

OVERVIEW AND SCRUTINY COMMITTEE

Minutes of the proceedings at a meeting of the Overview and Scrutiny Committee held in the Assembly Room, Kendal Town Hall, on Friday, 4 February 2022, at 10.30 a.m.

Present

Councillors

Doug Rathbone (Vice-Chairman in the Chair)

Pat Bell
Brian Cooper

Hazel Hodgson
Ali Jama

Janette Jenkinson
Mark Wilson

Apologies for absence were received from Councillors John Holmes, Vicky Hughes (Chairman), Malcolm Lamb, Susanne Long and Dyan Jones.

Officers

Julia Krier	Legal, Governance and Democracy Specialist
David Sykes	Director of Strategy, Innovation and Resources
Ross Ette	Case Management Officer (Support Services)
James Cartwright	Case Management Officer (Support Services)
Jane McKeon	Case Management Officer (Support Services)
Helen Smith	Finance Lead Specialist (Section 151 Officer)
Claire Read	Finance Specialist (Deputy Section 151 Officer)
Simon McVey	Operational Lead - Support Services
Gareth Candlin	Operational Lead - Place and Environment

Also in attendance were Councillors Robin Ashcroft (Economy, Culture and Leisure Portfolio Holder), Helen Chaffey (Housing Portfolio Holder), Andrew Jarvis (Deputy Leader & Finance and Assets Portfolio Holder) and Jonathan Brook (Leader and Promoting South Lakeland and Innovation Portfolio Holder).

O&S/29 MINUTES

RESOLVED – That the Chairman be authorised to sign, as a correct record, the minutes of the meeting of the Committee held on 27 August 2021.

O&S/30 DECLARATIONS OF INTEREST

Councillor Janette Jenkinson declared an Other Registrable Interest in that she was a director of Ulverston Community Enterprise and a Trustee of Ulverston Coronation Hall, she noted that they were often referenced in the Council's financial reports.

RESOLVED – That the declaration of interest be noted.

O&S/31 DECLARATION OF THE PARTY WHIP

RESOLVED - That it be noted that no declarations of the party whip were raised.

O&S/32 LOCAL GOVERNMENT ACT 1972 - EXCLUDED ITEMS

RESOLVED – That it be noted that there were no excluded items on the Agenda.

O&S/33 PUBLIC PARTICIPATION

No questions, representations, deputations or petitions have been received in respect of this meeting.

O&S/34 WORK PROGRAMME 2021/22 AND FORWARD PLAN - FEBRUARY 2022

The Legal, Governance and Democracy Specialist (Deputy Monitoring Officer) presented the report on behalf of the Legal, Governance and Democracy Lead Specialist (Monitoring Officer) who had sent her apologies to the meeting.

Members highlighted that they wished to receive more regular updates regarding Local Government Reorganisation (LGR), and suggested a Task and Finish group to allow the committee to put ideas forward and look at existing examples of how unitary councils may operate. Members noted that there was concern that if such arrangements were not considered the opportunity to feed into the LGR process would be lost.

The Chairman thanked Members for their comments, and noted that he shared the same view and wanted to ensure that there was discussion between Officers and Members about how they could feed into the process.

The Chairman proposed that officers meet with the Chairman and Vice-Chairman to work out what would be appropriate given current constraints on Officers' time. The outcome would then be reported back to the Committee.

Members concluded by noting that the Council had done some great work over the years on exciting projects and that they would like to see them carry over into the new unitary authority.

RESOLVED – That:-

- 1) The Overview and Scrutiny Committee's updated Work Programme for 2021/22 be agreed;
- 2) The Forward Plan published on 11 January 2022 be received; and
- 3) The Chair and Vice-Chair of Overview and Scrutiny Committee would meet with relevant Officers to explore options for the involvement of the Committee in the preparations for Local Government Reorganisation.

O&S/35 PROCUREMENT SCHEDULE 2022/23

The Finance and Assets Portfolio Holder presented the report, informing Members that the report introduced the draft Procurement Schedule for 2022/23. He concluded by thanking Officers for their hard work on the both the Procurement Schedule and the report, particularly during a busy time.

Members queried the inclusion of an item on the schedule regarding leaf sweeping in Sedbergh, asking why it was limited to Sedbergh. The Finance and Assets Portfolio Holder responded noting that he could not speak in great detail for every item on the schedule but assumed that there was a specific contract in place for Sedbergh compared to other areas which may not have yet come up for renewal.

