



Committee: BUDGET AND PERFORMANCE PANEL

Date: TUESDAY, 2ND JULY 2019

Venue: LANCASTER TOWN HALL

Time: 6.10 P.M.

A G E N D A

1. **Apologies for Absence**

2. **Appointment of Vice-Chair**

In accordance with Part 3, Section 3, Overview and Scrutiny Procedure Rules, of the Constitution, the holder of this appointment shall not be members of the largest political group, which has Councillors serving on the Cabinet.

3. **Minutes** (Pages 1 - 5)

Minutes of the Meeting held on Monday, 19th February, 2019 (attached).

4. **Items of Urgent Business authorised by the Chair**

5. **Declaration of Interests**

To receive declarations by Councillors of interests in respect of items on this Agenda.

Councillors are reminded that, in accordance with the Localism Act 2011, they are required to declare any disclosable pecuniary interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Whilst not a legal requirement, in accordance with Council Procedure Rule 9 and in the interests of clarity and transparency, Councillors should declare any disclosable pecuniary interests which they have already declared in the Register, at this point in the meeting.

In accordance with Part B Section 2 of the Code Of Conduct, Councillors are required to declare the existence and nature of any other interests as defined in paragraphs 8(1) or 9(2) of the Code of Conduct.

6. **Work Programme Report** (Pages 6 - 9)

Report of the Director of Corporate Services.

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Keith Budden (Chair), Tim Dant, Roger Dennison, Jason Firth, Mandy King, Jack O'Dwyer-Henry, Katie Whearty and David Whitworth

(ii) Substitute Membership

Councillors Tony Anderson, Tricia Heath, Oliver Robinson, Stewart Scothern, Jason Wood and Joanna Young

(iii) Queries regarding this Agenda

Please contact Stephen Metcalfe, Democratic Services - telephone 01524 582073 or email sjmetcalfe@lancaster.gov.uk.

(iv) Changes to Membership, substitutions or apologies

Please contact Democratic Support, telephone 582170, or alternatively email democraticsupport@lancaster.gov.uk.

KIERAN KEANE,
CHIEF EXECUTIVE,
TOWN HALL,
DALTON SQUARE,
LANCASTER LA1 1PJ

Published on Friday, 21st June 2019.

**BUDGET AND
PERFORMANCE PANEL**

6.10 P.M.

19TH FEBRUARY 2019

PRESENT:- Councillors Dave Brookes (Chairman), Oliver Robinson and Phillippa Williamson (substitute for Peter Williamson)

Apologies for Absence:

Councillors Kevin Frea, John Reynolds, Susan Sykes, David Whitaker and Peter Williamson

Also in attendance:

Councillor Anne Whitehead

Officers in attendance:

| | |
|------------------|--|
| Kieran Keane | Assistant Chief Executive |
| Daniel Bates | Interim Financial Services Manager/Section 151 Officer |
| Jez Bebbington | Executive Support Manager |
| Paul Thompson | Accountancy Manager |
| Stephen Metcalfe | Principal Democratic Support Officer |

21 MINUTES

The minutes of the meetings held on 13th November 2018 and 22nd January 2019 were signed by the Chairman as a correct record.

22 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIRMAN

There were no items of urgent business.

23 DECLARATION OF INTERESTS

No declarations were made at this point.

24 DELIVERING OUR AMBITIONS PERFORMANCE MONITORING: QUARTER 3 2018-19

The Panel received a report from the Executive Support Manager to report on the performance of key indicators for October to December 2018.

The report was primarily for noting and comments.

Members were advised of the headline projections, as set out in the report, as follows:

Changes to Corporate Indicators

Indicator A2.2 (Number of fly-tipping enforcement notices issued) has been removed from the scorecard for Quarter 3, in anticipation of the development of a new set of indicators covering Clean, Green and Safe Neighbourhoods for future measurement.

Project Reporting

The Delivering Our Ambitions report for Quarter 2 included summarised updates on key corporate projects. It is proposed that future Delivering Our Ambitions reports include a more developed report on progress of key projects, in line with the development during Quarter 4 of a full portfolio of documentation for use on future projects.

Significant Achievements

- Percentage of minor, other and major planning applications determined within statutory timescales (A1.1, A1.2 and A1.3) continue to perform strongly, with Lancaster City Council ranked 7th of 330 authorities in England for non-major applications, and 23rd of 330 authorities in England for major applications.
- Residual waste collected (A2.3) has decreased by 8.3% in comparison with the same quarter last year, partly as a result of the warm weather and its impact on garden waste; this is a 'lagging' measure so data is provided in respect of the period July-September 2018.
- Diesel consumption (A2.5) has decreased by 3% in comparison with the same quarter last year, as a result of initiatives to reduce business travel and increase usage of electric vehicles.

Areas for Improvement

- Admissions to Salt Ayre Leisure Centre (A3.6) were below target for this quarter, but anticipated to exceed target across the whole year 2018-19; income for the Centre is also ahead of target despite the decrease in admissions.
- Average number of days of sickness absence per full-time employee (A4.2) has increased in comparison with the same quarter in previous years. The Human Resources team continue to support managers in proactively managing sickness absence to ensure a successful return to work at the earliest opportunity.

