

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

Apologies for Absence: Councillor David Clarkson and Councillor
Adrianna McNulty

34. Confirmation of Minutes - 29 September 2022

RESOLVED that the minutes of the meeting held on 29 September 2022 be confirmed.

35. Declarations of Interest

Councillor Pat Vaughan declared a Personal Interest with regard to the agenda item titled 'Operational Performance Report - Quarter 2 2022/23'. Reason: His daughter worked in the benefits Department of the City of Lincoln Council.

Councillor Pat Vaughan declared a Pecuniary 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.

36. Confirmation of Housing Scrutiny Sub-Committee Minutes - 22 June 2022 and 11 August 2022

RESOLVED that the minutes from the Housing Scrutiny Sub Committee held on 22 June 2022 and 11 August 2022 be noted, subject to some minor typo amendments to be made to the minutes dated 11 August 2022 by the Democratic Services Officer.

37. Portfolio Holder under Scrutiny - Reducing Inequality

This agenda item was deferred due to the Portfolio Holder being unwell and unable to attend the meeting.

38. Operational Performance Report - Quarter 2 2022/23

Graham Rose, Senior Strategic Policy Officer:

- a) presented a report to Performance Scrutiny Committee with an outturn summary of the council's performance in Quarter 2 of 2022/23
- b) explained that the full report was attached as Appendix A of the report, with the Quarterly and Annual Performance Measure Outturn Tables attached as Appendix B
- c) referred to a recent Audit of Performance Management which had received limited assurance, reported to Audit Committee on 15 November 2022, resulting in Assistant Directors being asked to review and approve performance measures prior to being included in quarterly reports

d) invited members' comments and questions.

Members discussed the content of the report in further detail, asked questions and received relevant responses from officers as follows:

- Question: There had been an increase of 39 customer complaints in Quarter 2 compared to Quarter 1. Was there any apparent trend for this?
- Response: Officers would seek a more detailed breakdown on this figure from the Customer Services Manager, including any reasons for the increased number of complaints and which areas they were related to.
- Question: There had been an increase in the average customer wait time to receive a response to telephone calls at 795 seconds in quarter 2.
Response: There was the option available of 'ring back' or contact via e mail. Call operators had to be sensitive/patient in their approach to protect the most vulnerable clients. Officers would ask the Customer Services Manager to provide further detail on reasons for this increase for circulation to members.
- Question: Did the Council raise awareness of the quieter times of day to our customers where call times were lower?
- Response: Officers would seek a response from the Customer Services Manager for circulation to Members.
- Comment: It was assumed that staff sickness would drop now more people were working from home, rather than having increased. The Chair would ask Councillor Chris Burke as relevant Portfolio Holder to respond to this issue on 8 December 2022 when he was due to report into Performance Scrutiny Sub Committee.
- Question: There had been recent reports in the news regarding very bad issues of mould in Council properties elsewhere in the country. What advice did officers offer tenant's to help avoid this problem?
- Response: There were reports of mould in our council stock, the vast majority due to individual circumstances with insufficiently ventilated rooms, or clothes being dried on radiators. The authority was looking at giving online advice to tenants on measures to help avoid mould. Some properties had design defects and these were being attended to, however, the problem was nothing as bad as that reported in recent news reports.
- There was also an issue with unscrupulous companies mail dropping council tenants suggesting they should make a claim for compensation for mould problems. There was a loop hole in the law which required government intervention; to redress the responsibility for disrepair claims against the Housing Authority which currently identified any employee recorded as having entered a council property for whatever reason being deemed as an acknowledgement that mould had been reported. This resulted in large amounts of settlements to companies over a number of years of around £500,000 with tenants seeing very little of the payment.
- Question: Had the Council seen an increase in the number of complaints received in relation to mould in private housing and how did we handle such complaints?
- Response: Officers would provide a response to this question in due course.
- Question: Could further clarification be given to the number of cases of mould compensation claims and whether they were specific to certain areas of the City?

