

## **FINANCE, ASSETS & PERFORMANCE SCRUTINY COMMITTEE**

Thursday, 17th September, 2020  
Time of Commencement: 7.00 pm

<b>Present:</b>	Councillor Mark Holland (Chair)		
Councillors:	Bert Proctor Mike Stubbs	Kyle Robinson Sarah Pickup	Andrew Parker
Officers:	Jan Willis	Interim Executive Director - Resources and Support Services and Section 151 Officer	
	Roger Tait Geoff Durham	Head of Operations Mayor's Secretary / Member Support Officer	
	David Elkington	Head of Customer and Digital Services	

**Note:** In line with Government directions on staying at home during the current stage of the CV-19 pandemic, this meeting was conducted by video conferencing in accordance with the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020.

### **1. APOLOGIES**

Apologies were received from Councillor Graham Hutton.

### **2. DECLARATIONS OF INTEREST**

There were no Declarations of Interest stated.

### **3. MINUTES OF A PREVIOUS MEETING**

**Resolved:** That the Minutes of the meeting held on 25 June, 2020 be agreed as a correct record.

### **4. UPDATE FROM CABINET**

The Leader advised that the update would be covered by items contained within this agenda.

### **5. BACK ON TRACK - CORONAVIRUS PANDEMIC RECOVERY PLAN UPDATE**

Consideration was given to a report regarding actions being taken across the Council to recover from the impact of the Covid-19 pandemic. The report had been considered by Cabinet on 9 September.

The Leader of the Council, Councillor Simon Tagg advised Members that this Council had now moved towards 'full recovery mode' with people now returning to the office.

There had been a recent rise in cases but all health and safety aspects were being followed.

Customer Services had been a key success, with the use of telephone and online services and the opening up of Castle House for self-service facilities.

Members' attention was drawn to paragraph 2.1 which outlined the five areas of the recovery work.

Councillor Stubbs referred to paragraph 2.16 which stated that there would be a £900,000 deficit from income and whilst he understood that the Council did have time to recover it – he asked if it was a prudent figure.

The Portfolio Holder for Finance and Efficiency, Councillor Stephen Sweeney advised that the Council's Section 151 Officer did operate with prudence and the Council was in as good a position as could be expected under the circumstances. As long as there were no other crises, the figure was realistic.

The Leader stated that the figure was a prudent assumption. Nobody could say how long the current situation would last and how the budget would be affected by it.

Councillor Pickup referred to paragraph 2.19 and stated that she could understand the NNDR figure being down and asked what the Council Tax figure was modelled on and how it was arrived at. She asked if it was the Council having difficulty in collecting it or was it due to people's circumstances?

The Council's Executive Director for Resources and Support Services and Section 151 Officer, Jan Willis advised that the impact on Council Tax Collection was not as bad as it could have been, due to the Council Tax Hardship Fund which reduced the Council Tax liability for people on income support. As a result, Council Tax debt would be either wiped out completely or significantly reduced.

There was an impact on the wider budget as the Council Tax Support Scheme had to be funded. This did not impact on the Collection Fund. This had put some pressure onto the budget which had been factored into the accounts.

**Resolved:** That the report be received and the comments noted.

## **6. FINANCIAL SUSTAINABILITY AND RECOVERY PLAN**

Consideration was given to a report on the Financial Sustainability and Recovery Plan.

The Leader advised that the first part of this report had been covered under the Back on Track report. Members were referred to paragraph 2.9 of this report which outlined the services provided by the Council, financial sustainability and how things had changed as a result of the pandemic.

People were using technology more and the Council had used this to adopt new ways of working.

The Council did need to make a saving – which had been required before the pandemic and any Council Tax impact would affect the budget.

Councillor Stubbs referred to paragraph 2.6 asking if the £500,000 Council Tax shortfall was a correct figure. He was happy that the Government would fill 95% of the gap but it would still leave £1M to be paid back over three years. Councillor Stubbs asked if that could be sustained. The Council would be taking a medium term hit – recovering the money over three years which would still have to be shown as a loss.

Jan Willis stated that there had been a slight misunderstanding. The Council would have to recoup the Collection Fund losses in the following year and this would have to be budgeted for. The Government would relax that requirement which would allow it to be recouped over three years.

