

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

Apologies for Absence: None.

1. Confirmation of Minutes - 11 March 2021

RESOLVED that the minutes of the meeting held on 11 March 2021 be confirmed.

2. Declarations of Interest

Councillor Pat Vaughan declared a Personal Interest with regard to the agenda item titled 'Financial Performance - Outturn 2020/21'. Reason: His granddaughter works in the Finance Department of the City of Lincoln Council.

Councillor Pat Vaughan declared a Personal Interest with regard to the agenda item titled 'Treasury Management Stewardship and Actual Prudential Indicators Report 2020/21 (outturn)'. Reason: His granddaughter works in the Finance Department of the City of Lincoln Council.

3. Section 106 and CIL Contributions Update

Nicola Collins, Heritage and Planning Enforcement Team Leader:

- a) presented Performance Scrutiny Committee with an annual update on Section 106 Agreements and Community Infrastructure Levy (CIL) that had been collected in the last 24 months to December 2020
- b) highlighted that a report was last brought before the committee in January 2019 outlining the Section 106 Agreement amounts for the year up to December 2018. Due to the lockdown period during the Covid-19 pandemic a report was not presented in 2020 so the report covered 2019 and 2020
- c) explained that the table in paragraph 4.2 of the report illustrated Section 106 contributions and CIL secured for 2019 and 2020 up to and including December 2020 as a result of new planning applications submitted during that period
- d) explained that the table in paragraph 4.6 of the report illustrated the Section 106 and CIL contributions received during the period from development that had already commenced and met the trigger for payment
- e) invited members' comments and questions.

Question: Members asked for more information for the former allotments at Riseholme Road with regard to the green infrastructure and playing fields.

Response: The local green infrastructure had to be spent within 3 miles of the former allotment site at Riseholme Road. Monies could be spent on a playing fields within a 15 mile radius but funds had not yet been allocated.

Question: Members asked if a breakdown of where the money had been spent in the last year could be added to future reports.

Response: Officers agreed that this would be incorporated for future reports to the committee.

Question: Members asked why the building of apartments seemed to only generate monies for medical practices.

Response: This was due to the definition and type of development that these types of development were classed as. The Local Plan determined that if developments were student accommodation then only health contribution could be sought.

RESOLVED that the contents of the report be noted

4. Operational Performance Report Q3-Q4 2020/21

Pat Jukes, Business Manager Corporate Policy:

- a) presented Performance Scrutiny Committee with an outturn summary of the Council's Performance in the year 2020/21
- b) explained that the full report was attached as Appendix A, with the Strategic Measures Dashboard attaches as Appendix B, and the annual measures as Appendix C. It provided a summary table of results by directorate plus a narrative summary of performance for quarters three and four for each of the key services
- c) invited members' comments and questions.

Question: Members asked for Officers to look at some of the graphics in the report as they were blurry and made it difficult to read some of the text.

Response: Officers will correct this in time for the Q1 report.

Question: Members asked for more detail on the data for Communications with how many social media hits we were getting and by type.

Response: This information would be provided for future reports.

Question: Members asked for a breakdown of calls received by Customer Services by the nature of the call and how many could have been completed online.

Response: A report that had been taken to CMT showed that there had been a significant shift with online contact from customers. The breakdown information would be provided for future reports.

Question: Members asked for the percentage of staff that had been migrated over to Microsoft Teams.

Response: There had been 300 staff that had been migrated over so far. The migration was on track subject to the supply of devices with every staff member who requires Microsoft Teams to have this by the beginning of September.

Question: Members asked what was taking place to help gain more apprentices as it was disappointing to see that the figures were low.

Response: This was a disappointing figure but apprentices needed to work very closely with others in order to gain experience and knowledge etc. the whole apprenticeship scheme was being reviewed to see how this could be changed and how the scheme would run in the future.

Question: Members asked for a comparison between call length for previous years.

Response: Officers were to look at this and report back to the Committee as to whether this was possible retrospectively or ongoing.

Question: Members asked for the wording to be changed for the second measure for Communications.

Response: New wording was to be proposed and implemented for future reports.

Question: Members asked why having only 300 more individuals on the electoral roll was significant.

Response: This was due to previously reporting that there was a lack of take up for individuals to be placed on the electoral register so 300 meant that there was a positive increase in individuals registered.

Question: Members asked what was being put in place to help with the expected increase in workload for the Revenues and Benefits Team due to the changes in furlough/Universal Credit.

Response: Teams were currently prioritising the reprioritisation of work and the workload was being moved online.

Question: Members asked if there was any information on how many Customer Services phone calls had been dealt with first time.

Response: This used to be measured by satisfaction surveys but had not been carried out recently due to Covid-19.

Question: Members commented that it was disappointing to see the waste and recycling figure so low and asked why and how the Council compared to other local authorities in Lincolnshire.

Response: This information would be sought and reported back to the Committee.

Question: Members asked what areas of the City had low performance in regard to recycling and what was being done to increase rates of recycling.

Response: This information would be sought and reported back to the Committee.

