

HARBOROUGH DISTRICT COUNCIL

MINUTES OF THE MEETING OF THE PERFORMANCE SCRUTINY PANEL

Held in the Council Chamber, The Symington Building,

Adam and Eve Street, Market Harborough

24th January 2019

Commencing at 6.30 p.m.

Present:

Councillor Mrs Page, Chairman.

Councillors (panellists): Dann (ex officio), Evans, Galton, Mrs Simpson & Spendlove-Mason
Councillors (guests): Mrs Ackerley, Bannister, Hadkiss, Hallam, King (until 7.51p.m.), Rickman and Rook (until 8.11p.m.).

Officers: C. Bland, G. Keeping, M. Perris, N. Proudfoot & S. Riley.

APOLOGIES FOR ABSENCE AND NOTIFICATIONS OF SUBSTITUTION

Apologies for absence were received from Councillors Bilbie, Graves and Knowles.

Councillor Galton substituted for Councillor Graves and Councillor Mrs Simpson substituted for Councillor Knowles.

MINUTES

RESOLVED that: the Minutes of the Meeting of the Performance Scrutiny Panel held on 13th December 2018 be taken as read and signed by the Chairman as a true record.

DECLARATIONS OF MEMBERS' INTERESTS

There were none.

CORPORATE PLAN AND CORPORATE DELIVERY PLAN

The Panel was presented with revised versions of the Council's Corporate Plan and Corporate Delivery Plan for the 2018/19 to 2020/21 period. Following this meeting, the documents were due to be considered by the Executive at its meeting on 11th February 2019.

The Panel NOTED that:

- (i) the Corporate Plan and Corporate Delivery Plan outline the Council's vision, priorities, Critical Outcomes and associated Key Activities. Both documents are underpinned by the Council's vision, which is: *'to secure a prosperous future for the people of Harborough District'*
- (ii) Both the Corporate Plan and the Corporate Delivery Plan are structured around the delivery of the following three priorities:
 - The Place: an enterprising, vibrant place
 - The People: a healthy, inclusive and engaged community
 - Your Council: innovative, proactive and efficient
- (iii) the Corporate Plan is the overarching public document that sets out the Council's vision for the district, its ambitions and priorities and how it will work with its partners and the

community to ensure that living in, working in, and visiting the District is the best possible experience. It is based on information about the area and customer feedback and identifies how the Council will achieve its vision.

- (iv) the Corporate Delivery Plan is the Council's high-level plan that sets out how it will deliver its vision and priorities through Critical Outcomes and Key Activities.
- (v) the Corporate Delivery Plan identifies high-level expected outcomes of the Key Activities, which will add depth to what the Critical Outcomes will mean for communities in the District. It also contains the headline performance measures for each Key Activity.
- (vi) the number of Key Activities proposed in the revised Corporate Delivery Plan is 39. The Corporate Delivery Plan is a dynamic document and the development of the Key Activities is an iterative process.
- (vii) Monitoring of performance will take place through the internal Performance Improvement Board. Performance Reports will be submitted to the Executive and Scrutiny on a regular basis.

The Chairman invited questions and comments from those present, to be presented to the Executive at its Meeting on 11th February 2019. The following questions and comments were recorded:

Question/ Comment	Response
<p><u>Corporate Plan Priority - "a healthy, inclusive and engaged community":</u></p> <ul style="list-style-type: none"> (i) How it is envisaged that the health elements of the Plan will be delivered through partnership working with outside bodies? (ii) How does the Council intend to maintain its engagement with communities in future? (iii) How is the Council going about providing more 24-hour services and what role will the contact centre play in this? 	<ul style="list-style-type: none"> (i)&(ii) The sports team are engaging directly with local communities through a variety of projects, including those targeted at improving mental health and well-being. Engagement with parish councils has continued, through the annual Parish Liaison meeting and local meetings with individual parishes. There is further direct involvement through the work of the Executive sub-committee, which has considered a large number of community projects. The Council also assists the work of communities through strategic initiatives, for example the adoption of the Playing Pitch Strategy, and through its capital investment in leisure facilities. The Council also continues its engagement with communities in relation to strategic planning and development management and recently the referendum was agreed for the twentieth Neighbourhood Plan within the district. (iii) Analogue telephone lines will have been phased out by 2025 and in anticipation, the Lifeline Service will upgrade to digital equipment. The change will allow improvements to be made to the service, including the provision of a 24-hour Lifeline Service. Channel shift forms a major element of the Council's strategy for the next two years and will increase the amount of 24/7 services offered, as well as reducing costs. In relation to the Contact Centre, most key performance indicators are being met and are reported to Scrutiny on a regular basis. The movement of billing for the green waste scheme to direct debit is expected to have a positive impact on the workload of