In addition, proposals would be brought forward for any Collection Fund losses to be shared between the Government and the Council. No details have come forward as yet but it was expected that the Council would not have to recover the full £500,000.

The Council did have reserves that could be used to cover any residual losses.

The Leader stated that, when this Committee met in June, the Council had been awaiting another round of funding from the Government which had now been received.

Dialogue needed to continue as there was still uncertainty around the effect of the pandemic in the near future.

The Chair stated that careful attention needed to be paid as to what the officers were saying. Help would not normally be given by the Government so any assistance would make things easier.

The Portfolio Holder for Finance and Efficiency would look at the terms for any further cash injections from the Government.

**Resolved:** That the report be received and the comments noted.

**7. FINANCIAL AND PERFORMANCE REVIEW REPORT - FIRST QUARTER (APRIL - JUNE) 2020-21**

Consideration was given to a report on The Financial and Performance Review – First Quarter.

The Leader stated that this was the first full quarter in lockdown and said that there were highlights as to how staff had reacted to the pandemic.

Planning staff had worked greatly throughout the pandemic and had continued to get applications through.

The new recycling service had been introduced and levels had increased due to more options being available and the reintroduction of the food waste collection service.

There had been increased footfall in the town centre with a keen interest in the market which indicated that people were shopping locally.

The Brampton Museum and J2 had now reopened but there was an issue with the pool. This would reopen very soon.

The Chair referred Members to page 35 of the agenda which set out the Corporate Performance for Quarter One.

Councillor Stubbs stated that it was difficult, given the time frame of the report, to draw a meaningful analysis. Nobody would expect the results to be any different under the present circumstances. They needed to be looked at again in three months' time when it could be expected for the figures to be different.

The Leader advised that an update report on the Coronavirus pandemic was on the agenda for the next Council meeting and said that there were positive points in the report on how the Council had adapted.

The Chair agreed and referred Members to point 1.8 on page 38 which showed the number of online transactions.

Councillor Stubbs referred to page 44, Kidsgrove Sports Centre stating that it was positive to see things moving forward and hoped that everyone would support this.

The Leader stated that this balanced up the sports facilities within the Borough – not just for Kidsgrove but everyone in the north of the Borough. He added that it was pleasing to get to this stage and, if endorsed at Full Council the Council would move ahead with the project.

Councillor Sweeney spoke on Priority 4 – a Town Centre for All, stating that Newcastle was becoming quite vibrant following the lockdown and urged people to visit the town centre and have a good look at all of the different shops.

The Chair stated that footfall should be buoyant in the next quarter and hoped that as a new normal was moved towards, people would shop locally.

**Resolved:** That the report be received and the comments noted.

## **8. CIPFA GUIDE TO FINANCIAL SCRUTINY**

Consideration was given to a report on the CIPFA Guide to Financial Scrutiny which offered guidance on how to scrutinise the Council's Finances.

Councillor Sweeney made reference to the document which was appended to the report at page 55. It had been taken to the Audit and Standards Committee in July and could provide areas of training for Committee members.

Councillor Stubbs stated that the document was quite technical and asked whether officers could make themselves available to go through any unclear areas as and when required.

Councillor Sweeney agreed and stated that the document was there to give a clearer understanding and that officers would be there to help.

The Chair stated that there may be members of the Committee who would benefit from the guidance of officers on the document. The Chair asked that a reminder be sent to the members and substitutes of this Committee advising them that they could approach officers with any questions or potential training requirements.

**Resolved:** That the CIPFA guide to Scrutinising Public Accounts be received.

**9. WORK PROGRAMME**

The Chair referred Members to the Work Programme, starting at page 177 of the agenda.

The previous meeting had the single item focussing on the Council's recovery from the Coronavirus pandemic. The Chair stated that he would like the next meeting to be a face to face one but there was still uncertainty about the effects of the pandemic.

The Leader suggested that the next meeting could be a hybrid one if necessary.

Councillor Stubbs stated that a financial review of the effects of the pandemic needed to be carried out at some point in the future but the next meeting in December was when scrutiny of the Council's budget commenced.

The Chair agreed that there was already a full agenda for the December meeting and added that Councillor Hutton would like the Committee to consider Council Procurement at its June meeting next year.

**10. PUBLIC QUESTION TIME**

There were no public questions.

**11. URGENT BUSINESS**

There was no urgent business.

**Chair**

Meeting concluded at 7.49 pm