Members drew attention to the procurement of electronic vehicle charge points and queried when the procurement decisions were taken. It was noted that Members would have liked to have been informed about when and where the electric charging points were being installed, in order to answer questions from their constituents. In the course of the discussion it was suggested that Members should be informed of the installation works taking place in their respective wards.

The Finance and Assets Portfolio Holder responded by informing Members that the matter had been on-going for some time had been presented to Cabinet previously in 2019 and 2021. He noted the comments made regarding communication to Members and confirmed that he would relay them to officers. He further noted that a list of the car parking sites at which the electric charge points would be installed had been included in the previous Cabinet report regarding this specific project, and he referred Members to that report for further details.

Members also highlighted an item on the Schedule relating to the purchase of a Tractor for Ferry Nab, noting the potential cost, and queried whether leasing had been considered.

The Finance Lead Specialist (S151 Officer) responded, noting that there was a tendency to purchase equipment outright where it has low use but a long life, whereas leasing equipment was better suited for short periods of intensive use. She concluded by reassuring Members that the final decision on purchasing and leasing is delegated to her and is considered carefully.

RESOLVED – That the draft Procurement Schedule for 2022/23 be noted.

O&S/36

CORPORATE FINANCIAL UPDATE Q3 2021-22

The Finance and Assets Portfolio Holder presented the report and noted that it reflected the latest update up to the end of the last calendar year.

He continued by highlighting the costs of the pandemic, which had been lower than the contingency budget but higher than had been assessed at the last update as a result of the Omicron variant of COVID-19.

He suggested that a better understanding of business as usual was to be gained by excluding the impact of COVID-19 and that there had been over-spend, but it was considered that this gap should close as year-end approached. This over-spend had been due to agency staff costs following extreme recruitment difficulties.

He went on to discuss the capital budget, which, following a review of the capital programme that had been conducted in the autumn, was now valued at £14.602m for 2021/2022. As of the end of 2021 nearly £5m had been spent and of the £9.8m which had remained over £5m was for grants where agreements were close to being finalised. He therefore noted that the vast majority of the current capital spend was to be spent this year.

The Finance and Assets Portfolio Holder then referred to paragraph 3.4 in the report and stated that council tax collection was lower than target but had improved on the previous year.

He informed Members that overall the Council had continued to remain in a good financial position and was heading towards a balanced budget by the end of the year.

He concluded by thanking officers for their work in preparing the report.

Members queried the status of Braithwaite Fold Caravan Site as it appeared that there was a shortfall in income due to a delay in signing the lease. Members noted that the shortfall in income was disappointing to see.

The Finance and Assets Portfolio Holder informed Members that the lease had now been signed and that monies had been committed to site improvements by the leaseholder. He noted that the intention was that the site would re-open by 1 April 2022. The Council had been expecting the site to re-open earlier, hence the reported shortfall in income, however COVID had delayed matters.

During the discussion, a question was raised regarding the proposal to write-off of a particular debt which was detailed in the report. The Finance Lead Specialist responded noting that the figures did not represent the entire debt for that matter, however the amounts to be written off had been long outstanding and were now considered unrecoverable.

RESOLVED – That the contents of the report and appendices be noted.

O&S/37

2022/23 TO 2026/27 DRAFT BUDGET

The Finance and Assets Portfolio Holder introduced the report and reminded Members that the situation was somewhat unusual as it was expected the Council would cease to exist from April 2023 as a result of LGR. However, he noted the importance of the draft budget as it would feed into the new unitary authority.

He continued by outlining some of the key details of the report, such as the small surplus in revenue budgets, that inflation had been accounted for with a 2% increase in fees and that an increase in Band D Council Tax was expected to be approved by Council.

He then spoke briefly about capital expenditure, noting that £16m was due to be spent on Grange Lido, Flood Defence schemes, car parks and playgrounds. He concluded by informing Members that whilst the Council's remaining life was limited, it would continue to invest in residents and would be left in sound financial health. He once again thanked Officers for their hard work and looked to the Committee for questions and comments.

Members queried whether the Council's current assets could generate additional income for residents prior to transitioning into the new unitary authority, and what would happen to assets during the transition.

