

Performance and Finance Scrutiny Committee

11 March 2021 – At a meeting of the Performance and Finance Scrutiny Committee held at 10.30am by virtual meeting with restricted public access.

Present: Cllr J Dennis (Chairman)

Cllr Montyn	Cllr Kitchen	Cllr Waight
Cllr Barrett-Miles	Cllr Lea, joined at	Cllr Walsh
Cllr Boram	12.07pm	Cllr Patel
Cllr Catchpole	Cllr Smytherman	
Cllr Hillier	Cllr Sparkes	
	Cllr Turner	

Apologies were received from Cllr Bradford and Cllr M Jones

Also in attendance: Cllr Hunt, Cllr Lanzer and Cllr Marshall

Part I

115. Declarations of Interest

115.1 Cllr Walsh declared a personal interest in relation to the QPM item [resident satisfaction] as Leader of Arun District Council.

115.2 Personal interests were declared as follows for the Capital Programme item:

- Cllr Sparkes regarding Community Hubs as a Member of Worthing Borough Council
- Cllr Hillier regarding Gigabit as a Member of Mid Sussex District Council
- Cllr Smytherman regarding Alternative Provision College as Chair of local authority Governors for the Alternative Provision College for West Sussex.

116. Part I Minutes of the last meeting of the Committee

116.1 Resolved – That the Part I Minutes of the meeting held on 22 February 2021 be approved as a correct record and that they be signed by the Chairman.

117. Part II Minutes of the last meeting of the Committee

117.1 Resolved – That the Part II Restricted Minutes of the meeting held on 22 February 2021 be approved as a correct record and that they be signed by the Chairman.

118. Responses to Recommendations

118.1 The Committee received a response from the Executive Director for Place Services regarding the Committee's recommendations concerning the Award of Contract: Horsham Enterprise Park Delivery Partner decision.

118.2 Resolved – That the Committee notes the response and that the Chairman will respond to clarify the need for the sensitivity analysis in future reports to consider any risk due to un-secured aspects, including revenue or tenancies not yet secured and associated costs.

119. Quarterly Performance Monitor (QPM) as at end of December 2020

119.1 The Committee considered the Quarterly Performance Monitor (QPM) report from the Director of Finance and Support Services summarising the positions of finance, performance, risk, and workforce as at the end of December 2020 (copy appended to the signed minutes).

119.2 The Cabinet Member for Finance introduced the report, supported by the Director of Finance and Support Services and the Director of HR and Organisational Development. They highlighted that the Government had covered all additional expenditure due to Covid and therefore the projected budget overspend has now reduced to create a small underspend. They remarked upon the volatility and lack of usual consistency during 2020/21 in the preparation of the figures, which has been challenging and is reflected in the risk report.

119.3 The Committee made comments in relation to the QPM report including those that follow. It:

- Commented that the time lag in reviewing quarterly finance, performance and risk via the QPM can provide misleading or outdated information. Highlighted the need for the Committee to review the most up to date information, with exception reporting of significant changes, and requested the process of producing and reviewing the QPM be reviewed for the next Council year.
- Commented in relation to the key performance indicator (KPI) information that is unavailable due to being delayed, suspended, or cancelled in 2020/21. Members understood that this is due to the effects of the Covid pandemic however were keen that monitoring information be provided as soon as possible to aid oversight and scrutiny of council services.
- Commented that the levels of sickness absence due to stress were notable, particularly for adults and children's services staff who have been under significant additional pressure due to Covid and work on the improvement plan. Encouraged the new ways of working project to consider measuring and improving the productivity of council services.

119.4 Resolved:

- 1) That the Committee notes the impact of Covid-19 on the council and the non-delivery of some savings measures in 2020/21, and acknowledges that the ongoing effects on finance and performance will be seen into 2021/22;

- 2) That the Committee recognise the pressures on staff over the past year, welcome the positive direction of travel, and look forward to receiving a report on the new ways of working this autumn; and
- 3) That the Committee stresses the importance of scrutiny committees having the most up to date information available and requests that the process of reporting key information to Members is reviewed for the next Council year.

120. Capital Programme Quarter 3 Performance Monitor Report

120.1 The Committee considered a report by the Director of Property and Assets setting out the quarter 3 performance of the Capital Programme (copy appended to the signed minutes).

120.2 The Cabinet Member for Finance introduced the report, noted the projects were progressing well despite the challenges presented by Covid, and expressed his thanks to officers for an informative report.

