

**BUDGET AND
PERFORMANCE PANEL**

6.10 P.M.

21ST FEBRUARY 2017

PRESENT:- Councillors Dave Brookes (Chairman), Sam Armstrong, Andrew Gardiner, Janet Hall, Tim Hamilton-Cox, John Reynolds, Susan Sykes and Oscar Thynne

Apologies for Absence:-

Councillor Roger Sherlock

Also in Attendance:-

Councillor Eileen Blamire, Leader of the Council and Councillor Anne Whitehead, Cabinet Member with responsibilities for Finance and Revenues and Benefits.

Officers in attendance:-

| | |
|------------------|---|
| Nadine Muschamp | Chief Officer (Resources) and Section 151 Officer |
| Suzanne Lodge | Chief Officer (Health and Housing) |
| Andrew Clarke | Financial Services Manager |
| Stephen Metcalfe | Principal Democratic Support Officer |
| Sarah Moorghen | Democratic Support Officer |

27 APPOINTMENT OF VICE-CHAIRMAN

The Chairman requested nominations for the position on Vice-Chairman.

It was proposed and seconded:-

“That Councillor Gardiner be appointed Vice-Chairman of the Budget and Performance Panel for the remainder of the Municipal Year 2016/17.”

There being no further nominations, the Chairman declared the proposal to be carried.

Resolved:

That Councillor Gardiner be appointed Vice-Chairman of the Budget and Performance Panel for the remainder of the Municipal Year 2016/17.

28 MINUTES

The minutes of the meeting held on 24th January 2017 were signed as a correct record.

29 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIRMAN

There were no items of urgent business.

30 DECLARATION OF INTERESTS

There were no declarations of interest.

31 CORPORATE FINANCIAL MONITORING QTR3 2016/17

The Financial Services Manager introduced a report to present the Corporate Financial Monitoring 2016/17 Quarter 3. A summary of the Corporate Financial Monitoring for Quarter 3 of 2016/17 was attached for Members consideration.

Members were advised that the headline projections were as follows:-

- A current General Fund net underspending of £34K, but expected to be in line with the budget by the year end.
- The Housing Revenue Account was currently in line with the revised budget, but an underspend of £17K was expected by the end of the year.

Members asked a number of questions on Council Tax deficit, income collection, debt, Housing Benefit, the effect of new builds on Council Tax revenue, spending on recruitment agents, housing rent arrears and the impact of Universal Credit.

The Financial Services Manager presented the latest Treasury Management report which was attached for Members consideration. The Property update was not included as it was currently being re-worked following changes requested by the Panel. It was envisaged that an updated version of the report would be available for Quarter 4 as part of the wider performance monitoring.

Members asked a number of questions in relation to interest rates, fixed term deposits with Cambridge County Council and Birmingham City Council and ethical investment considerations.

The Chief Officer (Health and Housing) provided a briefing note on Salt Ayre Leisure Centre and answered a number of questions in relation to operational costs, the temporary café, swimming pool usage, gym membership, local competitors, the spa and immersive spin classes, the Budget Book for 2016/17 and insurance policies.

Resolved:

- (1) That the report be noted.
- (2) That a further update on Salt Ayre be included in the corporate outturn reporting for 2016/17.
- (3) That a detailed debt report also be provided in the outturn reporting for 2016/17.
- (4) That information on the council tax base be provided to the Panel.

32 TREASURY MANAGEMENT STRATEGY 2017/18

The Financial Services Manager introduced a report that sought the Panel's views regarding the proposed treasury management framework for 2017/18.

The Chief Officer (Resources) advised of the key elements and assumptions feeding into the Strategy and that Cabinet had considered the report at its meeting on the 14th February 2017. Unfortunately, it had not been possible to provide for scrutiny of the treasury proposals prior to it being considered by Cabinet, however, recommendations from the Panel would be fed into Budget Council on March 1st 2017 when Members would be asked to formally approve the framework.

Members asked a number of questions regarding changes to the report since the Cabinet meeting, investments decisions and advice, borrowing and debt and how this was split between General Fund and Housing Revenue Fund, interest payments, core funds and expected investments balances, business rates, under borrowing, Minimum Revenue Provision (MRP) and benchmarking.

Resolved:

That the report be noted.

33 WORK PROGRAMME REPORT

Members were requested to consider the Panel's Work Programme.

Members had previously requested regular updates on Salt Ayre to be provided as part of the quarterly monitoring reporting. Members were advised that the Chief Officer (Health and Housing) would also provide a separate report on Salt Ayre to the September 2017 meeting.

At the last meeting of the Panel Members had requested that the Police and Crime Commissioner for Lancashire be invited to this meeting to answer questions on his budget proposals. Members were advised that the Commissioner had sent his apologies but if the Panel, either collectively or individually, had any questions he would be happy to consider and respond.

A response had been received from Lancashire County Council regarding questions raised at the last meeting of the Panel on the 24th January 2017. These had been circulated to the Panel separately.

Members asked a number of questions on the Work Programme including asking for a report on CorVu. Members were advised that outside of Corvu, arrangements for reporting on key performance measures, to give a corporate overview, were currently being reviewed and developed and this would be reported through to the Panel in due course.

Members also requested that the information previously requested on Pensions be provided as a briefing note and for the briefing note on Out of Hours ICT Service to be circulated to the Panel.

Resolved:

- (1) That the Work Programme, detailed on Appendix A to the Report, be noted.
- (2) That the information requested on Pensions be circulated to the Panel as a briefing note.
- (3) That a report on performance be presented to the Panel.
- (4) A briefing note on Out of Hours Service be circulated to the Panel.

Chairman

(The meeting ended at 7.40 p.m.)

**Any queries regarding these Minutes, please contact
Sarah Moorghen, Democratic Services - telephone 01524 582132 or email
smoorghen@lancaster.gov.uk**