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| Minutes of | Corporate, Performance and Budget Scrutiny Committee |
| Meeting date | Tuesday, 20 February 2024 |
| Members present: | Councillors Will Adams (Chair), Michael Green (Vice-Chair), David Howarth, Nicky Peet, Pete Pillinger, Haydn Williams and Karen Walton |
| Officers: | Darren Cranshaw (Head of Democratic Services) |
| Guests: | Councillor Matthew Tomlinson (Cabinet Member – Finance, Assets and Public Protection), Louise Mattinson (Director of Finance and Section 151 Officer) and Jennifer Mullin (Director of Communities and Leisure) |
| Other members: | Councillors Phil Smith and attending virtually Councillors Keith Martin, Lou Jackson, Mary Green, Aniela Bylinski Gelder, Kath Unsworth and Angela Turner |

33 Apologies for Absence

Apologies for absence were received from Councillor Will King who was substituted by Councillor Karen Walton.

34 Declarations of Interest

No interests were declared.

35 Minutes of meeting Wednesday, 8 November 2023 of Corporate, Performance and Budget Scrutiny Committee

Resolved: (Unanimously)

That the minutes of the last meeting, held on Wednesday 8 November 2023, be agreed as an accurate record for signing by the Chair.

36 Recommendations Update

The Committee noted progress updates outlined within the report and agreed to remove completed recommendations from the tracking document.

37 Revenue Budget Monitoring Report - Quarter 3 2023/24

The Chair welcomed the Cabinet Member (Finance, Assets and Public Protection), supported by the Director of Finance, to the meeting and invited the Cabinet Member to present the quarterly monitoring report.

The key point that was highlighted to the Committee was a reduction in the expected overspend in the revenue budget, despite ongoing challenges around rising utility bills, the impact of the waste contract and pressures on homelessness support, compared to the position noted in the last quarterly report.

On overspends in staffing within the property team, the Committee heard that the use of agency staff had been required to meet staffing challenges and to ensure all relevant safety checks and procedures were followed across the council's assets. New technology was being implemented which would support and enhance the overall service and management of assets. In response to queries over the staffing establishment in the property service, Members were reassured that this would have been reviewed as part of the budget setting process.

Responding to questions around overspends on repairs and maintenance, it was acknowledged that improvements could be made by being more proactive in maintaining properties and was something that the new asset management system would facilitate once fully operational.

The Committee heard that meeting the growing demand on the homelessness service was a significant challenge given the size of the problem and the limited resources available to district councils to address it. The Council had been working closely with relevant partner organisations to offer the best support it could to anyone presenting as homeless.

Queries were raised over delays in spending external grant funding and whether any unused allocation would need to be returned. The Committee welcomed further information on grant funding that needed to be utilised by 31 March 2024.

Concerns around the use of agency staff and the associated costs in the Customer and Digital directorate was highlighted by the Committee. In response, it was noted that a significant part of this related to waste and the challenges in maintaining a high level of performance and unimpacted service with staff sickness, leave or other absences within the existing staffing model for the waste service.

To support better scrutiny of performance and spending, the Committee requested that future reports include staffing establishment figures for each area.

In response to a query over a reduction in the number of larger planning applications, it was noted that would have an impact on the service being able to fund itself however estimating the numbers of applications coming forward was difficult to do on a year to year basis.

Following a comment around underspends around vacant apprentice posts, members were reassured that this was due to apprentices successfully securing other full-time posts across the council and therefore the budget allocated to support apprentices showed as an underspend.

In relation to Worden Hall and achieving its income targets it was acknowledged that the process of restoring the Hall and bringing it back into use had been challenging. A lot of work had been undertaken by the events and visitor economy team to manage and advertise Worden Hall and there was optimism that there would be a significant increase in bookings over the next twelve months.

The Committee were provided clarification around how bad debt provision is managed, with improvements made following an internal audit review into aged debt. Debts are monitored regularly with reminders sent to managers and directors to ensure action is taken and a recovery plan is in place.

Reassurance was provided that the Council's reserves are constantly reviewed and amendments made accordingly as circumstances change.

On plans to establish a budget equalisation reserve, members heard that it was appropriate to make changes to the inflationary risk reserve given changes in the economic environment, however it was considered a sensible approach to maintain reserves to mitigate for any impact on the council's finance of significant changes or challenges in the coming years.

It was subsequently;

Resolved: (Unanimously)

That the Corporate, Performance and Budget Scrutiny Committee;

1. Thanks the Cabinet Member and Director for attending and answering questions;
2. Asks for further information on the external grants that need to be utilised by 31 March 2024;
3. Requests that the Council's approach to the use of agency staff be reviewed and details of staffing establishment numbers be included in future reports;
4. Welcomes the success of the Council's apprenticeship programme; and
5. Looks forward to Worden Hall generating the expected level of income.

