

BUSINESS AND TRANSFORMATION SCRUTINY PANEL

THURSDAY 7 JANUARY 2021 AT 4.00PM

PRESENT: Councillor Bainbridge (Chair), Councillors Alcroft, Allison, Birks, Bowman, Mitchelson and Dr Tickner.

ALSO

PRESENT: Councillor J Mallinson, Leader
Councillor Ellis, Finance, Governance and Resources Portfolio Holder
Councillor Mrs Mallinson, Communities, Health and Wellbeing Portfolio Holder
Councillor Christian, Environment and Transport Portfolio Holder

OFFICERS: Deputy Chief Executive
Corporate Director of Finance and Resources
Client Side Project Manager
Construction Administrator
Overview and Scrutiny Officer

BTSP.01/21 APOLOGIES FOR ABSENCE

An apology for absence were submitted on behalf of Councillor Paton.

BTSP.02/21 DECLARATIONS OF INTEREST

Councillor Allison declared an interest in accordance with the Council's Code of Conduct in relation to agenda item A.2 Civic Centre Reinstatement and Development. The interest related to the fact that his son in law worked for Story Construction

BTSP.03/21 PUBLIC AND PRESS

RESOLVED – It was agreed that the items of business in Part A be dealt with in public and Part B be dealt with in private.

BTSP.04/21 MINUTES OF PREVIOUS MEETINGS

RESOLVED - It was noted that Council, at its meeting on 5 January 2021, received and adopted the minutes of the meetings held on 15 October and 1 December 2020. The Chair would sign the minutes at the first practicable opportunity.

BTSP.05/21 CALL IN OF DECISIONS

There were no items which had been the subject of call-in.

BTSP.06/21 CIVIC CENTRE REINSTATEMENT AND DEVELOPMENT

The Deputy Chief Executive provided an update on the current progress of the reinstatement of the ground floor of the Civic Centre (CS.01/21).

The Client Side Project Manager informed the Panel of the measures undertaken to manage or adapt the existing project proposals to deal with:

- a) working practices as a result of the COVID -19 pandemic
- b) impact of Brexit
- c) a requirement to update existing infrastructure in the ground floor and basement to manage asbestos, legionella, safety systems, obsolete services and fire safety in these areas, to support increased occupation of the ground floor and meet with current legislation.

The report finalised proposals for an extension to the Civic Centre public car park and set out the work that had been undertaken since Council approval on 5 May 2020.

In considering the report Members raised the following comments and questions:

- In response to a Member's questions the Client Side Project Manager clarified the following:
 - the different areas within the ground floor could not be released in separate phases due to financial and technical implications as many of the areas were interlinked. The project would be handed over as a complete project.
 - when not in use as a Council Chamber the equipment from the room would be securely stored in a locked storage cupboard in the Chamber and the large equipment had a separate storage area also on the ground floor.
 - area 8 of the ground floor would be refurbished to a basic level as the area had not yet been allocated a purpose.
- Was the Customer Contact Centre portacabin rented and was there potential to open the Customer Contact Centre early to provide some savings?

The Deputy Chief Executive confirmed that the portacabin was rented, the option to purchase had been considered but it may have proved difficult to sell it on. He explained that it was financially prohibitive to open the Customer Contact Centre in the ground floor whilst the rest of the reinstatement work was being carried out.

- Given the potential local government reorganisation and the good structure of the Civic Centre, had any consideration been given to how the building could be used in the future?

The Deputy Chief Executive confirmed that consideration had been given to the future of the building should the reorganisation move forward. He explained that the building itself was problematic in terms of its structure and the services to the tower of the building as it had been built for a specific purpose. Alternative uses for the building would be very expensive to realise them. The future of the building was a challenge, but it would probably continue to be used in the public sector in the future.

- Did the amended design for the rotunda area bring in similar revenue as the previous plans for car parking?

The Deputy Chief Executive explained that the planning permission for the area was for the demolition of the rotunda, construction of car parking spaces including electric vehicle points and the creation of public space amenity. The finer detail of the design had yet to be concluded, it was hoped that the WYG designer who designed the front of the building would be able to contribute to the designs to ensure continuity to the external area of the building.

- Both the Civic Centre reinstatement and the Sands Centre Development used local contractors and sub-contractors; would it be possible to promote this fact publicly?

The Deputy Chief Executive agreed that the good working relationship with the local contractors and sub-contractors should be promoted and this would happen in the coming weeks. The Client Side Project Manager added that where possible local suppliers and workers were also being used in both sites.