Question: Members asked when the paper recycling bins would be rolled out in the City.

Response: This information would be sought and reported back to the Committee.

Question: Members asked when an update on the Parking Strategy would be received.

Response: The Parking Strategy should be received next year, as 2025 priorities were currently being reviewed. Car parking had started to see a rise in customers, but this had recently reduced owing to the temporary closure of Pelham Bridge.

Question: Members asked when the satisfaction surveys about anti-social behaviour complaints would be measured again as this was impacting on residents' lives.

Response: These surveys were carried out by the Customer Services Team and would need to be started again. Officers were to report back to the Committee with a date of when this would start again.

Question: Members asked whether the Committee could be offered the opportunity to see a Decent Home (of an older generation) prior to it being offered to a member of the public.

Response: The Lincoln Tenants Panel had attended properties at random but had not carried out recent random visits due to Covid-19. Once these visits restarted, it was suggested members could attend with the Tenants Panel.

Question: Members asked when they would see the results of the pilot repairs scheme.

Response: This information may be taken to Housing Scrutiny Sub Committee on the 23rd June 2021 where the question would be re-asked.

Question: Members asked for some detailed statistics on what appointments had been kept and which had been completed on the first visit.

Response: This information was available for the Housing Scrutiny Sub Committee.

Question: Members asked whether there was any data to show how much overtime staff had done over the past year and how much leave had been accrued by staff as members were worried that staff were not taking their entitled leave.

Response: Managers had been reminded regularly to make sure that their employees used their annual leave entitlement. CMT had allowed leave to be carried over for two years. If there was central information on how much leave

staff had to be carried forward or had already carried forward, then this would be sent onto the Committee.

Question: Members asked why there had been a drop in the complaint response times.

Response: This was due to one complaint that had taken more time than usual to resolved.

RESOLVED that the outturn summary be noted.

5. Performance Targets for 2021/22

Pat Jukes, Business Manager Corporate Policy:

- a) informed Performance Scrutiny Committee with agreed performance targets for 2021/22 for initial reporting in Q1 2021/22.
- b) explained that Appendix A detailed the measures chosen to have targets monitored. The targets had been proposed by Assistant Directors in consultation with their Service Managers and confirmed by Directors and Portfolio Holders.
- c) highlighted that due to the impact of Covid-19, service areas had considered the best way to measure performance in their service. This had varied, dependant on the nature of the service. Because of both the short and longer term impacts of Covid-19 on council services, all targets would be reviewed again from September to ensure they remained fit for purpose.
- d) explained that Customer Feedback measures had been removed due to short term difficulties in collecting these measures, but also to allow a complete review of our Customer Feedback Framework to enable more bespoke feedback, providing meaningful data which could be responded to appropriately.
- e) invited members' comments and questions.

Performance Scrutiny Committee wanted it noted that they did not accept/agree the targets that had been set. The Committee stated that the targets should remain as they were and should have an explanation next to them as to why/how these targets had been changed. The Committee further stated that lowering the targets gave a message that the Council was striving for less when this was not the case and it did understand that targets had to be deliverable.

The Committee expressed concern over the process of target setting for 2021/22, as it was felt that Portfolio Holders had made decisions for their own portfolios without any scrutiny involvement. It was proposed that in future, Portfolio Holders attended the Performance Scrutiny Committee to present proposed changes and rationale for targets.

Members asked for the targets report to be brought back to the Committee with further explanations next to each target as to why there had been a change.

6. Financial Performance - Outturn 2020/21

Colleen Warren, Financial Services Manager, on behalf of Jaclyn Gibson, Chief Finance Officer:

- a) presented Performance Scrutiny Committee with the provisional 2020/21 financial outturn position on the Council's Revenue and Capital Budgets;
- b) explained that Covid-19 had taken its toll on the financial resilience of the Council, as income streams had plummeted and there had been a requirement to incur costs to ensure services were being provided throughout the pandemic; and to respond to consequences of the pandemic. The impacts of this were not restricted to the current financial year but would have a significant impact over the period of the current MTFS and possibly beyond. In terms of the current financial year, 2020/21, the key challenges faced were in respect of:
 - Exceptional costs of dealing with Covid-19 and increased service demand; and
 - Loss of income.

In response to calls from the sector the Government had allocated a total of £4.6bn of general purpose grant funding to support local authorities to cover expenditure related pressures and announced an income compensation scheme to recompense councils for approx. 75p in every £1 of lost sales, fees and charges income. To date the council had received funding support of £1.877m for Covid-19 related pressures and was forecasted to receive £2.989m through the income compensation scheme and a further £0.519m through the Local Tax Income Guarantee Scheme. There had however been no additional financial support provided to the Housing Revenue Account.

- c) provided information on the Council's:
 - **General Fund Revenue Account** - the General Fund revenue budget was set at £12,963,220, which included a planned contribution from balances of £286,310 (resulting in an estimated level of general balances at the year-end of £2,522,188).