	<p>the contact centre. In relation to out-of-hours enforcement enquiries, the Council has a contact centre which can handle out-of-hours advice on planning enforcement. Updated advice on the procedures for this is scheduled to be issued to Members shortly.</p>
<p><u>Corporate Delivery Plan: KA.02.01 – allocation of land to meet employment needs:</u> the Council has committed itself to ensuring a provision of knowledge-based industries. How can this aspiration be met?</p>	<p>Achieving this activity spans both land-use planning and economic development. The HIC has been successful and, in addition, Oxford Innovations and LEP funding support business development. The Grow-on Space, being constructed at the moment, will help to meet the needs of SMEs within the District. The Local Plan also covers more focussed local employment sites within the identified strategic development areas, to provide employment close to where people live. The Council's successful work in the roll-out of superfast broadband has also had a positive effect in supporting and encouraging knowledge-based industries.</p>
<p><u>Corporate Delivery Plan: KA.07.02 – leisure and recreational infrastructure:</u> there is no mention in this key activity to the renovation of Lutterworth Leisure centre.</p>	<p>Improvements are proposed at Lutterworth as part of future investment in Council owned leisure centres. From the beginning of April the leisure centre (along with Market Harborough) will have a new operator.</p>
<p><u>Corporate Delivery Plan: KA.08.02 - development of the Lightbulb offer:</u> could a more detailed update be provided?</p>	<p>The Lightbulb service is being managed by Blaby District Council, but covers all of the District and Borough Councils in Leicestershire. It is now used to deliver the disabled facilities grant scheme. The Lightbulb approach improves cross-discipline working and includes links to the hospitals. The scheme has only been running for one year, but has been very well received. A report on the future extension of the Lightbulb scheme is due to be considered by The Executive.</p>
<p><u>Corporate Delivery Plan: KA.09.01 – CIL:</u> in the past, when considering CIL, the conclusion has been to remain with the S106 approach. Has this situation changed?</p>	<p>The CIL compliant evidence base mentioned in the Delivery Plan is required (irrespective of whether the CIL or S106 approach is followed) to allow any request for contributions to be tested and be sufficiently robust to withstand challenge. The Council is currently carrying out a survey with building operators and parishes on built facilities. Any decision on whether the District would benefit from adopting the CIL regime is currently awaiting the receipt of clarification from the Government on changes to S106 pooling.</p>
<p><u>Corporate Delivery Plan: KA.09.02 – Neighbourhood Plans:</u> some of the earlier Neighbourhood Plans are now approaching the stage where updates will be needed. Is the Council keeping in touch with these parishes in order to provide support?</p>	<p>Yes, there is regular communication with parish councils and neighbourhood plan groups on the need for Neighbourhood Plans to be reviewed.</p>

<p>Corporate Delivery Plan: KA.10.02: the 'outcomes' column refers to "identifying opportunities to maximise business rates". Could more detail be provided?</p>	<p>The 2018 rating re-evaluation caused changes which affected many businesses, but last year the Council gave £370K of discretionary rate relief and £180K is identified in the current financial year. The Council does, however, have a duty to maximise income from business rates; last year 99.2% of business rates were collected. In addition, there is close scrutiny of empty property relief, especially in relation to warehousing. It is anticipated that there will be retained business rate growth this year of just under £1.4m.</p>
<p>Corporate Delivery Plan: KA.11.05 – impact of UK's departure from the European Union: could more detail be provided?</p>	<p>This activity relates to work being carried out to plan for the impact on the Council of leaving the EU, e.g. to make sure that it is compliant with any regulations and powers that it needs. This includes looking at the possibility of a 'no deal' exit. The Leaders of District and Borough authorities within Leicestershire meet on a regular basis to progress this, as do the Chief Executives.</p>

The Panel RESOLVED that the report be forwarded to the Executive with these Minutes attached, for information.

