

HARBOROUGH DISTRICT COUNCIL

MINUTES OF THE MEETING OF THE RESOURCE AND PERFORMANCE SCRUTINY PANEL

Held in the Council Chamber, The Symington Building,

Adam and Eve Street, Market Harborough

25th February 2016

Commencing at 6.30p.m.

Present:

Councillor Mrs. Ackerley, Chairman.

Councillors: Bilbie, Dann (ex officio), Evans, Dr Hill, Modha and Spendlove-Mason.

Officers: T. Day, A. M. Hawkins, B. Jolly, G. Keeping and S. Riley.

473 APOLOGIES FOR ABSENCE AND NOTIFICATIONS OF SUBSTITUTION

Apologies for absence were received from Cllrs Mrs Beesley-Reynolds, Graves & Knowles.

474 MINUTES

RESOLVED that: the Minutes of the Meeting of the Resource and Performance Scrutiny Panel held on 21st January 2016 be taken as read and signed by the Chairman as a true record.

475 DECLARATIONS OF MEMBERS' INTERESTS

None reported.

476 2015/16 REVENUE AND CAPITAL MONITORING – QUARTER THREE

The Panel considered a draft of the quarter three budget monitoring report that was to be presented to The Executive at its meeting on 7th March 2016 and noted that:

- (i) The report showed the financial position at the third quarter: 1st April – 31st December 2015;
- (ii) The Council's 2015/16 net budget requirement, as approved by Council in February 2015, was £11,682k;
- (iii) An underspend of £757k (6.5%) of the approved budget was forecast for the end of the year;
- (iv) The key variance related to Development Management as the Council was receiving high levels of planning applications and associated fees as developers submit applications ahead of the Council adopting a local plan and being able to demonstrate a 5 year supply. Large planning fees have been received for proposed logistic hubs in the Lutterworth Area. Development Management income is forecast to be £1.445 million in 2015/16;
- (v) The financial position at Quarter 3 would result in an increase in the General Fund Balance of £837k; and
- (vi) The Council approved a capital programme in February 2014 of £1.443 million. Since then, carry-forward requests from 2014/15 and in-year approvals of £291k have been approved by the Executive.

The Chairman invited questions and comments from those present and the following was recorded:

Question/ Comment	Response
Under variances for Finance and Commercialisation, there is reference to £31K not budgeted for in relation to Harborough Market. What was this?	The Council has a gain-share arrangement in place with the Market management company. This takes effect once occupancy exceeds 60% - currently occupancy stands at 90%. The resulting gain-share payments were not included in the budget for 2015/16 and an adjustment has been necessary. An allowance for gain-share has been included in the budget for 2016/17.
The Capital Monitoring Report suggests that the Sport & Recreation budget is forecast to underspend by £44,865. Why is this?	The largest variance in this budget relates to Leaders Farm Cemetery. Lutterworth Town Council has agreed to manage the site, but to date it has not been necessary to draw on the capital budget of £20K allocated for this.
What is the cost of implementing the Green Waste scheme and what income will be generated?	Administration costs will be static at £36K, while income will be dependent on the uptake for the scheme and is anticipated at £361K. If the threshold of 'lifts' is passed, a gain-share arrangement will come into play.
Have the changes in relation to the Revenue and Benefits Partnership had an effect on the level of service?	There has been a slight impact in the collection of Council Tax and also in the turn-around time for processing Housing Benefit applications. These effects are short term and both areas should be back on track soon.

The Panel RECOMMENDED that the report be forwarded to the Executive, with these comments, for consideration.

477 PERFORMANCE, QUARTER THREE 2015/16

The Panel considered the performance of the Council against the Corporate Delivery Plan at the end of the third quarter of the 2015/16 year (31st December 2015).

