

**BUDGET AND
PERFORMANCE PANEL**

6.10 P.M.

14TH NOVEMBER 2017

PRESENT:- Councillors Susan Sykes (Chairman), Tim Hamilton-Cox (Vice-Chairman), Ron Sands (Substitute for Sam Armstrong) and Phillippa Williamson

Apologies for Absence:-

Councillors Sam Armstrong, Tracy Brown, Andrew Gardiner and John Reynolds

Also in attendance:-

Cabinet Members – Councillors Eileen Blamire, Darren Clifford, Janice Hanson, Brendan Hughes, Margaret Pattison and Anne Whitehead

Officers in attendance:-

Kieran Keane	Assistant Chief Executive
Suzanne Lodge	Chief Officer (Health and Housing)
Nadine Muschamp	Chief Officer (Resources) and Section 151 Officer
Mark Davies	Chief Officer (Environment)
Andrew Clarke	Financial Services Manager
Noel Chambers	Repairs and Maintenance Manager
Simon Kirby	Sport and Leisure Manager
Stephen Metcalfe	Principal Democratic Support Officer
Tessa Mott	Democratic Support Officer

The Chairman noted with sadness the recent death of Councillor Roger Sherlock. Prior to the commencement of the meeting, the Committee stood for one minute's silence in his memory.

20 MINUTES

The minutes of the meetings held on 12th September 2017 and 10th October 2017 were signed by the Chairman as a correct record.

21 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIRMAN

There were no items of urgent business.

22 DECLARATION OF INTERESTS

There were no declarations of interest.

23 PENSIONS

The Chairman welcomed Abigail Leech, Head of Lancashire County Council Pension Fund and County Councillor Eddie Pope, Chair of Lancashire County Council's Pension Committee to the meeting.

Members received an in depth presentation regarding the Pension Fund and how it functioned and performed. Topics which were referred to included: amount of Members; impact of pensioners being greater than active Members; performance of investments; function of the Lancashire County Council Pension Committee; joint arrangements with London; service levels; valuation; funding levels; future service rate contributions; fund management fees and online pension access.

On conclusion of the presentation, the Chairman, on behalf of the Panel, thanked Abigail Leech, Head of Lancashire County Council Pension Fund and County Councillor Eddie Pope, Chair of Lancashire County Council's Pension Committee for their contributions and invited the Panel to ask any questions.

Members asked various questions regarding the presentation. Topics included: percentages of admin costs; proportionality of pension payments to highest paid employees; investment management fees; stocks/shares/listed equities; the investment panel; value of assets and investments in credit.

The County Council Pension representatives welcomed any further questions from the Panel via email if required following the meeting.

Resolved:

- (1) That Abigail Leech, Head of Lancashire County Council Pension Fund and County Councillor Eddie Pope, Chair of Lancashire County Council's Pension Committee, be thanked for their contributions and attendance at the meeting.
- (2) That the Panel email any further questions they have regarding the Lancashire County Council Pension Fund to Democratic Services to forward to the County Council Representatives if required.

24 PERFORMANCE AND SERVICE ACCOUNTS UPDATE - HEALTH AND HOUSING SERVICE

The Chairman introduced the Chief Officer (Health and Housing) to the Panel. The Chief Officer (Health and Housing) presented to the Panel savings and income generation suggestions from Health and Housing Officers, as requested by the Panel at the previous meeting.

The Chief Officer (Health and Housing) explained to the Panel that the previous suggestions from the Chief Officer (Environment) were fundamental and related to most areas of the Council (minute 17 2017/18 refers). The Chief Officer (Health and Housing) placed emphasis on particularly pertinent points which included: the need to adopt a proportionate approach to decision making/delegation and be agile and efficient when making decisions. It was explained that the current decision making process can sometimes hinder Officers when applying for funding or lead to missed cost saving opportunities for the Council. Emphasis was also placed on a lean thinking approach to realise efficiencies, which would result in a more customer focussed process/outcome when dealing with the Council.

The Chief Officer (Health and Housing) also highlighted that ambition and innovation in income generation generally carried an element of risk, meaning that returns were difficult to predict.

Members asked various questions of the Chief Officer (Health and Housing) regarding the update. Topics included: a request for the end to end review of voids/lettings be reported back to the Panel in the new financial year; review of the constitution and how challenging processes are fed back to Officers.

The Chairman, on behalf of the Panel, thanked the Chief Officer (Health and Housing) for returning to the meeting and providing the information requested.

Resolved:

- (1) That the suggestions and comments provided by the Chief Officer (Health and Housing) be noted.
- (2) That the end to end review of voids and lettings be reported back to the Panel in the new financial year 2018/19.

