

Present: Councillor Gary Hewson (*in the Chair*),
Councillor Pat Vaughan, Councillor Thomas Dyer,
Councillor Rebecca Longbottom, Councillor
Adrianna McNulty, Councillor Lucinda Preston, Councillor
Clare Smalley, Councillor Loraine Woolley and Councillor
Rachel Storer

Apologies for Absence: Councillor David Clarkson

27. Confirmation of Minutes - 18 August 2022

RESOLVED that the minutes of the meeting held on 18 August 2022 be confirmed.

28. Declarations of Interest

Councillor Pat Vaughan declared a Personal Interest with regard to the agenda item titled 'Financial Performance (Detailed) - Quarterly Monitoring: Quarter 1'. Reason: His Granddaughter worked in the Finance Department of the City of Lincoln Council.

29. Portfolio Holder under Scrutiny - Economic Growth

Councillor Neil Murray, Portfolio Holder for Economic Growth:

a) presented a report to Performance Scrutiny Committee covering the areas:

- Swanpool
- Towns Fund Projects in Lincoln – Central Market Transformation
- United Kingdom Shared Prosperity Fund – UKSPF
- Lincoln's Heritage
- High Street Historic Action Zone Project
- Planning Policy
- Small Business Support
- Car Parks/Parking
- Residents Parking Scheme
- Tourism
- Christmas Market 40th Anniversary

b) invited members' comments and questions

Question: Members asked for the Portfolio Holders views on being committed to keeping the Christmas Market and how this would be supported.

Response: The Portfolio Holder was absolutely committed to the Christmas Market. It was the 40th anniversary of the market this year and a lot of work goes into the event in order to make the market a success.

Question: Members asked if any work had been carried out following the rate of inflation and property prices decreasing for the Western Growth Corridor.

Response: The housing market in Lincoln was different as the Western Growth Corridor was a huge project that would hopefully help with the property market in Lincoln. The Western Growth Corridor would open up parts of Lincoln that were close to the city centre and offer easy access to amenities and transport links.

Question: Members asked if any work had been carried out for short term lets as a lot of people were using them rather than B&B's and hotels which was displacing some residents.

Response: Staycations have been good for Lincoln. There were a few houses that had become air B&B's but there is nothing that we could do about this. On a plus side the city has become popular. Before COVID there was £216m spent in the economy in Lincoln, this went down during COVID then increased again by £60m. Officers were to provide a summary of the key spends from 2019-2021 to the committee.

Question: Members asked what work was taking place with other organisations regarding the use of heritage buildings once they had the refurbishment completed as it would be good if tourists could be encouraged to stay for longer.

Response: Heritage Lincoln came this week to look at progress that had been made so far.

Question: Members asked if talks were being made with original stallholders from the Central Market once the refurbishment had taken place.

Response: It was envisaged that a lot more customers would use the market once the renovations had been completed. The arch windows were being completely opened up and a new roof being installed with a mezzanine floor.

Question: Members asked when the market is to be re-opened.

Response: Autumn 2023.

Comment: Members commented that the Car Parking Strategy was really important for this city as there is potential for more visitors once developments/projects had completed. Also, residents parking was being put in place in a small area of Boultham.

Response: The Car Parking Strategy was really important, especially with the infrastructure and income for the city. A lot of money had been invested in parking over the years. There was a dip in income over August and this may become a pattern due the cost-of-living crisis.

Resolved that:

1. A summary of the key spends in Lincoln from 2019-2021 be forwarded to the committee.
2. The report be noted.

30. Pre Christmas Market 2022 Verbal Update

Simon Colburn, Assistant Director (Health and Environmental Services):

a) gave a verbal update on preparations being made for the Lincoln Christmas Market 2022

b) invited members' comments and questions.

Question: Members asked if there was anything that could be done to encourage shops in the Bailgate area to open for longer and what more was being done to encourage younger visitors to the market.

Response: St Pauls in the Bail is to be illuminated this year along with the Lincoln letters and a small stage area. If this worked for this year, then more work would be carried out for future years. The fairground was being tweaked for the younger visitors. Shops were engaged with every year to encourage them to stay open during the Christmas Market.

Question: Members asked if colouring competitions for children could help promote our brand and whether more could be done in the day for children.