38 Capital and Balance Sheet Monitoring Report - Quarter 3 2023/24

The Chair invited the Cabinet Member (Finance, Assets and Public Protection), supported by the Director of Finance, to present the quarterly capital and balance sheet monitoring report.

Questions were asked about the original timetable for works at the leisure centres being completed. It was acknowledged that work had taken longer than anticipated but the Committee were pleased to hear that decarbonisation work had now been completed and the next stage of improvements to customer areas at the sites progressing well.

On Disabled Facilities Grants being reprofiled, the Committee were advised that this did not impact on the service being delivered but reflected circumstances where funding had been committed but payments may fall into subsequent financial accounting periods as work was undertaken. Members welcomed improvements in the waiting times for disabled facilities grants following steps taken by the council to acquire additional occupational therapists support to expedite the process.

Further clarification was sought over slippage in costs for the Leyland Town Deal site acquisitions and any impact on the overall project. The Committee were advised that

a full update on the Leyland Town Deal would be presented at the meeting of Cabinet later in the week.

On movements in interest rates and its impact on the council's finances, high interest rates in recent years had been managed effectively by the treasury management team and seen positive outcomes however this would be monitored closely.

It was subsequently;

Resolved: (Unanimously)

That the Corporate, Performance and Budget Scrutiny Committee;

1. Thanks the Cabinet Member and Director for attending and answering questions;
2. Welcomes the completion of the decarbonisation of the leisure centres and looks forward to the announcement of planned improvements to customer areas as the sites; and
3. Is grateful for the re-assurance that disabled facilities grant waiting lists have been improved significantly for our residents.

39 Draft 2024/25 Budget Update

The Chair invited the Cabinet Member (Finance, Assets and Public Protection), supported by the Director of Finance, to present the report highlighting key themes of the Draft 2024/25 Budget.

The Committee heard that there had been changes to the draft budget presented to Cabinet last month, largely in response to receiving the final budget settlement. As a consequence, the proposed use of £500,000 from reserves was no longer required and had resulted in the budget gap for the subsequent 2025/26 municipal year being reduced. A big part of the settlement related to New Homes Bonus which had been an area of uncertainty. The Committee heard that the intention was to increase the council's portion of council tax by 2.99% but given recent financial pressures this was considered reasonable and would support the delivery of the council's corporate priorities.

The Committee were reassured of the council's stable financial position given the number of other local authorities around the country currently facing significant challenges. In addition, the council's commitment to maintaining services was reiterated, though there was an acceptance that services would need to be flexible in response to financial pressures.

Addressing concerns over how residents with low incomes and may be struggling with the cost of living would be able to afford increases in council tax, the Committee heard that changes to the council tax support scheme in recent years had taken away the burden of paying any council tax for those residents most financially vulnerable. Attention was also drawn to the council's Fair Collection Charter which ensures all avenues are explored before any recovery action is required.

Fees and charges had been reviewed as a means of offsetting financial pressures but it was noted that many are set by central government and cannot be changed,

other areas like garden waste collections, parking and leisure centre fees had been considered and decisions taken not to introduce any further increases.

A number of questions were asked on the impact of increasing council by 2.99% over the next three years, as seems to be expected by central government in their budget settlement, as opposed to an assumption of a 1.99% increase included within the Medium Term Financial Strategy. In response, members were informed that a 1% increase in the South Ribble portion of council tax equated to around £85,000.

On the consultation on the budget proposals, members heard that around 180 responses had been received with 70-80% of feedback being a positive or neutral opinion but that the full findings of the questions asked and responses would be included in the budget report that would be presented to Council.

On the current position with regards to redundancies, the council had not made any compulsory redundancies but they had been accepted when restructures and reviews had taken place and staff had requested redundancy, though it was stressed that there were no plans for any redundancies in the next year.

The Committee welcomed the offer to provide further benchmarking against similar authorities, not just geographical neighbours across Lancashire. Benchmarking is undertaken annually as part of the CIPFA Resilience Index and is reported to the Governance Committee.

On the £993,000 investment into the transformation programme, members heard that much of this focused around ICT improvements such as a revamped website and customer self-service channels. In addition, the £110,000 investment in sharing intelligence was a demonstration of efforts to understand and more efficiently target resources where they were needed the most.

It was confirmed to Members that all staff, including apprentices under the age of 21 were paid more than the national living wage.

