

**BUDGET AND
PERFORMANCE PANEL**

6.00 P.M.

30TH AUGUST 2011

PRESENT:- Councillors Susan Sykes (Chairman), Alycia James (Vice-Chairman), Dave Brookes, Janet Hall, Richard Newman-Thompson, Richard Rollins, Elizabeth Scott and Keith Sowden

Officers in attendance:-

Mark Cullinan	Chief Executive
Andrew Clarke	Accountancy Services Manager
Anne Marie Harrison	Assistant Head (Partnerships), Community Engagement Service
Stephen Metcalfe	Principal Democratic Support Officer
Tom Silvani	Democratic Services
Bob Bailey	Projects and Performance Officer

Also in attendance:-

Councillors Eileen Blamire and Abbott Bryning

12 DECLARATION OF INTERESTS

There were no declarations of interest at this point.

13 MINUTES

The minutes were signed by the chairman as a correct record.

14 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIRMAN

There were no items of urgent business.

15 QUARTER 1 PERFORMANCE MONITORING REPORT

(Mark Cullinan, Chief Executive declared an interest in the parts of the item that referred to Luneside East and provided no advice on the discussion thereon).

(Councillor Sowden declared a personal interest in that part of the item which referred to Adactus top up grants as he owned property in the area.)

The panel received a report from the leader of the council in respect of the first quarter performance review team (PRT) cycle for 2011/12 recently undertaken by individual cabinet members. The report had been considered by the leader on 5 August 2011, and was due to be considered by cabinet at its meeting on 6 September 2011.

The first quarter of individual cabinet member PRT meetings for 2011/12 had taken place between 22 July and 28 July 2011. These were presented by service heads covering each portfolio area and related corporate priority, a further meeting had been held on 10 August 2011. Each meeting had monitored progress against the actions included in the corporate

plan for each cabinet member and any outstanding issues from the previous round of meetings.

The corporate financial monitoring report of the head of financial services set out an indicative corporate picture of the council's financial performance relating to the period ending 30 June 2011 and summarised the variances reported through services' quarterly PRT meetings and identified any omissions, updates and actions required. In addition there were specific sections for salary monitoring, capital expenditure and financing, housing revenue account (HRA), revenue collection performance and insurance and risk management.

Following the leader's report members asked extensive questions regarding areas of concern, which the leader advised would be referred to the relevant portfolio holders. These included issues relating to the following portfolio areas:

- Chatsworth Gardens and Bold Street/Marlborough Road – members were advised that a high level report regarding Housing Regeneration would be considered at a meeting of cabinet, the leader of the council invited the panel to put forward questions regarding the issue which could be addressed in the report.
- Affordable housing – members were advised that housing regeneration was a new priority in the corporate plan. The panel requested that a briefing note be provided to give an indication of costs at an early stage.
- Luneside East compensation – the panel were advised that there was currently one claim to the lands tribunal arising from the compulsory purchase order (CPO) which was still outstanding, and that this would remain on the list until the issue was resolved. It was advised that the land tribunal were due to determine compensation following the hearing scheduled for week commencing 3 October 2011, the council had assembled a specialist team to this effect.
- Luneside East regeneration project – the panel was advised that this had been delayed due to the recession; a revised building agreement had now been agreed with the developer.
- Adactus top up grants – the panel were advised that there had been funding issues associated with this project, but that all mitigating steps had now been taken. The properties were currently on the market but as yet had not been sold.
- Vacant shops funding – it was advised that proposals for Morecambe had taken some time to develop and that this had led to delays.

Councillor Scott queried as to whether the council employed any staff with responsibility for maintaining and managing council houses for repairs, painting and decorating. It was queried as to whether this arrangement would be more cost efficient compared to the cost of contracting work out.

The chairman queried as to whether council had ever considered whether it was cheaper to outsource such work to the private sector. It was advised that there were two types of work which were carried out to council housing; scheduled maintenance, which was contracted out, and emergency repairs, which were carried out by in house staff.

Resolved:

- (1) That the reports be noted.
- (2) That a briefing note be provided to the panel to provide information giving an indication of costs relating to affordable housing at an early stage in the process.

Councillor Scott left the meeting at this point.

16 PROVISIONAL REVENUE AND CAPITAL OUTTURN 2010/2011

The panel received the report of the portfolio holder for finance to provide members with the provisional revenue and capital outturn 2010/11. Appended to the report was the report to cabinet of 26 July 2011, which provided summary information, and the timetable for completion of the closure of accounts process, including details of the carry forward of underspent/overspent revenue budgets and capital slippage. The cabinet report sought approval of various prudential indicators for the last year for referral on to council.

It was reported that cabinet had noted the report and had approved the recommendations regarding carry forward of overspendings. Cabinet had also approved the requests to carry forward underspent general fund revenue budgets numbered 1 to 14 contained within the report, and the housing revenue account request numbered 19, set out in the report, with referral on to council where appropriate. The remaining general fund carry forward requests numbered 15 to 18, contained within the report, which involved some change of use from the original budget purpose, had also been approved, with referral onto council where appropriate.

Following the portfolio holder for finance's report members asked extensive questions, which included the following:

- Carry forward requests numbered 15 to 18 which involved some change of use from original budget purpose.
- Communal recycling facilities and replacement of recycling bins, including whether people should be asked to pay for replacement lids and boxes.
- The council's liability in relation to cycle paths.
- The level of controllable overspends, particularly in relation to Salt Ayre Sports Centre and trade refuse collections.

Resolved:

That the report be noted.

17 WORK PROGRAMME REPORT

The democratic support officer presented a report to update members on the panel's work programme. Members were asked to consider whether they would like to include any further items in the work programme.

It was advised that it would be appropriate for the panel to consider inviting the leader of the council and the portfolio holder with responsibility for financial services to attend future meetings of the panel when corporate financial monitoring reports were considered, and that the work programme be amended accordingly.

The principal democratic support officer advised that following notification of a change of membership on the Overview and Scrutiny Committee a report would be submitted to council regarding this and also link membership between Budget and Performance Panel and the Overview and Scrutiny Committee.

Resolved:

That the report be noted and that the work programme be updated accordingly.

Chairman

(The meeting ended at 8.15 p.m.)

**Any queries regarding these Minutes, please contact
Tom Silvani, Democratic Services - telephone 01524 582132, or email
tsilvani@lancaster.gov.uk**