

**BUDGET AND
PERFORMANCE PANEL**

6.00 P.M.

1ST DECEMBER 2020

PRESENT:- Councillors Adrian Duggan (Chair), Tim Dant (Vice-Chair), Roger Dennison, Merv Evans (substitute for Debbie Jenkins), Colin Hartley (Labour substitute), Mandy King, David Whitworth, Jason Wood and Joanna Young

Apologies for Absence:

Councillor Debbie Jenkins

Officers in attendance:

Mark Davies	Director for Communities and the Environment
Paul Thompson	Chief Financial Officer (Head of Finance & Section 151 Officer)
Helen McMahon	Procurement Manager
Stephen Metcalfe	Principal Democratic Support Officer

The Chair advised that he had accepted a request from Councillor Barber to speak at the meeting of the Panel in accordance with Overview and Scrutiny Procedure Rule 15.

It was noted that Councillor Whitehead was in attendance at the meeting to provide information on reports in her capacity as Cabinet Member with Responsibility.

The meeting adjourned at 6.01pm and re-convened at 6.07pm to enable all participants to be present in the virtual meeting.

21 MINUTES

It was proposed by Councillor Duggan and seconded by Councillor Dant that the minutes of the meeting held on 10th November 2020 be agreed as a correct record.

It was noted that the minutes would be signed by the Chair when the minute book was available.

22 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIR

There were no items of urgent business.

23 DECLARATION OF INTERESTS

There were no declarations of interest.

24 DELIVERING OUR AMBITIONS Q2 - FINANCIAL PERFORMANCE (JULY - SEPTEMBER)

The Panel received a report from the Director of Corporate Services, which provided members with an update on performance, projects, and resources during the second quarter of 2020/21 (July – September 2020).

It was reported that as Cabinet and the Council's priorities continue to develop, success measures would be updated accordingly to align with the priorities. Members would be aware that work to create a revised suite of measures was currently progressing. However, given the current circumstances and until this work was complete reporting had been suspended.

It was noted that a revised Section 7 and Appendix G had been published following publication of the main agenda.

Councillors asked a number of questions including the following:

- Corporate Services in particular the cost and performance of Human Resources and also the cost of Legal Services;
- Walney Island Sub-Station green energy disregard;
- Business rates;
- Request for a % variance rate within future reports – Quarter 2 Financial Monitoring – Subjective Analysis, paragraph 4.19 refers;
- Unallocated reserves;
- Slippage and reserves;
- Capital monitoring;
- Property Investments;
- Borrowing from the PWLB.

Resolved:

That the report be noted.

The meeting adjourned at 7.21pm for a comfort break and re-convened at 7.26pm.

25 BUDGET AND POLICY FRAMEWORK UPDATE - REVISION TO 2020/21 BUDGET

The Panel received a report from the Chief Finance Officer that provided an update on the Council's financial position to help inform development of Cabinet's corporate planning and budget proposals.

Given that at the time of writing, neither the Government's Spending Review nor the Local Government Settlement had been announced, and other budgetary work was not yet scheduled for completion, the report was an interim update only primarily for information. As the report was for consideration no alternative options were put forward although Cabinet could make supplementary recommendations regarding any matters.

At Budget Council on 26 February 2020 Members had approved the current year's budget at £17.903M, excluding parish precepts, giving rise to a council tax requirement of £9.672M. Various changes had become apparent through monitoring and more significantly through the impact of COVID-19. To draw the changes together, an in-depth

update of the current year budget has been completed, the results of which were included at Appendices A and B. Currently an overall year end surplus against budget of £2.078M was projected. However, Members needed to be aware that this was a result of a formal statutory adjustment within the Collection Fund to recognise the Green Energy Disregard monies with the Council's General Fund. Member's would be advised to note that this classification was subject to confirmation and so was currently at risk. Further explanation was provided in paragraphs 3.3 – 3.7 of the report.

It was noted that an amended Table 3 of the General Fund Revenue Budget Projections has been circulated prior to the meeting.

There remained significant uncertainties in terms of Local Government funding over the next couple of years and these uncertainties had been exacerbated by the current COVID-19 situation. Once more clarity was available following the CSR and Local Government Settlement more detail would be shared with Cabinet and presented to Council at the earliest opportunity.

Resolved:

That the report be noted.

26 TREASURY MANAGEMENT MID YEAR REVIEW 2020-21

The Panel received a report from the Chief Finance Officer regarding the Treasury Management Mid-Year Review 2020/21.

The Mid-Year Review, attached at Appendix A to the report, set out the performance of treasury operations for the first six months of the 2020/21 financial year in terms of long- and short-term borrowing, investment activities and relevant borrowing limits and prudential indicators.

Councillors asked a number of questions including the following:

- Investment Strategy;
- Yields and returns on investments;
- Changing economic climate.

Resolved:

That the report be noted.

27 PROCUREMENT STRATEGY 2020-24

The Chief Finance Officer presented a report which provided details of the Strategy, as presented to Cabinet on 14th July 2020. The report enabled the Panel to consider and comment on the proposal ahead of formal presentation to Council in accordance with the Council's Constitution.

The Chief Finance Officer informed the Panel he wished to record his thanks to Helen McMahon, Procurement Manager, who had undertaken the majority of the work on the Contract Procedure Rules (first adopted in January 2013).

Resolved:

That the report be noted.

Chair

(The meeting ended at 8.00 p.m.)

**Any queries regarding these Minutes, please contact
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