The Finance and Assets Portfolio Holder responded by noting that the Council would likely be constrained in what it could do with its assets in the period leading up to LGR. He informed Members that a Section 24 Direction was expected to be issued by the Secretary of State to Cumbria authorities as part of the LGR process. It was anticipated that the Section 24 Direction would limit the Council's ability to dispose of assets without approval from the Shadow Authority, in order to protect the finances of the new unitary authority. He continued, noting that any assets held by the Council would move to the new authority.

The Finance and Assets Portfolio Holder reminded Members that the Council would need to be careful not to undertake capital investment that may not be backed in future by the new unitary authority.

Members thanked the Finance and Assets Portfolio Holder for the update and noted the importance of keeping a watchful eye on the treatment of assets throughout the LGR process. Members wished to be continually briefed on such matters.

RESOLVED – That:-

- (1) it be noted that the development of the Budget is an iterative process between now and Council on February 2022 and that the assumptions proposals and calculations included within it will be subject to change as more information from internal and external sources is provided and decisions around the final proposals can be made;
- (2) the proposals contained in the report and Appendices to achieve a balanced budget from April 2022 be noted;
- (3) that the proposals for Fees and Charges from April 2022 set out in the appendix be noted;
- (4) that the expected balanced budget for 2022/23 and projected deficits starting at £2.2m in 2023/24 rising to circa £2.8m by 2026/7 be noted;

O&S/38 TREASURY MANAGEMENT AND CAPITAL STRATEGIES

The Finance and Assets Portfolio Holder briefly introduced the report and its importance in terms of meeting legislative requirements.

He informed Members that that the figures had been updated from the Medium Term Financial Plan and that there was not much change to discuss. He concluded by thanking Officers and stating that he hoped the report provided transparency for Members.

No further comments were made.

RESOLVED – That:-

- 1) The Treasury Management Strategy, Capital Strategies and the authorised and operational borrowing limits within the report be noted and recommended to Cabinet and Council.

O&S/39 ECONOMY, CULTURE AND LEISURE PORTFOLIO HOLDER REPORT

The Economy, Culture and Leisure Portfolio Holder introduced the report by highlighting the level of detail available for Members. He then briefly recapped the main objectives set out in the report.

In discussion, Members noted that the Economic Development team had recently delivered an excellent presentation on the results of the most recent business survey, and encouraged all Members to watch it. It was requested that a copy of the presentation be recirculated to Members. Comments were also made on increasing activity within the area, and that it was encouraging to see business and culture recovering.

The Portfolio Holder welcomed the comments, agreeing that it was nice to see things beginning to return to normal, albeit somewhat of a new normal. He added to comments on the business survey by noting that levels of business confidence had risen to 70% following a drop to 50% in the previous year.

He concluded by noting that the focus for the Portfolio was very much business as usual.

In relation to leisure and recreation, Members queried whether the contract with the Council's leisure provider was up for review. They noted difficulties faced by the provider over the last few years with COVID and their general portfolio across the country. The Portfolio Holder responded informing the Committee that it would be reviewed shortly and noted its importance for the local area.

Members queried the status of the Kendal Vision project, and whether the recent addition of Kendal College to the shopping centre had made any difference. The Portfolio Holder responded noting that the project was an important aspect of work being carried out in the town. He reminded Members that a briefing was taking place the following week and encouraged all to attend. He continued noting that a Kendal Vision project manager was now in place and that the Portfolio Holder was engaged in regular contact with the project manager. The Portfolio Holder noted his confidence in the project, that it would take time but is much needed for revitalisation of the town centre. He concluded by noting that the addition of Kendal College into the shopping centre was a very welcome and positive move for the town centre.

RESOLVED – That the contents of the report be noted.

O&S/40

HOUSING PORTFOLIO HOLDER REPORT

The Housing Portfolio holder introduced the report by highlighting the tremendous amount of work being done across the portfolio. She noted that recent Council approval would help support and fund affordable housing delivery in the district and that a current focus was ensuring that existing Community Led Housing schemes were completed.

She moved on noting that lots of work was underway in relation to the Local Plan, including site assessments and commission of studies to provide an updated position on land use across the district.

She then concluded by informing Members of her recent attendance at a meeting of a Strategic Homelessness group and that she was pleased to note how well the partners were working together.

Members were pleased to hear about the Homelessness group, noting that it was a huge concern. They then questioned what the Council was doing to help. The Portfolio Holder responded by confirming that the Council was very aware of the pressures and demands on households and was working hard to secure additional funding to provide support whilst also considering all opportunities to help households.

