

**BUDGET AND
PERFORMANCE PANEL**

4.30 P.M.

26TH FEBRUARY 2008

PRESENT:- Councillors Jim Blakely (Chairman), Tina Clifford, Keran Farrow, Sarah Fishwick, Mike Greenall, Ian McCulloch and Peter Williamson

Apologies for Absence

Councillors Jean Dent and John Whitelegg

Officers in attendance:-

Roger Muckle	Corporate Director (Finance and Performance)
Nadine Muschamp	Head of Financial Services
Mark Davies (part)	Head of City Council (Direct) Services
Jane Alder (part)	Head of Information and Customer Services
Graham Cox (part)	Head of Property Services
Sheelagh O'Brien (part)	Housing Policy Officer
Jon Stark	Democratic Support Officer

49 MINUTES OF THE MEETING HELD ON 29TH JANUARY 2008

The Minutes of the meeting held on 29th January 2008 were signed by the Chairman as a correct record.

50 3RD QUARTERLY CORPORATE PERFORMANCE MONITORING REPORT

The Corporate Director (Finance and Performance) introduced a report providing the Panel with an update on the 3rd Quarterly Corporate Performance Monitoring, including agreed actions from Performance Review Team Meetings. It was reported that following the recent Corporate Performance Review team meeting, no additional actions were requested for the 11 areas that were adjudged to be underperforming.

Members queried whether the high percentage of planning appeal decisions allowed against the authority's decision to refuse planning applications was a good or bad indicator, and it was reported that the Head of Planning was in the process of raising this with the Planning Inspectorate. Members were advised that the inclusion of this indicator was because it was one of the nationally set, statutory Best Value Performance Indicators (BVPI) and the council had little choice but to report on it. However this was due to end on 31st March 2008 when the BVPIs would be discontinued thus allowing the setting of locally developed targets.

Members referred to the Corporate Financial Monitoring section within the report and queried the high level of outstanding sundry debts over a year old (43%). It was subsequently reported that 95% of these had settlement agreements in place in line with the council's agreed debt recovery procedures. Unfortunately, the recovery agreed in most cases, was over a long number of years. Members were also advised that savings of £24k had been generated through efficiency savings within 3 Stream Waste and Refuse Collection by the extended rollout across the district, and this was anticipated to generate further savings when completed.

Resolved:-

That the report be noted.

51 STAR CHAMBER PROGRESS REPORTS

The Corporate Director (Finance and Performance) presented a report that provided an update on the Star Chamber meetings held since the last report to the Budget and Performance Panel on 27th November 2007. It was reported that the outcomes of the Star Chamber meetings had largely been included in the Cabinet's Budget and Policy Framework Proposals currently under consideration by Council.

Resolved:-

That the report be noted.

52 ROBUSTNESS OF BUDGET AND AFFORDABILITY OF CAPITAL INVESTMENT PLANS

The Head of Financial Services introduced a report to provide Members with information of the S151 Officer's views regarding robustness and affordability of the Council's spending plans. Members were advised that the final budget report for 2008/09 would be considered at Council on 27th February 2008.

It was reported that in considering affordability the fundamental objective was to ensure that the Council's capital investment remained within sustainable limits, having particular regard to the impact on Council Tax and housing rents. Members were also advised cost estimates were likely to fluctuate throughout the financial year but project management and planning arrangements had much improved across the Council in the preceding 12 months to deal with such changes.

The Panel was advised that in considering financial management the cost of borrowing was relatively high and borrowing from the revenue budget had inherent risks and implications and so generating capital receipts was widely accepted as the most suitable way to raise funding for the capital programme. It was reported that capital receipts relied totally upon the disposal of Council assets.

Members were advised that given evaluation of potential risks the Capital Programme was as robust as required and, despite the likelihood of additional cost implications arising over the financial year, monitoring systems such as Performance Review Team (PRT) meetings were in place to identify issues as early as possible.

Resolved:-

That the report be noted.

53 RECHARGING BETWEEN COUNCIL SERVICES

The Head of City Contract (Direct) Services (CC(D)S) introduced a joint report with the Head of Information and Customer Services to provide Members with information requested regarding in house recharging costs at their meeting of 23rd October 2007.

Members were advised of the calculations made by CC(D)S when calculating the hourly rate that it charges other Council Services for using its services. It was reported that the rate was set at a level to ensure that their account would not go into deficit (overspend),

which could have had budgetary implications for other service areas and included no profit margins to the detriment of other council services.

The Panel was advised that any surplus gathered by CC(D)S was redirected into the General Revenue Fund. It was reported that some services offered by CC(D)S could be located cheaper externally although, if utilised, could also impact on the Council's General Fund and may not be carried out with the same level of quality and commitment to manage risk implications.

The Head of Information and Customer Services presented section 3 of the report which detailed the shutdown of the central print function following an efficiency review. It was reported that due to advances in technology since the Council purchased its printing machinery external providers had been able to offer the same services, particularly for colour printing, for a lower cost.

In response to the review of the central printing function Members were advised that colour-capable printing and copying facilities had been provided throughout key locations within the Council, which produced colour copies for approximately 7p per copy and offered a more convenient service to users of the facility.

Members were advised of the locations of the facilities throughout the Council's accommodation, and they subsequently thanked the Service Heads for their attendance.

Resolved:-

That the report be noted.

54 UPDATE ON REVIEW OF HOUSING SLAS AND EVALUATION OF HOMELESSNESS MONITORING FORM

The Housing Policy Officer introduced a report to update the Panel on the Service Level Agreements (SLAs) between Strategic Housing and voluntary agencies and the outcomes of the multi-agency monitoring that had been carried out. It was reported that the Council currently held 5 SLAs with homeless service providers due to expire in March 2008 and the Council was obliged to produce a new Homelessness Strategy in July 2008.

