

Present: Councillor Ric Metcalfe (*in the Chair*),
Councillor Donald Nannestad, Councillor Jackie Kirk,
Councillor Rosanne Kirk, Councillor Neil Murray and
Councillor Fay Smith

Apologies for Absence: None.

35. Confirmation of Minutes - 23 July 2018

RESOLVED that the minutes of the meeting held on 23 July 2018 be confirmed.

36. Declarations of Interest

No declarations of interest were received.

37. Financial Performance - Quarterly Monitoring

Purpose of Report

To present to the Executive the first quarter's performance up to 30 June 2018 on the Council's General Fund, Housing Revenue Account, Housing Repairs Service and Capital Programmes.

Decision

- (1) The progress on the financial performance for the period 1 April 2018 to 30 June 2018 and the projected outturns for 2018/19 be noted.
- (2) The underlying impact of the pressures and underspends identified in paragraphs 3.2, 4.3 and 5.2 of the report, together with Appendices B, D and F be noted.
- (3) The changes to the General Investment Programme and Housing Investments Programme, as set out in paragraphs 7.4 and 7.10 of the report be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

General Fund Revenue Account

For 2018/19 the Council's net General Fund revenue budget was set at £14,276,460, including a planned contribution to balances of £288,360 resulting in an estimated level of general balances at the year-end of £1,897,724.

The General Fund summary was currently projecting a forecast variance of £717,343, as set out in Appendix A of the report. Full details of the main variances were provided in Appendix B and were summarised as follows:

- car parking – reduced income of £1,141,000;
- income volatility reserve – increased income of £178,000;
- borrowing contingency – reduced costs of £200,000;
- balance sheet review – increased income of £82,450;
- pay contingencies – reduced costs of £82,600.

The most significant of these variances was the shortfall of car parking income against the budget target. This was a trend that began to emerge towards the end of 2017/18 and reflected a reduction in demand for shopper car parking spaces. This position was in line with a reduction in footfall in the city centre and general decline in high street shopping and fragility of the retail sector. In response to this emerging trend, £178,000 of the General Fund underspend at the end of 2017/18 was set aside in an income volatility reserve to mitigate part of the shortfall forecasted for 2018/19. Given the scale of the shortfall in car parking income targets, the Council's Corporate Management Team had accelerated the implementation of the car parking income generation strategy.

This strategy focused on the following five key strands:

- car park improvements – focussing on making City Council car parks the preferred choice, including enhanced ticket machines to improve connectivity and to offer contactless payment and improved security arrangements;
- promotion of the city as a destination – focussing on maximising the linkages between visitor numbers into the city and an improving offer in the city with the utilisation of the Council's parking stock;
- maximisation of car parking stock – focussing on ensuring that the Council's car parks were in the correct location and condition, in line with the Car Parking Strategy and considering alternative income generation opportunities for some sites;
- permit parking – focussing on increasing the number of permit parking arrangements with major employers in the city;
- residents' parking – focussing on responding to residents' concerns and encouraging commuters to modal shift or to move into city centre car parks.

The savings target for the Towards Financial Sustainability Programme included in the Medium Term Financial Strategy for 2018/19 was £3,850,000. Progress against this target, based on quarter one performance, showed that secured and confident projections totalled £3,867,900. This resulted in a current forecast underachievement of the target in 2018/19 of £12,890. A summary of the current position was set out in paragraph 3.9 of the report.

Housing Revenue Account

For 2018/19 the Council's Housing Revenue Account net revenue budget was set at break even, resulting in an estimated level of general balances at the year-end of £1,023,099.

The Housing Revenue Account was currently projecting an in-year overspend of £37,243 which would reduce general balances to £985,858 at the end of 2018/19. A summary was set out in Appendix C of the report. The assessed prudent minimum balance for the Housing Revenue Account was currently £1,000,000. The level of forecast Housing Revenue Account balances would be monitored closely during the coming quarter and would be subject to a fundamental review

as part of the Medium Term Financial Strategy 2018-2023 process which was currently getting underway.

The components of the underspend were detailed in Appendix D of the report, with a summary of key variances noted as follows:

- staff vacancies – reduced costs of £205,000;
- rental income – increased income of £108,000;
- Housing Repairs Service surplus – increased income of £159,000;
- repairs and maintenance – increased costs of £423,000.