The Chairman agreed that Homelessness was an important issue to look at, and asked that it be noted for the Committee to look at closely in the new financial year.

Members noted the reference in the report to bringing empty homes back into use, which was welcomed in light of recent increases in house prices. Members queried what exactly was being done to ensure affordable housing for low income individuals. The Portfolio Holder noted that the Council was doing all that it could to enable young people to get on the property ladder, including looking at different sites to acquire land for new development for which negotiations were ongoing.

Given the Committee's interest in the matter and the limited detail available, the Chairman asked the Portfolio Holder when she might be able to provide further details. The Portfolio Holder acknowledged that the information that she was able to provide at this stage was limited and informed Members that she did not wish to undermine ongoing negotiations by divulging too much information while negotiations were still ongoing. She responded to the Chairman, noting that she hoped to be able to provide further information by the next meeting of the Committee.

Members also raised concerns around utilities and sewage/drainage provision in relation to new-build properties, asking whether consideration was being given to these issues for future new-build housing. The Portfolio Holder responded confirming that the issues raised were always considered but that she would pass along Member concerns to Officers.

Following these comments, the Chairman thanked the Portfolio Holder for the report and requested that she return in future to provide an update on the matters discussed.

RESOLVED – That:-

- 1) The contents of the report be noted.
- 2) The Housing Portfolio Holder will return to a future Committee meeting to provide further updates on matters arising from her report.

O&S/41

PROMOTING SOUTH LAKELAND AND INNOVATION PORTFOLIO HOLDER REPORT

The Promoting South Lakeland and Innovation Portfolio Holder introduced the report.

He informed Members that Local Government Reorganisation (LGR) was taking up a huge amount of time for Officers and some Members. He noted that there were a number of weekly meetings and a raft of other regular meetings with different groups to look at all aspects of LGR.

He continued by informing Members that current work included laying the foundations for the new unitary authority so that it could hit the ground running, alongside all the work going into ensuring that the new authority was safe and legal.

Speaking on Member engagement, he reminded Members that regular updates were being provided by the Council's Chief Executive and Communications Team. He also noted that regular meetings were being held with political group leaders and a series of Member briefings were being held. The Portfolio Holder noted that both he and the Finance and Assets Portfolio Holder would be happy to answer any questions Members may have outside of the meeting.

He then went on to highlight the importance of communication, noting that one of the biggest pieces of work currently was to raise awareness of LGR. A communications group had been established between all councils involved to work on a communications strategy and a website had been created to help make information accessible to all (www.newcouncilsforcumbria.info).

Lastly, the Portfolio Holder spoke briefly on the Judicial Review application that had been made by Cumbria County Council and noted that there was now an oral hearing set for 22 February 2022. He hoped that following the hearing the future would be clearer. However, he also noted that there was no time to stand still and work would continue throughout the Judicial Review.

The Chairman questioned what measures were in place to ensure that members of the public were informed of the ongoing and future changes. The Portfolio Holder responded noting that responsibility for publicity would sit with the aforementioned communications group but that they would be challenged to put out information across various channels in various forms. He then reaffirmed the huge importance of updating residents about the process.

RESOLVED – That the contents of the report be noted.

O&S/42 CUMBRIA HEALTH SCRUTINY COMMITTEE UPDATE

In the absence of Cllr Hughes, Cllr Wilson agreed to provide an update as a member of the Committee for Cumbria County Council.

He began by highlighting to Members that a consultation on the site for a new hospital was in progress, with the location likely being somewhere near Preston.

He then noted that the University Hospitals of Morecambe Bay Trust (UHMBT) was working through an improvement plan sent to them by the Care Quality Commission, and whilst there were a great number of issues identified he was pleased to report that the numbers were decreasing. He continued noting that UHMBT should be congratulated as they are a listening organisation and have done a good job despite recent and on-going circumstances. He also noted that in the future the Committee may wish to invite someone from UHMBT to the Committee to speak and answer questions.

Cllr Wilson then drew attention to issues faced by UHMBT, such as staff shortages and some staff opting to remain unvaccinated which could contribute to staff shortages if a Government vaccination programme for healthcare workers is reconsidered.

He concluded the update by informing Members that the Health and Care Bill was currently in the House of Lords, and that they were looking at making sure changes would include more input from elected members of the new authority. He believed that this would give Members more opportunity to liaise with health and social care providers.

RESOLVED – That the update be noted.

The meeting ended at 12.17 p.m.