

## **FINANCE & GOVERNANCE CABINET ADVISORY BOARD**

**Tuesday, 29 May 2018**

**Present: Councillor David Reilly (Chairman)  
Councillors Dawlings, Heasman, Uddin and Lewis**

**Officers in Attendance:** Jane Clarke (Head of Policy and Governance), Lee Colyer (Director of Finance, Policy and Development), Jane Fineman (Head of Finance and Procurement), Patricia Narebor (Head of Legal Partnership) and Mike McGeary (Democratic Services Officer)

### **APOLOGIES FOR ABSENCE**

FG1/18 Apologies for absence were reported from Councillors Holden, Scott and Mrs Soyke.

### **DECLARATIONS OF INTERESTS**

FG2/18 Councillor Lewis said that, if any of the discussion under minutes FG7/18 to FG10/18 below referred to the proposed Cultural and Learning Hub, he would need to declare a 'significant other interest' under the Code of Conduct for Members, as he was employed by Kent County Council within the Adult Education Centre.

### **NOTIFICATION OF VISITING MEMBERS WISHING TO SPEAK**

FG3/18 There were no other members of the Council who had registered their wish to address the Board within the provisions of Council Meetings Procedure Rule 18.

### **MINUTES OF THE PREVIOUS MEETING**

FG4/18 The minutes of the meeting dated 20 March 2018 were submitted.

**RESOLVED** – That the minutes of the Board meeting dated 20 March 2018 be agreed.

### **FINANCE AND GOVERNANCE CABINET ADVISORY BOARD - WORK PROGRAMME**

FG5/18 The Board received its work programme for the period up to 31 March 2019, which was based on the issues set out in the Council's Forward Plan.

**RESOLVED** – That the work programme be noted.

### **ANNUAL REPORT ON THE USE OF THE REGULATION OF INVESTIGATORY POWERS ACT (RIPA)**

FG6/18 Patricia Narebor, the Head of Legal Partnership, presented the annual report.

In response to a point raised, Mr Colyer said that local RIPA authorisations – i.e. from the Council – no longer needed to be sought for benefit investigations because evidence-gathering activities were now co-ordinated through a single national 'gateway', namely the National Anti-Fraud Network (NAFN).

No other issues were raised by the Advisory Board members.

**RESOLVED** – That the recommendation to note the report, as set out in the agenda, be supported.

#### **PERFORMANCE SUMMARY: QUARTER 4**

FG7/18 Jane Clarke, the Head of Policy and Governance, presented the report.

Ms Clarke advised that: (i) with six of the authority's 14 Corporate Priority projects, all milestones had been passed at the quarter-end stage; (ii) with the authority's Change Programme, three of the five 'live' projects were 'on track'; and (iii) the Council's general performance was on track.

In response to Advisory Board member questions, Ms Clarke explained that:

- There was an increase in the number of people approaching the Council for housing advice and assistance, partly due to a reduction in available housing stock;
- She would endeavour to find out why the milestones relating to Corporate Project 8 (A26 scheme) had not been met and report back to Councillor Lewis;
- Corporate Projects such as no. 12 (delivery of community facilities), which had a 'red' icon, were more complex than it at first appeared, which added strength to the argument that the current milestone measurement process was in need of refinement;
- With Corporate Project 10 (deliver a new primary school in Hawkenbury), Ms Clarke explained that KCC were now planning to open the school initially as a 1-form entry, with an option to expand that to 2-form entry if the demand exists;
- The performance of the Planning Service in determining major applications within 13 weeks, where there was a recovery plan set out in Appendix D, was below target for the year overall, despite the 65% level being met in quarter 4.

In response to an issue raised during the debate, Mr Colyer said that the authority was in regular dialogue with the Chief Executive of the Canterbury Christchurch University, to see if the authority could assist in expanding their educational base in the Borough.

**RESOLVED** – That the recommendations set out in the report be supported.

#### **COMPLAINTS SUMMARY: QUARTERS 3 AND 4**

FG8/18 Jane Clarke, the Head of Policy and Governance, presented the report.