Housing Repairs Service

For 2018/19 the Council's Housing Repairs Service net revenue budget was set at zero, reflecting its full cost recovery nature.

At quarter one, the Housing Repairs Service was forecasting a surplus of £159,000 in 2018/19. Appendix E contained a summary of this forecast, with any variances detailed in Appendix F of the report.

General Fund Investment Programme

The original General Fund Investment Programme for 2018/19 in the Medium Term Financial Strategy 2018-23 amounted to £14,208,836. This was increased to £17,032,859 following year end re-profiles from 2017/18 and had been further increased to £17,112,478 during the first quarter of 2018/19. A summary of the overall changes was set out in paragraph 7.2 of the report.

Changes to the Capital Programme requiring Executive approval were noted as follows:

- increase to disabled facilities grant scheme in line with additional grant received - £395,866;
- decrease to the Boultham Park scheme regarding in kind funding - £215,900;
- decrease to telephony scheme due to contribution by supplier - £100,347.

The table set out in paragraph 7.6 of the report provided a summary of the projected outturn position for the General Investment Programme.

Housing Investment Programme

The original Housing Investment Programme for 2018/19 in the Medium Term Financial Strategy 2018-23 amounted to £25,804,701 which was increased to £29,597,788 following year end movements as part of the 2017/18 outturn. This had been further adjusted to £30,197,788 during the first quarter of 2018/19, with a summary of changes set out in paragraph 7.9 of the report.

Changes to the Capital programme requiring Executive approval were noted as follows:

- movement of purchase costs for Ingleby Crescent from generic new build budget to specific scheme budget - £6,870,000;
- movement of purchase costs for two land sites to specific scheme budgets - £335,000;

- re-profile of door replacement budget from 2019/20 to 2018/19 - £600,000.

38. Q1 2018-2019 Operational Performance Report

Purpose of Report

To provide the Executive with a summary of the operational performance position for quarter one of the financial year 2018/19 from April 2018 to June 2018.

Decision

- (1) That the report be noted.
- (2) That relevant Portfolio Holders ensured that management had a local focus on those highlighted areas showing deteriorating performance.

Alternative Options Considered and Rejected

None.

Reason for Decision

Quarter one saw a long list of very good performance results, particularly in relation to development management and housing. A summary of exceptional areas of good performance were noted as follows:

- the number of face to face enquires in customer services had dropped by 7,336 compared to quarter one last year;
- the number of telephone enquires that customer services had answered had decreased by 8,793 compared to quarter one last year;
- the number of users logged into 'myinfo' this quarter had increased by 1,409 compared to quarter one last year;
- the in-year collection rate for Lincoln Business Rates remained above its target of 30.53% at 35.86%;
- the average days to process housing benefit claim changes of circumstances was better than its target of 5 at 4.72 days;
- the total number of users at the Council's health and recreation facilities had increased by 15,697 compared to quarter one last year;
- the percentage of premises fully or broadly compliant with food health and safety inspection had remained above its target of 97% at 98.7%;
- the average time taken to determine a planning application had decreased by 9.9 days to 57.44 days;
- the percentage of non-major and major planning applications determined within the government target at 94.67% and 100% respectively;
- the rent collected as a proportion of rent owned remains above its target of 96.50% at 97.56%;
- the current tenant arrears stood at 2.72%, which was better than the target of 3.5%;
- the percentage of rent lost from voids had decreased by 0.25%, now at 0.72%;
- the percentage of reactive repairs completed within target time remained above its target of 97.50% at 98%.

Areas with less positive performance results were noted as follows:

- the average time taken to answer a call to customer services had increased from last quarter by six seconds, to 110 seconds;
- the level of outstanding customer changed in the revenues team had increased by 156 compared to the same quarter last year, now standing at 659;
- the average number of days to process new housing benefit claims had decreased by 5.84 days from the quarter four figure of 24.29, now standing at 30.13 days in quarter one which was above its lower target of 26. It was noted that the introduction of the implementation of Universal Credit had impacted waiting times in the benefits areas;
- the number of housing benefits and council tax support customers awaiting assessment had increased by 746 compared to quarter one last year, which was now at 1,323;
- percentage of waste recycled or composted had decreased from 30.90% in quarter one last year to 27.4% in quarter one this year, although the full year 2017/18 had achieved within target boundaries;
- in the new environment of an increase to 3,622 parking spaces available, the overall percentage utilisation of car parks had increased 3% from last quarter at 48% but still remained below the lower target of 60%;
- the number of homelessness applications progressed within the housing team had increased by 114 compared to quarter one last year, now reporting at 167. However, it was noted that this must be seen within the context of the implementation of the new Homelessness Act.

