

Present: Councillor Gary Hewson (*in the Chair*),
Councillor Pat Vaughan, Councillor David Clarkson,
Councillor Thomas Dyer, Councillor
Rebecca Longbottom, Councillor Lucinda Preston,
Councillor Christopher Reid and Councillor
Lorraine Woolley

Apologies for Absence: Councillor Laura McWilliams

20. Declarations of Interest

Councillor Pat Vaughan declared a Personal Interest with regard to the agenda item titled 'Income and Arrears Monitoring'. Reason: His daughter worked in the Welfare Advice Team of the City of Lincoln Council.

Councillor Pat Vaughan declared a Personal Interest with regard to the agenda item titled 'Financial Performance - Quarterly Monitoring'. Reason: His granddaughter worked in the Finance Department of the City of Lincoln Council.

21. Minutes from the Previous Meeting held on 15 July 2021

RESOLVED that the minutes of the meeting held on 15 July 2021 be confirmed.

22. Confirmation of Housing Scrutiny Sub-Committee Minutes - 23 June 2021

RESOLVED that the minutes of the meeting held on 23 June 2021 be noted.

23. Operational Performance Report Q1 2021/22

Pat Jukes, Business Manager Corporate Policy:

- a) presented Performance Scrutiny Committee with an outturn summary of the Council's Performance in Q1 of 2021/22
- b) explained that the full report was attached as Appendix A, with the Strategic Measures Dashboard attached as Appendix B. It provided a summary table of results by Directorate plus a narrative summary of performance for quarter one for each of the key services
- c) invited members' comments and questions.

Comment: Members commented that the report format and layout was good. It was really easy to read and the document was very informative. It answered any questions that the committee may have had.

RESOLVED that the report be noted.

24. Income and Arrears Monitoring

Martin Walmsley, Head of Shared Revenues and Benefits;

- a) provided members with an update on the position regarding amounts of monies owed to the City Council as at 1st April 2021, (and Business Improvement District (BID) levy to the end of June 2021)
- b) highlighted that:
- The net collectable debit for 2020/21 after Council Tax Support, discounts and exemptions had been granted was £45,062,366, amounting to an increase of £727,545 from 2019/20.
 - Total payments received in respect of 2020/21 were £42,711,912 amounting to an increase of £190,894 from 2019/20.
 - Council Tax arrears brought forward from all previous years at 1st April 2020 totalled £4,241,814. By 31st March 2020 these arrears decreased by £1,505,935.
- c) explained that
- The net Business Rates collectable debit for 2020/21 after empty voids, charity entitlements and other reliefs had been granted was £18,520,249. This was a decrease of £26,029,198 from 2019/20.
 - Total payments received in respect of 2020/21 were £18,328,636. This was a decrease of £25,979,471 from 2019/20.
- d) advised that the City of Lincoln Council was responsible for the administration and collection of the BID Levy and the net collectable debit raised in respect of the levy was £410,941
- e) explained that the net Housing Rent debit for 2020/21 (collectable rent) excluding Housing Benefits and other adjustments was £14,453,666 of which 97.60% was collected, amounting to a decrease of 0.17% on 2019/20 collection of 97.77%
- f) highlighted that a total of 11,714 new debtor accounts were raised in 2020/21 amounting to £14,390,333 in cash terms
- g) explained that the balance of outstanding Housing Benefit Overpayments as at 1st April 2021 was £3,152,505 compared to £3,573,112 at 1st April 2020, a decrease of £419,607
- h) invited members' questions and comments.

Question: Members asked what amount of money was equivalent to the 38.33% Former Tenant Arrears collection rate.

Response: Officers were to forward this information onto the committee.

Question: Members asked if the removal of the Universal Credit uplift of £20 per week would likely be of benefit or detriment to the Council.

Response: There was a lot of coverage in the media at the minute and this would affect the Council. Officers were dedicated to supporting customers as much as they could.

Question: Members stated that Universal Credit claims for City of Lincoln Council tenants had continued to increase with 727 more Universal Credit claims this

financial year with arrears across all 2,145 claims standing at £625,765, an increase of £222,100 compared to the same point last year. Members asked if this meant that this was outstanding money to be paid.

Response: Tenancy Services were working with DWP and Housing Benefit staff and had worked hard to minimise the increase in rent arrears due to the outbreak of the pandemic. Many of our tenants saw a reduction in their income and the availability of the Hardship Fund administered by housing and DWP ensured that tenants were able to access help and support.

Due to the waiting time for UC claims to be assessed and payment in arrears, there was a correlation between an increase in the number of UC claimants and rent arrears.

At the end of the financial year, the Council had 727 more tenants on UC and this correlated to an increase in arrears of £222,100. At year end this money was outstanding, however, the debt remained and the Council would continue to pursue the rent arrears wherever possible in line with the Council's rent arrears and recovery procedures.

RESOLVED that the report be noted.

