

FINANCE & PERFORMANCE SCRUTINY COMMITTEE
6TH SEPTEMBER 2022

PRESENT: The Chair (Councillor Charles)
Councillors Fryer, Grimley, Hamilton, C. Harris,
Taylor and Ward

Councillor Barkley (Cabinet Lead Member for
Finance and Property Services, Rollings (Cabinet
Lead Member for Transformation)

Director Finance, Governance and Contracts
Head of Finance
Organisational Change Officer
Sustainability Officer
Democratic Services Officer (NC)

APOLOGIES: Councillor Miah, Popley and Shepherd

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.

10. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting of the Committee held on 28th June 2022 were confirmed as a correct record and signed.

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

No disclosures were made.

12. DECLARATIONS - THE PARTY WHIP

No declarations were made.

13. QUESTIONS UNDER SCRUTINY COMMITTEE PROCEDURE 11.16

No questions had been submitted.

14. 2022-23 QUARTER 1 PERFORMANCE MONITORING REPORT

Considered a report of the Director of Finance, Governance and Contracts (formerly Strategic Director, Environmental and Corporate Services) providing Quarter 1 performance monitoring information (item 6 on the agenda filed with these minutes).

The Organisational Change Officer introduced the report and noted that there was a typo on p13 of the agenda pack - the number of corporate delivery plan green actions was 53 completed, not 55. It was also noted that at the previous meeting a committee member had requested a crime breakdown for KI 12 (volume of crime) for Quarter 4 and for future reports. However, it had been agreed by the Cabinet that indirect Key Performance Indicators (KPI) would be removed from the Corporate Delivery Plan for the reporting period of 2022/23 and replaced by a suite of place indicators to give a broader view. These would be shared six-monthly, with a further updated provided at the end of Quarter 2.

Assisting with the consideration of this report: Organisational Change Officer, Director Finance, Governance and Contracts.

Summary, key points of discussion:

- -whether the change in working habits and people's behaviour required KI 4 a (% of household waste sent for reuse, recycling and composting) to be adjusted. The target was set after looking at previous data and discussions with the waste management team, however the target was a national target provided by Central Government and therefore not able to be modified. Difficulties noted in reaching the target due to the diverse nature of the Borough's residents, other Local Authorities had similar issues and there would be further potential impact from the secondary legislation relating to the Environment Bill 2021. The recommendations (to be submitted to the Cabinet) of the recent Waste Management Scrutiny Panel and mandatory collection of food waste could affect the achievement of the target.
- the solar farm feasibility work had identified no capacity for grid works to be completed before 2030 so the project could not be progressed. It was hoped that the Cabinet would focus on expanding use of £150k for smaller schemes and that parish council involvement be encouraged. The current energy situation had raised the profile of this scheme and improved the viability of its business case.
- only two of 10 crime and ASB prevention campaigns / events had been completed and neither were connected with ASB, which was disappointing as this was a key issue for many of the Borough's communities. Noted that the Community Safety team sought to link with national campaigns if possible and that an update of the Community Safety Partnership was scheduled for scrutiny by the Committee at its next meeting (in November).
- the target KI 11 (A) (percentage rent loss from void properties) had been missed again, concerns had been raised on several occasions, and it was considered that the matter was urgent with regard to dispersal schemes and increased risk of homelessness. Although this matter had been forwarded to Scrutiny Commission, it had been delayed due to a change in resources, but the interim Head of Service was working on an action plan.

Further commentary requested as follows:

- from the Community Safety Manager to provided additional details regarding plans for crime and ASB prevention campaigns / events across the Borough.

- from the Democratic Services Officer to provide update regarding delay of scrutiny of KI 11 by Scrutiny Commission.

RESOLVED that the Committee noted the performance report, 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.

15. 2021-22 ANNUAL PERFORMANCE REPORT

Considered a report of the Director of Finance, Governance and Contracts (formerly Strategic Director, Environmental and Corporate Services) providing annual performance monitoring information and results for 2021-22 (item 7 on the agenda filed with these minutes).

The Organisational Change Officer introduced the report and noted that it provided an overview of performance for 2021-22 including a COVID summary of actions taken. Once agreed the report would be shared with staff and published on the Council's website.

There were no questions.

RESOLVED that the Committee noted the performance report, associated commentary and the explanations provided.

