

<b>Minutes of</b>	<b>Scrutiny Budget and Performance Panel</b>
<b>Meeting date</b>	<b>Monday, 14 November 2022</b>
<b>Committee members present:</b>	Councillors Angela Turner (Chair), Will Adams, Colin Coulton, Colin Sharples and Karen Walton
<b>Committee members attended virtually (non-voting):</b>	Councillors
<b>Officers present:</b>	Louise Mattinson (Director of Finance and Section 151 Officer), Victoria Willett (Director of Change and Delivery), Howard Anthony (Interim Shared Services Lead - Transformation and Partnerships), Darren Cranshaw (Head of Democratic Services) and Ben Storey (Democratic and Member Services Officer)
<b>Other attendees:</b>	Councillors Paul Foster and Matthew Tomlinson and (attended virtually)
<b>Public:</b>	0

A video recording of the public session of this meeting is available to view on [YouTube here](#)

## **8 Apologies for absence**

None received.

## **9 Declarations of interest**

No interests were declared.

## **10 Minutes of the meeting Monday, 20 June 2022 of Scrutiny Budget and Performance Panel**

### **Resolved: (Unanimously)**

That the minutes of the previous meeting of the Scrutiny Budget and Performance Panel, held on Monday, 20 June 2022, be approved as a correct record for signing by the Chair.

## **11 Matters Arising from previous Scrutiny Budget and Performance Panel meetings**

### **Resolved: (Unanimously)**

That

- The Matters Arising from previous meetings of the Scrutiny Budget and Performance Panel be noted and
- Any completed actions be removed from the report.

## 12 Quarter Two Performance Monitoring Report 2022-2023

The Leader of the Council (Councillor Foster) and the Director of Change and Delivery presented a report which outlined the Council's performance against the delivery of the Corporate Strategy projects and objectives during Quarter 2 of 2022/23 (1 July – 30 September 2022).

The report showed 80% of projects rated green or complete, highlights over the period included a higher employment rate compared across the region, positive improvements in time taken to process disabled facilities grants, strong collection rate for council tax and business rates, improvements in customer services and ICT, progressing of the workplace strategy, pilot co-operative schemes underway and the opening of Worden Hall.

In response to a question over the delivery of projects within the Community Hub action plans, the Panel heard while the Cabinet Member for Communities, Social Justice and Wealth Building monitored the action plans, the hubs were encouraged to be self-monitoring and independent as much as they possible. It was acknowledged that the report does not provide a full picture of the achievements of the community hubs and will be reviewed for future reports.

Questions were asked about the increased activity in promoting the visitor offer in South Ribble, how success would be measured and also when members would hear more on the tourism strategy. The tourism strategy was due to be announced in the coming months and the Panel welcomed the offer of evaluating the 'Discover South Ribble' initiative and the wider strategy in the future.

The Music in the Park and the Jubilee celebrations earlier in the year demonstrated the huge demand for such events, the Committee heard that it was hoped to do more in the future that would support local businesses and bring more people in to the borough. Progress on the Town Deal would also help with this effort.

On the number of savers registered with Unify Credit Union, it was acknowledged that the current financial climate was a challenging factor in this. More work, it was heard, was underway with community hubs, parish councils and other partners to identify suitable locations across the borough to hold outreach sessions for any residents who struggled to get into Leyland. On the recent disruption to the credit union premises, Members were informed that this was caused by a flooding issue with a neighbouring tenant and that steps to resolve the matter had been taken.

The Leyland Town Deal project was progressing following the successful funding bid. Approval for the next stages would be discussed at upcoming Cabinet and Council meetings. With regards to the City Deal, a briefing had been arranged for all members later that week to provide an update - changes in government funding, particularly around the new homes bonus had created a shortfall in the funding. Members welcomed the commitment to share all relevant information, including comments from partners at Lancashire County Council. Other projects such as

Jubilee Gardens, Worden Hall and the McKenzie Arms were progressing or had been completed.

Members questioned why the delivery of affordable homes was not assessed as red given it was off track when compared to the original programmes. In response it was confirmed that as the programme was only slightly delayed and was still in budget it remained within the threshold of amber assessment. There was confidence that the mitigation action plan would bring the plans back on track.

On prevention of homelessness, members asked for clarity of the definition of this indicator, how it was measured and also the level of control the Council has over the indicator. It was agreed the full definition would be provided after the meeting but the focus was around providing alternative accommodation in a suitable timescale. In terms of control, much was determined by central government targets and support. Members heard that there was currently limited capacity for onward movement and a lack of affordable homes to meet demand, in addition others factors such as housing refugees had an impact. Members were told that this was a growing issue nationally with huge increases in demand. Working with the Chorley and South Ribble Partnership, the Council was committed to supporting anybody presenting as homeless but acknowledged that in the current financial climate, more support from central government was required.

Following a query about the performance indicator for percentage of calls answered within 90 seconds and whether demand could have been predicted, Members were told that the £150 council tax rebate announcement was unexpected and saw a huge increase in calls and other contacts. Whilst it was accepted that undertaking upgrades during the garden waste renewal period had caused issues, there had been much improvement in recent months with increased staffing, training and further upgrades to the ICT systems to resolve issues around call waiting times.