In terms of key headlines from corporate measures, the following updates were noted:

- the overall sickness data as at the end of June was 2.9 days per full time equivalents, excluding apprentices. This was 0.21 days less per full time equivalent compared to the same point last year;
- the cumulative average time across all directorates to respond to formal complaints was 9.4 days, which was an increase of 3.2 days from quarter four 2017/18;
- the total number of full time equivalent employees, excluding apprentices, at the end of quarter one was 555.41. During quarter one, there was also an average of 19.43 apprentices.

39. Strategic Risk Register - Quarterly Review

Purpose of Report

To provide the Executive with a status report of the revised Strategic Risk Register as at the end of the first quarter 2018-19.

Decision

That the revised Strategic Risk Register be noted.

Alternative Options Considered and Rejected

None.

Reason for Decision

A revised version of the Strategic Risk Register was appended to the report.

A number of further control actions had now been progressed or completed and the key movements were noted as follows:

Deliver a sustainable Medium Term Financial Strategy

Mitigation action plans would be developed and implemented in response to the forecast overspend reported at quarter one. A Budget Strategy, including a review of assumptions and budget pressures, would be prepared in September alongside the development of the business rates pilot bid for 2019/20.

Ensure compliance with statutory duties and appropriate governance arrangements are in place

The current review of contracts for personal data and the implementation and review of processes for retaining and disposing of documents in systems would continue. Further data protection sessions had been carried out across teams and the e-learning package, together with the low risk data protection training, had been rolled out.

Ensure sufficient levels of resilience and capacity exist in order to deliver key strategic projects within the Council

Commencement of the recruitment process for the vacant Director of Housing and Regeneration and management restructure consultation took place in August, with approval scheduled for consideration by the Executive in September 2018.

40. Local Lettings Plan

Purpose of Report

To consider approving a local lettings plan in relation to Council-owned new build accommodation.

Decision

That the local lettings plan for new build accommodation be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

The Council had invested significantly in a new build development programme for 2017 to 2020, which saw approximately 400 new built properties being available for occupation from July 2018 onwards.

There were currently 1,700 applicants on the housing register, of which 45% were existing council tenants. It was therefore proposed the priority be given to existing tenants in respect of this new build accommodation. Such a policy would have the additional benefit of freeing up existing council properties which could then be used for other people on the Council's wider housing waiting list.

It was estimated that delivering approximately 400 new homes by the end of the vision 2020 plan period would generate at least two and a half times that number of properties in total being made available.

A copy of the proposed local lettings plan was appended to the report.

41. Management of Change Within Public Protection and Anti Social Behaviour Team

Purpose of Report

To seek approval on the proposed structure change within the Public Protection and Anti-Social Behaviour Team.

Decision

That the proposed changes to the structure of the Public Protection and Anti-Social Behaviour Team be approved.

Alternative Options Considered and Rejected

None.

Reason for Decision

It had been identified that following the service manager taking over management of the Licensing Service that the provision of management for overseeing the day to day running of the service had been impacted. It was therefore proposed that the addition of a Team Leader post would ensure adequate oversight and support for the team.

The proposal consisted of deletion of a Technical Officer post and the introduction of a Team Leader post in its place. It was noted that this proposal did not carry any risk of redundancy within the team.

The Council's Employee Joint Consultative Committee considered this proposed at its meeting on 7 August 2018 and supported the recommendation contained within the report.

42. Exclusion of the Press and Public

RESOLVED that the press and public be excluded from the meeting during consideration of the following items of business because it was likely that if members of the public were present there would be a disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

This item was considered in private as it was likely to disclose exempt information, as defined in Schedule 12A of the Local Government Act 1972. No representations had been received in relation to the proposal to consider this item in private.

43. Street Scene Contract Renewals

Purpose of Report

To highlight to the Executive the timetable on which existing street scene contracts would end and to consider options for the provision of these services in the future.

Decision

That the recommendation contained within the report be approved.

Alternative Options Considered and Rejected

An overview of other options considered and rejected were set out in the report at paragraph 4.

Reason for Decision

The reason for the decision was set out in the body of the report.