COUNCIL BUDGET 2019/20

Members considered draft Budget proposals for the 2019/20 year. Councillor Hallam, portfolio holder for Finance and Assets, outlined the main aspects of the revenue and budgets. The Chairman invited questions and comments from those present, to be presented to the Executive at its meeting on 11th February 2019.

The following questions and comments were recorded:

Question/ Comment	Response
<p><u>Report paragraph 4.1.6 - Business Rate Appeals:</u> the report states that the potential appeal provision was "overly prudent" based on the appeals lodged with the Valuation Office. What is meant by this?</p>	<p>Forecasts, based on the 2017 Rateable Valuation list and appeals being settled in other parts of the country, suggested that a greater amount needed to be allowed for remaining appeals and, on this analysis, the appeal provision was increased last year. A more recent external review has allowed this figure to be reduced and £0.6m released to support the revenue budget in 2019/20.</p>
<p><u>Report paragraph 4.2.15 – Business Rate Pilot Bid:</u> it is stated that the bid allocation details are still being determined. Is more detail available on this?</p>	<p>The Business Rate Pilot is submitted on behalf of Leicester City and Leicestershire County Councils. Modelling shows that approximately £14m extra will be retained within Leicestershire. The District Councils identified the proportion of this amount that they would expect to come direct to them for investment in their financial sustainability etc.; this Council anticipates retaining in the region of £450K of this. This will</p>

	go into the business rate reserve and decisions taken later in the year as to how it will be utilised.																		
<u>Report paragraph 4.2.16 – Council Tax:</u> last year, there was some confusion in the way that the Council's element of Council Tax was shown in the bills that were sent out. Can assurance be given that across the District this will be shown as -0.5%?	Each year the total budget is disaggregated into two parts: general fund requirements and those relating to special expenses items. Based on the budget put forward for consultation, the Harborough District Council element shows as minus 0.5%, but there may be changes by the time that the Executive considers the budget at its meeting on 11 th February. However, the report to that meeting will include the Band D figures to be included on the Council Tax bill.																		
<u>Appendix A:</u> the Finance & Assets portfolio shows a reduction between the 2018/19 revised budget and the 2019/20 proposed budget. Is this due to income growth, or another reason?	The change is due to addition income, as detailed in Appendix C: £220K from Property Fund Investment income and over £200K from savings from the Leisure interim services agreement.																		
<u>Appendix A:</u> the Strategy, Communications and Economic Development portfolio shows an increase from the level in 2018/19 to almost £800K. What is this for?	<p>The graph in paragraph 4.2.2 of the report shows savings, income and growth elements in the budgets for individual portfolios. These movements are also shown in Appendices B and C. A detailed breakdown for this portfolio is:</p> <table border="1"> <tr> <td>2018/19 Original Budget</td> <td>£529,518</td> </tr> <tr> <td>Grow on Space Operating Costs (yr1)</td> <td>£167,000</td> </tr> <tr> <td>Economic Development Strategy - Potential - Hotel & Conferencing feasibility study (one off)</td> <td>£30,000</td> </tr> <tr> <td>Economic Development Strategy - Location - Enabling fund</td> <td>£30,000</td> </tr> <tr> <td>Communication - External support and publications</td> <td>£30,000</td> </tr> <tr> <td>Innovation Centre - Increase in management fee</td> <td>£21,400</td> </tr> <tr> <td>Salaries related</td> <td>(£16,050)</td> </tr> <tr> <td>Other small movements</td> <td>£7,420</td> </tr> <tr> <td>2019/20 Proposed Budget</td> <td>£799,288</td> </tr> </table>	2018/19 Original Budget	£529,518	Grow on Space Operating Costs (yr1)	£167,000	Economic Development Strategy - Potential - Hotel & Conferencing feasibility study (one off)	£30,000	Economic Development Strategy - Location - Enabling fund	£30,000	Communication - External support and publications	£30,000	Innovation Centre - Increase in management fee	£21,400	Salaries related	(£16,050)	Other small movements	£7,420	2019/20 Proposed Budget	£799,288
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<u>Appendix A:</u> the Corporate Governance portfolio shows an increase to over £5m. Why is this?	The graph in paragraph 4.2.2 of the report shows savings, income and growth elements in the budgets for individual portfolios. These movements are also shown in Appendices B and C. It was AGREED that information on this and other large portfolios could be provided outside the meeting on request.																		
<u>Appendix A:</u> under 'Funding', the Council Tax collection fund shows a reduction in surplus to £90K. Why is it thought that this figure will change?	Around 25% growth was factored in for this during the current financial year. This was front-loaded and paid to preceptors early on, on the understanding that there would be a reduction in the 2019/20 year. As of 15 January 2019, the collection fund surplus was estimated to be £90K, but since then it is understood that the surplus will be lower because the pipeline of houses being completed by developers is not as high as had previously been forecast.																		

