

Present: Councillor Gary Hewson (*in the Chair*),
Councillor Pat Vaughan, Councillor Martin Christopher,
Councillor David Clarkson, Councillor Lucinda Preston,
Councillor Hilton Spratt, Councillor Joshua Wells and
Councillor Loraine Woolley

Apologies for Absence: Councillor Thomas Dyer and Councillor Rachel Storer

16. Confirmation of Housing Scrutiny Sub-Committee Minutes - 21 June 2023

RESOLVED that the minutes of the Housing Scrutiny Sub Committee held on 21 June 2023 be received.

17. Declarations of Interest

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

Councillor Pat Vaughan declared a Personal Interest with regard to the agenda item titled 'Income and Arrears Monitoring Report'. His Daughter worked in Revenues and Benefits at the City of Lincoln Council.

18. Confirmation of Performance Scrutiny Committee Minutes - 22 June 2023

RESOLVED that the minutes of the meeting held on 22 June 2023 be confirmed and signed by the Chair.

19. Member Request Table and Citizen Panel Survey

The members request table and associated Citizen Panel Survey had been previously circulated to members of the committee as requested at the previous Performance Scrutiny Committee and was included on the agenda for information.

Michelle Hoyles, Business Manager – Corporate Policy and Transformation advised that recruitment to the Citizens Panel was underway with 200 new sign ups so far. She explained that there had been 285 responses to the most recent survey out of just under 400 members. The Policy Team were currently processing and reviewing the responses received.

The following questions were asked and relevant responses received:

Question: Did any of the current Citizen Panel members request to leave?

Response: No members had requested to leave. There were a number of inactive members and we would review how to deal with these in due course.

Question: How was personal information protected to prevent data breaches and how was this dealt with under Freedom of Information requests?

Response: Gave assurance that all Citizens Panel activities complied with data protection legislation. Personal information was redacted from responses to Freedom of Information requests.

Question: How were people recruited to join the Citizens Panel?

Response: A letter was sent to 7,000 residents from the open electoral register that met the required demographics. A third party company was compiling the data and we would receive a list of people that had consented to go on to the Citizens Panel in due course.

20. Minute Extract from Executive to Performance: Purchase Orders

The Chair presented the minute extract from Executive which provided a response to the comments and concerns raised by Performance Scrutiny Committee in relation to performance indicator “percentage of invoices that had a purchase order complete”.

Councillor Vaughan commented that he was disappointed with the response received from Executive.

Laura Shipley, Financial Services Manager, explained that the performance indicator included utilities and contract invoices in place of purchase orders and therefore a target of 100% was not a realistic target.

Councillor Clarkson, asked who set the performance target and commented that the target had not been changed. Simon Walters, Director of Communities and Environment responded that a target of 75% had been discussed at Executive but the target would be confirmed with the Portfolio Holder for Our People and Resources.

Councillor Preston, asked if the performance indicator could be split and purchases such as utilities that did not require a purchase order be removed from the target. Simon Walters, Director of Communities and Environment responded that this could be looked at to find out if it was feasible and a response would be provided following the meeting.

Laura Shipley, Financial Services Manager, added that the Exchequer Officer would be delivering some training to encourage budget holders to follow the purchase order processes and there would hopefully be an improvement.

21. Financial Performance - Quarterly Monitoring

Laura Shipley, Financial Services Manager:

- a) presented a report to Performance Scrutiny Committee with a summary of the first quarter’s performance (up to 30th June 2023), on the Council’s
 - General Fund
 - Housing Revenue Account
 - Housing Repairs Service
 - Capital Programmes
- b) requested that Performance Scrutiny Committee note the changes to the capital programmes
- c) provided information on the following:

- **General Fund Revenue Account** – for 2023/24 the Council's net General Fund Revenue Budget was set at £14,402,660, including a planned contribution from balances of £191,110 resulting in an estimated level of general balances at the year-end of £2,228,739 (Appendix A provided a forecast General Fund 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 B
- **Housing Revenue Account** — for 2023/24 the Council's Housing Revenue Account (HRA) net revenue budget was set with a planned contribution from balances of £58,930, resulting in an estimated general balances at year-end of £1,125,517, after allowing for the 2022/23 outturn position (Appendix C provided a forecast Housing Revenue Account Summary) Although the forecast position was an underspend there was a number of significant variations in income and expenditure. Full details of the main variances were provided at Appendix D
- **Housing Repairs Service** – For 2023/24 the Council's Housing Repairs Service (HRS) net budget was set at zero, which reflected its full cost recovery nature. At quarter 1 the HRS was forecasting a deficit of £828,671 in 2023/24. Full details of the main variances were provided at Appendix F
- **General Investment Programme** – the original General Investment Programme for 2023/24 in the MTFS 2023-28 amounted to £14.1m which was increased to £21.3m following quarter 4 approvals and year end re-profiles from 2022/23. At quarter 1 the programme had been increased by £3.4m to £24.7m as shown at paragraph 7.2

The overall spending on the General Investment Programme for the first quarter of 23/24 was £1.9m, which was 7.3% of the 2022/23 active programme (excluding externally delivered schemes) as detailed in Appendix I

- **Housing Investment Programme** – the revised programme for 2023/24 amounted to £22.174m following the 2022/23 outturn report. At quarter 1 the programme had been decreased by £4.205m to £17.969m. As shown in paragraph 7.9 of the report. The overall expenditure on the Housing Investment Programme for the first quarter 23/24 was £1,222m, which was 6.80% of the 2023/24 revised budget as detailed at appendix J of the report. A further £1.203m had been spent as at the end of June 2023

d) 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:

- Why was the £4k moved from LAD3 Green Homes to Home Upgrade Scheme?
- Why was there an underspend on the grant, and why didn't we spend this in full helping residents with energy improvements?

- There was an issue recruiting staff particularly in the trades in housing. Has any thought been given to delaying scheduled work temporarily to see if the situation improved?
- A huge amount of money was being spent on contractors in the Housing Department. How much would it cost to employ staff instead of contractors?

Members of the committee asked the following questions and received relevant responses from Officers:

Question: What was the total cost of placing people in temporary accommodation?

Response: It varied depending on the accommodation and the availability of property. The Council could claim back an element of the costs through the housing subsidiary system, the amount that could be claimed back was limited to £91.15 per week. It was forecasted that £863k would be spent on Bed and Breakfasts this year.

Question: Did the Bed and Breakfasts charge the Council a good rate?

Response: Market rate was charged. Officers working out of hours needed to place people in accommodation that night and therefore had to book and pay straight away.

Question: Pleased to see that lower paid workers would receive the highest pay award. If the Unions did not accept the pay offer would employees still receive the award?

Response: The pay would not be implemented until an agreement had been reached.

Question: What was the car park system upgrade and what was the additional card payment fees?

Response: This related to the barrier at the Central car park, a new system was installed which incurred fees, these would be offset by the increased income.

Question: Where would the electric charge points be installed and did the Council receive any revenue from them?

Response: They were predominantly being installed in the car parks, there was a range of deals with providers. The customer paid for the car parking as normal and also pay for the charge on the electric charge point. The Council did not lose any income for providing them.

Comment: There was an issue with recruitment. Employing agency staff or paying for overtime was generating a cost to the Council.

Response: This was a national issue particularly in technical services. The Organisational Development Group was undertaking a big piece of work to look at the issue holistically to provide some solutions such as career grading and succession planning. A report could be provided early next year.

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.