Response: The issue with more things in the day is that children are at school on the Thursday and Friday of the market. Colouring sheets and a treasure hunt were being looked at as a grotto would cost too much to run. We have to be careful that children don't run off from their guardians.

Question: Members asked how much financial pressure and risk were the council taking on with this year's Christmas Market.

Response: The Christmas market was not an event that is put in place to make money. The market is unique and brings a lot of money into the economy of Lincoln. Not all the costs for the contractors have been received so an exact figure is not known. The market works to a budget of £43k net cost and officers work hard to try and get the costs as close to this figure as possible. The markets performance would be reviewed as always after the event.

Question: Members asked if there was a good mix of stalls.

Response: There was a mix of stalls again this year at the market. The team try to arrange stalls that are similar to be in different areas around the market.

Question: Members asked if coach parking was being pursued at the moment.

Response: Coach parking would be at the showground and work was continuing to promote this.

Question: Members asked if sponsorship had been looked into to help with costs.

Response: A small amount of sponsorship had been secured this year. The amount of sponsorship secured would be forwarded to the committee.

Question: Members asked if it was hoped that profit would be made from selling the 'Bailey Bear'.

Response: The bear will be placed in a branded paper bag which would cost 80p. Any bears that don't sell this year can be used for next year. 200 bears have been ordered to see how well they sell for the first year and to reduce risk. The cost of the stock was to be forwarded to the committee.

Question: Members asked if the well in St Paul's Square was being looked at as it mists up and there was a lot of growth that made it look untidy.

Response: The Perspex had been removed as it was creating condensation which leaves just the glass covering. A ventilation system had been put at the bottom and the vegetation was being trimmed back in time for the market.

Question: Members asked if a cost negotiation could take place to encourage more stalls at the market.

Response: The current stallholders have paid between £1800 - £3k per stall so to give spare stalls at a smaller rate would not be fair on stallholders that had already paid.

Question: Members asked that if merchandise was to be made into a profitable side-line whether we were narrowing our ability to sell it by only stocking it in the Visitor Information Centre.

Response: The Visitor Information Centre did have a stall at the Christmas Market, but it hadn't been branded well in the past. A surplus was made at the stall last year.

RESOLVED that:

1. The cost of the 'Bailey Bear' stock be forwarded to the committee.
2. The amount of sponsorship that had been secured for the Christmas market be forwarded to the committee.
3. The report be noted.

31. Financial Performance (Detailed) - Quarterly Monitoring: Quarter 1

Xon JaColleen Warren, Financial Services Manager:

- a) presented a report to Performance Scrutiny Committee the first quarter's performance (up to 30th June) and to seek approval for changes to the capital programmes
- b) provided information on the Council's:
 - **General Fund Revenue Account** – for 2022/23 the Council's net General Fund Revenue Budget was set at £8,907,490, including a planned contribution from balances of £60,700, resulting in an estimated level of general balances at the year-end of £2,731,299. Appendix A provided a forecast General Fund Summary. There were a significant number of provisional year-end variations in income and expenditure against the approved budget. Full details of the main variances were provided in Appendix B.
 - **Housing Revenue Account** – for 2022/23 the Council's Housing Revenue Account (HRA) net revenue budget was set at a £38,670 use of balances, resulting in an estimated level of general balances

at the year-end of £1,063,872, after allowing for the 2021/22 outturn position. The HRA was currently predicting a forecast overspend of £161,365. Appendix C provided a forecast Housing Revenue Account Summary. There were a number of forecast year-end variations in income and expenditure against the approved budget. Full details of the main variances were provided in Appendix D.

- **Housing Repairs Service** – at quarter 1 the Housing Repairs Service (HRS) forecast a deficit of £550,765 in 2022/23. Appendix E provided a forecast summary, with full details of the main variances provided in Appendix F.

c) provided information in the following areas:

- **General Investment Programme** – the original General Investment Programme (GIP) for 2022/23 in the MTFS 2022-27 amounted to £19.407m which was increased to £30.913m following quarter 4 approvals and year end re-profiles from 2021/22. At quarter 1 the programme had been increased by £1.429m to £32.342m as shown in paragraph 7.2 of the report.