<p><u>Appendix A:</u> under 'Funding', in respect of the New Homes Bonus figures, it is understood that the Local Government funding formula is under review and that other factors will affect this in the future. What are the risks associated with new homes bonus in the long term?</p>	<p>The budget was planned on the basis that there would be a potential change in new homes bonus. In preparation for these changes, the Executive two years ago put £800K into a new homes bonus reserve. The new homes bonus is at risk in the new financial formula and it may taper off or be replaced as a source of funding.</p>
<p><u>Appendix C:</u> a "S106 Co-ordination Officer" is listed. Is this a new post, or does the entry relate to the funding of an existing post?</p>	<p>This is being introduced to improve the Council's focus and delivery in respect of S106 and will be cost-neutral due to increases in SPD planning contributions.</p>
<p><u>Appendix C:</u> £32K is listed against Strategic Communications. Is more detail available?</p>	<p>Following feedback from residents, this item refers to the relaunch of the residents' newsletter, with the potential for a bi-yearly paper newsletter. Some of this figure also relates to increasing the capacity of the Communications team following suggestions from the review undertaken last year.</p>
<p><u>Appendix E:</u> the proposed investment in play equipment is welcomed. However, it is suggested that a similar amount should be made available for built facilities outside of Market Harborough and Lutterworth. A built-facilities audit is being undertaken which is expected to identify a need in the northeast of the District. Sources other than S106 are required to address this. Could a sum, equal to that being made available for play equipment, be put forward on a case by case basis, linking into the results of the built-facilities audit to pump-prime the delivery of community sports facilities?</p>	<p>It was AGREED that this suggestion would be included in the minutes of the meeting for consideration by the Executive.</p>
<p><u>Appendix E:</u> there is an entry for Lutterworth Country Park Open Space. What does this refer to?</p>	<p>During the winter last year there was damage to footpaths in the Park. Repairs were carried out, but further drainage work is required to prevent any reoccurrence.</p>
<p><u>Dry Recycling Credits:</u> in respect of the impact of the removal of dry recycling credits: (i) Is there evidence that this has led to a reduction in dry recycling? (ii) Will the Council be affected by having to transport materials further?</p>	<p>(i) Changes to packaging etc. are leading to a reduction in the weight of recycling, while the volume remains much the same. It is therefore difficult to correlate changes in the County Council's policies to overall levels of recycling. (ii) In respect of tipping-away fees, the Council has secured a four-year deal with the County Council to mitigate the loss of recycling credits and longer journey distances.</p>
<p><u>Children's Centres:</u> is there any financial impact on this Council of decisions to close Children's Centres?</p>	<p>A number of centres in the District have closed and clarity is being sought on the impact of this. Members will be informed once this information is available.</p>

Funding for Charities & Voluntary Organisation partners: the Communities Scrutiny Panel, at its meeting on 6th December, asked that continued funding for the work of the three current charity and voluntary organisation partners should be included in the consideration of the Council's budget. Is funding included in the proposed budget for 2019/20?

Yes, this is included in the budget.

The Panel RESOLVED that the report be forwarded to the Executive with these Minutes attached, for information.

MATTERS OF SPECIAL URGENCY

There were none.

The Chairman thanked members of The Executive for their attendance at the meeting.

The Meeting ended at 8.17 p.m.

DRAFT