- The documents referred to storage in the basement of the building, would this area be used as storage given the potential for the area to flood?

The Client Side Project Manager responded that the area had been secured to limit the access to the area so that it could not be used as storage without express permission and to ensure the safety of the area and the building itself.

- A Member had some concern that ICT equipment was located on the ground floor and could potentially be at risk of flooding.

The Client Side Project Manager explained that, as part of the project, any equipment which had been identified as sensitive to the operation of the building would be moved to secure locked accommodation on the first floor.

- Would the vision to use the Council Chamber as conference space be supported by adequate catering facilities?

The Client Side Project Manager drew the Panel's attention to the ground floor plan which showed the new catering facilities which were next to flexible space which could be utilised as a refreshment area if required.

- How much research had been undertaken with external organisations to gauge the market for conference space and how it could be marketed?

The Deputy Chief Executive responded that more work was needed to determine the market for potential conference facilities. The new space had the flexibility and technical abilities that modern conferencing space needed but the market was changing, further work would be needed to prepare a business case for the offer.

- There was some concern that the new Council Chamber did not have any separation between members of the public and Elected Members during Council meetings. What thought had been given to security arrangements that would ensure the safety of all those in attendance but did not exclude the public from the activities of the Council?

The Deputy Chief Executive acknowledged the concerns and assured the Panel that the matter was being carefully considered. There were options available which included using furniture to create the separation or to have the meeting live streamed to a separate room. Work was being carried out with Democratic Services to investigate the options and the configuration of the room for committee meetings.

RESOLVED – 1) That the Civic Centre Reinstatement and Development Project be received (CS.01/21).

2) That the Deputy Chief Executive report any exceptions to the progress of the reinstatement to the Panel at the earliest opportunity.

BTSP.07/21 BUDGET 2021/22 – 2025/26

(1) Executive's response to the first round of Budget Scrutiny

Minutes of the special meeting of the Executive held on 7 December 2020 were submitted detailing the response of the Executive to the comments made by the Scrutiny Panels in response to the first round of Budget scrutiny.

RESOLVED – That the decisions of the special Executive on 7 December 2020 be received.

(2) Executive Draft Budget Proposals

The Executive draft Budget proposals 2021/22, which had been issued for consultation purposes, were submitted for scrutiny by the Panel.

The budget proposals were based on detailed proposals that had been considered by the Executive over the course of the last few months. In particular the reports of the Corporate Director of Finance and Resources which were considered at the Executive meeting of 14 December 2020.

The Corporate Director of Finance and Resources detailed a number of updates to the budget documents including:

- the inclusion of climate change narrative in relation to the Council's commitment to becoming carbon neutral;
- the reduction in interest rates with the PWLB which had benefited the budget;
- the inclusion of a recurring budget for project officer posts for capital projects;
- the provisional one year funding settlement had been received from central government and was subject to a consultation period which ended on 16 January 2021;
- other funding had been announced however the amount had not yet been received;
- the 2021/22 Executive Budget Proposals issued for consultation constituted a balanced budget;
- reserves were maintained at prudent levels;
- the draft budget proposed an annual £5 increase per Band D in Council Tax for the City Council for 2020/21.

In considering the Draft Budget Proposals Members raised the following comments and questions:

- The City Council provided a range of support to local communities, at what stage would difficult decisions regarding discretionary spending need to be made?

The Corporate Director explained that the Council's reserves were at prudent levels depending on savings being achieved. Previous savings had been achieved without the reduction in services, however there would be a point where income streams would have to be maximised to support the budget or services would have been looked at. She informed the Panel that work would be undertaken in 2021/22 to consider how savings could be achieved and a report would go through the democratic process at the appropriate time.

- The Climate Change Strategy and action plan would be approved after the budget had been agreed, would this result in a delay in undertaking projects to action the strategy?

The Corporate Director assured the Panel that the financial regulations allowed for funding to be released, through the Executive or full Council, for projects to action the Strategy should it be required. In addition there may be external funding or existing budgets which could support climate change projects.

A Member felt that the language used in the budget regarding climate change was negative and he stressed how important the matter was for future generations,

- A Member asked for clarification with regard to the pooling arrangement figures.