Ms Clarke said that: (i) the 90% target for responding to complaints at either stage one or two had not been met during this six-month period; and (ii) in a significant number of cases, the target had only been missed by a very small margin – either by one or two days. Ms Clarke said that this had led to a refinement of the performance management process, to take account of

those cases where an extension of time has been agreed with the complainant, which can occur when the issue is particularly complex.

In response to questions raised by the Advisory Board members, Ms Clarke explained that:

- She would find out from the Economic Development team how best to improve the publicity for some of the businesses on the Pantiles that have offered their wc facilities to visitors, following the closure of the public conveniences in Linden Park Road;
- It was acknowledged that the way in which compulsory purchase order letters had been issued on behalf of the Borough Council relating to the proposed new civic development could have been improved, through a more sensitive explanation;
- The fact that there were no formal complaints of discrimination made in the six month period was very much welcomed by the Borough Council.

**RESOLVED** – That the recommendation to note the report, as set out in the report, be supported.

## **STRATEGIC RISK REGISTER**

FG9/18 Lee Colyer, Director of Finance, Policy and Development, explained the Borough Council's arrangements for managing strategic risk. He said that an additional risk scenario had been added during the past year, namely the 'civic development'.

Further information was sought regarding the civic development (risk scenario 11), specifically the authority's view on the extent of the risks associated with delivering this project.

Mr Colyer said that one of the principal functions of the Strategic Risk Register was to identify the authority's risks and to set out – and closely monitor – how those risks were to be managed. He stressed that the monitoring process was given a high priority within the authority, with regular reporting provided for councillors.

**RESOLVED** – That the recommendation to note the report, as set out in the report, be supported.

## **QUARTERLY FINANCIAL REPORTS - QUARTER 4 (TO 31 MARCH 2018)**

FG10/18 Jane Fineman, the Head of Finance and Procurement, provided a verbal 'exception report' on the year-end position as at 31 March 2018 on the authority's revenue and capital budgets and on the final quarter position relating to treasury and prudential indicator monitoring.

Mrs Fineman advised that the treasury and prudential indicator management position showed that the authority had received £87k more investment interest than originally budgeted, due to the higher availability of 'average' funds during the year.

With revenue expenditure during the final quarter, Mrs Fineman advised that, as at 31 March 2018, the authority's total spend was £1.014m less than the approved budget, due to a mix of savings and additional income.

With respect to capital expenditure, Mrs Fineman advised that actual spend in 2017/18 had been approximately £3m, against a budget of £9.9m, with £407k coming from reserves, due to deferred expenditure.

In response to questions from the Advisory Board members, Mrs Fineman advised that:

- With revenue expenditure, there had been no deferral of costs, merely a mix of savings alongside a greater level of income in some services. She added that it was with some capital schemes where the deferral of expenditure had occurred, such as with car park refurbishment, the next phase of the public realm scheme and in disabled facilities grants, the latter being determined by a programme largely set by KCC;
- With non-domestic rates, there had been significant improvements over the baseline figure established at the beginning of the year, because of the level of growth seen across the Borough;
- Successful appeals against business rates was an area of continued concern, with a difficult judgement needing to be made at the start of each year as to what provision should be made for this in the budget. Mrs Fineman added that, having taken central government advice on a suitable budget provision, the authority had assumed a level of 4.7% of business rate income needing to be set-aside for possible successful appeals;
- While it was not known what the precise contingency figure was to deal with 'snagging' issues on the first phase of the public realm scheme, there were other schemes within the capital programme which had either been delayed in their implementation or had resulted in savings having been made once the tenders had been submitted, all of which explained the £2.8m reduction in capital spend.

The Chairman thanked Mrs Fineman for the report and noted that, overall, the financial report made signalled another positive position for the authority.

**RESOLVED** – That the verbal recommendations be supported.

## **URGENT BUSINESS**

FG11/18      The Democratic Services Officer advised that there were no additional items for the Board's consideration which had arisen since the publication of the agenda.

## **DATE OF THE NEXT MEETING AND SCHEDULED ITEMS**

FG12/18      It was noted that the next meeting of the Board was scheduled to take place on Tuesday 10 July at 6.30pm, when the following items would be discussed, based on the current Forward Plan:

- Draft Council Tax Reduction Scheme 2019/20
- Budget projection and strategy 2019/20
- Property transaction report January to June 2018

NOTE: The meeting concluded at 7.45 pm.