

**FINANCE & PERFORMANCE SCRUTINY COMMITTEE
5TH MARCH 2024**

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

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

Director Finance, Governance and Contracts
Director Customer Experience
Director Housing and Wellbeing
Head of Regulatory and Community Safety
Head of Contracts, Leisure, Waste and
Environment
Head of Strategic Housing
Information Technology Delivery Manager
Acting Head of Finance
Transformation and Improvement Manager
Democratic Services Officer (NC)
Democratic Services Officer (RD)

APOLOGIES: Councillor S. Forrest

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.

32. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting of the Committee held on 28th November 2023 were confirmed as a correct record and signed.

Cllr Baines arrived at the meeting during this item.

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

The following disclosures were made:

by Councillor D. Taylor in respect of item 7 (Homelessness and Reducing Rough Sleeping Strategy) and item 8 (Revenue Monitoring Position (General Fund and HRA) Period 9, as a County Councillor.

34. DECLARATIONS - THE PARTY WHIP

No declarations were made.

35. QUESTIONS UNDER SCRUTINY COMMITTEE PROCEDURE 11.16

No questions had been submitted.

36. PERFORMANCE MONITORING (QUARTER 3) REPORT

Considered, a report of the Head of Transformation, Strategy and Performance: Performance Monitoring (Quarter 3) (item 6 on the agenda filed with these minutes).

Assisting with consideration of the item: Leader of the Council, Cabinet Lead Member Public and Private Sector Housing, Cabinet Lead Member Waste, Director Housing and Wellbeing, Director of Customer Experience, Head of Strategic Housing, Head of Contracts: Leisure, Waste and Environment, Open Spaces and Leisure Facilities, Head of Regulatory Services and Community Safety, Transformation and Improvement Manager, Information Technology Delivery Manager.

Summary, key points of discussion:

- (i) Update on Develop a Garage Site Asset Management Strategy – the strategy would be considered by Cabinet on 7th March 2024. Figures previously received had been updated. In terms of costings, each site would be appraised but development of some garage sites could be expensive and there were constraints such as tree preservation orders. Concerns with pace and not moving forward - assured that a decision was intended and options were set out in the strategy.
- (ii) Question as to why the Committee were reviewing green KPI's such as leisure centre performance. A performance update for leisure centres had been requested by the Committee at its previous meeting.
- (iii) Update on KPI LS10A performance relating to leisure centre contractors – concerns raised with maintenance of leisure centres, problems with damp walls at Mountsorrel Leisure Centre mentioned. Committee assured a monthly inspection programme was in place and particular concerns reported would be investigated. In general the number of visits to leisure centres were increasing compared to the previous year and progress made but not back to pre-Covid levels. Management fee arrears would be addressed via a repayment arrangement or contract variation. Confirmed business contingency plans were in place in case of the need to go out to market. Discussion regarding membership and performance of individual centres.
- (iv) Update on Waste and Recycling: Secure the long-term provision of environmental services by entering new contractual arrangements – confirmed the provision with Serco would end in April 2025. A procurement

exercise was being undertaken following a decision taken in April 2023 and final bids from providers were expected by the end of the month. A preferred provider would be recommended to Cabinet on 13th June 2024. Delays were partly due to reliance on third parties to provide vehicle data to bidders and a 10-month mobilisation period was planned which was deemed sufficient for the incoming contractor. Discussion on the Council's commitment to carbon neutrality and link to the Carbon Reduction Strategy. Would be looking into having own depot in the future. The team was working with the Energy Saving Trust to explore options such as electric Refuse Collection Vehicles (RCV's) (not currently viable due to the higher cost in comparison with diesel RCV's and reliability issues), HVO (Hydro-treated vegetable oil) and hydrogen fuel cells, with a view to the fleet being renewed in 2028. Discussion on bringing the Serco contract back in-house – considered in April 2023, but could be reviewed again going forward. Confirmed that the Council financed the fleet vehicles and leased to the contractor.