The Corporate Director reminded the Panel that the expectation had been that 2020/21 would be the final year of the Cumbria Business Rates Pooling arrangements, as the Government was undertaking 2 reviews into Local Government Funding (Fair Funding review & Business Rate Retention); however the reviews had again been deferred and the MHCLG had agreed not to revoke the current pooling legislation. This, in effect, meant that the pooling arrangement could continue into 2021/22, if all participating members agree. This could benefit the Council in 2021/22 of up to £1.2million.

- Were there options were available to support the Southern Relief Road funding other than borrowing?

The Corporate Director of Finance and Resources responded that grants for capital programmes were limited, the options open to the Council were to borrow the money, make a contribution from the revenue budget or to sell assets (not currently budgeted for) to support it. She added that alternative options were always considered before any borrowing was undertaken. The funding for the scheme was included in the budget as borrowing and would be returned to the Council via developer contributions over a long period of time.

- Had any consideration been given to a commercial approach to offsetting carbon?

The Finance, Governance and Resources Portfolio Holder confirmed that the Council would take any opportunities which enabled it to raise revenue in an environmentally beneficial way. He suggested that this approach be included as part of the authority's commercialisation plans.

- Did the shortfall in City Centre properties income include the Lanes?

The Corporate Director of Finance and Resources clarified that the shortfall was for a City Council owned property that had a rent free period. The property might be included in the Borderlands Deal and then there was expectation that there would be a return (not currently budgeted for) either through a capital receipt or revenue stream all of which would be subject to a decision of a future Executive. She reminded the Panel that the Lanes budget had been reduced in 2020/21 and the matter would continue to be monitored.

- What had been the impact of Covid-19 on the Council Tax schemes and how were they promoted?

The Corporate Director reported that there had been a relatively low number of applications to the Council Tax support schemes until the Christmas period when the number of applications rose significantly. The schemes were advertised on the City Council website and in correspondence sent out by officers.

- How did the impact of Covid-19 affect the realisation of the sales of assets to support the budget?

The Corporate Director of Finance and Resources updated the Panel on the asset review and update to the disposal programme. She added that the performance of the sale of assets was being very closely monitored.

- A Member asked for an update on the introduction of flexibility for waste services charges. The Environment and Transport Portfolio Holder explained that the matter was currently being discussed.

RESOLVED – 1) That the Panel accepted the Executive draft Budget Proposals 2021/22 as issued for consultation;

(3) Background Information Reports

(a) Budget Update – Revenue Estimates 2021/22 to 2025/26

The Corporate Director of Finance and Resources submitted report RD.42/20 providing a draft summary of the Council's revised revenue base estimates for 2020/21, together with base estimates for 2021/22 and updated projections to 2025/26. The report included the impact of the new savings and new spending pressures currently under consideration and the potential impact on the Council's overall revenue reserves.

The Executive had considered the matter on 14 December 2020 (EX.141/20 refers) and decided:

“That the Executive:

- (i) Noted the revised base estimates for 2020/21 and base estimates for 2021/22;
- (ii) Noted that the estimates in the report were draft and would be subject to the confirmation of Local Government Finance Settlement in December 2020;
- (iii) Noted the current MTFP projections, which would continue to be updated throughout the budget process as key issues became clearer and decisions were taken;
- (iv) Noted the budget pressures, bids and savings which needed to be taken into account as part of the 2021/22 budget process;
- (v) Noted the Statutory Report of the S.151 Officer outlining the risks associated with the draft budget figures and that minimum reserves may need to be reviewed in the future depending upon the outcome of the Local Government Finance review.”

(b) Revised Capital Programme 2020/21 and Provisional Capital Programme 2021/22 to 2025/26

The Corporate Director of Finance and Resources submitted report RD.43/20 which provided a draft summary of the Council's revised capital estimates for 2020/21 together with base estimates for 2021/22 and updated projections to 2025/26.

The Executive had considered the matter on 14 December 2020 (EX.142/20 refers) and decided:

“That the Executive:

1. Noted the revised capital programme and relevant financing for 2020/21 as set out in Appendices A and B of Report RD.43/20, for recommendation to Council;
2. Had given initial consideration and views on the proposed capital spending for 2021/22 to 2025/26 given in the report in the light of the estimated available resources, for recommendation to Council;
3. Noted that any capital scheme for which funding had been approved by Council may only proceed after a full report, including business case and financial appraisal, had been approved.”

RESOLVED - That the Panel had received the following reports:

Budget Update – Revenue Estimates 2021/22 to 2025/26 (RD.42/20);

Revised Capital Programme 2020/21 and Provisional Capital Programme 2021/22 to 2025/26 (RD.43/20).