- Response: Officers would circulate the latest information to members. There had been 30 claims the previous year at a cost of approximately £150,000. Costs were mitigated as much as possible
- Question: Did this figure of 9,958 users logged into the online self-help service system this quarter represent the number of log-ins?
- Response: Officers suspected this referred to the number of clicks on the system, however, further investigations would be made and reported back to members.
- Question: Short term sickness in the Housing Directorate was quite high compared to other departments. What was the reason for this?
- Response: This was due to an increasing ageing work force and the nature of the heavy manual work required within the direct works section.
- Question: Why was there a delay of 29.4 weeks from occupational therapy notifications received for DFG grants to completion of works on site during Quarter 2? Members asked if the vacant post of Technical Officer would be recruited to?
- Response: This indicator was out of the control of the City Council as it was the responsibility of Lincolnshire County Council. The County Council were also short staffed in this area. Officers would provide additional detail for members information.
- Question: Why were the number of successful preventions/relief of homelessness compared against the total number of homeless approaches so different?
- Response: In some cases, it may be that the authority did not have a duty to house the client. There was also a small amount of people who refused to engage with us and became homeless for that reason. The authority was struggling to find temporary accommodation in the private sector for homeless clients, together with pressures from existing voids stock. The cost of living, rent increases etc were all triggers to risk of homelessness. A partnership approach with other organisations was being sought.
- Comment: The recommendation to the report asked whether we were happy with its format. The performance measures were not always weighted. Problems discussed around staffing were common across all directorates and not a single issue.
- Response: Officers within the Policy Team would seek comparisons/benchmarking data across other local authorities for Corporate Management Team discussion.

Councillor Dyer requested that future cost saving measures implemented by Executive which had an impact on performance be reported back to Performance Scrutiny Committee in terms of how service level provision was affected.

RESOLVED that:

1. Further detail to be provided to members in the following areas:
 - A breakdown from the Customer Services Manager on the increase of 39 customer complaints received in Quarter 2, including any reasons for the increased number of complaints and which areas they were related to.
 - Reasons for the increase in the average customer wait time to receive a response to telephone calls at 795 seconds in quarter 2.
 - Whether the Council raised awareness of the quieter times of day to our customers where call times were lower.

- Clarification of the 9,958 figure quoted for number of users logged on to the on-line self-service online system this quarter.
 - Further clarification on numbers of disrepair claims against the Housing Authority for mould and damp from unscrupulous marketing companies.
 - Whether the Council had seen an increase in the number of complaints received in relation to mould in private housing and how we handled such complaints?
 - Reasons behind the delay of 29.4 weeks from occupational therapy notifications received for DFG grants to completion of works on site during Quarter 2.
2. Performance data be benchmarked against other local authorities as a comparison exercise.
 3. Executive be asked moving forward to report future cost saving decisions taken which impacted on performance back to Performance Scrutiny Committee in terms of how service level provision was affected.
 4. The content of Quarter 2 2022/23 Operational Performance Report be noted for referral to Executive on 21 November 2022.

39. **Financial Performance - Quarterly Monitoring**

Colleen Warren, Financial Services Manager:

- a) presented a report to Performance Scrutiny Committee with a summary of actual income and expenditure for the Council, compared to the revised budget and how any surpluses had been allocated to reserves
- 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 £2,262,761 (after allowing for the 2021/22 outturn position). The General Fund Summary was currently projecting a forecast overspend of £912,511 (Appendix A provided a forecast General Fund Summary). There were a significant number of forecast 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** – The Housing Revenue Account was projecting a forecast overspend of £173,049 (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 2 the Housing Repairs Service was forecasting a deficit of £573,908 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 revised General Investment Programme for 2022/23 amounted to £32.342m following the quarter 1 report. At quarter 2 the programme had been reduced by £2.186m to £30.156m as shown at paragraph 7.2.

The overall spending on the General Investment Programme for the second quarter of 2022/23 was £2.2m which was 8.8% of the 2022/23 active programme (excluding externally delivered schemes).

- **Housing Investment Programme** – the Housing Investment Programme for 2022/23 in the MTFS 2022 – 2027 amounted to £21.72m. This was increased to £23.17m following approvals and year end re-profiles as part of the 2021/22 outturn. The Overall expenditure on the Housing Investment Programme for the second quarter of 2022/23 was £3.835m, which was 17% of the 2022/23 revised programme.

d) invited members' comments and questions.

Members discussed the content of the report in further detail, asked questions and received relevant responses from officer's as follows:

- Question: What was the impact of the Chancellor's announcements today on the Council's finances?
- Response: There had been an increase announced on business rate relief from 50% to 75%. The referendum cap had been lifted to allow council taxes to be raised by 4.99 per cent. The business rate threshold was to stay the same. Housing rents were capped at 7%. Most of the impact would fall on the individual member of public
- Question: Why was there a reduced income of £30,090 from garden waste?
- Response: This was due to a decrease in take up of the scheme due to the current cost of living crisis.
- Question: There was a significant anticipated reduction in income from the Christmas Market 2022?
- Response: It was true that the Christmas Market this year would struggle to break even due to increases in contract prices and some traders no longer being in business.
- Question: Could further clarification be given to the amount of £106,550 additional unbudgeted costs on supplies and services for city car parks?
- Response: Officers would report back to members with a breakdown of this figure in due course.
- Question: What action was being taken to attract applications for manual trades vacancies within the housing repairs service to reduce the need of increased reliance on sub-contractors with increased prices?
- Response: It was proving difficult to attract a fully staffed workforce to the Housing Service although the situation was improving. The authority was looking at employing multi-skilled operatives more effectively. Employment of external contractors to assist with void properties incurred higher costs. Several contracts had been employed to help with voids on a temporary

basis, however, the service was still under pressure and needed additional help.