Reason

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

16. REVENUE MONITORING POSITION (GENERAL FUND AND HRA)

Considered a report of the Head of Finance setting out the revenue monitoring position (General Fund and HRA) for period 4 (item 8 on the agenda filed with these minutes).

Assisting with the consideration of the report: Cabinet Lead Member of Finance and Property Services, the Strategic Director of Finance, Governance and Contracts, Head of Finance.

Summary, key points of discussion:

- overspend for Development Control Agency costs was due to staff vacancies and would be expected to reduce if permanent staff recruited, but currently projected to carry on as now.

- Void rent loss in garages considered high. Query why empty and if they could be utilised. Links emphasised to ASB. Noted that sites required review but due to nature of the sites they could be complex to re-develop.
- Inflation costs and the cost of living crisis were likely to increase the Council's overspend although reserves were in place if required.
- although current tenant arrears and former tenant arrears were acceptable, this was likely to increase with cost of living situation. Monies claimed back or written off was reviewed on a case-by-case basis and would not be applied in a manner which pushed tenants into further debt or homelessness. Noted that rent, council tax and business rates collection would be challenging and required cautious accounting in the budget. Council tax collection had continued through the pandemic.
- Concerns raised of possibility for uncollected rent arrears to affect completion of council stock improvements and causing evictions. Use of £15 million reserve and writing off of rent debt could mitigate concerns, potential for implementation of a discretionary scheme. This required careful consideration as a policy decision, tenants in residence increased the likelihood of receiving rent arrears. HRA Financing fund was ring fenced although some flexibility was possible.

It was noted that Senior Leadership Team titles would require updating in future reports since the implementation of the recent staff restructure.

The Director of Finance, Governance and Contracts agreed to discuss the following with the Senior Leadership Team:

- concerns raised regarding use / redevelopment of garage sites and void rent losses.
- concerns regarding HRA uncollected rent arrears of £1 million for current and former tenants
- concerns raised regarding KI 11 percentage rent loss from void properties (as noted during the consideration of item 6 on the agenda).

RESOLVED that the report be noted

Reason

The Committee's remit included receiving regular financial monitoring reports and having noted its concerns were content to the note the revenue position.

17. CAPITAL MONITORING REPORT

Considered a report of the Head of Finance setting out the capital monitoring position (General Fund and HRA) for period 4 (item 9 on the agenda filed with these minutes).

Assisting with the consideration of the report: Cabinet Lead Member of Finance and Property Services, the Director of Finance, Governance and Contracts, Head of Finance.

The Head of Finance noted that an updated Table 1 had been provided, with amended slippage figures and Head of Service commentary.

Summary, key points of discussion:

- it was challenging to understand the Council's financial performance with linear budget reporting as capital monies was routinely spent in lump sums, profile tracking could be advantageous to provide further clarity. With reference to schemes being procured, place markers were included in the budget monitoring to highlight the financial intentions but progress of some schemes were dependent on delivery by third parties, so complex to track. Finance team were aware of issue and aimed to flatline the budget expenditure profile across the year, focusing team on progressing schemes.
- it was planned to reduce the number of schemes in the next three year plan to enable the covid related backlog to be cleared.
- the halt in home visits for DGF assessment and shortage of specialist staff was concerning particularly after 2.5 years. Clarification sought as to who would be submitting the report and whether the action plan would be available for scrutiny. The interim Head of Strategic Housing was reviewing DFG Capital Scheme and Lightbulb project and preparing the action plan. The recruitment of two new OTs was welcome and cases were being managed.

The Director of Finance, Governance and Contracts agreed to discuss with the Senior Leadership Team the following:

- further details regarding the number of schemes currently being procured and when the repairs would begin (HRA Capital spend at period 4 underspend of 13.03% of profiled budget)
- clarification regarding the submission of a report setting out an action plan to deal with waiting list, what the timelines were for action and when/whether it would be available for scrutiny (DGF Capital Scheme).

Members of the Committee highlighted the need for a mechanism to report back to the Committee and residents of the Borough the responses provided after the meeting by relevant (absent) officers to questions raised during the meeting. It was noted that the current process did not provide transparency as responses received were not in the public domain. The Democratic Services Officer in consultation with the Director of Finance, Governance and Contracts would review the matter and circulate suggestions to the Committee for an appropriate mechanism for its consideration.

RESOLVED that the report be noted

Reason

The Committee's remit included receiving regular financial monitoring reports and having noted its concerns were content to the note the revenue position.