25 STRATEGIC PLANNING

The Chairman welcomed the Cabinet Members present to the meeting. Cabinet Members presented information regarding a draft of the upcoming Corporate Plan and welcomed comments and feedback from the Panel as a form of consultation.

Panel Members asked various questions of Cabinet Members regarding the presentation. Topics included: mention of local businesses within the draft plan; regeneration and growth; income generation; reference to Preston City Council's Corporate Plan; need for clear future direction; promotion of environmental sustainability; benchmarking and the understanding of future trends.

The Chairman, on behalf of the Panel, thanked the Cabinet Members for their presentation and attendance at the meeting.

Resolved:

- (1) That Cabinet Members be thanked for their presentation and attendance at the meeting.

26 CORPORATE FINANCIAL MONITORING QUARTER 2 2017/18

The Chief Officer (Resources) submitted a report regarding the Council's current financial position for quarter 2 of the 2017/18 monitoring cycle, and the supporting actions under way.

The report outlined the head line projections as follows:

- The General Fund net revenue budget of £15.839M had a current overspend by a net £228K, which was forecast to increase to £241K by the year end.
- The Housing Revenue Account was also currently over by a net £274K against the original budget, and this was expected to increase to £569K by the year end.

The report noted that the key variances related to Green Waste (£290K net income shortfall) and Salt Ayre Leisure Centre (£187K net income shortfall). The main favourable

variance related to staffing across all services (£226K saved) which was expected to exceed the £400K turnover target.

With regards to the Housing Revenue Account, the net overspend was being driven by increases in the cost of repairs and maintenance (£400K) and the loss of income from an increased level of voids (£169K). It was stated that voids were currently at 2.9% (against an increased original estimate of 1.9%) and that actions were being focussed on addressing the situation. It was also clarified that any overspend would be met from unallocated Housing Revenue Account budgets.

Members asked a number of questions regarding: the Green Waste service; percentage of Green Waste take up; voids; turnover of properties; sustainability of tenancies; increase in private letting; average tenancy life; Salt Ayre procurement processes; arrangements with Alliance Leisure; use of databases; social media campaigns and training/development of staff.

Resolved:

(1) That the report be noted.

27 PERFORMANCE MONITORING QUARTER 2 2017/18

The Chief Officer (Environment) submitted a report regarding the overall performance of key indicators and projects (as at 30th September 2017) as the second quarter of the 2017-2018 financial year.

The Chief Officer (Environment) explained that there was a need for a refined version of performance monitoring and this was encompassed in the report.

Members asked questions regarding: the lack of performance monitoring related to energy usage; climate change; measuring omissions and relaxed performance indicators.

Resolved:

(1) That the report be noted.

28 COMPLAINTS PROCEDURE AND MONITORING 2016/17

The Chief Officer (Environment) submitted a report to provide the Panel with an overview of the performance of the Council during 2016 – 2017 in responding to complaints submitted in accordance with the Council's Complaints Procedure and considered by the Local Government Ombudsman for the year ended 31st March 2017.

The report also outlined current monitoring arrangements and noted that the Overview and Scrutiny Committee had set up a Task Group to develop a customer service strategy and review the Council's complaint policy.

Members asked various questions regarding the report. Topics included: low rate of complaints; customer relationship management system and whether new software was bought or adapted.

Resolved:

That the report be noted.

29 WORK PROGRAMME REPORT

The Principal Democratic Support Officer requested Members to consider the Panel's Work Programme for 2017/18. It was confirmed to the Panel that the next additional meeting had been arranged for Wednesday 13th December 2017 to accommodate the next two Performance and Service Accounts presentations for both the Regeneration and Planning Service and the Resources Service. The Chairman asked that Democratic Services email all Panel Members to remind them of the additional meeting to encourage attendance. It was also suggested that all Councillors be invited to attend the next meeting, as the presentations were considered to be enormously beneficial.

It was noted that the item regarding voids, referred from minute 24 and as set out below, would be added to the Work Programme.

Resolved:

- (1) That the report be noted.
- (2) That Democratic Services email all Panel Members prior to the next additional meeting on 13th December 2017 to encourage attendance.
- (3) That all Councillors be invited to attend the next meeting on Wednesday 13th December 2017.
- (4) That the end review of voids and lettings be reported back to the Panel in the new financial year 2018/19.

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Chairman

(The meeting ended at 8.08 p.m.)

**Any queries regarding these Minutes, please contact
Tessa Mott, Democratic Services - telephone 01524 582074 or email tmott@lancaster.gov.uk**