- (v) Discussion regarding weekly food waste collections which would be begin in April 2026. A combined food waste collection service across district councils had been explored, however would be difficult to roll-out due to different contract end-dates, and savings would be marginal. Awaiting government funding.
- (vi) 20% reduction of littering from vehicles following awareness campaign and use of enforcement cameras. How many penalties had been issued? Information not available at the meeting and would be circulated after the meeting.
- (vii) Concerns with the delay in progress with the local plan and the knock-on effect with delays to the Biodiversity Supplementary Planning Document. Confirmed biodiversity strategy was progressing, there was no end date for the biodiversity funding and options for investments were being explored.
- (viii) Update on the implementation of the Assure back-office system in Housing, Planning and Regulatory services – complex project, delays due to availability of resources and testing but positive progress had been made. Environmental Health had gone live with the system, Planning due to go live in mid-April, Licensing and Private Sector Housing due after April 2024.
- (ix) Update on KI 11: Percentage rent loss from void properties (Proxy target) age restricted properties – a detailed report had gone to Scrutiny Commission, the number of properties let had increased and a contractor appointed to deliver void works at a rate of 10-15 per month. 7 properties per week were let and number expected to increase. At the end of January 2024 there were 37 ready-to-let properties in general needs and 44 ready-to-let properties in sheltered accommodation. New maintenance contract had started and capacity had increased in the team, Head of Landlord Services and Void Repairs Manager roles appointed. Still some vacancies in the voids team. Issue with asbestos now resolved. Anti-social behaviour levels at properties being declassified would be monitored. Timescale on applying for a property to being housed depended on individual circumstances of each case, bidding activity, personal preference of the applicant and properties available at that time. Properties were allocated based on priority. Housing need and priority was assessed in three bands in line with the Allocations policy.

- (x) Sheltered Accommodation Strategy had explored options with sites being re-developed. There was an abandonment procedure in place (a condition of tenancy that tenants use their property as their main and principal home) and if tenants left their properties but continued to pay rent this would be investigated. New social housing regulations in place from 1st April 2024 – would include Tenant Satisfaction Measures that all social landlords would be required to comply with. The Council would be inspected by the regulator of social housing over the next two years. A report had been taken to the Housing Management Advisory Board on tenant satisfaction. Satisfaction levels would be reported in the corporate monitoring reports which would come back to this Committee. A self-assessment against new regulatory standards was currently being actioned.
- (xi) Outstanding debts and low collection rate for Q1, Q2 and Q3 a concern. Reasons for debt not clear but related for example to the leisure contract, HRA, outstanding rent/damage charges. Difficulties with invoices remaining unpaid despite efforts to collect payments and debt eventually being written off.

Further to (iii) above, the Head of Contracts: Leisure, Waste and Environment to circulate the current management fee arrears for the leisure contract to members of the Committee following the meeting.

Further to (vi) above, the Head of Regulatory Services and Community Safety to circulate figures for how many littering penalties had been issued to members of the Committee following the meeting.

Further to (ix) above, the Director Housing and Wellbeing to circulate a break-down of the number of sheltered/non-sheltered voids and major works in different Wards.

Further to (xi) above, the Acting Head of Finance to provide a detailed breakdown of the current debt and what it related to for members of the Committee following the meeting.

RESOLVED that the report be noted.

Reason

To ensure that targets and objectives were being met and to identify areas where performance could be improved.

37. HOMELESSNESS AND REDUCING ROUGH SLEEPING STRATEGY

Considered, a report of the Head of Strategic Housing: Homelessness and Rough Sleeping Strategy (item 7 on the agenda filed with these minutes).

Assisting with consideration of the matter: Cabinet Lead Member Public and Private Sector Housing, Director Housing and Wellbeing, Head of Strategic Housing.

Summary, key points of discussion:

- (i) Homelessness figures had been affected by the Covid pandemic, for example relating to periods where persons were unable to stay with friends and family, tenancy eviction was restricted, the “everyone in” initiative was in place and temporary accommodation offered to persons who were not normally owed a temporary accommodation duty. Figures from the last few years indicated a reduction in the number of homeless applications, however increases in the duration of homeless applications, suggesting more difficulties in the prevention and relief of homelessness. Recent increases in presentations from households experiencing financial difficulties from groups such as refugees were noted.
- (ii) The Council provided partial grant funding to Falcon Support Services for the provision of accommodation and support services for persons owed a statutory accommodation duty and who had a connection to Charnwood. The current Falcon Centre scheme however was not funded by the Council and was only accessible for persons who were not owed a statutory accommodation duty by housing authorities (including those who did not have a priority need, those who had become intentionally homeless and those who did not have a connection with Charnwood) and therefore had difficulty securing long-term accommodation in Charnwood. Discussions with Falcon Support Services around the future of the Falcon Centre were ongoing.
- (iii) A new post, Temporary Accommodation Coordinator, had been created to reduce the number and duration of bed and breakfast accommodation placements, for example by utilising hard to let self-contained properties within the Council’s housing stock for temporary placements.
- (iv) Update on Carpenters Arms scheme – cost was being monitored closely. Rent increases would be assessed carefully and challenged if not justified. However if justified, costs would be mitigated. New legislation around supported housing, which could affect how such organisations operated.

RESOLVED that the information was considered and noted.

Reason

To provide scrutiny of the development of the Homelessness and Rough Sleeping Strategy.

38. REVENUE MONITORING POSITION (GENERAL FUND & HRA) PERIOD 9

Considered, a report of the Acting Head of Finance: Revenue Monitoring Position (General Fund and HRA) Period 9 (item 8 on the agenda filed with these minutes).

Assisting with consideration of the matter: Director Finance, Governance and Contracts, Director Housing and Wellbeing, Acting Head of Finance.

An error was noted on page 56 of the report pack, Appendix 2, Table 3. Should have stated Leicestershire County Council rather than Leicester County Council.

Summary, key points of discussion:

- (i) Concerns that costs for agency staff had doubled. Reason, confirmed problems with recruitment and retention in Planning team. Shortage of planners across the country. Increase in planning fees and introduction of apprenticeships would help the situation but there was no quick resolution and agency costs could be expected going forward. Pressures also with housing, legal and finance services.
- (ii) Consultants' fees driven by changes in the local plan and legal fees not considered significant, as could arise at any point with advice taken if specialist or contentious.
- (iii) There would be an asset strategy going forward which would include plans for Southfields Council offices. At present, Leicestershire County Council had given notice on their areas of office space rented and those void areas would need to be re-rented.
- (iv) Housing Revenue Account, Business Support underspend considered relatively small however further information would be provided. Planned maintenance underspend was larger and related to fascia/soffit replacements and external wall insulations. Underspend due to delays with ecological surveys.
- (v) Significant variance of £850,000 in 'other direct employee costs' a concern. Confirmed the majority of this would be related to agency costs, but a breakdown would be provided. View that agency costs should be reduced and full-time staff recruited. Business plan and change of structure going forward would address this.
- (vi) £281,000 under 'other supplies and services' – question as to what this was. Noted that details as a rule were only reported for variances over £25,000, and that many services and cost codes would be included. View that it would be worth looking at the details in order to explore where savings could be made.
- (vii) Fusion Contract £285,000 adverse – confirmed invoices had been raised but unlikely to be cleared. Budgeted contract income that wouldn't actually be received. Currently leisure services were provided at net zero cost, which was less cost than going out to market. Had recovered from the low point of Covid/cost of living, however challenges still to be faced.
- (viii) Town Hall was showing favourable variance in terms of lettings and the box-office which was positive. Planning fees were also doing well. Industrial sites such as The Ark were performing in line with budgets. Concerns with staffing in Building Control, unsure if adverse variance in salaries of £135,000 related to a rise in agency costs. Printing and stationery £6,000 over budget, relating to the Local Plan. Although a relatively small amount, view that this should be challenged if being checked.

Further to (iv) above, the Director Housing and Wellbeing to send further details on the Business Support underspend to members of the Committee following the meeting.

Further to (v) above, the Acting Head of Finance to send a detailed breakdown regarding other direct employee costs to members of the Committee following the meeting.

Further to (vi) above, the Acting Head of Finance to provide a breakdown regarding the costs for other supplies and services to members of the Committee following the meeting.

Further to (viii) above, the Acting Head of Finance to liaise with the Head of Planning and Growth and circulate an update on the position with staffing in Building Control to members of the Committee following the meeting.

RESOLVED that the report be noted.

Reason

The Committee was satisfied with the position set out.

