

Present: Councillor Pat Vaughan (*in the Chair*),
Councillor Martin Christopher, Councillor David Clarkson,
Councillor Thomas Dyer, Councillor Lucinda Preston,
Councillor Rachel Storer, Councillor Joshua Wells,
Councillor Loraine Woolley and Councillor Liz Bushell

Apologies for Absence: Councillor Gary Hewson

1. Confirmation of Minutes

RESOLVED that the minutes of the meeting held on 16 February 2023 and 2 March 2023 be confirmed.

2. To Receive Minutes of Housing Scrutiny Sub-Committee

RESOLVED that the minutes from the previous Housing Scrutiny Sub Committee's held on 2 February 2023 and 9 March 2023 be received.

3. Declarations of Interest

Councillor Pat Vaughan declared a Personal Interest with regard to the agenda item titled 'Financial Performance - Outturn 2022/23'. His Granddaughter worked in the Finance Department of the City of Lincoln Council.

4. Financial Performance - Outturn 2022/23

Colleen Warren, Financial Services Manager:

- a) presented a report to Performance Scrutiny Committee with a summary of actual income and expenditure 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 (Appendix A provided a provisional 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** – the financial performance quarterly monitoring report for the 3rd quarter predicted an underspend of £961. The provisional outturn for 2022/23 now indicated an improvement of £119,614, resulting in an overall budget underspend of £120,575 (including additional transfers to/from earmarked reserves). This would result in HRA balances as at 31st March 2023 of £1,184,447. 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 D.

- **Housing Repairs Service** – For 2022/23 the Council's Housing Repairs Service net budget was set at zero, which reflected its full cost recovery nature. The outturn for 2022/23 showed a trading deficit of £221,845, a movement of £198,439. The movement was as a result of the delay in billing of void jobs as highlighted at Q3, which made forecasting the outturn position difficult. 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 last quarterly report approved a General Fund Investment Programme for 2022/23 of £17,860,202. Movements in the programme since revised budget approval decreased actual capital expenditure in 2022/23 to £10,871,844. A summary of the budget changes were shown at paragraph 7.2.

The overall cumulative spending on the General Investment Programme excluding externally delivered schemes for 2022/23 was £8,602,314 which was 57.6% (including externally delivered schemes overall spending was £10,817,967, which was 60.57%) of the revised 2022/23 programme as per the MTFS 2023-28.

- **Housing Investment Programme** – the last quarterly report approved a Housing Investment Programme for 2022/23 of £20,498,524. Movements in the programme since approval of the revised budget decreased actual capital expenditure to £12,647,269 in 2022/23. A summary of the changes was shown in paragraph 7.9 with a detailed breakdown of the Programme being shown at Appendix J.

d) invited members' comments and questions.

Question: Referred to the reduction in income as a result in the decline of bin sales in relation to garden waste and asked if this would have a knock on effect on the Biffa contract and would a cost increase be passed on to the customer.

Response: There was less take up on green bins last year due to the dry summer. It was hoped that there would be more take up this year. Recent figures showed that we were ahead of budget. It was an additional charge which would be absorbed within the waste contract.

Question: Asked if visitors who used the electric charging point spaces and paid to charge their car also paid for the parking space – or did they park for free?

Response: An answer would be provided following the meeting.

Question: Asked if there had been any unexpected cleaning costs at the car park during 2022/23.

Response: The cleaning costs had been scheduled into the budget.

Question: Asked if the Tourist Information Centre was a cost neutral service.

Response: – The Tourist Information Centre was a subsidised service. It was currently over achieving on income, and was performing significantly better but was not a cost neutral service yet.

Question: Asked how much more it cost on average to pay agency staff compared to if they were employed by the City of Lincoln Council.

Response: It cost significantly more to pay agency staff but there were currently difficulties in recruiting staff and the resources were needed.

Question: Further asked if a percentage could be provided in relation to the above.

Response: An answer would be provided following the meeting.

Question: Referred to the increase in budget for the Western Growth Corridor 1b Bridges and asked if it would be funded.

Response: Confirmed that the bridges were funded.

Question: Referred to page 58 in relation to the vehicle fleet and commented that the cost was much lower than expected.

Response: Last quarters budget was based on a worst case scenario, we did not have details of how many vehicles were needed. We bought half the number of vehicles than expected and so the cost significantly reduced.

Question: Referred to the underspend in previous years in the disabled facilities grant budget and asked if the underspend was due to a reduced number of people or the contractors.

Response: Following the Covid 19 pandemic there had been an increase in the demand for disability grants due to occupants being happier for contractors to enter their properties. There was currently one member of staff working in the disabled facilities grants, and we were currently out to recruitment for another member of staff. The balance in the budget was reducing as more of the budget was being spent than received.

Question: Would the time frame in people receiving the grants reduce.

Response: Yes, once the extra staff were recruited.

Question: Asked how much it cost on average to house someone in temporary accommodation.

Response: It cost the Council significantly more to house someone in temporary accommodation.