The Leader undertook to provide the percentage of residents who had received the £150 council tax rebate after the meeting.

The committee welcomed the offer to include more detailed information in future reports around actions and initiatives to improve call waiting times.

It was subsequently;

**Resolved: (Unanimously)**

That the Scrutiny Budget and Performance Panel:

1. Thanks the Leader and Director for attending and answering questions.
2. Asks that future reports include a more comprehensive list of community hub achievements and successes.
3. Welcomes the offer of Scrutiny evaluating the Discover South Ribble Borough promotion initiative.
4. Congratulates those involved in Music in the Park and Queen's Platinum Jubilee.

5. Looks forward to receiving further information on the prevention of homelessness indicator definition and lobbying for additional government funding for this important issue.
6. Welcomes the commitment to improving call waiting times as quickly as possible and that more detailed information be provided in future reports.

### **13 Revenue Budget Monitoring - Quarter Two**

The Cabinet Member (Finance, Property and Assets) and the Director of Finance presented a monitoring report which outlined the position of the Council's corporate revenue budget and reserves during Quarter 2 of 2022/23 (1 July – 30 September 2022).

In summarising the report, Members heard that the recent pay award announcement of £1,925 for all council staff members had a significant impact on the budget with a 7% increase of the salary budget - the figure budgeted for was 2%. This equated to a £447,000 increase in salary budget. Consequently, by the end of the year it was predicted that there would be an overspend of around £234,000. A significant proportion of that figure (£174,000) was increases in utility bills across the Council's estate.

Furthermore, it was noted that information regarding any increases in utility bills or staffing from the Leisure Company was yet to be included - this figure was anticipated to be around £500,000.

It was acknowledged that the cost of living crisis was impacting significantly on council finances, notably around inflation in wages and utility bills - with an announcement from government later this week it was not anticipated that additional funding would be available for local authorities.

When asked of any implications of the general reserve being below the recommended minimum of £4m it was noted that compared with other authorities in Lancashire this was a healthy sum given the Council's annual turnover. Given the current pressures reserves were being reviewed but £4m remained the target reserve level.

Members were reassured that budgeting had been well managed for many years but there was always a need to be flexible and able to react to events as they arose. It was noted that whilst potential risks are identified when the budget is set - the general reserve acts as a cushion for any unexpected events or circumstances that transpire - the pay award and pressures due to inflation would fall into appropriate use of the reserve budget.

Issues with staffing were highlighted with questions raised about the use of agency staff. Members heard that recruitment issues were a problem nationwide and on occasions it had proved difficult to get the right personnel in order to be able to deliver the Council's ambitions. There was specific reference made to commercial services directorate and it was noted that recruitment and retention of staff in this area had been an issue before the pandemic. It was hoped that the next phase of Shared Services which included this directorate would provide more capacity, resilience and would result in a more attractive offer to potential employees.

In response to a query over whether increases in pay within the waste service were budgeted for, it was confirmed that due to the salary increase staff moving over where on a higher salary than had been budgeted for. In future years, the savings from bringing the service in house would mitigate for the increase in budget.

The review of earmarked reserves was scheduled later in the year to consider where any changes would be appropriate given the financial challenges the Council is facing.

It was subsequently;

**Resolved:** (Unanimously)

That the Scrutiny Budget Performance Panel:

1. Thanks the Cabinet Member and Director for attending and answering questions.
2. Welcomes the offer to provide more information on what the Council is doing to recruit and retain employees.
3. Looks forward to receiving the outcome of the review of earmarked reserves.

#### **14 Capital and Balance Sheet Monitoring Report - Quarter Two**

The Cabinet Member (Finance, Property and Assets) and the Director of Finance presented a monitoring report which outlined the position of the Council's capital programme and balance sheet during Quarter 2 of 2022/23 (1 July – 30 September 2022).

Two minor revisions to the capital programme were highlighted with £45,000 being transferred from green infrastructure to pay for improvements to the old Worden Hall wall. £30,000 was also to be moved from the small parks and play areas budget to the open spaces budget for further remediation work at Bent Lane playground.

The major revision was in relation to the Leisure Centre decarbonisation programme to the next financial year - this was due to constraints on timescales for completion of the project this year. A sum of £7.35m would be moved to the budget for 2023/2024.

On a final point it was forecasted that by the end of this financial year there would be no borrowing and no debt.

Responding to slippage and reprofiling of the capital budget, Members heard that this can be due to a wide range of reasons. There was a preference, with more information and a clearer position, to reprofile as necessary rather than reporting any slippage at the end of the financial year.

The Cabinet Member reflected on the ambitious capital programme and was hopeful that despite the challenging circumstances would be able to sustain ambitions, utilising CIL monies and other funding streams like grant schemes.

On the cost of living crisis, the Committee heard that work was underway on how best to support residents through this difficult time. A cost of living conference had been held recently with local partners. Members were reassured of the Council's commitment to working with residents who were struggling.

It was subsequently;

**Resolved:** (Unanimously)

That the Scrutiny Budget Performance Panel:

1. Thanks the Cabinet Member for attending and answering questions.
2. Welcomes the report and looks forward to future monitoring reports.

Chair

Date