

PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE MINUTES 27 JULY 2020

Chair: * Councillor Kiran Ramchandani

Councillors: * Ghazanfar Ali Honey Jamie
* Nitesh Hirani * Pritesh Patel

**In attendance:
(Councillors)** Adam Swersky Minutes 52 and 53.

* Denotes Member present

45. Attendance by Reserve Members

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

46. Appointment of Vice-Chair

RESOLVED: That Councillor Pritesh Patel be appointed Vice-Chair of the Performance and Finance Scrutiny Sub-Committee for the Municipal Year 2020-2021.

47. Declarations of Interest

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

48. Minutes

RESOLVED: That the minutes of the meeting held on 20 January 2020 be taken as read and signed as a correct record.

49. Public Questions

RESOLVED: To note that there were no public questions received at this meeting.

50. Petitions

RESOLVED: To note that there were no petitions received at this meeting.

51. References from Council and Other Committees/Panels

RESOLVED: To note that there were no references from Council and other Committees/Panels.

52. Revenue and Capital Outturn 2019-2020

Members received a report which set out the Outturn for 2019-20. The report had been considered by both Cabinet and the Overview and Scrutiny Committee in July 2020.

The Chair invited questions from Members of the Sub-Committee on the report.

The following points were raised and discussed:

- (a) *Should reserves be reviewed for the 2020-2021 Municipal Year due to the amounts being carried forward each year?*

The Director of Finance confirmed that Reserves were reviewed, and were not released into the budget. Earmarked reserves were not for alternative use, such as balancing the budget.

The Portfolio Holder for Finance and Resources underlined that the total reserves from 2019-2020 (£63,016,000) to 2020-2021 (£54,396,000) showed a net position of £9 million due to a number of carry forward purposes. Furthermore, reserves were being spent appropriately.

- (b) *The spending on capital projects in 2019-2020 was 28%, which seemed low. Would spending on capital projects increase in 2020-2021? Was there a lack of planning resulting in underspending, which had been consistent over many years?*

The Director of Finance advised that spending on some large schemes had not been implemented, such as on investment and regeneration. There was a need to review capital financing to support other areas.

The Portfolio Holder for Finance and Resources added that the controls the Council had in place for spending were very stringent, and spending on capital projects was done prudently. There was a need to differentiate between control and planning. The underspend did not mean a lack of planning, but control mechanisms were required to ensure financial prudence.

RESOLVED: That the report be noted.

53. Coronavirus (COVID-19) Report - Economic Recovery and Update

Members received the Coronavirus (COVID 19) Report – Economic Recovery and Update which had been considered by both Cabinet and the Overview and Scrutiny Committee in July 2020.

During the discussion of the report, the following points were raised and considered:

- (c) *The report to Cabinet was intended for September 2020, whilst the recovery date was for February 2021, how would the two dates be considered in the recovery process?*

The Director of Finance confirmed that between September 2020 and February 2021, there were a number of pieces of work that needed to be undertaken prior to the final budget setting process in February 2021.

- (d) *How much had been allocated in terms of grants to small businesses in Harrow?*

The Director of Finance advised that £42 million had been received from the Ministry of Housing, Communities and Local Government for allocation to small businesses. Of that amount, £38.5 million had been paid out to-date. It was envisaged that £39 million would be paid out by the end of August. Any residual amount would be returned to the Ministry of Housing, Communities and Local Government when the support scheme ended.

- (e) *There had been £630,000 from Transport for London (TfL) on improving cycle paths and lanes in Harrow. There was concern that the scheme would reduce the number of parking spaces, and thereby reduce clientele to small businesses. Previous cycling improvement schemes had not seen an increase in cycling in the borough. The money could have been better spent on pavement repairs.*

The Portfolio Holder for Finance and Resources advised that the funding from TfL was to make Harrow more cycle friendly. It was a difficult time for businesses generally. However, with increases in pedestrian movement, it was expected that more people would use local stores. Furthermore, cycle shops were running out of bicycles to show that cycling was on the increase in Harrow.

RESOLVED: That the report be noted.

(Note: The meeting, having commenced at 6.00 pm, closed at 7.15 pm).

(Signed) COUNCILLOR KIRAN RAMCHANDANI
CHAIR