25. **Financial Performance - Quarterly Monitoring**

Colleen Warren, Financial Services Manager:

- a) presented Performance Scrutiny Committee with the first quarter's performance (up to 30 June 2021)
- b) explained that the unprecedented impact of Covid-19 had on the Council's finances in 2020/21, budgets for 2021/22 were revised as part of the MTFS 2021-26 based on a number of assumptions around the speed and extent of the national and local recoveries. Whilst in many cases the assumptions reflected the actual position to date, there were still some areas where the rate of recovery impacted adversely on the Council's finances. Close monitoring of the position and implementation of mitigating actions over quarters 2-4 was key to ensuring the Council maintained a balanced budget position for 2021/22
- c) provided information on the Council's:
 - **General Fund Revenue Account** - the General Fund revenue budget was set at £978,410, which included a planned contribution from balances of £477,240 (resulting in an estimated level of general balances at the year-end of £2,193,359).

The General Fund Summary was projecting a forecast overspend of £199,432 (shown in Appendix A), which resulted in a general balance at the year-end of £1,993,927.

Full details of the main variances were detailed in Appendix B and the key variances were shown in the table at paragraph 3.3 of the report.

- **Housing Revenue Account (HRA)** – for 2021/22 the Council's HRA net revenue budget was set at £14,910, resulting in an estimated level of general balances at the year-end of £1,059,743.

Full details of the main variances were provided in Appendix D with the key variances shown in the table at paragraph 4.3 of the report.

- **Housing Repairs Service** – the financial performance quarterly monitoring report for the 1st quarter predicted a deficit of £718,835 in 2021/22. Appendix E provided a forecast HRS Summary with the main variances provided in Appendix F of the report.

d) provided information on:

- **General Investment Programme** – the original General Investment Programme for 2021/22 in the MTFS 2021-26 amounted to £14.393m which was increased to £16.941m following quarter 4 approval and year end re-profiles from 2020/21. At quarter 1 the programme had been increased by £0.510m to £17.451m, as shown in the table in paragraph 7.2 of the report.

The overall spending on the General Investment Programme for the first quarter of 2021/22 was £1.415m, which was 8% of the 2021/22 programme and 8.25% of the active programme.

- **Housing Investment Programme** – the original Housing Investment Programme for 2021/22 in the MTFS 2021-26 amounted to £22.491m. This was increased to £25.839m following approvals and year end re-profiles as part of the 2020/21 outturn. This had been further adjusted to £29.047m during the first quarter of 2021/22. A summary of the changes was shown in paragraph 7.8 of the report.

Expenditure against the Housing Investment Programme budget to the first quarter was £2.328m, which was 8.01% of the revised programme. A further £1.02m had been spent as at the end of July 2021. The expenditure was detailed further in Appendix L of the report.

e) invited members' comments and questions.

RESOLVED that the report be noted.

26. Work Programme for 2021/22

Clare Stait, Democratic Services Officer:

- a) presented the draft work programme for 2021/22 as detailed at Appendix A of her report
- b) advised that the work programme for the Performance Scrutiny Committee was put forward annually for approval by Council; the work programme was then regularly updated throughout the year in consultation with the Performance Scrutiny Committee and its Chair

- c) reported that items had been scheduled in accordance with the existing work programme and officers' guidance regarding the meetings at which the most up-to-date information could be reported to the committee; the work programme also included the list of portfolio holders under scrutiny
- d) requested any relevant comments or changes to the proposed work programme for 2021/22.

RESOLVED that the work programme 2021/22 be noted.

27. Strategic Risk Register - Quarterly Review

Jaclyn Gibson, Chief Finance Officer:

- a) presented Performance Scrutiny Committee with a status report of the revised Strategic Risk Register as at the end of the first quarter 2021/22.
- b) reported that the strategic risk registers currently contained thirteen risks as follows:
 - 1) Failure to engage & influence effectively the Council's strategic partners, council staff and all stakeholders to deliver against e.g. Council's Vision 2025.
 - 2) Failure to deliver a sustainable Medium-Term Financial Strategy (that supports delivery of Vision 2025).
 - 3) Failure to deliver the Towards Financial Sustainability Programme whilst ensuring the resilience of the Council.
 - 4) Failure to ensure compliance with statutory duties/functions and appropriate governance arrangements were in place.
 - 5) Failure to protect the local authority's vision 2025 due to changing structures and relationships in local government and impact on size, scale and scope of the Council.
 - 6) Unable to meet the emerging changes required in the Council's culture, behaviour and skills to support the delivery of the council's Vision 2020/2025 and the transformational journey to one Council approach.
 - 7) Insufficient levels of resilience and capacity exist in order to deliver key strategic projects and services within the Council.
 - 8) Decline in the economic prosperity within the City Centre.
 - 9) Failure to deliver key strategic projects.
 - 10) Failure of the Council's key contractors and partners to remain sustainable and continue to deliver value for money
 - 11) Failure to put in place safe working practices and social distancing measures to protect officers and service users.

12) Failure to protect the vulnerable in relation to the Council's PREVENT and safeguarding duties.

13) Failure to mitigate against the risk of a successful cyber-attack against the Council.

RESOLVED that the Strategic Risk Register as at the end of 2020/21 be noted.

28. Exclusion of Press and Public

RESOLVED that the press and public be excluded from the meeting during consideration of the following item(s) of business because it is 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.

29. Strategic Risk Register - Quarterly Review

Jaclyn Gibson, Chief Finance Officer:

- a) provided members with the revised Strategic Risk Register as attached at Appendix A.
- b) invited members' questions and comments.

RESOLVED that the Strategic Risk Register as at the end of quarter 1 2021/22 be noted.