Panel Members asked several questions of the officers present regarding the performance indicators outlined:

Percentage of household waste recycled, charges for garden waste disposal, new waste strategy issues, not receiving Your District Council Matters with e-billing, fleet replacement with electric vehicles, planning statistics and measurements for public engagement with the service, footfall at Salt Ayre,

The Panel requested officers to report back on:

- Presenting separate figures for dry recyclables and garden waste.
- Social media issues, particularly twitter, to consider in future the reach and interaction rather than the number of followers.

Resolved:

That the performance of key indicators for Quarter 3 be noted and the issues raised for future reporting, as outlined above, be considered and reported back to the Panel.

25 CORPORATE FINANCIAL MONITORING 2018/19 - QUARTER 3

The Panel received a report from the Interim Financial Services Manager, which provided an overview of the Council's financial position for Quarter 3 of the 2018/19 monitoring cycle and the supporting actions underway.

Appended to the report were:

- Corporate Financial Monitoring 2018/19;
- 2018/19 Quarter 3 Revenue Monitoring – General Fund;
- 2018/19 Quarter 3 Performance Monitoring Salt Ayre Leisure Centre;
- General Fund Capital Programme 2018/19;
- Council Housing Capital programme 2018/19;
- Reserves Statement (including Unallocated Balances);
- General Fund – 2018/19 Savings Monitoring (Period 9);
- Treasury Management Update – Quarter Ended 31st December 2018.

Members were advised of the headline projections, as set out in the report, as follows:

- Quarter 3 monitoring is against the original budget as approved by Council 28th February 2018 and not a revised position as has been the case previously;
- As at 31st December 2018 a slight overspend of £17k existed. Should spending progress as currently forecast, a net overspend in the region of £13k could be experienced by year-end, once agreed funding from the Council's reserves is applied. Although officers are currently taking action to address each area of overspending, an amount of £13k would equate to approximately 0.08% of the Council's Net Revenue Budget for 2018/19. However, should a net overspending still be forecast then General Fund unallocated balances would need to be used to fund it.
- The Housing Revenue Account is currently underspent by £87k, and this is expected to increase to £143k by the year-end. The key message relates to the significant improvement in void property turnaround times, which has led to forecast additional rental income of £100k.

At the Chairman's discretion, as set out in Part 4, Section 5, paragraph 15(c) of the City Council's Constitution, the Chairman welcomed other Councillors present to ask questions.

Members asked a number of questions regarding the Minimum Revenue Provision (MRP), allocation of funding from Central Government to prepare for Brexit, implication for Ports, business rates, Lancashire business rates pool, Williamson Park boiler, triple glazing for Council houses and Salt Ayre.

It was noted that future reporting would provide the Panel with the relevant information required to provide the bottom line information on both capital and revenue and an improved reporting for the Medium Term Financial Strategy (MTFS).

Resolved:

That the report be noted.

26 TREASURY MANAGEMENT STRATEGY

The Financial Services Manager introduced a report of the Chief Officer (Resources) that sought the Panel's views regarding the proposed treasury management framework for 2019/20.

The report outlined that each year the City Council must review and approve its treasury management framework for the forthcoming year.

Budget proposals were to be considered by Cabinet and then ultimately approved at full Council, however the Panel had explicit responsibility for scrutiny of the treasury management function, including a review of the proposed annual strategy.

Resolved:

That the report be noted.

27 WORK PROGRAMME REPORT

The Principal Democratic Support Officer requested Members to consider the Panel's Work Programme.

It was report that, at its meeting, held on 9th January 2019, the Overview and Scrutiny Committee considered an update report on the Peer Review. The Committee agreed:

To refer future monitoring of key outcomes, identified through the LGA Peer Review or other strategic analysis, to be reported via "Delivering our Ambitions" performance and project reporting.

The Panel was asked to note the resolution of the Committee.

Members of the Panel also requested Officers to consider how the Council's Climate Change Strategy could be monitored and built into the Council's performance targets.

Resolved:

That the Panel's Work Programme report be noted.

Chairman

(The meeting ended at 7.25 p.m.)

**Any queries regarding these Minutes, please contact
Stephen Metcalfe, Democratic Services - telephone 01524 582073 or email
sjmetcalfe@lancaster.gov.uk**

BUDGET AND PERFORMANCE PANEL**Work Programme Report****2nd July 2019****Report of the Director of Corporate Services****PURPOSE OF REPORT**

To consider the Work Programme report.

This report is public.

RECOMMENDATIONS

- (1) **That the Panel considers its Work Programme set out at Appendix A and the referral recommended by the Overview and Scrutiny Committee, as set out within the report.**

1.0 Introduction

- 1.1 The Budget and Performance Panel is responsible for setting its own annual Work Programme within the terms of reference, as set out in the Council's Constitution.

