

Present: Councillor Gary Hewson (*in the Chair*),
Councillor Natasha Chapman, Councillor Thomas Dyer,
Councillor Adrianna McNulty, Councillor Neil Murray,
Councillor Anita Pritchard and Councillor Emily Wood

Apologies for Absence: Councillor Pat Vaughan

63. Confirmation of Minutes - 23 January 2025

RESOLVED that the minutes of the meeting held on 23 January 2025 be confirmed.

64. Declarations of Interest

No declarations of interest were received.

65. Change to Order of Business

RESOLVED that the order of business be changed to allow Item number 7 'Section 106 and CIL Contributions Update' to be considered as the next agenda item.

66. Section 106 and CIL Contributions Update

Kieron Manning, Assistant Director for Planning:

- a) provided Performance Scrutiny Committee with an annual update on Section 106 agreements and Community Infrastructure Levy (CIL) that had been collected, secured and spent in the last 12 months to December 2024
- b) stated that Section 106 agreements were routinely drafted, where specific quantifiable need was identified, to require developers to contribute to vital infrastructure in accordance with local plan policies. This was to mitigate the impact of that development and make that development sustainable in planning terms. The contributions were usually in the form of a commuted sum, calculated on a pro-rata basis depending on the size of the development
- c) explained that there were three tests that determined the collection of developer contributions; they must be directly related to the development, fairly and reasonable related in scale and kind and necessary to make the development acceptable in planning terms
- d) highlighted that only one Section 106 Agreement was negotiated in 2024, for a contribution of £5,899 towards the NHS from the new development at the site of the former Golden Cross Public House on the High Street, however, it didn't qualify for CIL as it was for occupancy as apartments and therefore was exempted development.
- e) welcomed the committee's comments and questions.

It was agreed that the annual Infrastructure Funding Statement containing all the CIL contributions would be presented annually going forward rather than an update report.

RESOLVED that:

1. The Annual Infrastructure Funding Statement be presented in January 2026 and be added to the work programme.
2. The contents of the report be noted.

67. Financial Performance (Detailed) - Quarterly Monitoring: Quarter 3

Laura Shipley, Financial Services Manager:

- a) presented a report to Performance Scrutiny Committee with a summary of the third quarter's performance (up to 31 December), 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 2024/25 the Council's net General Fund Revenue Budget was set at £15,427,670, including a planned contribution from balances of £146,820 resulting in an estimated level of general balances at the year-end of £2,391,979 (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 2024/25 the Council's Housing Revenue Account (HRA) net revenue budget was set with a planned contribution from balances of £101,220, resulting in an estimated general balances at year-end of £1,030,024 after allowing for the 2023/24 outturn position (Appendix C provided a forecast Housing Revenue Account Summary) Although the forecast position was an underspend there were a number of significant variations in income and expenditure. Full details of the main variances were provided at Appendix D.
 - **Housing Repairs Service** – For 2024/25 the Council's Housing Repairs Service (HRS) net budget was set at zero, which reflected its full cost recovery nature. At quarter 3 the HRS was forecasting a surplus of £32,882 in 2024/25. Full details of the main variances were provided at Appendix F.
 - **General Investment Programme(GIP)** – the revised General Investment Programme for 2024/25 amounted to £27.9m following

quarter 2. At quarter 3 the programme had been decreased by £5.9m to £22.0m, as detailed at paragraph 7.2.

- The overall spending on the General Investment Programme active schemes (excluding externally delivered schemes) at the end of quarter 3 was £10.1m, which was 53.1% of the budget as detailed in Appendix I.
- **Housing Investment Programme** – the revised programme for 2024/25 amounted to £17.432m following the Quarter 2 position. At quarter 3 the programme had been decreased by £0.020m to £17.411m, as show in paragraph 7.10 of the report. The overall expenditure on the Housing Investment Programme at the end of Quarter 3 was £8,861m, which was 50.89% of the 2024/25 revised programme (excluding expenditure relating to Western Growth Corridor which was currently shown on the GIP to be apportioned at year end)) as detailed at Appendix J of the report. A further £0.680m had been spent as at the end of January 2025.

d) invited members' comments and questions.

Question: Why was there a £127,000 surplus for smoke alarm/detector testing?

Response: The budget was averaged over a 5 year cycle and dependant on the housing stock. It was difficult to determine capacity which may be on the voids programme. Officers hadn't had as much work go through this year and it had been reviewed as part of the MTFS this year.

Question: What would the cost be to the Council for running an election weeks before planned elections?

Response: A figure couldn't be confirmed at present. It was agreed a response be fed back to the committee after the meeting.

Question: In relation to the Cornhill Market, were the increased costs expected?

Response: The £55,000 legal fees were a one off. 30 stalls were put through that system, calculated before the market opened.

Question: When would the Council no longer require the services of professional staff at the Crematorium?

Response: In terms of staffing, interviews were taking place this week for the manager post with the outcome to be confirmed in the next week. Even with transition there shouldn't be a budget pressure next year once this had taken place. Income wise, work was being carried out with new interim management and other income potential opportunities moving forward. It would be prioritised once a management team was in place.

Question: Had more additional funds been given to Action Nation?

Response: A sum of £50,000 was a combination of old contract arrangements and new support provision for Active Nation. As part of the new contract, for any losses Lincoln took a share up to a maximum of £50,000, a new support package was planned for the new financial year.

Question: Could an update be provided on the funds spent on the Lincoln Town Deal projects?

Response: Officers advised that a more accurate update be provided after the meeting.

RESOLVED that:

1. The figures on running a by-election weeks before planned elections be provided to the committee
2. An update on the funds being spent on Lincoln Town Deal projects be provided to the committee
3. The contents of the report be noted.