RESOLVED that:

1. Relevant responses to questions raised by members be provided by officers following the meeting as requested.
2. The report be noted and forwarded to Executive for approval.

5. **Treasury Management Stewardship and Actual Prudential Indicators Report 2022/23 (Outturn)**

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 2022/23

- b) explained that the Council held £49.85million of investments which was £13.165million lower than at 31st March 2022 as detailed within the investment profile at Appendix A, and section 4.3.
- c) highlighted that the Council's total debt (including leases and lease-type arrangements) at 31st March 2023 was £121.962 million as detailed within Appendix A, and section 4.4.
- d) invited members' questions and comments.

RESOLVED that the report be noted

6. **Quarter 4 2022/23 Operational Performance Report**

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 4 of 2022/23
- b) explained that the full report was attached as Appendix A of the report, with the full list of performance measure outturns and supporting performance commentary provided at Appendix B of the report
- c) invited members' comments and questions.

The committee discussed the report in detail and asked the following questions, it was agreed that answers would be provided from the relevant officers following the meeting:

- Asked for further information on why the numbers of new apprentices starting on the Council's apprenticeship scheme were so low and if this was linked to staffing issues?
- Referred to staff vacancies and asked why were any vacant posts with less than 37 hours per week removed from the outturn figure?
- Asked that further information be provided as to why the number of appraisals completed at year end were so low? It was also noted that in 2023/24 the performance figures would look a little odd as the authority transitioned from an annual appraisal between April and Sept to a new approach where staff have an annual appraisal on the anniversary of starting with the council.
- Asked why the sickness levels within the Directorate of Housing and Investment were so high when compared to the other directorates. Further asked for more context to be provided around the short and long term levels of sickness within the Directorate of Housing and Investment?
- Asked if there were any particular reasons as to why apprentice sickness levels were so high?
- Asked that more detail be provided on what the issues were with the phone app system in relation to Birchwood and Yarborough Leisure Centres? Officers confirmed there were no penalties built into the contract, but noted the contract was written to incentivise Active Nation through the profit share element but also the loss share element – the latter heavily weighted to Active Nation underwriting the majority of any financial loss.
- Referred to Yarborough Leisure Centre and asked how much had the outturn of 18% been impacted by the closure of the swimming pool?

- Asked if it would be possible to provide information in the quarterly reports highlighting those directorates / service areas which were not raising purchase orders for invoices?
- Asked if the hybrid working approach was having an impact on staff not raising purchase orders / following procedures?
- Referred to the average time taken to answer a call to customer services and asked if the extremes of wait times could also be provided within the supporting commentary for each quarter?
- Asked what were the issues with the system preventing the PPASB data being collected and were these issues likely to arise again in the future? Officers confirmed how the data was collected and offered assurance the system was now up and running.
- Asked if it would be possible to send Councillor Christopher the text message which was sent to customers to gather satisfaction data on the PPASB service they had received.
- Referred to the percentage of first time fixes in relation to ICT and asked if the actual numbers could be provided in the supporting commentary alongside the percentage outturn?
- Referred to the percentage of first time fixes in relation to ICT and asked if the Citrix issues referenced in the supporting commentary related to more people working from home?
- Referred to the Number of users logged into the on-line self-service system this quarter and asked if the measure could be changed to show the number of logins into the online system rather than the number of users logging in?

The committee continued to discuss in detail the percentage of invoices that had a purchase order completed. Councillor Clarkson expressed concern that a purchase order was not being raised for every purchase. He referred to the report which stated that “staff were encouraged to ensure that all invoices had an associated purchase order raised” and asked if this could be changed so that it was mandatory to raise a purchase order for every purchase. He further commented that the target of 55% was low and suggested that this could be raised.

Colleen Warren, Financial Services Manager advised that a number of the invoices related to gas and electricity bills which did not require a purchase order, also some related to large capital projects. The team had been working with service managers to improve the number of purchase orders raised and this had improved compared to four years ago when only 40% of purchase orders were being raised. She explained that she did not have authority to mandate that all purchases required a purchase order and this would need support from Corporate Management Team.

Simon Walters, Director of Communities and Environment confirmed that he would raise this with Corporate Management Team.

The Chair suggested that the Committees comments and concerns be referred to Executive for consideration, this was supported by the committee.

RESOLVED that:

1. Relevant responses to questions raised by members be provided by officers following the meeting as requested.

2. The report be noted and forwarded to Executive for approval.
3. The format of the performance report continued to meet the committee's requirements.
4. The committee's comments and concerns in relation to purchase orders be referred to Executive for consideration.

7. Work Programme 2023/24

Claire Turner, Democratic Services Officer:

- a) presented the draft work programme for 2023/24 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 2023/24.

RESOLVED that the work programme 2023/24 be noted.

8. Strategic Risk Register - Quarterly Review

Colleen Warren, Finance Manager:

- a) presented Performance Scrutiny Committee with a status report of the Strategic Risk Register as at the end of the fourth 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 fourth quarter 2022/23 be noted.

9. 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.

10. 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 fourth quarter 2022/23 be noted.