the state of the ground of the site prior to any development. It was proposed to divert revenue reserves earmarked for capital expenditure to complete the feasibility study. If the site was found to be sound, the project would go ahead, and the funds spent on the feasibility study would be capitalised as part of project expenditure.

Members considered that achieving the budget within £7K was to be commended and noted that the layout of the report submitted to this meeting was easy to read and understand. The Committee requested that officers use this format for submission of revenue monitoring reports to future meetings.

RESOLVED that the Committee noted the contents of this report

Reason

To enable the Committee to fulfil its remit in receiving regular financial monitoring reports.

16. CAPITAL MONITORING REPORT PERIOD 4

Considered a report of the Head of Financial Services informing the Committee of the General Fund and Housing Revenue Capital spend position at period 4 (item 9 on the agenda filed with these minutes).

Assisting with the consideration for the report: Cabinet Lead Member for Finance and Property Services, Strategic Director, Environmental and Corporate Services, Head of Financial Services.

Members questioned the overspend by £550K of the Bedford Square Project and enquired how the project could be forecast to be on target for year-end without some amendment to the project detail. It was noted that there had been some planned value engineering, that £0.5mill identified in the next financial year had been spent in this financial year and that some funding would be released from the Town Deal. The Democratic Services Officer agreed to ask the Head of Planning and Regeneration for a further explanation of the matter.

It was noted that although slippage had occurred on the projects in Shephed the money had been allocated and the projects would be completed, but not necessarily in this financial year.

The Democratic Services Officer agreed to ask the Head of Landlord Services for an update regarding the new contractors being procured to deliver certain items under his Service in the budget.

RESOLVED that the Capital Monitoring Summary position for Period 4, 31 July 2021 for the General Fund and Housing Revenue Account be noted as per Appendix 1 and the detailed Capital Report as per Appendix 2.

Reason

To enable the information to be used when considering the future 3-year Capital Plan and the future Capital Strategy.

17. WORK PROGRAMME

Considered a report of the Strategic Director, Environmental and Corporate Services to assist the Committee in determining its work programme (item 10 on the agenda filed with these minutes).

It was noted that the review of the Community Safety Partnership at the Committee's next meeting was a substantive item for consideration.

Members considered which Cabinet Lead Members (CLM) and Heads of Service (HoS) to invite to the next meeting. The use of hybrid technology to allow those supporting the Committee in its consideration of performance monitoring to attend virtually was considered successful. The identification of two areas for consideration at this meeting was not deemed a satisfactory approach to scrutiny. Different

approaches were considered, but all agreed that to ensure effective scrutiny took place a core number of CLM and HoS should be identified to attend the meetings of the Committee virtually and not be limited to representing red indicators only. It was accepted that on occasion some questions might be asked by members that could not be answered during the meeting.

RESOLVED

1. that the Work Programme as attached in the report be noted;
2. that the Strategic Director, Environmental and Corporate Services and Democratic Services Officer identify a core number of Cabinet Lead Members and Heads of Service to invite to future meetings of the Committee;
3. that the Committee considers a draft of the next Quarter's Performance Monitoring report and agrees a core number of Cabinet Lead Members and Heads of Service to invite, prior to the next meeting.

Reasons

1. To enable the Councils scrutiny arrangements to operate effectively and efficiently.
- 2&3 Members acknowledged the potential difficulties in inviting 9 CLM and 10 HoS to meetings but wished to ensure effective scrutiny could take place by identifying a core number of CLM and HoS to support its consideration of the performance monitoring report.

NOTES:

1. No reference may be made to these minutes at the next ordinary Council meeting unless notice to that effect is given to the Democratic Services Manager by five members of the Council by noon on the fifth working day following publication of these minutes.
2. These minutes are subject to confirmation as a correct record at the next meeting of the Finance & Performance Scrutiny Committee.