

PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE MINUTES

19 MARCH 2018

Chair: * Councillor Jerry Miles

Councillors: * Richard Almond * Pritesh Patel
* Phillip O'Dell * Mrs Rekha Shah

* Denotes Member present

109. Attendance by Reserve Members

RESOLVED: To note that there were no Reserve Members in attendance.

110. Declarations of Interest

RESOLVED: To note that there were no declarations of interests made by Members.

111. Minutes

RESOLVED: That the minutes of the meeting held on 11 December 2017 be taken as read and signed as a correct record, subject to the following amendments:

Delete the following sentence in paragraph 7, page 12

‘Statistics showed that the level of adverse health indicators in Pinner South Ward was high.’

Amend the resolution on page 13 to read:

RESOLVED: That

- (1) a reference be sent to Cabinet requesting that Green Gyms be installed in deprived areas such as Wealdstone and Queensbury - specifically in the Whitefriars Open Space, Weald Village and the open space by Artisan Place area, and these be funded from the 15% CIL (Community Infrastructure Levy) which would be received from new developments;
- (2) the report be noted.

112. Public Questions & Petitions

RESOLVED: To note that none were received.

113. References from Council and Other Committees/Panels

RESOLVED: To note that none were received.

RESOLVED ITEMS

114. Revenue and Capital Monitoring 2017/18 - Quarter 3 as at 31st December 2017

The Sub-Committee received the Revenue and Capital monitoring report of the Director of Finance, which had been considered at the 15th of February 2018 Cabinet meeting.

Members asked the following questions and officers provided the following responses:

- Page 23 Paragraph 2.5 of the agenda - What actions were the dedicated HR resource team taking and could these be applied to other areas of the Council such as the Resources Directorate?

Officers in the Community Directorate, specifically in Waste Services were working closely with HR colleagues to review all long-term sickness cases to ensure that all cases were dealt with in accordance with the Council's protocols and procedures relating to sickness absence. A recent case of long-term illness in the Resources Directorate was skewing the statistics for that Directorate. The dedicated HR staff member would be working closely with managers in Waste Services to review the incidences of long-term sickness absence, providing additional training for assistant managers regarding the Council's sickness absence policy and implementing monthly monitoring reports and sickness logs in the Community Directorate to help monitor the situation. The person was also reviewing and amending processes and forms relating to sickness absence, to make them more user-friendly.

- Were these incidences of long-term sickness absence in the Community Directorate work-related ie due to lifting heavy equipment or other physical activity? If so, what was being done to address this?

The Director of Finance undertook to circulate more detailed information regarding the matter to Members after the meeting.

- Page 35 Para 3.12 - which Green Grid projects would not go ahead and how much had been saved on the current year's projects?

The Director of Finance advised that the proposed projects at Rayners Mead, Roxbourne and a number of others sites had been reprogrammed and would be progressed in 2018/19. The savings made amounted to approximately £38k.

- Page 47 Savings Tracker PA_10A - Why had these savings not been achieved ?

These savings were linked to the Pilot Community Tender Model in Adult services where, as part of its community engagement strategy, the Council sought to commission third sector groups to run the Council's Neighbourhood Resource Centres such as Milmans and Kenmore and had anticipated achieving significant savings from this venture. However, the project had been beset by number of challenges relating to transportation costs. These items would be removed from the 2018/19 budget with a view to re-instating them into the budget at a later date.

- Page 59 CP Summary - What projects had been dropped or delayed due to reduction in Transport capital spending?

The outcome of the Council's bids for TfL LIP funding was usually announced after the Council's annual budget setting process. The amount allocated by TfL in 2018/19 had been less than the amount projected in the budget, and officers had therefore been obliged to adjust the budget accordingly. The Director of Finance undertook to circulate information to Members detailing those projects which had been dropped or delayed as a consequence.

- Was there a time limit imposed on items that had slipped from the Capital budget?

The Director of Finance stated that there were no hard and fast rules regarding this. If a Directorate did not use all its capital in a year, then these monies would eventually be withdrawn. It was important to note that some of the figures in the table of Capital Projects looked similar as they related to rolling programmes of works. She added that going forward, these slippages would be more closely monitored and appropriate action taken.

- Page 32, paragraph 3.1 – What was the reason for the 25 % reduction in quarter 1 and had this figure been affected by the re-profiling of the debt? Had some Capital commissioning projects been put on hold as a result?

