

**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:

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| 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**