The overall spending on the General Investment Programme for the first quarter of 2022/23 was £1.68m, which was 2.65% of the 2022/23 active programme (excluding externally delivered schemes). This was detailed in Appendix I.

- **Housing Investment Programme** – the original Housing Investment Programme (HIP) for 2022/23 in the MTFS 2022-27 amounted to £21.72m. This was increased to £23.17m following approvals and year end re-profiles as part of the 2021/22 outturn. This had been further adjusted to £23.25m during the first quarter of 2022/23. A summary of the changes was shown in paragraph 7.8 of the report.

d) invited members' comments and questions.

Question: Members asked what the financial impact would be if money that had been borrowed got re-profiled.

Response: Work was being carried with financial advisers Link to see if there are any savings to be made with the money that had been borrowed. Markets are looked at daily to make sure that we are getting the best deal when it comes to borrowing that we possibly could.

Question: Members asked if there were a lot of variables that were being released from central government and when this would be brought back to Performance Scrutiny Committee.

Response: Quarterly financial reports are given to Performance Scrutiny Committee and the next report was due to come to the committee in November.

Members of Performance Scrutiny Committee had thanked the Finance Team for all of their work.

RESOLVED that the report be noted.

32. Vision 2025 Annual Economic Growth Report on Progress

Francesca Bell, Assistant Director of Growth and Development:

- a) presented Performance Scrutiny Committee with an update on Economic Growth across the City including contextual measures and the City Council's activities that influence Inclusive Growth within the City and surrounding areas.
- b) the report provided:
 - an update on the projects delivered as part of Economic Growth since the end of Vision 2020
 - an update on Vision 2025 projects to date
 - information on contextual indicators either directly or indirectly influenced by the Councils efforts to increase inclusive economic growth
 - narrative on what this data meant and how this could be affected in the future.
- c) invited members' questions and comments.

Question: Members asked how inflation was affecting projects.

Response: When the HIVE project fell through there was £1m left in the fund. This money was then used to test the projects that were left to see if they were viable and whether they could use more funding. Quarterly monitoring took place with all of the projects and the situation was regularly being monitored. Most project were already in contract with fixed prices.

Question: Members asked why Greetwell Place was to make a deficit when the office space was at 100% capacity.

Response: The £16k deficit was not a deficit as such. The building was owned by Investors in Lincoln, and we Manage the running of it. The management agreement was up for renewal and so we have lost £16k this year but then next year this will increase.

Question: Members asked if the 1 inward investment enquiry was one that we pursued or 1 total that had been received.

Response: This was during a period of covid where we had a reduction in inward investment enquiries.

Question: Members asked what was happening with the arranging of a Place Board.

Response: We had an approach to establishing a Place Board which was done in February 2022 at the same time UKSPF came along and we thought there was a need for a board with UKSPF as this was included in the guidance. Work was being carried out to ensure that Place Board helped to shape the UKSPF and

needed to make sure that what was put in place added value to Lincoln. More work needed to take place with partners.

Question: Members asked why the bus station was still predicting a deficit.

Response: The bus station was seen as an investment in the economy and the station was still operating at 75% due to covid. The City of Lincoln Council had always subsidised the Bus station and hence the operating model as not fit to make a surplus.

Question: Members asked if there were any thoughts for investment zones in Lincoln.

Response: There were a number of concerns around investment zones and Lincolnshire was not an area that was approached for these developments. There was an issue for Lincoln and Lincolnshire on how we compete for investment when areas around us could offer something that we couldn't. In terms of the City, the Science and Innovation Park was potentially somewhere where an investment zone could be located. More money was needed by the Science and Innovation Park to increase the investments in that area.

Question: Members asked if we had any influence in the level of skills that people have/can take.

Response: Attainment results were better than what we had achieved in a long time and The City of Lincoln Council has very little influence on this.

Question: Members asked how viable the Western Growth Corridor was.

Response: The viability of the project was constantly being reviewed. A piece of work was taking place for the costings of the opening of the first phase alongside and risks and options available.

RESOLVED that the report be noted.

33. Work Programme 2022/23 Update

Clare Stait, Democratic Services Officer:

- a) presented the draft work programme for 2022/23 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 2022/23.

RESOLVED that the work programme 2022/23 be noted.