BTSP.08/21 DRAFT TREASURY MANAGEMENT STRATEGY STATEMENT, INVESTMENT STRATEGY AND MINIMUM REVENUE PROVISION STRATEGY 2021/22

The Corporate Director of Finance and Resources presented report RD.44/20 setting out the Council's draft Treasury Management Strategy Statement (TMSS) for 2021/22 in accordance with the CIPFA Code of Practice on Treasury Management.

She informed Members that the Investment Strategy and the Minimum Revenue Provision Strategy for 2021/22 were incorporated as part of the Statement, as were the Prudential Indicators as required within the Prudential Code for Capital Finance in Local Authorities.

The Executive had considered the matter on 14 December 2020 (EX.143/20 refers) and it was resolved that the Executive noted the draft Treasury Management Strategy Statement for 2021/22, which incorporated the Investment Strategy and the Minimum Revenue Provision (MRP) Strategy, together with the Prudential Indicators for 2021/22 as set out in Appendix A and the Treasury Management Policy Statement as set out at Appendix D to Report RD.44/20 and sought comments from the Business and Transformation Scrutiny Panel.

The Corporate Director reported that the ability to utilise ultra short dated investments had been included in the strategy to provide more flexibility for short term investments with the potential for providing a better return.

In considering the report Members raised the following comments and questions:

- Had the Council been able to invest in ethical products?

The Corporate Director of Finance and Resources confirmed that there had not yet been any ethical investment made due to the very low return being offered on those products. When making investments the Council asked to see the environment policy of the counter parties to ensure that they operated in an ethical and sustainable manner. The security of the investment was the priority for the Council and therefore the council invested mainly with banks, building societies and Local Authorities.

- A Member asked why the overall value of assets did not fluctuate following the sale of assets.

The Corporate Director explained that the value of assets did fluctuate however, the sale of assets was balanced by new assets being built. Work was being undertaken on 2019/20 asset value and the results of the work would be reflected in the Statement of Accounts for 2019/20.

RESOLVED – 1) That the Panel had scrutinised and made comments on the Draft Treasury Management Strategy Statement, Investment Strategy and Minimum Revenue Provision Strategy 2021/22 (RD.44/20).

2) The Business and Transformation Scrutiny Panel supported the introduction of ultra short dated investments to provide more flexibility for short term investments with the potential for providing a better return.

BTSP.09/21 COVID 19 / BUDGET REPORT

The Corporate Director of Finance and Resources presented report RD.51/20 which detailed the impact Covid-19 had on the Council's financial and governance arrangements.

The Corporate Director of Finance and Resources set out the initial response to the pandemic and the changes to procedures to ensure appropriate controls were made to financial certification and approvals processes due to the requirement to work from home. She set out in some detail the financial impact and funding received along with information on the loss of income and debt management. The Corporate Director detailed the potential long term financial impact and highlighted the nine government support schemes which the City Council was currently administering to support Council Tax and Business Rate payers.

In considering the report the Panel raised the following comments and questions:

- A Member asked for further details with regard to the outstanding debts from 'Other Local Authorities'.

The Corporate Director of Finance and Resources responded that she was currently in discussion with the Section 151 Officers of the other local authorities to determine why the debt was outstanding. She added that the expectation on local authorities in the current climate was to pay debt as soon as possible.

- When would GLL know if they were successful in securing government support and what would happen if they were not successful?

The Deputy Chief Executive reported that the City Council had been working closely with GLL to submit an expression of interest in December prior to the full application on 15 January. GLL had been well placed to provide the Council with the required information for the application which had to be submitted by the relevant authority. He reminded the Panel that the Council had made a provision for some financial support for GLL, but they had not yet required that support. The matter would be monitored very closely and if necessary alternative arrangements could be put in place to provide leisure services to the City.

In response to a further question the Deputy Chief Executive clarified that that the Council had an ongoing contract management process with GLL locally in which the City Council could access the financial records of GLL on a quarterly basis. This allowed the Council to see the actual impact Covid-19 had on GLL and determine the appropriate level of support needed on an open book basis.

- Would it be possible for the Council to continue to use the new control measures in the future once the pandemic has passed?

The Corporate Director of Finance and Resources explained that the Council's standard policy for creditor payments was ten days for local and small businesses and twenty eight days for other businesses. She agreed to consider if the new control measures could continue in the future.

