

**BUDGET AND  
PERFORMANCE PANEL**

6.10 P.M.

21ST JULY 2015

**PRESENT:-** Councillors Dave Brookes (Chairman), Brett Cooper, Claire Cozler,  
Andrew Gardiner, Janet Hall, Tim Hamilton-Cox, Colin Hartley,  
Anne Whitehead and Phillippa Williamson

Also in attendance:-

Councillors Eileen Blamire, Leader of the Council, and Councillor Richard Newman-Thompson, Cabinet Member with responsibility for Finance and Revenues and Benefits (invited for minute 5)

Officers in attendance:-

Mark Cullinan	Chief Executive
Nadine Muschamp	Chief Officer (Resources) and Section 151 Officer
Andrew Clarke	Financial Services Manager
Stuart Hampson	HR & OD Manager
Stephen Metcalfe	Principal Democratic Support Officer, Democratic Services
Sarah Moorghen	Democratic Support Officer

**1 APPOINTMENT OF VICE-CHAIRMAN**

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

It was proposed by Councillor Cooper and seconded by Councillor Hartley: -

“That Councillor Phillippa Williamson be appointed Vice-Chairman of the Budget and Performance Panel for the Municipal Year 2015/2016.”

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

***Resolved:***

That Councillor Phillippa Williamson be appointed Vice-Chairman of the Budget and Performance Panel for the Municipal Year 2015/2016.

**2 MINUTES**

The minutes of the meeting held on 24<sup>th</sup> February 2015 were signed as a correct record.

**3 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIRMAN**

There were no items of urgent business.

**4 DECLARATION OF INTERESTS**

There were no declarations of interest.

**5 PROVISIONAL REVENUE, CAPITAL AND TREASURY MANAGEMENT OUTTURN 2014/15**

The Financial Services Manager introduced a report on Provisional Revenue, Capital and Treasury Management Outturn 2014/15. The report set out information regarding carry forward of capital slippage, an update on issues arising from the provisional outturn incorporating the treasury management outturn report and related matters.

The options, options analysis, including risk assessment and officer preferred options considered by Cabinet were set out in the report as follows:

The City Council has a legal requirement to ensure that its expenditure is fully funded and to produce accounts in accordance with proper accounting practice. In addition, the Prudential Indicators are a statutory requirement linked to the budgetary framework. For these aspects, therefore, there were no alternative options for Cabinet to consider. Cabinet had been asked to endorse certain actions taken by the Chief Officer (Resources) and to consider whether it had sufficient information to do so or whether it required any further justification.

The report had requested Cabinet to consider a number of capital slippage items. The framework for considering these was set out in the report but basically Cabinet had been asked:

- Approve any number of items / requests, in full or in part.
- Refuse various requests and if commitments have already been incurred, require alternative funding options to be identified. Cabinet should note, however, that this may impact on other areas of service delivery.
- Request further information regarding them, if appropriate.

On the assumption that the Council continued to support its previously approved spending plans, then the Officer preferred options were to approve the capital slippage requests.

Although the Council's General Fund budget and the associated Government funding reduced again in 2014/15, it continued to manage the financial pressure well, and has again improved its overall financial standing as at 31 March 2015. Similarly, the HRA's standing is sound. Balances for both General Fund and the HRA are higher than forecast, and the Council has other substantial earmarked reserves to help respond to the tough financial challenges now ahead. In itself however, the Council's financial standing will not withstand those challenges, without other decisive planning and action being taken.

The resolutions of Cabinet with regard to this matter were submitted as an Appendix to the report for Members' information.

Members went on to ask a number of questions relating to such issues as slippage, the risk of clawback on the Luneside East development, the Council's energy suppliers and the decision to change bank account providers.

**Resolved:**

That the report be noted.

**6 WORK PROGRAMME REPORT**

The Principal Democratic Support Officer requested members to consider the Panel's Work Programme for 2015/16. Members were asked to consider whether they would like to include any items in the Work Programme from those listed in the report.

Members were advised of two further items which had been referred to the Panel for consideration. The first was a referral from the last meeting of the Overview and Scrutiny Committee on supporting the Citizens Advice Bureau. It was noted that this could be considered as part of the reporting requested on Voluntary, Community and Faith Sector Commissioning.