- Question: Could officers give clarification to changes to the Housing Investment Programme that required Executive approval to move the budget for bathroom/kitchen improvements to heating, and to be reprofiled to 2023/24?
- Response: If work was not required on bathroom and kitchen improvements the budget was moved to replacement heating installations.
- Question: Why had there been a nil spend on artificial grass pitches in 2022/23?
- Response: The budget for this spend had been allocated to complete existing work which had come in cheaper than anticipated and actually made a saving.
- Question: What type of equipment was a HIAB and Mule?
- Response: This piece of equipment was a crane and a 4 x 4 vehicle used for snow clearance etc.
- Question: In what area was the additional expenditure at Yarborough Leisure Centre incurred?
- Response: This related to payments to the contractor for lost income as a result of the swimming pool being closed for repairs, the December 2022 payment being the last to be made.

RESOLVED that:

1. A further breakdown of reason for additional unbudgeted costs for car park supplies and services be provided to members.
2. Financial performance for the period 1 April to 30 September 2022 and the projected outturns for 2022/23 be noted.
3. The underlying impact of the pressures and underspends identified in paragraphs 3.3 (and Appendix B), 4.3 (and Appendix D), and 5.2 (and Appendix F) of the officer's report be noted.
4. The changes to the General Investment Programme and Housing Investment Programme as approved by the Chief Finance Officer and Lincoln Town Board detailed in paragraphs 7.3, 7.4, 7.5 and 7.12 of the officer's report be noted.

40. Treasury Management and Prudential Code Update Report - Half Yearly Report

Colleen Warren, Financial Services Manager:

- a) presented a report to Performance Scrutiny Committee on the Council's treasury management activity and the actual prudential indicators for the period 1st April 2022 to 30th September 2022
- b) explained that the Council held £64m of investments as at 30th September 2022. The investment profile was shown at Appendix A
- c) highlighted that the Council held £130.070m of external borrowing, of which 100% were fixed rate loans as detailed within Appendix A
- d) invited members' questions and comments.

RESOLVED that the report be noted.

41. Budget Review Process 2023/24

Colleen Warren, Financial Services Manager:

- a. presented members with the process for scrutiny of the proposed budget and Council Tax for the 2023/24 financial year and the Medium Term Financial Strategy 2023-2028
- b. highlighted that it was proposed that the following governance arrangements should be in place for the Group;
 - The group would be made up of 9 non-Executive Members with a 6:2:1 proportionality share.
 - The Group would be a sub-group of the Performance Scrutiny Committee, although Members did not have to be Members of this Committee.
 - The Chair of the group would be the Chair of the Performance Scrutiny Committee.
 - The Group would be the main mechanism by which the Executive would formally consult scrutiny on the consideration of their budget proposals.
 - The meetings would be held in public and would be administered by Democratic Services.
 - Specific Portfolio Holders and Directors (or Assistant Directors) would be invited to attend the meetings of the group or be requested to provide written responses if so required.
 - Advice would be provided to the Group members by officers from the Council's Financial Services Team.
 - The Chair of the Group shall be required to provide a report to the next full Performance Scrutiny Committee summarising the Groups findings and making recommendations to the Executive.

Members were asked to respond to Democratic Services to confirm member's attendance for this group.

RESOLVED that:

1. The objectives and governance arrangements of the Budget Review Group for 2023/24 as set out in paragraphs 3.3 – 3.4 be noted.
2. The timetable for the Group as set out in paragraph 3.6 be noted.
3. Nominations for membership of the Group from leaders of the respective political groups be notified to Democratic Services.

42. Work Programme 2022/23 Update

Alison Hewson, 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, subject to the report by the Portfolio Holder under Scrutiny for Reducing Inequality to be rescheduled to be held at the meeting of Performance Scrutiny Committee on 19 January 2023.

43. Strategic Risk Register - Quarterly Review

Colleen Warren, Financial Services Manager:

- a) presented Performance Scrutiny Committee with a status report of the revised Strategic Risk Register as at the end of the second quarter 2022/23
- b) reported that the strategic risk registers currently contained twelve 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 & 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 protect the vulnerable in relation to the Council's PREVENT and safeguarding duties.
- 12) 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 the second quarter 2022/23 be noted.

44. 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.

45. Strategic Risk Register - Quarterly Review

Colleen Warren, Financial Services Manager:

- 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 the second quarter 2022/23 be noted.