

**FINANCE & PERFORMANCE SCRUTINY COMMITTEE
27TH JUNE 2023**

PRESENT: The Chair (Councillor Maynard)
The Vice Chair (Councillor Forde)
Councillors Baines, Campsall, Charles, Cory-
Lowsley, S. Forrest, D. Taylor and Westley

Councillor A. Gray (Cabinet Lead Member for
Waste, Open Spaces and Leisure facilities),
Hamilton (Deputy Leader of the Council, Public
and Private Sector Housing) and Miah (Leader of
the Council)

Chief Executive
Director Customer Experience
Director Finance, Governance and Contracts
Director Housing and Wellbeing
Head of Contracts, Leisure, Waste and
Environment
Head of Finance
Head of Strategic Housing
Transformation and Improvement Manager
Democratic Services Officer (NC)

APOLOGIES: none

The Chair stated that the meeting would be recorded and the sound recording subsequently made available via the Council's website. She 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.

1. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 15th March 2023 were confirmed as a correct record and signed.

2. DISCLOSURES OF PECUNIARY INTERESTS AND OTHER REGISTRABLE AND NON-REGISTRABLE INTERESTS

No disclosures were made.

3. DECLARATIONS - THE PARTY WHIP

No declarations were made.

4. QUESTIONS UNDER SCRUTINY COMMITTEE PROCEDURE 11.16

No questions had been submitted.

5. PERFORMANCE MONITORING (QUARTER 4) REPORT

Considered a report of the Head of Transformation, Strategy and Performance providing Quarter 4 performance monitoring information (item 6 on the agenda filed with these minutes).

Assisting with the consideration of the report: Chief Executive, Director of Finance, Governance and Contracts, Director of Housing and Wellbeing, Head of Contracts, Leisure, Waste and Environment, Head of Strategic Housing and Transformation & Improvement Manager.

It was noted that the narrative included in the report for KI 11A and B was incorrect and required swapping to align to the correct item.

Summary, key points of discussion:

- the HSBC fire had impacted discussions with market traders regarding the promotion and delivery of a green market plan. There was a reluctance to begin environmental initiatives that could affect trade but dialogue was ongoing.
- the target for purchasing of 10-20 properties in 2022-23 had not been achieved – meeting the local housing need was complex, the Service were focused on ensuring that the properties being purchased met strategic priorities and that the cost of repair did not exceed 10% of the cost of purchase. The Housing Acquisition policy was under review and consideration was being given to purchase new builds, but the cost would be higher.
- concerns raised regarding ongoing review of age restricted and sheltered properties and the need to lift some age restrictions on some properties. Due to inappropriate building layouts (steps etc) there were higher levels of voids in some sheltered accommodation schemes and as some of the residents did not wish to relocate, it was important to ensure the mix of residents did not increase issues in other areas such as ASB.
- preliminary work had been carried out with respect to declassification of 45+ age restricted properties and a mitigation strategy was being considered to reduce any significant impact for existing residents. An update report would be submitted to the Housing Management and Advisory Board in late Summer. Noted that this issue had been raised at several previous meetings of the Committee and that it was hoped that significant change would be reported at a future meeting.
- there was no evidence of a link between the increased cost of garden waste collections and fly tipping in the Borough. This aligned with national research and local fly tipping tended to be commercial waste rather than domestic.
- in general, Leisure Centres were struggling to return to pre-covid attendance levels and were not a Government protected sector for utilities. The Council were working closely with Fusion to ensure the continuation of service to residents.
- the target for KPI 4a of 50% was a stretch target set by the EU whereas KPI 4b measured how the Council was performing based on yearly historical performance. For 2022, noted that the dry summer and 'no mow May' had impacted garden waste collection and that return of more normal working patterns had reduced percentage of non recycle. The enacting of the

secondary legislation for the Environment Act 2021 could affect recycling further, currently it was challenging to increase recycling without significant change to the collection regime. National waste targets were weight based and was an effective way to measure recycling, however household waste was measured by percentage. Generally the Council was performing well and was the second highest performer for the Midlands region.