18. DELIVERY OF THE CLIMATE CHANGE STRATEGY

Considered a report of the Strategic Director of Commercial Development, Asset and Leisure (item 10 on the agenda filed with these minutes).

Assisting with the consideration of the report: Cabinet Lead Member of Transformation, the Sustainability Officer.

Summary, key points of discussion:

- the provision of top-up roofing insulation, cavity wall and boiler upgrades to council housing stock was welcomed, but context was required with the provision of the number of top-up roof insulation, walls and boiler upgrades that were still outstanding.
- with reference to stock condition surveys, although the Council had delivered large scale, fabric first, cavity and external wall insulation projects at its own housing stock targeting the worst performing properties, this had occurred 10 years ago. It was now possible that more properties were poor performing and relatively few stock condition surveys had been completed. Noted that the surveys were a priority and expected to start in Autumn. The number completed had been disappointing, there had been issues with contractors which may have affected the completion rate, but a contractor had been secured to complete 1000 surveys to catch up with the backlog and once completed it was anticipated that the situation would be clearer.
- the Annual Monitoring Report 2020-2021 referring to protecting and enhancing native species and habitats noted that a minimum of 3% of the total biodiversity in local wildlife sites had been lost, but it would be beneficial to know how this compared nationally. The figure was based on the Charnwood area and more survey work to obtain further detail could be undertaken.

Further commentary requested as follows:

- from the Director of Housing and Wellbeing regarding the number of top-up roofing insulation, cavity wall and boiler upgrades to council housing stock outstanding.
- from the Director of Housing and Wellbeing regarding when the stock condition surveys would be completed and what determined which properties were chosen.

RESOLVED that the content of the report be noted

Reason

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

19. CAR PARKING CHARGES - UPDATE

The Director of Finance, Governance and Contracts gave a verbal update regarding car parking fees in the Borough. He explained that the review had a wide-ranging scope and that an external contractor had been commissioned to complete the research. He noted that it was possible a report could be presented at the Committee's meeting in March 2023, or alternatively the relevant officers could be invited to attend and provide an update.

Summary, key points of discussion:

- the scope of the project should include all council owned car parks irrespective of whether they were partially owned by other parties or offered free parking. It was challenging to include all car parks in the Borough but it was hoped that an overarching strategy could be formulated to cover all.
- where the responsibility for maintenance of car parks was less clear, parish councils could be encouraged to participate.
- it could be beneficial to include car parks owned by external parties and this should also involve consulting the public.
- it was hoped that electric charging and the cost of installation would be part of the scope of the project.
- the purpose of the overarching strategy required careful definition, as driving factors such as improving revenue, promoting less car use and increasing footfall in town/village centres were not necessarily compatible. The purpose could differ for each car park and would be considered on an individual basis.
- a Sustainable Travel Plan to be implemented by Leicestershire County Council could impact the Borough Council's strategy, as it was possible bus routes could change or be reduced.

The Director of Finance, Governance and Contracts agreed to discuss with the Senior Leadership team the following:

- inclusion of electric charging into the car parking review.
- consideration of the impact of the County Council's Sustainable Travel Plan on the project.

RESOLVED that a report detailing the scope of the project be scheduled for submission at the Committee's meeting on 7th March 2023. If the report was not available, that the relevant officers be invited to the meeting to provide an update.

Reason

The Committee considered the matter required monitoring and wished to be provided with further information regarding the car parking project.

20. WORK PROGRAMME

Considered a report of the Director of Finance, Governance and Contracts (formerly Strategic Director, Environmental and Corporate Services) to assist the Committee in determining its work programme (item 12 on the agenda filed with these minutes).

RESOLVED

1. that the Annual Performance Report for 2022-2023 be scheduled for submission to the Committee's meeting in September 2023;
2. that the Committee's work programme as set out in the report and with any amendments made at this meeting be agreed.

Reason

1. the Committee noted that the annual performance data for the report would not be available for an earlier submission of the report.
2. To enable the Council's scrutiny arrangements to operate efficiently and effectively.

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. Councillors Barkley and Rollings attended the meeting virtually. They were not taking decisions.
3. The Sustainability Officer listed as present attended this meeting virtually. The remaining officers listed as present attended this meeting in person.
4. These minutes are subject to confirmation as a correct record at the next meeting of the Finance & Performance Scrutiny Committee.