The Chairman invited questions and comments from those present and the following was recorded:

Question/ Comment	Response
There seems to have been some slippage in figures relating to staff turnover and work days lost.	The turnover of 11% for an organisation is generally considered healthy. Currently turnover stands at 14%, which is not considered a cause for concern.
Only 5.7% of Key Activities are reported as having been completed by the end of Quarter 3.	Managers are well aware of the need for Actions to be completed by the end of March 2016.
What is the current situation relating to sickness management?	All line managers are receiving training in the Council's new Absence Management Policy. Trigger points are carefully monitored in relation to repeat cases of absence.
Whose responsibility is it to ensure that appropriate action is taken over Key Activities identified as 'Red'?	All Key Activities have an identified Lead Officer.
Some Performance Indicators are dependent for	(i) This indicator has been looked into in some

<p>completion on other partners / agencies. For example:</p> <ul style="list-style-type: none"> (i) Disabled adaptations (ii) Achievement of five-year land supply. <p>How does the Council manage these?</p>	<p>detail with the service manager. A number of different agencies are involved, but the Lightbulb Project, being piloted by Blaby Council, is seeing whether fewer agencies could be involved. Discussion is also taking place with the Home Improvement Agency to seek to improve its processes and efficiency through pre-tendering, where appropriate.</p> <ul style="list-style-type: none"> (ii) Officers are exploring how the Council can influence other parties in achieving this target.
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The Panel NOTED the report.

478 CORPORATE RISK AND OPPORTUNITY REGISTER, QUARTER THREE 2015/16

Members considered the Corporate Risk and Opportunity Register at the end of Quarter Three of the 2015/16 year and B. Jolly, Corporate Director – Resources, outlined the key Corporate Risks to the Council at the end of December 2015.

The Chairman invited questions and comments from those present and the following was recorded:

Question/ Comment	Response
<p><u>COR OP 01 - Business Growth leading to Business Rates Retention</u>: how will this be affected by the announcement about Move-on Space at Council on 22nd February?</p>	<p>Despite the wording of paragraph 3.3.8 of the report, the effect will not be large, as the Move-on Space business case is based on growing local small and medium enterprises, not on increasing business rate income. The business rate growth referred to under COR OP 01 is more closely linked to the proposals for a logistics hub in Lutterworth.</p>
<p><u>COR OP 02 – Acquisition of assets to generate income opportunities</u>: could further explanation be given in relation to the last sentence of paragraph 3.3.9 of the report: “The Council is exploring the use of property funds for ‘surplus’ cash investments”?</p>	<p>The Financial Report details that £25m of HDC money is invested. The Council is reviewing its projected need for cash flow and will be identifying opportunities to diversify how its remaining funds are invested.</p>
<p>The risk reports describe the situation three months’ in arrears. If risks were to become more volatile, how would the situation be reported?</p>	<p>There is no formal mechanism, but the Executive and Portfolio Holders would be kept informed.</p>

The Panel NOTED the report.

479 PARTNERSHIP REGISTER ANNUAL REVIEW

Members considered the Council’s Partnership Register. Developing a strategic approach to partnerships had been identified as a priority in a 2010 Internal Audit Report and as part of the Council’s Transformation programme. The initial Partnership Policy and Register had been agreed by the Executive in February 2014 and was updated on 15th March 2015 to align with the Council’s Risk and Opportunity Framework.

T. Day, Community Partnerships Manager, invited the Panel to review the latest revision of the register (February 2016) and drew attention to additions/deletions/amendments to the Register for 2016 and also to Partnerships that had changed risk / opportunity scores for 2016.

The Chairman invited questions and comments from those present and the following was recorded:

Question/ Comment	Response
<p>It was noted that forty partnerships were listed in the Register, but only seven had Member representation. Should this proportion be increased?</p>	<p>Governance arrangements vary between partnerships and it would not be necessary or appropriate for all to have member representation. Each partnership on the register is assigned to a particular portfolio and Portfolio Holders are kept informed of their partnerships.</p>
<p>Could further clarification be provided about two of the new partnerships:</p> <ul style="list-style-type: none"> • Economic Growth Board and • Soar Valley Partnership? 	<p>The Economic Growth Board is linked to the LEP as a shadow for the Combined Authority. It is attended by the Leader and Chief Executives, or equivalent, from each authority. The Soar Valley Partnership looks at the catchment area for the river and involves the Environment Agency and the voluntary sector.</p>

The Panel NOTED the report and the Partnerships listed within the Council's Partnership Register and that further reports on the Partnership Register would be brought to the Resource & Performance Scrutiny Panel annually.

480 MATTERS OF SPECIAL URGENCY

None were reported.

The Meeting ended at 7:27p.m.