The financial performance quarterly monitoring report for the 3rd quarter predicted an underspend against the revised budget of £122,723. The provisional outturn for 2020/21 now indicated that this underspend had increased by £25,658, resulting in an overall budget underspend of £148,381 (including proposed transfers to/from earmarked reserves and carry forward requests). They represented a variance against the revised budget of 0.6%.

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.

The most significant impact of Covid-19 had been on the Council's income streams with monthly income levels plummeting across a range of discretionary services, as well as through investments and rental streams, as a result of the shutdown of the economy and its likely phased path to recovery. The Council's reliance on local

income streams had increased significantly in recent years as Government Funding had reduced through austerity measures and new funding mechanisms had been introduced resulting in the Council having to be more self-sufficient and secure its own funding sources. Prior to the implementation of new funding mechanisms in 2013, less than 20% of the Council's funding sources were subject to any level of volatility, for 2020/21 90% was now subject to volatility and emphasised the financial risk that the Council faced from its income streams.

- **Housing Revenue Account (HRA)** – for 2020/21 the Council's HRA net revenue budget was set at £75,000, resulting in an estimated level of general balances at the year-end of £1,000,141.

The financial performance quarterly monitoring report for the 3rd quarter predicted an underspend of £772,391. the provisional outturn for 2020/21 indicated an underspend of £74,512. This resulted in the HRA balances at 31 March 2021 of £1,074,653.

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.

In line with the General Fund the HRA had also borne the financial impacts of Covid-19 resulting in exceptional costs in responding to the pandemic and pressure on income streams. These had included:

- **Exceptional Expenditure:**
 - Establishment of Housing Rent Hardship Fund
 - Provision of PPE and Covid-19 secure status for HRA services and buildings
- **Income Pressures:**
 - Housing Rent Arrears
 - Housing Voids
 - Investment Income
 - Court Cost Income
- **Housing Repairs Service** – the financial performance quarterly monitoring report for the 3rd quarter predicted a £204,670 surplus outturn for 2020/21. The provisional outturn for 2020/21 had shown a trading deficit of £322,088, a movement of £526,758. The movement was as a result of the delay in billing as highlighted in Quarter 3 which forecasted the outturn position difficult. Now that billing was up to date the full financial impacts of Covid-19 had resulted in a loss to the HRS.

The main over and underspends included within the provisional outturn were detailed in Appendix F, with the key variances summarised in paragraph 5.3 of the report.

d) provided information on:

- **General Investment Programme** – the last quarterly report approved a General Fund Investment Programme for 2020/21 of

£5,117,557. Movements in the programme since the revised budget was approved decreased the actual capital expenditure in 2020/21 to £3,212,056. A summary of the change was shown in paragraph 7.2.

The overall spending on the General Investment Programme for 2020/21 was £3,212,056, which is 62% of the revised 2020/21 programme as per the MTFS 2021-26.

- **Housing Investment Programme** – the last quarterly report had approved a Housing Investment Programme for 2020/21 of £19,960,118. Movements in the programme since approval of the revised budget decreased actual capital expenditure to £16,376,767 in 2020/21. The final outturn position was shown in the table at paragraph 7.10 of the report.

The overall spending on the Housing Investment Programme for 2020/21 was £16,376,767 which was 83.17% of the revised 2020/21 programme as per MTFS 2020-25.

e) invited members' comments and questions.

Question: Members asked whether the Strategic Priority Reserve utilised to enable staff to work from home.

Response: This money would be used to make the Council more efficient and to update IT in communal areas.

Question: Members asked how the Council was performing compared to similar authorities.

Response: Officers believed that similar authorities were in the same position as the Council and that the funding which had been provided by Central Government was a one-off payment.

RESOLVED that the report be noted.

7. Treasury Management Stewardship and Actual Prudential Indicators Report 2020/21 (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 2020/21.
- b) explained that the Council held £33.9million of investments which was £3.35m higher than at 31st March 2020. The investment profile was shown in Appendix A, section 4.3.
- c) highlighted that the Council's total debt (including leases and lease-type arrangements) at 31st March 2021 was £123, This was shown in Appendix A, section 4.4.
- d) invited members' questions and comments.

RESOLVED that the report be noted.

8. 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.

9. Strategic Risk Register - Quarterly Review

Colleen Warren, Financial Services Manager, on behalf of 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 2020/21.
- b) reported that the strategic risk registers currently contained fifteen 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 mitigate against the implications for the Council following the outcome of Brexit.
- 10) Failure to deliver key strategic projects.
- 11) Failure of the Council's key contractors and partners to remain sustainable and continue to deliver value for money
- 12) Failure to work in partnership to sustain support to vulnerable resident's post Covid-19.
- 13) Failure to put in place safe working practices and social distancing measures to protect officers and service users.
- 14) Failure to comply with current safeguarding legislation and procedures.
- 15) Failure to Meet the Councils PREVENT duties.

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

10. 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.

11. Strategic Risk Register - Quarterly Review

Colleen Warren, Financial Services Manager, on behalf of 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 2020/21 be noted.