Members were advised that the Multi Agency Monitoring (MAM) data had been provided by all organisations in receipt of SLA funding although this only provided figures of how many people were seen by each agency and the Council hoped to begin monitoring how many of these were reaching positive outcomes. The Council also aimed to have all homeless agencies using the monitoring forms, although this was difficult to impose on those that were not funded by the Council.

Members raised concern that the agencies were not being required to produce an annual report for 2007/08 until the Homelessness Strategy had been developed. It was agreed that all agencies provide a 2007/08 annual report and these be forwarded to the Panel for consideration.

Resolved:-

- (1) That annual reports be requested from all homeless agencies with an SLA with the Council setting out the performance achieved against the targets included within the SLAs and that these be brought before the Budget and Performance Panel for consideration as soon as practicable.

That the Budget and Performance Panel recommends Cabinet to approve:-

- (2) That funding continues through the existing five SLAs with voluntary agencies dealing with homelessness for the financial year 2008/09.
- (3) That revised SLA agreements be negotiated as appropriate following the approval of the new Homelessness Strategy in July 2008.

55 PARKING PERMITS AUTHORISED BY THE COUNCIL

The Head of Property Services introduced a report to provide Members with information regarding all free and subsidised parking permits authorised by the City Council. Members were advised of all existing parking concession agreements with outside bodies and those that had been terminated by Cabinet at its meeting on 22nd January 2008 following recommendation by the Panel.

It was reported that the two arrangements with other non-voluntary bodies were long-standing legal agreements linked to land and property issues. Members were advised the Council would have had to pay significant compensation with the parties involved in order to move the permits and this would not prove to be cost effective in the short term.

Resolved:-

That the report be noted.

56 PARKWISE FINANCE AND PERFORMANCE

The Head of Property Services introduced a report to provide the Panel with information on the finance and performance of the Parkwise partnership arrangements. Members were advised that Lancashire County Council had launched a scrutiny investigation of Parkwise since the Panel requested this information and the City Council was awaiting the results of this.

(Councillor Fishwick declared an interest at this point due to having an involvement with County Council's scrutiny investigation of Parkwise and parking arrangements in Lancashire.)

It was reported that the City Council's five year contract with Parkwise was due to expire in September 2009 and Parking Officers had been working with Finance Officers from County Council in a full financial and operational audit of the Parkwise arrangements. Members were advised that Lancaster was one of only two authorities that had a projected net surplus over the entire five year Parkwise agreement and so was one of the best performers.

Resolved:-

That the report be noted.

57 PAY ON FOOT PARKING SYSTEMS

The Head of Property Services introduced a report to provide the Panel with information on the operational implications of Pay and Display and Pay on Foot parking systems.

Members were advised of the procedures for a motorist using a Pay on Foot car park where vehicle movements were controlled by barriers.

It was reported that Pay on Foot systems were rarely installed in car parks below 100 spaces and the City Council only operated 11 car parks exceeding 100 spaces. Members were advised that there were inherent difficulties in converting Pay and Display car parks to Pay on Foot systems as flow and capacity were reduced and could impact on traffic flow on the roads leading into car parks due to the requirement for entry lanes.

Members were advised that equipment for Pay on Foot car parks was costly and there were potential staff and 24 hour maintenance implications. It was widely accepted that Pay and Go systems were most suitable for newly designed car parks that could take into account the likely traffic flow and spatial implications.

Members agreed that the car parks in the Lancaster District were not suitable for conversion to Pay on Foot systems. However, it was agreed that there were concerns surrounding parking issues across the district, with particular problems experienced by users of the resident parking scheme and in areas surrounding the Royal Lancaster Infirmary and University of Cumbria.

It was moved by Councillor Blakely and seconded by Councillor Coates:-

“That Overview and Scrutiny be requested to commission a Parking Task Group to investigate issues surrounding parking affecting members of the community.”

Upon being put to the vote 4 Members voted in favour, 1 against and 4 Members abstained from voting, whereupon the Chairman declared the proposition to be carried.

Resolved:-

That Overview and Scrutiny be requested to commission a Parking Task Group to investigate issues surrounding parking affecting members of the community.

58 UPDATE ON STOREY CREATIVE INDUSTRIES CONTRACTUAL ARRANGEMENTS

The Head of Economic Development and Tourism introduced a report to provide Members with an update on the contractual status of the Storey Creative Industries Project, as requested at the Panel's meeting on 29th January 2008. Members were advised that work had commenced on the Storey site in October 2007 under a Letter of Intent due to the need to meet deadlines for external funding.

It was reported that final contract documentation had been completed and signed by the contractors and passed to the Council for counter signature on 9th February 2008 and subsequently signed following slight amendment in relation to an insurance issue. Members had expressed concern at the length of time it had taken to complete the contract but were assured that there was minimal risk to the Council during this period.

Resolved:-

That the report be noted.

59 WORK PROGRAMME REPORT

The Democratic Support Officer introduced a report to update Members with regard to the Panel's Work Programme. It was reported that a report would be available for consideration at the Panel's meeting on 1st April 2008 regarding the City Council's funding to the Duke's Theatre.

It was reported that additional information requested by the Panel at its last meeting regarding Housing issues referred from the Overview and Scrutiny Committee would be circulated to Members in the form of briefing notes before the next meeting. Members were advised of the upcoming financial scrutiny training event taking place at Lancaster Town Hall on 10th March 2008.

Resolved:-

That the report be noted.

Chairman

(The meeting ended at 6.12 p.m.)

**Any queries regarding these Minutes, please contact
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