The second referral was a Notice of Motion brought to Council on ICT and bringing your own device. The Panel was advised that Council had requested, at its meeting on the 15<sup>th</sup> July 2015, that the Head of IT report to the Panel with costings as soon as possible and by April 2015. It was agreed that this report would be brought to the 23<sup>rd</sup> February 2016 meeting of the Panel.

Councillors discussed the expenditure on venues and facilities in the Lancaster and Morecambe localities. It was agreed that a briefing note would be circulated to the Panel by the Financial Services Manager which identified specific areas of spend that were either in Lancaster, Morecambe or the rural areas.

It was also agreed that Councillors would be offered the opportunity for further training on finance and the budget with specific reference made to the contents of the Council's Budget Book. The training not to be arranged on the same date as the Panel's meetings and that other members of Council to be invited to attend.

The Panel requested that a briefing note be on E-Billing covering its use for both business rates and council tax collections be circulated prior to the next meeting of the Panel.

Members also discussed the work of the Empty Homes Officer and how the budget was being spent on tackling the issue of Empty Homes across the district. It was noted that the Overview and Scrutiny Committee had recently considered this issue and that the Committee's recommendations would be reported to the next meeting of the Panel as part of the Work Programme report.

The Panel agreed that energy expenditure, in particular more details on how to save money, would be included as part of the Corporate Performance Monitoring report.

The Chief Executive advised, with regard to Voluntary, Community and Faith Sector Commissioning (VCFS) – Review of Activity, that a report was being prepared for consideration by Cabinet.

The Panel made a number of decisions regarding the Work Programme, as set out below:-

<b>Work Programme Item</b>	<b>Decision</b>
Annual Stakeholders Meeting	The Leader of the Council will be invited to present the City Council's budget proposals to the Panel at its 26 <sup>th</sup> January 2016 Annual Stakeholder Meeting. All members of Council and stakeholders to be invited to attend.
Arts Commissioning Framework	To be considered at the appropriate time.
Complaints Monitoring	Half yearly monitoring of the complaints procedure to be contained within the Corporate Performance Monitoring Report.
Forthcoming Key Decision List	Members to put items for pre-scrutiny to the Pre-Scrutiny Champion of Overview and Scrutiny as and when appropriate.
Invitations to the Leader and Cabinet Members	The Leader and Cabinet Members to be invited to attend meetings of the Panel to coincide with consideration of issues relevant to their respective portfolios. Further, that a rolling programme of invitations be made to Cabinet Members, that they provide a briefing for the Panel and answer questions on the financial elements of their Portfolios.
Procurement Strategy	Further pre-scrutiny prior to the updated Procurement Strategy being presented to Cabinet.
Budget Overspends/Variances	Consideration of budget variances which may be identified when considering the annual outturn report.
Treasury Management Strategy	The Panel's views will be sought regarding the proposed treasury management framework for 2016/2017.
Voluntary, Community and Faith Sector (VCFS) – Review of Activity	Regular monitoring of the commissioning arrangements which have run from April 2013 until March 2016.
Support of the Citizens Advice Bureau	To be dealt with as part of the Panel's Voluntary, Community and Faith Sector (VCFS) review.
Financial Monitoring	<ul style="list-style-type: none"> <li>(1) Quarter 1 (including impact from outturn – September 2015.</li> <li>(2) Quarter 2 (including any implications / undated for Medium Term Financial Strategy – November 2015.</li> <li>(3) Quarter 3 (including any implications / undated for</li> </ul>

	Medium Term Financial Strategy – February 2016.
Corporate Performance Monitoring	(1) Quarter 1 - September 2015. (2) Quarter 2 - November 2015. (3) Quarter 3 - February 2016.
ICT – Bring your Own Device	Report on cost findings to the 23 <sup>rd</sup> February 2016 meeting.
E-Billing (Business Rates and Council Tax Collections)	Briefing note to be circulated to the Panel.
Empty Homes	Report back as part of next Work Programme.

***Resolved:***

That the actions, as set out above, be agreed.

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Chairman

(The meeting ended at 7.15 p.m.)

**Any queries regarding these Minutes, please contact  
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smoorghen@lancaster.gov.uk**