

OVERVIEW AND SCRUTINY COMMITTEE

Meeting held in the Committee Room, Council Offices, Urban Road, Kirkby-in-Ashfield,
on Thursday, 20th February, 2020 at 7.00 pm

Present: Councillor Sarah Madigan in the Chair;
Councillors Ciaran Brown, Andrew Harding,
Andy Meakin, Phil Rostance and Caroline Wilkinson.

Apology for Absence: Councillor Jim Blagden.

Officers Present: Lynn Cain, Joanne Froggatt, Peter Hudson, Mike Joy
and Shane Wright.

OS.19 Declarations of Disclosable Pecuniary or Personal Interests and Non Disclosable Pecuniary/Other Interests

No declarations of interest were made.

OS.20 Minutes

RESOLVED

that the minutes of the meeting of the Committee held on 16 January 2020, be received and approved as a correct record.

OS.21 Budget Update

The Corporate Finance Manager (and Section 151 Officer) attended the meeting to provide a presentation on the 2020/21 Annual Budget and an update on the Medium Term Financial Strategy (MTFS).

Members were advised of the General Fund corporate, service related and other savings being made during 2020/21 and 2021/22 to endeavour to close the funding gap and balance the budgets accordingly.

Highlighted areas of saving were as follows:-

Corporate

- a base budget review had been undertaken with all Service Managers to consider their particular budgets on a line-by-line basis to highlight any over or under-spending;
- the contribution charged to the Housing Revenue Fund (HRA) for finance work undertaken by officers had been increased by £100,000;
- the 'vacancy factor' had been increased by 1% over the two years;
- a stationary saving of £10,000 had been achieved;

- the sale of Ashfield Business Centre and its associated maintenance costs;
- a reduced ICT revenue budget due to capitalisation of various hardware assets;

Service Related

- a terminated Trade Waste agreement;
- outsourcing of the Building Control Function;
- Regeneration Service being brought back in-house;
- completion of the Transport Review;
- transfer of the Lifeline Service to Notts City Homes;
- completion of the HR/Payroll Review;
- accrual of additional income in the Pest Control Section;
- changes in the Depot canteen targets;
- completion of the Democratic Services restructure;
- completion of the Environmental Health restructure;
- completion of the Finance Team Service Review;

Other

- a change in Community Foundation Grant contribution;
- new car parking facilities at Kings Mill Reservoir;
- additional rental income from the Police.

The Committee were guided through the Council's proposed investments in Corporate Communications, an 'Office 365' rollout programme and Lone Worker Devices.

Members were asked to consider the Council's increasing property investment portfolio and acknowledged that the rental being achieved was a key income stream with a net total of over two million being achievable year on year. Investments has equated to £58 million thus far with an anticipation of a further spend of 26 million and 20 million over the next two years.

The current commercial property investment by sector was advised as follows:-

Leisure – 11%
Retail – 12%
Industrial – 36%
Office – 41%.

An update on the Medium Term Financial Strategy was further presented and Members considered options for closing the funding gap beyond 2020/21 which included:-

- Further Investment Property Acquisitions
- Service Reviews
- Annual review of Fees and Charges
- Review of Council Tax Reduction Scheme
- Procurement Savings
- Council Tax Base / Inflation increases
- Rationalisation of Council owned Properties
- Digital Service Transformation (DST) efficiencies.

In relation to the Digital Service Transformation Programme, the outcomes from the recent Peer Review had indicated that the programme was ambitious and would need expediting without any undue delay. Work had now commenced to determine what could be done earlier and to revise the timetable accordingly whilst identifying all costs associated with this acceleration of project implementation

To conclude the Corporate Finance Manager (and S151 Officer) outlined the current Housing Revenue Account (HRA) position as follows:-

- Cabinet had recently approved a rent increase at CPI plus 1%;
- the 30 year HRA Business Plan was currently sustainable to 2036/37;
- budget savings for 2020/21 of £98,000;
- HRA investment to engage Housing Management Advisors on fixed term contracts to assist with the full roll-out of Universal Credit.

Following the presentations, Members discussed the Council's budget and in particular, the potential impact of the Universal Credit roll-out on the Council's finances and the escalating levels of fraud surrounding the 'Single Persons Council Tax Discount' scheme.