- Had there been any requirement to bring in additional staff resources to administer the numerous Covid-19 grants?

The Corporate Director of Finance and Resources confirmed that the Finance Team, Revenues and Benefits Team and Economic Development Team had managed to administer the grants without the need for additional resources. As the Council moved forward to more 'normal' working there may be a requirement to source additional resources to support the work.

- A Member sought the Executive's confirmation that they were committed to reopening John Street Hostel and would continue to support both the Water Street Family Accommodation and John Street Hostel as going concerns.

The Finance, Governance and Resources Portfolio Holder confirmed that the Executive was committed to both accommodation facilities. He added that the Council had been successful in fulfilling its homelessness duties and Homelessness, Prevention and Accommodation Services had performed exceptionally well during the pandemic.

- Had the figures within the report anticipated a further national lockdown?

The Corporate Director of Finance and Resources explained that the report had been prepared prior to the announcement of the lockdown and therefore the figures within the report would need to be revised to take account of the current position.

- A Member sought assurance that future financial continuity planning had been undertaken given the ongoing and serious nature of the pandemic.

The Corporate Director of Finance and Resources responded that the situation was being very closely monitored and all information within the report would be updated due to the new national lockdown.

The Finance, Governance and Resources Portfolio Holder assured the Panel that the City Council was in a good financial position due to its reserves, substantial cash balances and investments and its property portfolio.

RESOLVED – 1) That the Covid-19 update be welcomed (RD.51/20);

2) That a further financial update on the impact of Covid-19 be submitted to the Panel following the end of the 2020/21 financial year;

3) That the Corporate Director of Finance and Resources provide the Panel with written details of the 'Other Local Authorities' debt and how successful the Council had been in recovering the debt.

BTSP.10/21 OVERVIEW REPORT

The Overview and Scrutiny Officer presented report OS.01/21 providing an overview of matters relating to the work of the Business and Transformation Scrutiny Panel and the Panel's work programme.

The Overview and Scrutiny Officer provided an update on the outstanding resolutions from previous meetings and it was agreed that BTSP.64/20 should be removed from the table. In discussing BTSP.77/20 the Panel reiterated their request for the link to be circulated to the risk assessments of the Local Resilience Forum and Local Enterprise Partnership.

RESOLVED – That the Overview Report incorporating the Work Programme and Key Decision items relevant to the Business and Transformation Scrutiny Panel be noted (OS.01/21).

(The meeting ended at 6.38pm)

BUSINESS AND TRANSFORMATION SCRUTINY PANEL

THURSDAY 18 FEBRUARY 2021 AT 4.00PM

PRESENT: Councillor Bainbridge (Chair), Councillors Alcroft, Allison, Birks, Bowman, Mitchelson and Dr Tickner.

ALSO

PRESENT: Councillor J Mallinson, Leader
Councillor Ellis, Finance, Governance and Resources Portfolio Holder

OFFICERS: Corporate Director of Governance and Regulatory Services
Corporate Director of Finance and Resources
Client Side Project Manager
Policy and Communications Manager
Policy and Performance Officer
Property Services Manager

BTSP.11/21 APOLOGIES FOR ABSENCE

An apology for absence was submitted on behalf of Councillor Paton.

BTSP.12/21 DECLARATIONS OF INTEREST

There were no declarations of interest submitted.

BTSP.13/21 PUBLIC AND PRESS

RESOLVED – It was agreed that the items of business in Part A be dealt with in public and Part B be dealt with in private.

BTSP.14/21 MINUTES OF PREVIOUS MEETINGS

RESOLVED – The minutes of the meeting held on 7 January 2021 were agreed. The Chair would sign the minutes at the first practicable opportunity.

BTSP.15/21 CALL IN OF DECISIONS

There were no items which had been the subject of call-in.

BTSP.16/21 REVENUE BUDGET OVERVIEW AND MONITORING REPORT: APRIL TO DECEMBER 2020

The Corporate Director of Finance and Resources submitted the Revenue Budget Overview and Monitoring Report for the period April to December 2020 (RD.56/20), which set out an overview of the overall budgetary position for revenue schemes only and provided details of the impact of Covid 19 on the revenue budget. The report also included details of balance sheet management issues, bad debts written off in the period and progress against the budget sayings.