2.0 Report

- 2.1 Members of the Panel are entitled to give notice to the Chief Executive that they wish an item relevant to the Terms of Reference of the Committee to be included on the agenda for the first available meeting and the meeting will determine whether the issue should be included in its Work Programme based on its relevance as compared to the priorities as set out in the Scrutiny Work Programme.
- 2.2 The Panel has a number of items that are reported on a quarterly basis. These are financial monitoring, corporate performance monitoring and key performance measures.
- 2.3 An annual stakeholder meeting, arranged as part of the budget consultation process, is held in January each year. Other organisations are invited to attend to present their budget proposals. The stakeholder meeting is held in Morecambe Town Hall in order to facilitate this meeting. Also considered on an annual basis is the Treasury Management Strategy.
- 2.4 Cabinet Members are invited to attend meetings to answer questions from the Panel.
- 2.5 These items, referred to in above have been included in the Work Programme attached as an Appendix to this report.
- 2.6 The Overview and Scrutiny Committee is also currently considering its Work Programme. Any items referred from the Committee to the Panel will be submitted and considered as part of the Work Programme report.

3.0 Referral from Overview and Scrutiny Committee

3.1 At its meeting, held on 20th February 2019, the Committee considered a report of the Director of Economic Growth and Regeneration. The report detailed the current grant use for city centre arts provision.

It was reported that the City Council supported arts and culture in the district in various ways in recent years playing a strong role in terms of support, development, investment, promotion and delivery. As part of this, investments had been made to support the activities of a number of arts organisations and, until more recently, small arts grants.

It was noted that the City Council's currently invested in The Dukes, Litfest, More Music, and Ludus Dance. Full Council had also approved a policy to assist the Musicians' Cooperative in Lancaster.

The Committee was advised that the role of the Section 151 Officer was to ensure that the funding the City Council provided was spent on arts provision and could not be used for any other purpose. Further, the Section 151 Officer needed to be satisfied that the organisations were viable for that period. It was reported that monitoring was undertaken on a quarterly basis. The Committee discussed the current provision and the Service Level Agreements that were in place with the organisations and how these were reviewed. After considering this issue, the Committee recommended this Panel to:

- **To consider a strategic review of arts spend and Service Level Agreements for the management and governance of grants to support arts provision in the district. Documentation to be provided to include the accounts of organisations when available.**
- **To receive and consider the end of year activity report forms on at least an annual basis.**

The Panel is asked to consider adding this item to its Work Programme.

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| SECTION 151 OFFICER'S COMMENTS | |
| The Section 151 Officer has been consulted and has no further comments. | |
| MONITORING OFFICER'S COMMENTS | |
| The Monitoring Officer has been consulted and has no further comments. | |
| BACKGROUND PAPERS | Contact Officer: Stephen Metcalfe Telephone: 01524 582073 E-mail: sjmetcalfe@lancaster.gov.uk |
| None. | |

BUDGET & PERFORMANCE PANEL - WORK PROGRAMME

| Matter for consideration | Detail | Officer responsible/ External | Expected date of meeting |
|--|---|--|---|
| Financial Monitoring (to include an update on the financial position of Salt Ayre as well as Commercial Properties) | Standard items reported to the Panel. | | Quarter 1 – 10 th September 2019 Quarter 2 – 12 th November 2019 Quarter 3 – 18 th February 2020 |
| Corporate Performance Monitoring (to include Compliments and Complaints Half Yearly Report as appropriate) | Standard items reported to the Panel. | | Quarter 1 – 10 th September 2019 Quarter 2 – 12 th November 2019 Quarter 3 – 18 th February 2020 |
| Key Performance Measures | Standard items reported to the Panel. | Chief Officer (Environment) | Quarter 1 – 10 th September 2019 Quarter 2 – 12 th November 2019 Quarter 3 – 18 th February 2020 |
| Annual Stakeholder's Meeting (held at Morecambe Town Hall) | Arranged as part of the budget consultation process. Other organisations invited to present their budget proposals. | | 21 st January 2020 |
| Treasury Management Strategy | The Panel's views to be sought regarding the proposed treasury management framework for 2019/2020. | | 18 th February 2020 |

Invitations to Cabinet Members

| Cabinet Member(s) | Issue | Expected date of meeting |
|---|---|---|
| Relevant Cabinet Member(s) to be invited to attend. | Corporate Performance Monitoring. Financial Monitoring. Key Performance Measures. | Quarter 1 – 10 th September 2019 Quarter 2 – 12 th November 2019 Quarter 3 – 18 th February 2020 |

| | | |
|---|---|--|
| Relevant Cabinet Member(s) to be invited to attend. | Corporate Performance Monitoring. Financial Monitoring. Key Performance Measures. | Quarter 1 – 10 th September 2019 Quarter 2 – 12 th November 2019 Quarter 3 – 18 th February 2020 |
| All Members of Cabinet | Annual Stakeholder's Meeting. | 21 st January 2020 |

Outstanding Briefing Notes

| Matter for Consideration | Date Requested/additional detail | Officer Responsible | Date Circulated |
|---------------------------------|--|----------------------------|---|
| Procurement Strategy | Further pre-scrutiny prior to the updated Procurement Strategy being presented to Cabinet. (Min. 8 (12 th July 2016) and 19 refers (8 th November 2016) – Action – briefing note to be provided). | Chief Officer (Resources) | To be considered in the new municipal year. |