22. Treasury Management and Prudential Code - Quarterly Update

Laura Shipley, Financial Services Manager:

- a) presented a report to Performance Scrutiny Committee on the Council's treasury management activity and the prudential indicators at 30th June 2023
- b) advised that CIPFA's new edition of the Code of Practice Treasury Management (2021) recommended that Councillors should be informed of Treasury Management activities quarterly (previously twice per year)
- c) confirmed that the approved limits within the Annual Treasury Management Strategy had not been breached during the quarter ending 30th June 2023
- d) explained that the Council held £34.8million of investments as at 30th June 2023 achieving an average interest rate of 4.66% (2.10% 22/23). Actual interest earned in the 3 month period to 30th June 2023 totalled £0.43m
- e) advised that as at 30th June 2023 the Council held £114.35 million of external borrowing, of which 100% were fixed rate loans as detailed at paragraph 4 of the report
- f) explained that as at 30th June 2023, the average rate of interest paid during quarter 1 on external borrowing was 3.10%
- g) invited members' questions and comments.

Councillor Clarkson referred to the table at paragraph 4.1.8 of the report and asked for clarification on the investment made with London Borough of Barking and Dagenham.

Laura Shipley, Financial Services Manager clarified that £3m had been invested with London Borough of Barking and Dagenham through the treasury advisors.

RESOLVED that the report be noted

23. Income and Arrears Monitoring Report

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 2023, (and Business Improvement District (BID) levy to the end of June 2023)
- b) highlighted that:
 - The net collectable debit for 2022/23 after Council Tax Support, discounts and exemptions had been granted was £50,746,703 amounting to an increase of £2,955,931 from 2021/22.
 - Total payments received in respect of 2022/23 were £47,776,833 amounting to an increase of £2,955,931 from 2021/22

c) explained that

- The net Business Rates collectable debit for 2022/23 after empty voids, charity entitlements and other reliefs had been granted was £42,045,257. This was an increase of £7,105,311 from 2021/22.
- Total payments received in respect of 2022/23 were £41,705,944. This was an increase of £5,889,304 from 2021/22

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 £417,094

e) explained that the net Housing Rent debit for 2022/23 (collectable rent) excluding Housing Benefits, Universal Credit and other adjustments was £30,185,668 of which 99.91% was collected, amounting to a decrease of 0.27% on 2021/22 collection of 100.18%

f) highlighted that a total of 11,916 new debtor accounts were raised in 2022/23 amounting to £15,316,565 in cash terms

g) explained that the balance of outstanding Housing Benefit Overpayments as at 1st April 2023 was £2,458,831 compared to £2,661,801 at 1st April 2022, a decrease of £202,970

h) invited members' questions and comments.

Members requested clarification on the relationship between the LHA grant funding and housing benefits payments for temporary accommodation.

Martin Walmsley, Head of Shared Revenues and Benefits advised that a response would be provided following the meeting.

RESOLVED that:

1. A response be provided to members clarifying the relationship between the LHA grant funding and housing benefits payments for temporary accommodation.
2. The content of the report be noted.

24. Quarter 1 2023/24 Operational Performance Report

Michelle Hoyles, Business Manager – Corporate Policy and Transformation:

- a) presented a report to Performance Scrutiny Committee with an outturn summary of the council's performance in Quarter 1 of 2023/24
- 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:

- Referred to the performance indicator “*cumulative long term sickness per FTE (excluding apprentices)*” and commented that it was concerning the number of days lost due to stress or depression. How many days were lost due to work related stress compared to personal stress?
- Why was the number of days lost due to short term sickness much higher for apprentices?
- Referred to the two performance indicators “number of calls logged to IT helpdesk” and percentage of first time fixes” . Why were these recorded as a volumetric?
- Referred to the performance indicator “ Number of properties ‘not decent’ as a result of tenants refusing to allow work (excluding refusals)” Would it be possible to find out who in Abbey Ward was refusing work? Were there follow ups when people refused work? Could a target be set instead of volumetric?
- Referred to the performance indicator “ Number of properties ‘not decent’ as a result of tenants refusing to allow work (excluding refusals)” Did this include where a property didn’t need work for example a new kitchen was not needed following inspection or was this included in a sperate performance indicator?
- Referred to the performance indicator “*percentage of waste recycled or composted (seasonal)*” and commented that this was persistently low. Had there been an increase in the percentage of recycling for the areas in Lincolnshire that had been provided with bins for card and paper?