The Executive had considered the matter at their meeting on 8 February 2021 (EX.24/21 refers) resolved:

“That Executive:

1. Noted the budgetary performance position of the Council to December 2020;
2. Noted the action taken by the Corporate Director of Finance and Resources to write-off bad debts as detailed in paragraph 6;
3. Noted the release of reserves as set out in the table at paragraph 2.2, and noted the virements approved as detailed in Appendix A.
4. Made recommendations to Council to approve reprofiling of £750,400 as detailed in paragraph 3.2 from 2020/21 into 2021/22.”

In considering the report Members raised the following comments and questions:

- There was some concern that there had been a low number of grants issued under the Christmas support payments grants for wet led pubs. Could there be further promotion of this grant?

The Corporate Director of Finance and Resources explained that the City Council had written to all businesses which were thought to be eligible for the grant to invite them to apply. She agreed to investigate further promotion of the grant with the Communications team. She also agreed to circulate up to date figures on the grant payments to the Panel.

- The Panel asked for clarity regarding the rental income losses for the Lanes and the potential impact of the closure of Debenhams on future income.

The Corporate Director of Finance and Resources responded that the projection figures for the Lanes income was for the year end 2021. She agreed to circulate further information on the head rent projection figures to the Panel.

- Was the Covid 19 funding, which had been received from government, ring fenced in case any monies had to be paid back?

The Corporate Director of Finance and Resources assured the Panel that all tranches of funding which had been received from government were identified in specific ledger codes and all records of allocations and spending were recorded.

- A Member noted his appreciation for the work of the Corporate Director of Governance and Regulatory Services and the Property Services Manager in recovering the £915,257 of Industrial Estate income.
- Would the underspend be used to reduce potential borrowing on the capital schemes?

The Corporate Director of Finance and Resources responded that the underspend would be discussed as part of the Outturn Reports and would be put into general fund reserves. She reminded the Panel that there was still a savings requirement which the underspend could be used towards on a temporary basis, the underspend could also be carried forward for any further borrowing requirements. Further work would be required to consider other spends in line with the savings target.

- How were the discretionary grants allocated and were they funded by government or the City Council reserves?

The Corporate Director of Finance and Resources highlighted section 4.1.1 of the report which detailed all of the government funding, including discretionary grants. The discretionary grants were allocated, using an agreed policy, to businesses which did not have rating liability but could show costs or shortfalls due to Covid 19.

- Had Covid 19 impacted the bad debt write off figures?

The Corporate Director of Finance and Resources responded that the bad debt write off figures were typical other than the NNDR figures. She agreed to carry out some comparison work and circulate the figures to the Panel.

- What had been the take up for the funding made available to support those who had been advised by NHS Test and Trace to self isolate?

The Corporate Director of Finance and Resources reported that the Test and Trace support payment had been oversubscribed, there had been further funding from government to top up the main scheme along with further funding through Cumbria County Council. The Government criteria had been very prescriptive, work was being carried out to create a more flexible criteria for the County Council funding.

- A Member asked for further information regarding the projected shortfall in homeless accommodation income.

The Corporate Director reminded the Panel that one of the homeless accommodation properties had not been used during the lockdown periods and therefore was not receiving the usual income from housing benefit. The lost income had been included in the monthly return to the MCLG and was part of the emergency funding.

- The Panel asked for an update on the development of a Commercialisation Strategy for the Council.

The Corporate Director informed the Panel that correspondence had taken place with the LGA to establish what training was available for officers and Members. She reminded the Panel that there was still a need for Member volunteers to take part in the work, this was available to all Members.

The Panel thanked the Finance, Revenues and Benefits and Economic Development teams for their ongoing work in delivering the services of the Council whilst administering the large volumes of grants and emergency income.

RESOLVED – 1) That the variances contained within the Revenue Budget Overview and Monitoring Report: April to December 2020 had been scrutinised (RD.56/20)

2) That the Corporate Director of Finance and Resources provide the Panel with the following information:

- Up to date figures on the number of applicants for the Christmas support payments for wet led pubs and details of the promotion for the scheme;
- Information on the head rent figures for the Lanes and any potential impact on income following the closure of Debenhams;
- Comparison information on the bad debt write offs
- Copy of the Discretionary Grants Policy.

BTSP.17/21 CAPITAL BUDGET OVERVIEW AND MONITORING REPORT: APRIL TO DECEMBER 2020

The Corporate Director of Finance and Resources submitted report RD.57/20 providing an overview of the budgetary position of the City Council's capital programme for the period April to December 2020.