- the delivery of the kitchen, bathroom and heating programmes had been initially impacted by supply chain issues and asbestos survey requirements but this had now been resolved and the contractor delivering both bathrooms and kitchens was delivering 5 per week which was expected to increase to 10 shortly.
- with respect to KPI 11 a, staffing resources was continuing to impact void property turnarounds but recruitment was progressing and the full impact of this was expected to become more evident by the end of the year. A proposal for an additional contractor would be submitted to the Cabinet for its consideration in August.
- a review of garages was in progress to consider opportunities for conversion to housing stock but some issues with emergency access had been identified. At present priority was being given to tasks relating to managing sheltered and age restricted housing stock. Noted that this issue had been raised at a previous meeting and positive change would be welcome. It could be beneficial for the Committee to receive a more detailed briefing on this matter including other related aspects.
- concerns raised regarding staff recruitment, and that there wasn't a KPI to monitor staff turnover, vacancies or retention within the performance report which seemed to be a gap. Noted that a Member Briefing would provide a high-level overview upon this issue later in the week but aware resources underpinned all council work. The Council staff turnover was lower than other regional LAs but there were challenges in recruitment for some posts and a more detailed briefing could be provided to the Committee at a future meeting.
- Referring to Appendix B of the report as to why the Council's Family Group position (Feb 2023) appeared poor in relation to theft of and from vehicles – the Council were part of the Community Safety Partnership and worked closely with its partners in relation to crime.
- working with the Football Foundation to deliver football infrastructure was welcomed. Noted that opportunities to invest in facilities required good leasehold security and flexibility in use to encourage investment. Funding tended to channel through clubs but other sources such as S106 monies were being identified.

the Council was considering the cost of purchase of properties holistically, offsetting against B&B and repair costs. B&B spend had been high in 2022 but was currently at lower levels and the Ukraine hosting arrangements were being supported to minimise potential impact on housing need. Noted that the Service was currently focused on reducing voids and reviewing its disposals strategy for circumstances when the rent didn't support the required repair costs.

- Disappointing that the solar farm project was not being progressed. Smaller scale solar generation ideas were under consideration but would be of less impact. There was a separate review progressing on car parks and other assets to enable the Council to become a carbon neutral organisation by 2230.

This would cover parking charges, maintenance and a structured charging strategy for individual car parks.

Further commentary was requested as follows:

- From the Director of Housing and Wellbeing regarding the number of outstanding kitchen and bathrooms to be delivered and the dates for when they would be completed.
- From the Director of Housing and Wellbeing to provide further information about the Council's Decent Homes Standard.
- From the Head of Regulatory and Community Safety regarding the actions taken to reduce theft of and from vehicles, including details of work with stakeholders and to explain what was driving the Council's poor performance in its family grouping in Community Safety Partnership.
- From the Director of Commercial and Economic Development to provide further information on the provision of EV charging facilities outside of Loughborough and a status update on other Carbon Neutral schemes.
- From the Head of Economic Development to provide further information about the progress of the Charnwood Economic Development Strategy.
- From the Head of Contracts; Leisure, Waste and Environment to provide clarification on the legal process for converting Gorse Covert into a Nature Reserve.
- From the Head of Regulatory and Community Safety to share the 2023 plan to deliver 10 crime and ASB prevention campaigns for a safer Charnwood.

The Director of Housing and Wellbeing agreed to liaise with Cllr Campsall regarding scaffolding around a specific property.

RESOLVED that the Committee note 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.

6. ANNUAL PERFORMANCE REPORT 2022-2023

Considered a report of the Chief Executive providing annual performance monitoring information 2022-23 (item 7 on the agenda filed with these minutes).

Assisting with the consideration of the report: Chief Executive, and the Transformation & Improvement Manager.

The Chief Executive stated that the Senior Leadership Team were working to improve the overall management and performance reporting culture within the Council and that improvements had been made. He noted the Committee's views with respect to delivery timings and wished to put on record his thanks to colleagues present and all staff for their significant effort and work in delivering the performance for 2022-2023.

In response to a questions, it was noted that two electric Pest Control Fleet vehicles were on order to replace diesel vehicles but had not yet been delivered due to delays in the post manufacture conversion for chemical storage. The purchase had been financed through the carbon neutral budget and it was proposed to replace more vehicles going forward. It was also clarified that the Annual Performance report would be published on the Council's website and through the Council's usual social media streams.

Further actions requested as follows:

- from the Director of Housing and Wellbeing to provide further information regarding gifted properties fulfilling developer's contributions.
- from the Chief Executive to liaise with the Communications Manager to increase the public visibility and accessibility of the Annual Performance report.

RESOLVED that the Committee notes the performance results, associated commentary and the explanations provided.

Reason

To provide an overview of the annual performance, ensure that targets are being met, and to identify areas where performance might be improved.

7. REVENUE MONITORING POSITION (GENERAL FUND & HRA) OUTTURN 2022-23

Considered a Cabinet report of the Head of Finance setting out the Revenue Outturn position for 2022/23 (item 8 on the agenda filed with these minutes).

