

FINANCE, ASSETS & PERFORMANCE SCRUTINY COMMITTEE

Thursday, 16th September, 2021
Time of Commencement: 7.00 pm

Present: Councillor Mark Holland (Chair)

Councillors:	Gillian Burnett	David Grocott	Elizabeth Shenton
	Andrew Fear	Tony Kearon	Ken Owen
	Graham Hutton	Mike Stubbs	John Cooper

Officers:	Denise French	Democratic Services Team Leader
	Sarah Wilkes	Head of Finance / S151 Officer
	Martin Hamilton	Chief Executive
	Simon McEneny	Executive Director - Commercial Development & Economic Growth

Also in attendance:	Councillor Simon Tagg	Leader of the Council and Portfolio Holder - One Council, People and Partnerships
	Councillor Stephen Sweeney	Deputy Leader of the Council and Portfolio Holder - Finance, Town Centres and Growth

9. APOLOGIES

Apologies for absence were received from Councillors Bert Proctor (substitute Councillor Ken Owen), Amelia Rout (substitute Councillor Elizabeth Shenton) and Paul Waring (substitute Councillor John Cooper)

10. DECLARATIONS OF INTEREST

There were no declarations of interest.

11. MINUTES OF A PREVIOUS MEETING

Resolved: that the minutes of the meeting held on 24 May 2021 be approved as a correct record.

12. PROCUREMENT REVIEW

The Committee considered a report on procurement. The report outlined procurement work undertaken to date and work to establish a new procurement strategy which would run from 2022 to 2025.

The report defined procurement as securing assets and services that met the needs of users throughout the lifecycle of the asset or service. The report set out the reforms to procurement law following Brexit. The report outlined the council's governance arrangements including reference to Financial Regulations and procedure rules.

The report analysed spend from 2013 – 2021 across various financial thresholds and local spend based on value and number of transactions. The report outlined some collaboration with other local public sector organisations and a number of national collaborations.

A new procurement strategy was being drafted along with an action plan. The priorities for the strategy were listed including exploring software to assist with a more proactive approach to contract management; a simplified procurement gateway process to ensure early officer engagement; improvements to ongoing monitoring for high value and high risk contracts and contractors. The report noted that new projects such as the Future High Street project for which the council had received external funding, would involve a number of procurement projects and would need support from the Business Improvement Manager.

Members raised queries and points as follows:

- Could the new strategy make reference to mileage to recognise climate impact
- An Annual update was requested as part of the tender process to analyse the contract against performance using a red, amber, green rating
- What would the replacement be for the OJEU process following Brexit and was the threshold amount known. This information was not known at present.

Members commended the report and thanked the Business Improvement Officer.

RESOLVED: that

- (a) the report be received; and
- (b) the new Procurement Strategy include reference to mileage to reflect climate impact;
- (c) an annual update of performance be included as part of the future tender process and be included in the new Procurement Strategy.

13. COMMERCIAL STRATEGY UPDATE

The Committee considered a report on the Commercial Strategy following the request for a 6 monthly update. The strategy had been approved by Cabinet on 16 October 2019. The Medium Term Financial Strategy was currently being updated and anticipated a cumulative budget shortfall of around £2m over the next 5 years. This meant there was a need for the council to become more commercial and generate efficiencies and new income streams as well as maximising existing revenue streams.

The Executive Director Commercial Development & Economic Growth explained that the council had appointed a commercial investment adviser who had reviewed the commercial property portfolio and their findings and recommendations were listed in the report. The Director outlined current investment options that had been considered and current projects were new industrial units at Chatterley Valley, Park House west and the former Zanzibar site; this option would involve work with Aspire Housing. There were also commercial projects relating to the Future High Street Fund and Town Deal programmes.

Members raised the following issues and queries:

- What was the timescale for financial return? The Director confirmed this was 7 – 10 years
- When would there be detail on further proposals? This would be approximately every 6 months; proposals would be submitted to scrutiny and cabinet
- Were there opportunities to invest in warehousing? The Director explained that this was being considered but large scale warehousing was most successful and there were risks if premises were left empty
- The success of the Silverdale Enterprise Centre was noted.

RESOLVED: that the update be noted.

14. REVIEW OF COVID IMPACT

The Committee considered a report on Covid. The report outlined the overall impact of the pandemic on the Council, its services and the borough along with the priority actions being taken to ensure the borough was well placed to recover.

The report detailed the impact on the economy with many businesses having to close or manage disrupted services. The council had administered government grant schemes to local businesses of almost £40,000,000. The impact on the community included over 7000 Clinically Extremely Vulnerable residents having to shield. The council set up a help line and support service provided by Realise Foundation which provided support including arranging shopping and prescription delivery and support for people feeling lonely or isolated.

There had been a significant impact on council services with certain services being closed (J2, Brampton Museum) and other services having increased demand. There had been a particular impact on environmental health where the service was refocussed on addressing business and public health implications of the pandemic such as visiting premises where there had been a covid outbreak. The report detailed the various impacts on the council's services.

Members discussed whether a further report could be presented as the impact of the pandemic was ongoing and a 'lessons learned' session could be useful. Members asked whether any Peer Review would analyse the impact on the council and its response. It was thought that a Peer Review would take place in 2022 but not before local elections in May.

Members commended the work of staff.

RESOLVED: that the report be received.

15. FINANCIAL AND PERFORMANCE REVIEW REPORT 4TH QUARTER (JANUARY - MARCH) 2020-21

The Committee received the Quarter 4 finance and performance review report.

RESOLVED: that the report be received.

16. FINANCIAL AND PERFORMANCE REVIEW REPORT - 1ST QUARTER (APRIL - JUNE) 2021-22

The Committee considered the financial and performance review report for the first quarter, April to June 2021 – 22.

Performance for the quarter showed a positive picture overall. As had been noted in the Review of Covid report, the environmental health service was facing challenges due to the need to prioritise Covid activities. Separate food waste collections were increasing. The customer contact centre performance had improved from the previous quarter and the service had been busy with queries relating to various services including elections and grants. The average number of days per employee lost to sickness continued to be low despite Covid. Staff turnover rates were also low.

Members asked a number of queries:

- How much borrowing was anticipated? This would be included as part of the Mid-Year Capital Review which was underway; the cost of borrowing was part of the Revenue Budget
- Would the Capital Programme be reduced? Members were informed that the Capital Programme was reviewed on a regular basis and there were big projects underway including the Kidsgrove Sports Centre refurbishment
- Members noted reference to ‘borrowing/leasing’ and asked if this could be separated in future reports. The Head of Finance confirmed that the reference to leasing could be removed from future reports as it was not applicable
- Members queried the performance table where no data or symbols were included. There were various reasons including that for some sections data was not collected. It was felt there should be an explanation behind some of the sections. It was also suggested that different symbols be used to provide greater clarity. Members felt that it was important that scrutiny received the same information as the cabinet.

RESOLVED: that

- (a) The report be received; and
- (b) The format of the performance report be discussed outside the meeting and reported back to a future meeting in terms of whether any improvements could be made.

17. WORK PROGRAMME

The Committee considered the Work Programme. It was agreed that an item on the One Council programme be added to the agenda for December.

RESOLVED: that the Work Programme be updated to include an item on the One Council programme for the meeting on 13 December 2021.

18. PUBLIC QUESTION TIME

There were no members of the public present.

19. URGENT BUSINESS

There was no urgent business.

**Councillor Mark Holland
Chair**

Meeting concluded at 8.21 pm