The Director of Finance advised that the bulk of this related to delays to the proposed developments at Poets Corner, Byron Quarter and the new Civic Centre site, which had resulted from shifts in the overall scope of the Regeneration Programme. In January 2017, concerns had been raised regarding the overall debt and a spending review had been undertaken, resulting in a re-profiling of the programme and formulation of an indicative budget in December 2017. The review had resulted in a larger than anticipated underspend. For example, the original budget approved in January 2017 had forecast £197m income from the Regeneration project, however, this amount had been re-calculated to be £70m following the review.

- Was this because the Regeneration Programme had been poorly planned and researched without a thorough assessment of all implications? How would revenue income streams be affected by the fact that some of these schemes would not be progressed?

The Director of Finance advised that a Scrutiny review of the Regeneration Programme was underway. Capital receipts and rental income expected would be achieved in the future. Financial modelling related to the Programme would be re-assessed with the aim of achieving a cost-neutral position.

- Why were the B&B savings of £0.445m and £0.068m for the first 100 Homes and the subsequent 50 Homes of the Property Acquisition Programme considered to be unachievable?

The Director of Finance stated that the intention behind the 100 homes initiative had been to accommodate homeless families or those in temporary accommodation. Although there had been a cost saving against the B&B budget, the projected savings were unlikely to be achieved in the current financial year as the number of homeless in the borough continued to increase which put pressures on the B&B budget. She added that there were plans to acquire an additional 50 homes and she anticipated that the projected savings would be achieved in the future.

- What was the reason for the £0.150m overspend in Children and Young People's Service Frontline Teams Services? Why were the costs related to the purchase of laptops and mobiles so high?

The Director of Finance undertook to circulate more detailed information regarding the overspend and the IT costs to Members after the meeting.

- What were the advantages to the Council of recruiting social workers from India, what benefits were being offered to them and what savings were anticipated?

The Director of Finance stated that the savings related to the high cost of employing agency staff and reducing the high turnover in staff in the service. The Social Workers from India were offered a package and employing them would be cheaper in the long-term.

- With regard the B&B savings identified in the MTFS (Medium Term Financial Strategy) on track?

An officer responded that these were on track and related to further homelessness prevention work as part of the 100 homes initiative.

- With regard to the MTFS and projection of future rental income – why had these been reversed out of the budget for 2018/19?

The Director of Finance stated that this had been due to delayed returns arising from delays in launching the Regeneration Programme. The income generated would not cover loss of revenue streams from items such as car parking charges. These items would be re-introduced into the budget at a future date.

- Would the returns be less than anticipated because the Regeneration Programme was significantly smaller than initially anticipated?

The Director of Finance responded that the Regeneration Programme was evolving and would likely be further amended as would the financial modelling. It was therefore difficult to predict whether the £2.3m rental income would be achieved and officers had decided that it would be easier to reverse this item out of the budget for the time being.

- Was the 51% forecast spend on the Capital Programme an unusual figure?

The Director of Finance advised that in 2017 this figure had been between 68%-70%. The figures for the current year were slightly skewed due to the value of the Regeneration Programme. There had been deliberate efforts to achieve an underspend on the Capital Programme for 2017/18 & 2018/19. These slippages and under spends would be closely monitored as these could adversely impact on the Council's borrowing resulting in the high cost of capital financing.

RESOLVED: That the report be noted.

115. 6-12 Month Review of Homelessness Review Recommendations

The Sub-Committee received a report of the Divisional Director Housing Services which provided an update on the recommendations of the Homelessness Scrutiny Review Challenge Panel which was presented to Cabinet on 8 December 2016.

Members asked the following questions and officers provided the following responses:

- What would be the next phase following the Homelessness Reduction Act? What information had been presented to Cabinet regarding this?

An officer advised that the 5-year Homelessness Strategy would have input from the Corporate Strategy Board and the Housing Service would be focussed on formulating prevention strategies. Officers anticipated increased rates of referral to the Service.

- With regard to the completion of the Skills Escalator Programme - were these fixed term projects with grant funding?

An officer responded that bids for new projects were in the pipeline and the Housing team was working closely with the Xcite Employment Programme to support the homeless back into work.

- What did the phrase 'supported back into work' mean and how was its effectiveness measured?

An officer stated that many homeless individuals had either not worked for some time or had never worked before. These individuals were offered a programme of skills, language and other types of training to get them into work. The officer undertook to circulate some case studies to Members after the meeting.

RESOLVED: That the report be noted.

116. Exclusion of the Press & Public

RESOLVED: That the press & public be excluded during consideration of Appendix 5 of the report 'Revenue and Capital Monitoring 2017/18 – Quarter 3 as at 31 December 2017'.

(Note: The meeting, having commenced at 7.30 pm, closed at 8.40 pm).

(Signed) COUNCILLOR JERRY MILES
Chair