39. CAPITAL MONITORING REPORT

Considered, a report of the Acting Head of Finance: Capital Monitoring Report period 9 (item 9 on the agenda filed with these minutes).

Assisting with consideration of the matter: Director Finance, Governance and Contracts, Director Housing and Wellbeing, Acting Head of Finance.

Summary, key points of discussion:

- (i) Concerns as to why £5 million set aside for Regeneration Schemes in February 2022 had not yet been spent. Explained the funding was available to spend in the Capital Plan to enable the Council to act promptly when opportunities arose. Once the Town Deal programme was completed, opportunities would be explored as part of regeneration.
- (ii) There had been a reduction in acquisitions of affordable housing relating to factors such as concerns over poor emergency efficiency, poor condition and high repair costs of ex-Council properties becoming available for buy-backs, or high costs of properties becoming available for purchase on the open market. The service was currently exploring options for purchasing new properties from developers.

RESOLVED that the Capital Monitoring summary position for Period 9, 31st December 2023 for the General Fund and Housing Revenue Account be noted as per Table 1 in the report (the detailed Capital Monitoring Report was included in Appendix 1 to the report).

Reason

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

40. CAR PARKING STRATEGY UPDATE

Considered, a report of the Head of Regulatory Services and Community Safety: Car Parking Strategy (item 10 on the agenda filed with these minutes).

Assisting with consideration of the matter: Leader of the Council, Cabinet Lead Member Communities and Neighbourhoods, Head of Regulatory Services and Community Safety.

Summary, key points of discussion:

- (i) View it was necessary to increase car park fees. The Covid pandemic had affected revenue from car park charges, currently at 85% of pre-Covid levels.
- (ii) Car Parking fees had not been reviewed since 2012. Discussion on other car parks and fees in the town centre.
- (iii) Question whether car park fee increases would affect attendance on Loughborough market days. View that car parking fees would be moderately increased and would still reflect value for money and shouldn't impact the markets.
- (iv) Car parks in the wider Borough, including Quorn would also be reviewed as part of the next phase of the strategy, along with consultations with other non-Council owned car parks.
- (v) In terms of health and safety in car parks, fire risk assessments had been carried out with regard to electric car charging facilities, however it was not clear on the extent of fire engine access to car parks.
- (vi) Simplified and unified pricing structure had been put forward and tied in with carbon reduction schemes. Extra revenue would assist with updating of car park equipment such as car park meters.
- (vii) Bus station request raised. This would be reviewed.

Further to (v) above, the Head of Regulatory Services and Community Safety to circulate further information on the extent of fire engine access to Council owned car parks to members of the Committee following the meeting.

RESOLVED that the Committee noted the contents of the report detailing phase 1 outcomes of the Car Parking Strategy project.

Reason

To ensure timely scrutiny of the Car Parking Strategy project.

41. WORK PROGRAMME

Considered, a report of the Director Finance, Governance and Contracts: Committee's Work Programme (item 11 on the agenda filed with these minutes).

Assisting with consideration of the matter: Director Finance, Governance and Contracts, Democratic Services Officer.

Discussed how to determine which key performance indicators the Committee would focus on at each meeting. Agreed to continue with the Chair and Vice-Chair of the Committee reviewing draft report and choosing committee focus, to be communicated to the Committee in advance of the meeting.

RESOLVED that the Committee's work programme as set out in the report and with any amendments made at this meeting be agreed, to include:

- (i) a possible additional item for 2nd July 2024 meeting, New Social Housing Regulations. KPI report for July would be reviewed and if necessary further information would be requested;
- (ii) an additional item for 17th September 2024 meeting, Fees and Charges, particularly relating to the increases in fees and impacts, including licensing, planning, garden waste, land charges, building control;
- (iii) an update on the Car Parking Strategy for July 2025 meeting, to include information on the car park fee increases and the effect on income and visitor levels to the town centre and markets.

Reason

To enable the Council's scrutiny arrangements to operate efficiently and effectively.

NOTES:

1. Councillors Blackshaw and Hamilton attended this meeting virtually. They were not taking decisions.
2. 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.
3. These minutes are subject to confirmation as a correct record at the next meeting of the Finance & Performance Scrutiny Committee.