

Finance and Performance Scrutiny Sub-Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Tuesday, 11 October 2022
Present	Councillors Peter Gane, Connor McConville (Chairman), Patricia Rolfe and Rebecca Shoob.
Officers Present:	James Clapson (Case Officer (Committee)), Gavin Edwards (Performance and Improvement Specialist), Leanne Knight (Finance Specialist), Charlotte Spendley (Director of Corporate Services) and Lee Walker (Capital and Treasury Senior Specialist).

1. **Declarations of interest**

Councillor Rolfe and Councillor McConville both declared a DPI as they are directors of Oportunitas Ltd. A dispensation has been applied.

Councillor Shoob declared a DPI as she is a director of Otterpool Park LLP.

All members remained in the meeting, taking part in discussions and voting on all items.

2. **Quarter 1 Performance Report 2022/23**

Mr Edwards introduced the report that provided an update on the Council's performance for the first quarter of the year, from 1 April 2022 to 30 June 2022. The report enables the Council to assess progress against the approved key performance indicators (KPI) arising from the Council's new Corporate Action Plan. The report would go on to be considered at the Cabinet meeting scheduled for 20 October 2022.

During consideration of the item, the following points were as noted:

- Councillor Gane requested an update regarding some incidents of graffiti that he had previously reported within his ward. Mr Edwards would

follow up the cases with Area Officer team and arrange for a response to be provided to the committee. Mr Edwards also confirmed the Council had removed 683 incidents of graffiti during the quarter.

- Councillor Rolfe noted that 98.23% of streets surveyed were clear of litter, but the report did not specify the location or number of streets surveyed. Mr Edwards confirmed that two officers had inspected 566 different locations for litter during the period. He would find out which locations were inspected and advise the committee.
- It would be difficult to have a meaningful KPI monitoring the fiscal position of the Council as it would be an oversimplification of the situation. Officers were currently working on the Medium Term Financial Strategy, this would look at the Council's funding position and the wider economic picture.
- It was suggested that in future, where percentages were detailed in the report, the actual number would also be shown as this would help to give the percentage more context.
- Percentage of food premises broadly compliant: The Environmental Health team inspected 122 food premises during the quarter.
- Percentage of successful prosecutions: There had been two successful enforcement prosecutions and no unsuccessful prosecutions during the period. The number of unsuccessful prosecutions would be specified in future reports..
- Councillor Shoob requested further information about plans to increase household recycling levels, including any trends in the overall amount of waste collected. Mr Edwards confirmed that he would follow this up with the Waste Services manager and provide a response to the committee.
- Councillor Shoob raised a question about the current number of people homeless and living on the street. Mr Edwards confirmed that the Housing team were keeping the number under review and would follow this up with the Housing team in order for a response to be provided to the committee on the latest numbers.
- The KPI target for the determination of planning applications was set at 60%. This appeared to be a very low target, however it was noted that this KPI target was set by the Government, not the Council.
- Councillor McConville asked for further information about any upcoming council housing new build projects, Mr Edwards confirmed that the Council was to acquire 15 new council homes on the former Royal Victoria Hospital site by the end of the year, and there were 14 homes under development in Shepway Close, Folkestone that were due for completion by September 2023. In addition to the homes on the Highview site, the Council also had homes due to be delivered on sites at Biggins Wood and Ship Street in the future.
- Councillor Rolfe asked how many council houses had been bought through the Right to Buy scheme. She wanted to see the effect this had on the overall number of houses available. However, it was noted that the number of homes purchased through the scheme was not within the

Council's control. Mr Edwards confirmed he would raise this question with Housing Strategy lead and arrange for a response to be provided to the committee.

- Councillor McConville asked how play areas were selected for improvement. It was noted that the Council's adopted Play Area Strategy was used to determine which play areas would receive improvement work.

Proposed by Councillor Gane,

Seconded by Councillor McConville; and

RESOLVED:

1. To receive and note report C/22/45
2. To note the performance information for Quarter 1 2022-23 in Appendix 1.
3. To note the ongoing review work being undertaken into the call levels being answered by Customer Services set out in section 3.1
4. To recommend that Cabinet approve the inclusion of the additional KPIs set out in section 4.1

(Voting figures: 4 for, 0 against, 0 abstentions).

3. General Fund Revenue Budget Monitoring - 2nd Quarter 2022/23

Ms Knight introduced the report that provided a projection of the end of year financial position for the General Fund revenue budget, based on expenditure to 31 August 2022.

During consideration of the item, the following points were noted:

- The Council had experienced a slight rise in bad debt, this was expected to rise further as the rise in the cost of living could lead to more residents struggling to pay their bills.
- It would be useful if the report showed what directorate each service fell under.
- The reduction forecast for Interest and Investment Income was mainly due to a delay in interest payments that were due to be received from Oportunitas.
- Non-Service Related Government Grants were mainly COVID-19 grants that the Council had received. The report assumed these grants will be fully utilised, however if that was not the case the associated expenditure would also reduce; therefore it would have no impact upon the bottom line of the forecast.

The Sub-Committee Members noted the report.

(Voting figures: 4 for, 0 against, 0 abstentions).

4. **General Fund Capital Programme Budget Monitoring 2022/23**

Mr Walker introduced the report that provided an initial projection of the current financial position for the General Fund capital programme profiled for 2022/23. It was based on expenditure up to 31 August 2022, and identified variances compared against the latest approved budget.

During consideration of the item, the following points were noted:

- Interest rate rises would have an impact on the Council. The Treasury Management Monitoring report, due to be considered by Cabinet on 20 October 2022, detailed the Council's current borrowing position, and work was underway to prepare the Medium Term Financial Strategy that would look at the future borrowing position. This report was expected to be considered by Cabinet in November.
- Funding for the Princes Parade Leisure Centre had been re-profiled, work would be undertaken to establish how this will impact on the project.
- The reduction in capital grants was linked to the re-profiling of capital expenditure. Mr Walker offered to get back to Councillor McConville with more information about the grants.

The Sub-Committee Members noted the report.
(Voting figures: 4 for, 0 against, 0 abstentions).

5. **Housing Revenue Account Budget Monitoring Quarter 2**

Mr Walker presented the report that provided a projection of the end of year financial position for the Housing Revenue Account (HRA) revenue expenditure and the HRA capital programme. This was based upon the net expenditure up to 31 August 2022. He noted a typographical error in paragraph 2.2 where the word *increase* should be replaced with the word *reduction*.

During consideration of the item, the following points were noted:

- The projected reduction in income was largely due to empty garages.
- Mr Walker offered to arrange for Councillor McConville to receive further information about the delay in works to replace windows, doors and the reroofing works.

The Sub-Committee Members noted the report.
(Voting figures: 4 for, 0 against, 0 abstentions).