Members of the committee asked the following questions and received relevant responses from Officers:

Question: Expressed concern that the percentage of appraisals completed was low at 18.5%. Appraisals were important and could prevent long term sickness. What steps were being taking to improve the number of appraisals completed?

Response: Appraisals were important and were raised at the monthly Departmental Management Team meeting. The system had changed recently which had affected the figures. Previously appraisals were completed between April and June. This was taking time out of the organisation so the system had been changed to appraisals being completed on the anniversary of joining the Council.

Question: Had there been feedback from Managers on why appraisals had not been completed?

Response: It was not due to a reluctance to complete appraisals, it was because of the day to day pressures of work and finding the capacity to complete them.

Question: Could interim appraisals take place throughout the year which would flag any performance issues?

Response: One to ones took place on a monthly basis. Consideration could be given to splitting up appraisals so that they were not such an intense piece of work.

Question: What were the changes that were due to be implemented that would improve the utilisation levels at the car parks?

Response: Extra electric vehicle points were being installed.

Question: Was the Central Car Park included in the Parking Services PS2 performance indicator? The Central Car Park used a chip and was not pay and display.

Response: Yes, the performance indicator included the Central Car Pack as well as the pay and display car parks. The title of the performance indicator could be changed to sessional parking.

Comment: Referred to performance indicator PPASB 4 and commented that 100% satisfaction gave a false representation as only 2 surveys were sent out from 16 cases

Response: The new automated IT system was not picking up all of the cases, the PPASB Team had dealt with more than 16 cases during quarter 1. The IT bug was being addressed and the measure would be meaningful when more replies were received.

Question: Asked for clarification on the number of net promoter score points above or below the average net promoter score for England in relation to Yarborough and Birchwood Leisure Centres.

Response: The net promoter score was compared to the national average and enabled us to benchmark. Birchwood Leisure Centre was doing well with good satisfaction, whereas there was dissatisfaction with Yarborough Leisure Centre. There had been staffing issues in the gym and an issue with the class timetable but we would expect the score to improve next quarter.

Question: Had the take up of green bins improved this year?

Response: There had been an increased take up but it had not reached the target.

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.

25. Work Programme for 2023/24

The Chair:

- 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 agreed.

26. Strategic Risk Register -Quarterly Review

Simon Walters, Director for Communities and Environment;

- a) presented Performance Scrutiny Committee with a status report of the revised Strategic Risk Register as at the end of quarter 1 2023/24
- b) reported that the strategic risk registers currently contained fourteen 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.
 - 5) Failure to protect the local authority's long term vision 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 and service delivery.
 - 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 compliance with safeguarding duties and domestic abuse duties.
- 12) Failure to mitigate against the risk of a successful cyber-attack against the council.
- 13) Impacts of the uncertainty of Government's migration policy on the Council's service delivery, capacity and MTFS as well the impacts for the City as a whole.
- 14) Failure to deliver critical services in an emergency situation.

c) invited committee's questions and comments

The Chair advised that he had recently attended a training session on the Strategic Risk Register. He had learnt the importance of scrutinising the Strategic Risk Register and commented that he felt the committee should ask more questions when the report was brought to committee. Simon Walters, Director of Communities and Environment responded that in future the Strategic Risk Register could be added to the beginning of the agenda to allow more time for scrutinising.

Councillor Clarkson commented that the presentation of the Strategic Risk Register was different to how Lincolnshire County Council (LCC) presented their risk register and he felt that LCC's was easier to understand. Simon Walters, Director of Communities and Environment responded that the District Councils presented their Strategic Risk Register in this format, and he would look to see how LCC presented their Strategic Risk Register.

RESOLVED that the Strategic Risk Register as at the end of quarter 1 2023/24 be noted.

27. 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.

28. Quarterly Strategic Risk Register Report - Quarter 1

Only Appendix B Strategic Risk Register was contained here as exempt information.

RESOLVED that the Strategic Risk Register as at the end of quarter 1 2023/24 be noted.