The Executive had considered the matter at their meeting on 8 February 2021 (EX.25/21 refers) resolved:

“That the Executive:

1. Noted and had commented on the budgetary position and performance aspects of the capital programme for the period April to December 2020;
2. Noted adjustments to the 2020/21 capital programme as detailed in paragraph 2.1;
3. Made recommendations to Council to approve reprofiling of £3,031,500 as detailed in para 3.8 and Appendix A from 2020/21 into 2021/22.”

In considering the report Members discussed the impact of slippage with capital programmes and the potential increase in materials and inflation on the individual schemes.

The Corporate Director of Finance and Resources acknowledged that an increase in costs may impact schemes. She explained that each project had to have its own contingency fund within its existing budget. She agreed to ask officers to consider their contingency plans within their budgets in more detail as part of the Outturn Reports. The Corporate Director also reported that there were processes in place to deal with any slippage in projects and the associated financial implications. She stressed the importance of the profiling of projects to ensure the right financing, borrowing and capacity for the projects.

RESOLVED – That the variances contained within the Capital Budget Overview and Monitoring Report: April to December 2020 had been scrutinised (RD.57/20).

BTSP.18/21 THE SANDS CENTRE REDEVELOPMENT PROJECT

The Client Side Project Manager submitted an update on the progress of the redevelopment of the Sands Centre site.

The Client Side Project Manager provided an update of the measures undertaken to manage or adapt the existing project proposals to deal with:

- a) Progress with the main contract works
- b) provision of temporary accommodation for GLL's leisure offering and the NHS physiotherapy unit
- c) a requirement to update existing infrastructure in the events space to manage public safety systems to meet with current legislation.
- d) working practices evolving from the management of the risks associated with the COVID -19 pandemic
- e) working practices evolving from the management of the Brexit Agreement arrangements

The Client Side Project Manager shared a plan of the site and photographs of the project.

In considering the report Members raised the following comments and questions:

- What Covid 19 measures were in place to protect the workforce on site?

The Client Side Project Manager stated that there was a travel plan in place to limit the number of people sharing cars and each person arriving on site was registered and their temperature taken. Should their temperature be high they would not be allowed on site.

- How would the Council deal with an increase in the budget for the project?

The Client Side Project Manager responded that there was an allowance in the budget for inflation and the form of contract meant that it was the joint responsibility between the Council and the contractor to monitor the project and identify issues and deal with them before they become a problem and impact the budget.

- How far behind was the project due to Covid 19 and would it impact the contract completion date?

The Client Side Project Manager explained that the main contract work had not been delayed due to Covid 19 and the contract had an eight week 'cushion' to minimise the impact of delays on the end date.

- Did the contractors on site qualify for the lateral test for Covid 19?

The Client Side Project Manager agreed to discuss the matter with Wates Construction Ltd.

- The Panel supported the use of local workforce and materials and asked that the impact of the project on the local economy be promoted.

The Client Side Project Manager agreed that the positive impact on the local economy which included accommodation, food and the refurbishment of the Newman School site should be promoted.

RESOLVED – That the progress made on the Sands Centre Redevelopment Project be noted (CS.06/21).

BTSP.19/21 QUARTER 3 PERFORMANCE REPORT 2020/21

The Policy and Performance Officer presented the Quarter 3 Performance Report 2020/21 (PC.14/21).

The report contained the Quarter 3 performance against the current Service Standards and a summary of the Carlisle Plan 2016-19 actions as defined in the 'plan on a page'. Performance against the Panels' 2020/21 Key Performance Indicators were also included.

The Policy and Performance Officer gave an update on the work of the Task and Finish Group which was reviewing the content of the performance reports and drew the Panel's attention to the summary of exceptions which showed as red:

SS05: Proportion of corporate complaints dealt with on time

SS08: Proportion of official local authority searches completed on time

CSe14: Actual car parking revenue as a percentage of car parking expenditure

CSu05: Percentage of NNDR collect.

In response to a question the Policy and Performance Officer clarified that the figures for CSe14 showed that for every £1 the Council spent on car parking the target was to receive £1.50 in return, due to Covid 19 the current return was 74p. This loss of income was reflected in the budget monitoring reports.

A Member asked for an update on the local authority searches figures and the Corporate Director of Governance and Regulatory Services responded that there had been a short term issue due to the impact of lockdowns, however, the service was now within target.