Assisting with the consideration of the report: Chief Executive, Director of Finance, Governance and Contracts, Head of Finance.

Summary, key points of discussion:

- with respect to the HRA Financing fund, this had been created a number of years previously as a reserve to pay the HRA loans debt. Surplus monies was transferred to the financing fund to enable the Council to make its scheduled payments on loans. A 30 year HRA business plan was in place.
- with respect to the overspend for B&Bs in 2022-23 and setting the budget higher in 2023-24, this was contrary to the information provided during the consideration of the previous agenda item that B&B requirements was decreasing - in 2022-23 the significant increase in cost was mitigated with Homelessness Grant funds. The situation was monitored closely and when the budget was set for 2023-24, with the potential for further resettlement schemes, it was considered prudent to allocate a higher budget. Monitoring would continue and if the budget was not required going forward the Medium Term Financial Strategy (MTFS) would be adjusted. Quarter 1 (period 4) financial monitoring, including B&B costs would be considered by the Committee at its meeting in September.
- clarified that the budget was set in December of each year and that some budgets could be fluid. The MTFS tracker process considered the outturn and reviewed budgets going forward.

- with respect to the overspend of the November Fair in the Loughborough Special Expenses - the transfer of support service recharges reflected the division of responsibilities between different Services following the Senior Leadership review and would not be an overspend going forward.
- with respect to the overspend of the Lodge Farm Sports Ground due to additional security measures – a more holistic approach was being implemented with the Police and through the Community Safety Partnership to tackle anti-social behaviour and related issues.

RESOLVED that the Committee notes the report.

Reason

The Committee were satisfied with its contents.

8. CAPITAL MONITORING (OUTTURN 2022-23)

Considered a Cabinet report of the Head of Finance setting out the Capital Outturn position for 2022/23 (item 9 on the agenda filed with these minutes).

Assisting with the consideration of the report: Chief Executive, Director of Finance, Governance and Contracts, Head of Finance.

Summary, key points of discussion:

- the Capital Plan was underspent at 34% of budget, how was the monies invested - all underspent money was put into the Treasury Management (TM) Account, currently with a high interest rate, and a calculation split this rate between the General Fund and HRA fund. The TM Account invested mostly in short term money market accounts across a range of maturity rates from overnight to a year, to enable the Council to maintain its own liquidity. The Treasury Management Strategy would be reviewed in February 2024/25 to consider whether more long-term investment options could be beneficial.
- the Monetary Policy Committee met recently to consider the impact of inflation on interest rates and create a new budget projection which would flow into the MTFS tracker process.
- concerns raised regarding slippage in the Carbon Neutral projects, as noted in the previous meeting - this was affected by the pending decisions on the Council offices and fleet vehicles. A range of projects were under consideration and if their carbon and financial viability were suitable the projects would come forward for Cabinet approval.

A further update regarding the status of Carbon Neutral projects was requested from the Director of Commercial and Economic Development.

RESOLVED that the Committee notes the report.

Reason

The Committee were satisfied with its contents.

9. WORK PROGRAMME

Considered a report of the Director of Finance, Governance and Contracts to assist the Committee in determining its work programme (item 10 on the agenda filed with these minutes).

It was requested that a basic dashboard for financial performance against targets be created for members. The Director of Finance, Governance and Contracts stated that it would be challenging to provide a simplified view of council finances without detailed associated commentary but noted that Quarter 1 performance monitoring would be reported in a different format to aid understanding. The Chief Executive stated that suggestions would be welcome and that the provision of further training could be considered through the Member Development Member Reference Group.

Members considered the best approach to obtaining some of the information requested during this meeting and agreed to receive updates at future meetings in the first instance.

RESOLVED

1. that the Committee's work programme as set out in the report and with any amendments made at this meeting be agreed;
2. An update regarding the position of the Council in relation to managing its garage assets and related housing stock issues to be considered at its meeting scheduled on 12th September 2023;
3. An update regarding the position of the Council in relation to staffing, recruitment, turnover and retention to be considered at its meeting scheduled on 28th November 2023.

Reasons

1. To enable the Council's scrutiny arrangements to operate efficiently and effectively.
- 2&3. To receive more detailed information regarding an issue identified as requiring further scrutiny.

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. The Cabinet Lead Member for Public & Private Sector Housing, the Director of Customer Experience, and the Head of Strategic Housing attended the meeting

virtually to assist the Committee with its consideration of items 6 and 7 on the agenda.

3. These minutes are subject to confirmation as a correct record at the next meeting of the Finance & Performance Scrutiny Committee.