RESOLVED that

- a) the presentation of the Corporate Finance Manager on the 2020/21 Annual Budget and the update on the Medium Term Financial Strategy, be received and noted;
- b) as a result of (a) above, the following Member comments/suggestions be forwarded to Cabinet for consideration as part of their budget deliberations at the meeting scheduled for 24 February 2020:-
 - a thank you be extended to the Corporate Finance Manager and Finance Team for the production of an excellent budget and the associated medium term planning strategy;
 - concerns raised regarding the levels of fraud surrounding 'Single Person Council Tax Discount' with acknowledgement that a county-wide group has been established to tackle the problem;
 - a desire to raise awareness and more fully advertise the commercial services offered by the Council's (i.e. pest control) through the Council's media platforms;
 - a further review should be undertaken to consider further savings around printing requirements including the use of paper copy committee agendas;
 - the importance of the Council recognising the impact (i.e. wellbeing and work/life balance) on existing staff being required to cover gaps in staffing as part of the 'vacancy factor'.

OS.22 Corporate Scorecard Performance - April to September 2019 Update

The Assistant Director, Corporate Services and Transformation presented the Quarter 2 Corporate Scorecard for April to September 2019 to enable Members to review the levels of performance achieved and discuss any issues as required.

Members were asked to consider the methods for assessing how well the Council were performing which included:-

- Delivery of the Corporate Plan via programme and project management
- Service Review Programme
- Results of the LGA Peer Challenge
- Place Survey/Star Survey
- Performance Scorecards.

The Performance Scorecards were split into three categories to incorporate Place outcomes and priorities, Corporate key organisational measures and Service operations. The Corporate Scorecard perspectives focussed on Customer and Community, Funding the Future, Organisational Effectiveness and Our People.

As at the end of Quarter 2, 84% of Corporate Scorecard measures were achieving or exceeding target or were within 10% variance of their targets. 75% of measures were indicating an improved position compared to the same period in the previous year or were within 5% of the previous year's performance levels.

Members' attention was drawn to two particular Performance Indicators, which were not currently meeting their targets and had resulted in a reduction in performance.

Rent Collection from Total Rent Due

Current rent collection rates were down 4% on the previous year having been significantly impacted by the wider roll out of the Universal Credit full service within the District. Tenants were experiencing issues with budgeting and financial hardship which had resulted in the Department of Work and Pensions (DWP) changing the way they paid and managed arrears payments to the Council.

User Attendance at Council Leisure Facilities

User attendance at the Council's leisure centres was currently lower than predicted with sales of fitness memberships slowing down. Attendance had been affected by budget gym competition in the area but it was hoped that the new leisure facility in Kirkby, once completed, should help the Council see an improvement in footfall.

To conclude the Assistant Director, Corporate Services and Transformation advised Members that she was intending to report the outcomes from the recent LGA Peer Challenge and the year-end performance outturn to the Overview and Scrutiny Committee in due course.

Following the presentation, Members took the opportunity to discuss the corporate scorecards and highlight the following:-

- a request for further information in relation to sickness absence performance data and the methods utilised by officers to support employees back into work at the earliest opportunity;
- the remit and objectives of the bi-annual Council's Performance Boards (attended by the Chief Executive, Assistant Director, Corporate Services and Transformation and relevant Director) to discuss risk, sickness levels, performance data and audit recommendations with Service Managers;
- the high performance and 100% achievement rate for the Tenancy Sustainment Officers in Housing who provide support to vulnerable tenants to ensure they remain in their tenancies for 6 months or more.

RESOLVED that

- a) the level of performance achieved against the Quarter 2 Corporate Scorecard for 2019/20, as presented, be received and noted;
- b) the Assistant Director, Corporate Services and Transformation be requested to submit an additional item alongside the Quarter 3 Corporate Scorecard report, outlining the latest sickness absence data and the methods utilised by officers to support employees back into work at the earliest opportunity.

OS.23 Scrutiny Workplan 2019/20

The Service Manager, Scrutiny and Democratic Services provided an update to the Committee regarding progress against the Scrutiny Workplan. Five topics were still ongoing and would not be concluded by the end of the 2019/20 municipal year, and would therefore be finalised in readiness for consideration by Cabinet in June/July 2020.

Some of the original timelines had not been met due to the cancellation of all meetings in November 2019; a decision that had been taken to enable the Council to undertake the preparatory work for the General Election held during December 2019.

With regard to new items for the 2020/21 Scrutiny Workplan, Members were asked to think about any possible topics of interest and to forward any ideas to the Service Manager or the Scrutiny Research Officer over the next couple of months.

It was intended to consider extending the standard format for Scrutiny reviews to include shorter 'desktop' reviews, thus building in more flexibility to the Workplan and ensuring Members can better meet changing priorities as they arise. It was also suggested that the use of Update/Information items had a place on the Workplan and could be of benefit to the function to accommodate items of interest with more challenging timelines.

To conclude, the Committee concurred with the suggestions and acknowledged that a further report in relation to the updated Workplan would be submitted in due course.

RESOLVED

that the update regarding the work of the Scrutiny Panels and Committee and progress against the Scrutiny Workplan, be received and noted.

The meeting closed at 8.50 pm

Chairman.