RESOLVED – That the Panel had received the quarter 3 performance 2020/21 report PC.14/21.

BTSP.20/21 SICKNESS ABSENCE REPORT QUARTER 3 2020/21

The Policy and Performance Officer presented the authority's sickness absence levels for the period 2020 to December 2020 and other sickness absence information (CS.13/21).

The Policy and Performance Officer updated the Panel on the progress of the new Improving Attendance Policy and reported that to date in 2020/21 there had been a 24% decrease in overall days lost per employee when compared to the same period in the previous year. 47 employees had been absent long-term (those cases where the absence was 4 working weeks or more) throughout the year; only 2 less than the previous year. 11 long-term cases remained open at 26th January 2021 and 19 of the instances were due to 'Stress, depression, mental health, fatigue syndromes'.

In considering the report, Panel had some concerns that the Improving Attendance Policy had not yet been submitted for scrutiny as expected. There was some concern that the delay was caused by the change in HR staff and they asked for an update on the progress of the Policy from the Deputy Chief Executive along with information on exit interviews that the Council may hold when staff leave.

A Member highlighted stress related illness and asked what training was available to support the management of staff and their workload and questioned if staff felt secure in raising matters. In addition the Panel asked if work related stress was recorded separately to other stress and what triggers were in place for work related stress absences.

The Policy and Performance Officer agreed to arrange written responses from the Deputy Chief Executive and Organisational Development Manager.

RESOLVED – 1) That the Sickness Absence Report Quarter 3 2020/21 be noted (CS.13/21)

2) That the Deputy Chief Executive provide the Panel with an update on the progress of the Improving Attendance Policy including the date it would be submitted to the Panel;

3) That the Deputy Chief Executive provide a written response to the Panel setting out what, if any, exit interviews were undertaken when staff leave the authority how work related stress was recorded and what triggers were in place to deal it what training was available to manage staff sickness.

BTSP.21/21 OVERVIEW REPORT

The Policy and Communications Manager presented report OS.04/21 providing an overview of matters relating to the work of the Business and Transformation Scrutiny Panel and the Panel's work programme.

The Policy and Communications Manager updated the Panel on progress on resolutions from previous meetings, resolution 4 would be marked as complete and removed from future reports.

The Panel discussed the delay to the Commercialisation Strategy Task and Finish Group and agreed that Members would be invited to the training then the Task Group would be established based on the interest received.

RESOLVED – That the Overview Report incorporating the Work Programme and Key Decision items relevant to the Business and Transformation Scrutiny Panel be noted (OS.04/21).

BTSP.22/21 PUBLIC AND PRESS

RESOLVED – That in accordance with Section 100A(4) of the Local Government Act 1972 the Public and Press were excluded from the meeting during consideration of the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in the paragraph numbers (as indicated in brackets against the minutes) of Part 1 of Schedule 12A of the 1972 Local Government Act.

BTSP.23/21 ASSET MANAGEMENT OF KINGSTOWN INDUSTRIAL ESTATE AND PARKHOUSE BUSINESS PARK – UPDATE ON PROGRESS

(Public and Press excluded by virtue of Paragraph 3)

The Property Services Manager presented an update on progress with the implementation of the business plan for Kingstown Industrial Estate and Parkhouse Business Park (GD.18/21).

The Property Services Manager highlighted the key achievements which were detailed in Chancerygate's annual key performance indicator report and gave an overview of the rent review programme.

The Panel discussed in some detail, and the Property Services Manager answered questions, on the proposed development opportunities, current tenancies and the objectives which had been achieved. The Panel were pleased with the outcome of the rent reviews and questioned the future contract with Chancerygate. They highlighted previous matters with regard the road network in the Industrial Estate and were provided with an update on the situation.

RESOLVED – That the progress update on the Asset Management of Kingstown Industrial Estate and Parkhouse Business Park be noted (GD.18/21).

BTSP.24/21 GATEWAY 44 – MARKETING UPDATE

(Public and Press excluded by virtue of Paragraph 3)

The Property Services Manager submitted an update on potential new lettings at Gateway 44 (GD.17/21).

The Property Services Manager gave a brief overview of the background to the project and set out the proposal for the site.

The Panel discussed the update on potential new lettings at Gateway 44 and congratulated the Property Services Manager, his team and the contractors for the excellent retail space that had been developed.

RESOLVED – That the Gateway 44 marketing Update be noted (GD.17/21).

(The meeting ended at 6.26pm)