68. Operational Performance - Quarter 3 2024/25

Lara Trickett, Business Manager for Corporate Policy and Improvement:

- a. presented an outturn performance summary report to Performance Scrutiny Committee of the Council's performance in Quarter 3 of 2024/25
- b. highlighted that out of the 91 performance measures monitored during the quarter, 66 had targets allocated to them, of these targeted measures 54 (59.4%) were within or exceeding the targets set
- c. reported that when read together, Appendices A and B aimed to enhance the range of performance information presented via the quarterly reporting process and make it easier to assess and scrutinise the performance of each priority/portfolio
- d. advised that as set out in section 3, Appendix A provided an overview of the Council's performance by Directorate and Vision 2025 theme. The highlight report detailed some of the positive work of the Council during the quarter, and the impact of this was also included in Appendix A.
- e. invited members' comments and questions.

Question: Would it be possible for members to have access to compliments that were received to measure which areas were doing well?

Response: Officers advised that they would speak to the appropriate officer and arrange for the information to be circulated to members.

Question: In relation to annual appraisals, 65% completion was low, was this due to a structural issue? Or the time taken to carry them out?

Response: 1:1's played a key part and were carried out monthly and there was an element of appraisals not being captured on the ITrent system.

Emily Holmes, Assistant Director for Strategic Development confirmed that a report on Strategic Performance Measures and Targets would be submitted to the next Performance Scrutiny and the points raised on this topic would be submitted alongside this report with options at the next meeting.

Question: Could an update be provided on the current vacancies within the Council?

Response: The Business Manager advised she would provide an update to the committee after the meeting.

RESOLVED that:

1. An overview of the compliments received be circulated to members
2. A report be submitted by the Assistant Director for Strategic Development to the next Performance Scrutiny Committee on the Strategic Performance Measures and Targets noting the points that were raised in relation to annual appraisals and the concerns around them being logged on the ITrent system
3. An update on the current vacancies within the City of Lincoln Council be circulated to members.
4. The contents of the report be noted.

69. Treasuring Management and Prudential Code - Quarterly Update

Laura Shipley Financial Services Manager:

- a. presented a report to Performance Scrutiny Committee to summarise and review the Council's treasury management activity and the prudential indicators at 31st December 2024
- b) advised that the Treasury Management position and performance results for the 9 months ended 31st December 2024 were set out in the body of the report & Appendix A (prudential Indicators)
- b. reported that officers confirmed that the approved limits within the Annual Treasury Management Strategy were not breached during the quarter ended 31st December 2024
- c. gave an overview of the investment portfolio as detailed at paragraph 4 of the report and explained that the Council held £17.505m of investments as at 31st December 2024 achieving an average interest rate of 5.13% for the financial year to date (5.11% 2023/24)
- d. explained that as at 31st December 2024, the forecast income for the year was £1.066m (£0.397m General Fund & £0.669m HRA), an overachievement of income of £0.405m against the £0.661m budget
- e. invited members' questions and comments.

RESOLVED that the Prudential and Treasury Indicators and the actual performance against Treasury Management Strategy 2024/25 for the quarter ended 31 December 2024 be noted prior to referral to Executive for consideration.

70. Feedback from Budget Review Group

Councillor Gary Hewson, Chair of Performance Scrutiny Committee explained the resolution from the most recent Budget Review Group which was as follows:

'The Budget Review Group agreed to provide its comments and recommendations to the next Performance Scrutiny Committee meeting, prior to progression to Council, and wished the following statement to be recorded:

'Budget Review group took this opportunity to scrutinise the Draft Medium Term Financial Strategy 2025/2030 and noted the questions which were tabled for the meeting and also raised during the meeting, for which replies were given.

Budget Review Group agreed that with the information available at this time to officers and which had been relayed to members, that the proposals were a sustainable strategy for the Council's objectives regarding the Medium Term Financial Strategy 2025/2030.'

RESOLVED that the resolution from Budget Scrutiny Committee be noted by the Committee with thanks.

71. Draft Work Programme 2024-25

The Chair:

- a) presented the draft work programme for 2024/25 as detailed at Appendix A of the 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 2024/25.

RESOLVED that:

- 1. The Annual Infrastructure Funding Statement would be appended to the agenda in January 2026.
- 2. The Draft Work Programme 2024/25 be noted.

72. Strategic Risk Register - Quarterly Review

Emily Holmes, Assistant Director, Transformation and Strategic Development:

- a) presented Performance Scrutiny Committee with a status report of the Strategic Risk Register as at the end of the third quarter 2024/25
- b) reported that the strategic risk register currently contained fifteen risks as follows:
 - 1) Failure to engage & influence effectively with the Council's strategic partners, council staff and all stakeholders to deliver against the Council's new Vision 2030.

- 2) Failure to deliver a sustainable Medium-Term Financial Strategy that supported delivery of the Council's Vision (specifically in relation to the General Fund).
- 3) Failure to deliver the Towards Financial Sustainability Programme.
- 4) Failure to ensure compliance with existing and new 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, 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 and domestic abuse duties.
- 12) Failure to mitigate against the risk of a successful cyber-attack against the Council.
- 13) Impacts of uncertainty of Government policies on migration policy, asylum dispersal, early prison release etc. on the Council's service delivery, capacity and MTFS as well as the impacts on housing, communities and the economic vitality of the City Centre.
- 14) Failure to deliver critical services in an emergency situation.
- 15) Failure of service delivery leading to reputational impacts on the Council and adverse financial implications.

Members considered the contents of the report.

RESOLVED that the Strategic Risk Register as at the end of the third quarter 2024/25 be noted.

73. 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.

74. Strategic Risk Register - Quarterly Review

Emily Holmes, Assistant Director, Transformation and Strategic Development:

- 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 third quarter 2024/25 be noted.