On plans for the leisure company to fully cover its own costs, the Committee were advised that without significant increases in the costs of utilities then the leisure company would be in a healthy position with increasing use of the facilities and savings associated with operating the centres in-house and not paying for a third party organisation to manage them. Given the ongoing volatility of the energy market it was difficult to predict when the leisure company could become self-sufficient, though decarbonisation and refurbishment works was part of improvements in this area designed to make the leisure centres a more attractive offer for customers.

Questions were raised over potential savings that could close the budget gap in future years – further information had been provided within the budget report to be presented to council. References to expanding shared services were highlighted by the Committee, it was noted that there had been a pause in extending the current shared arrangements any further but there was acknowledgment that potential opportunities would be considered in the future.

The Committee welcomed the offer of the outcomes from the review of the council's portfolio of assets and commercial contracts being considered by the Corporate, Performance and Budget Scrutiny Committee in the future.

It was subsequently;

Resolved: (Unanimously)

That the Corporate, Performance and Budget Scrutiny Committee;

1. Thanks the Cabinet Member and Directors for attending and answering questions;
2. Welcomes the budget update and looks forward to the budget being considered at the next Full Council meeting;
3. Is grateful for the offer of future benchmarking including comparisons with similar like authorities;
4. Celebrates that all employees are paid higher than the national living wage; and
5. Asks for an update on the review of the Council's portfolio of assists and commercial opportunities in the future.

40 Finance and Public Protection Portfolio Update

The Chair invited the Cabinet Member (Finance, Assets and Public Protection), supported by the Director of Finance and the Director of Communities and Leisure, to present the update report on the Finance and Public Protection portfolio.

The Committee were reminded that the report included an update on the portfolio as it was prior to recent changes and therefore did not include the 'assets' element of the current portfolio.

On the vision and priorities of the portfolio, Members heard about the desire to ensure financial controls are robust, open, transparent and sustainable. The Committee also heard about the vital role the public protection teams have in protecting and promoting the health and wellbeing of residents across the borough.

The Committee welcomed reassurances that improvements are being made in relation to payments to suppliers on time. Members heard about the processes in place for handling invoices and the additional control measures had been implemented to increase efficiency.

Members noted the increase in numbers of housing repair complaints and heard that greater awareness and willingness to come forward following the tragic case in Rochdale was a likely factor. The need for any additional resources in this area would be reviewed by the Director of Communities and Leisure and incorporated into future budgets if deemed necessary. The Committee noted their gratitude for the work undertaken by the housing and environmental health teams in supporting residents across the borough.

On the number of food safety inspections appearing as late, the Committee were advised that this was a technicality in the reporting system for the Food Standards Agency and that the requirement to complete the annual inspection programme by the end of the financial year would be achieved.

It was confirmed that the role of enforcing regulations introduced recently for XL bully dogs would be undertaken by the Police and not the council, however concerns over an increase in stray XL bully dogs had been overestimated since new regulations had been implemented.

The public protection teams are responsible for regulating establishments undertaking beauty and certain cosmetic treatments, with the teams undertaking regular training on new legislation as it is introduced.

Further clarification was provided to the Committee regarding RIDDOR incidents and the role of the council in investigating health and safety issues.

Following questions on ICT improvements to support the pest control service, it was noted that although it did not impact on the service delivered to customers, improvements in ICT systems would support a more efficient and effective service.

On enhancing the CCTV provision in areas like Leyland and Penwortham, work had been ongoing with Lancashire Police to identify areas where increased CCTV coverage would have the biggest impact, though issues around sufficient footfall and costs were highlighted.

It was subsequently;

Resolved: (Unanimously)

That the Corporate, Performance and Budget Scrutiny Committee;

1. Thanks the Cabinet Member and Directors for attending and answering questions;
2. Welcomes the commitment to improving the timescales for payments being made to suppliers further and that six-monthly updates be provided to the committee;
3. Commends the Housing and Environmental Health teams for their work with some of our most vulnerable residents;
4. Asks that improvements be made to the number of food safety inspections carried out;
5. Further information be provided on the issues and delays associated with ICT in delivering public health projects; and
6. Requests the outcome of the review of CCTV be provided to committee members.

41 Committee Matters

41a Task Group Update

The Committee noted the progress of two task groups established to consider homelessness in the borough and also to develop a cultural strategy.

42 Meetings & Training Attended by Committee Members

No meetings or training had been attended by committee members since the last meeting.

43 Cabinet Forward Plan

The Cabinet Forward Plan was noted.

44 Corporate, Performance and Budget Scrutiny Committee Forward Plan

The Committee noted the proposed items for the last meeting of the Corporate, Performance and Budget Scrutiny Committee of the 2023/2024 municipal year.

Chair

Date