120.3 The Capital Programme Manager introduced the report and summarised key aspects including the pipeline and the high number of projects in delivery within the Programme.

120.4 The Committee made comments in relation to the Capital Programme performance report including those that follow. It:

- Queried how significant IT projects aiming to deliver efficiency or better ways of working could be monitored by Members. Comments were made that the capital programme report could enable monitoring of project costs, total value, and progress (including the original completion estimate for re-profiled projects), and Members asked that officers consider this.
- A Member wished that their thanks be noted for the council's investment in the Worthing Community Hub scheme. Thanks were also noted for the Gigabit broadband scheme which is a credit to the council, and Members encouraged further funding bids be explored to enable more schemes within the county.
- Encouraged efforts to accelerate the Special Support Centre (SSC) projects, where possible. The Cabinet Member for Finance invited the Chairman of the Children and Young People's Services Scrutiny Committee (CYPSSC) to write to him to outline the concerns.

120.5 Resolved:-

- 1) That the Committee welcome a review of the information included within the capital programme performance monitor report and ask that consideration be given to including the total project cost and delay information;
- 2) That the Committee supports efforts to expedite the SSC projects, and asks that CYPSSC continue to monitor and review progress; and
- 3) That the Committee welcomes further reflection on significant IT projects and how this can be monitored in future reports.

121. Work Programme Planning and possible items for future scrutiny

121.1 The Committee considered the forward work programme by the Senior Advisor which outlines the priorities to be taken forward into the next Council year (copy appended to the signed minutes). The Committee also considered an extract of the Forward Plan of Key Decisions.

121.2 Resolved – That the Committee supports the proposed work programme for March to July 2021 and proposals for 2021/22.

122. Date of Next Meeting

122.1 The Committee notes its next meeting will take place on 5 July 2021, commencing at 10.30am.

123. Award of Contract: Joint Venture Partnership for County Council Property Development

123.1 The Committee considered a report by the Director of Property and Assets regarding the proposal to award the contract for the Joint Venture Partnership (copy appended to the signed minutes).

123.2 The Cabinet Member for Finance introduced the report and commented that the Joint Venture (JV) aims to generate profit for the council whilst minimising risk by developing within a partnership. Recommendations from this Committee in 2019 and 2020 have been taken into account in the development of this proposal. Thanks were noted to Members for their input and to the Technical Project Manager for his work and expertise in bringing the partnership to fruition.

123.3 The Director of Property and Assets introduced the report commenting that councils traditionally sell surplus land for a capital receipt, however a JV partnership enables the council to take advantage of generating added value by receiving 50% of the development profit.

123.4 The Committee made comments including those that follow. It:

- Expressed general support for the aims and principles of the JV partnership.
- Sought clarity on the governance arrangements for the JV and how Members can have oversight and input into the operation of the JV programme. Welcomed future opportunities for pre-decision scrutiny of the properties or land being added into the JV.
- Commented on the proposed submission of an annual oversight report to this committee that an annual report would not provide sufficient oversight of the progress and achievements of the scheme, particularly in the early years of the partnership. Members agreed that a report should be brought to the committee on a 6-monthly basis for the initial two years of the JV partnership, or at key milestones as appropriate, so that the scrutiny committee has a good overview of progress.
- Commented that the JV supervisor is a key post and that appropriate recruitment to this role is vital to ensure a successful partnership.

In order to consider restricted Annex B, the public and press were excluded from the meeting under Part I of Schedule 12A of the Local Government Act 1972, paragraph 3 Financial or business affairs. The public meeting was closed at 1.25pm and the Committee entered private Part II discussion until 1.57pm. The Part I public summary of the Part II restricted discussion is as follows. It:

- Commented that skills and experience learned in the Partnership could benefit the council.
- Commented on the importance of the governance arrangements proposed.

123.8 Resolved:-

- 1) That the Committee support the ambitions of the JV Partnership and moving forward to award the contract for a delivery partner;
 - 2) That the Committee review the progress of the JV Partnership more frequently than currently proposed in the report, particularly in the first two years;
 - 3) That the Committee welcome the opportunity to review specific developments at an early stage, that is when an asset is declared surplus to requirements and transferred into the JV; and
- 1) That the Committee request consideration be given to how skills learned from the Partnership can be imported to the council's property team.

The meeting ended at 1.57 pm

Chairman