



To be submitted to the Council at its meeting on 14th December 2023

ECONOMY SCRUTINY PANEL 12th September 2023 at 6.30pm

Present:

Councillor Freeston (in the Chair)
Councillors Brasted (substitute for Sandford), Holland, Hudson, Smith,
Wilson and Wheatley.

Officers in attendance:

- David Baker (Contract Business Manager Equans)
- Carolina Borgstrom (Director Economy, Environment and Infrastructure)
- Anne Campbell (Scrutiny Advisor)
- Wendy Fisher (Estate and Business Development Manager)
- Simon Jones (Assistant Director Law and Governance)
- Guy Lonsdale (Deputy Section 151 Officer)
- Jo Robinson (Assistant Director Policy Strategy and Resources)
- Paul Thorpe (Operations Director, Equans)
- Jacqui Wells (Head of Housing Strategy)

Also in attendance:

- Councillor Harness (Portfolio Holder Finance, Resources and Assets)
- Councillor Jackson (Leader of the Council and Portfolio Holder Economy, Net Zero, Skills and Housing)
- Councillor S Swinburn (Portfolio Holder for Environment and Transport)

There were no members of the press or public present.

SPE.13 APOLOGIES FOR ABSENCE

Apologies for absence from this meeting were received from
Councillors Cairns and Sandford.

SPE.14 DECLARATIONS OF INTEREST

There were no declarations of interest received in respect of any item on the agenda for this meeting.

SPE.15 MINUTES

RESOLVED – That the minutes of the meetings of the Economy Scrutiny Panel held on the 11th July 2023 be agreed as a correct record.

SPE.16 QUESTION TIME

There were no questions from members of the public for this meeting.

SPE.17 FORWARD PLAN

The panel received the published forward plan and members were asked to identify any items for examination by this panel via the pre-decision call-in procedure.

RESOLVED – That the forward plan be noted.

SPE.18 QUARTER ONE – COUNCIL PLAN RESOURCES FINANCIAL REPORT

The panel received a report from the Leader and Portfolio Holder for Economy, Net Zero, Skills and Housing and Portfolio Holder for Finance, Resources and Assets providing key information and analysis of the Council's position and performance for the period April to June, 2023. Members noted this report was considered by Cabinet at its meeting held on 23rd August 2023 and was referred to all scrutiny panels. The Portfolio Holder for Finance, Resources and Assets introduced this report. He explained this was a new format for presenting this information, combining financial monitoring and performance information relating to the delivery of the council plan. Despite the forecasted £7m overspend in children's services, largely due to increasing numbers of looked after children (LAC) and out-of-area (OOA) placements, there was some good news; all other services were doing well and within budget.

The Chair permitted some questioning relating to children's services budget as this would be likely to impact all other spending, some of which would be within the terms of reference of this panel. In addition, the overspend had been referred to by both the portfolio holder and Mr Lonsdale in introducing the report.

Members raised the following issues

Regarding the £7m overspend:

- the Chair queried whether this overspend was expected. In response the portfolio holder advised that much work was being done to reduce and/or mitigate the funding gap, including a freeze on all vacant posts, disposal of assets, discretionary spending controls and external funding opportunities. It was difficult to calculate but things were moving in the right direction.
- Members queried what had happened in the first three months of the financial year to forecast a £7m overspend at year end. Mr Lonsdale advised that the detail was within the report now submitted but in summary, and not forgetting the previously mentioned LAC and OOA placements, the children's social care agency team had been kept on longer than anticipated. Also, the general economic conditions including higher inflation (than in February when the budget was set) and yet higher interest rates impacting on budget borrowing costs. He reminded the panel there was a finite income from council tax and business rates.

In response to question about the actual revenue budget variance, Mr Lonsdale agreed to provide more detail outside of this meeting.

Referring to recent National news headlines where several local authorities were declaring they could not meet their expenditure commitments from their income via a section 114 notice. Mr Lonsdale stressed this was a last resort for any council. At this stage there was no indication of this council being in a similar situation. Work would soon begin to set the budget for next year. As in the past, this would necessarily involve assessing the risks and pressures and involving scrutiny members in the process.

Member could recall a previously mentioned funding pressure of £21m and it was questioned if this £7m variance was a part of that or in addition to it. The portfolio holder clarified that there had been previously anticipated funding gaps were now reduced to £7m as detailed within the report. Mr Lonsdale added that other costs were reducing especially utility costs. The budget was being continually updated and refreshed.

Regarding earmarked reserved, Mr Lonsdale agreed to provide additional detail and breakdown outside this meeting.

In response to comments from the Chair about red/amber/green (RAG) rating and being able to correctly interpret performance information, Ms Robinson committed to further work with service

areas to establish and provide targets and other information to allow effective performance monitoring.

Regarding an apparent disconnect between children's services financial position and stated performance Ms Robinson agreed to refer to the service area and respond in writing to the panel.

RESOLVED – That the report and panel's comments be noted.

SPE.19 REGENERATION PARTNERSHIP PERFORMANCE REPORT – QUARTER 2

The panel received a report from Equans containing a summary of performance against key performance indicators for quarter two; April – June 2023

In response to member's question, Mr Thorpe confirmed that the motorhome owners whom recently occupied the boating lake car park were not traditional Gypsies or Travellers. The owner would not relocate their motorhome to allow the Armed Forces events to be set up and available enforcement powers were used to move them on in accordance with the policy.

Regarding empty homes, a councillor queried the current position on a specific empty home being brought back into use; one of three Compulsory Purchase Order (CPO) properties referred to in the report. Little progress or improvement was to be seen and it was frustrating to see this high-profile property deteriorate further despite everyone's efforts. Ms Wells shared the member's frustration, the property has been in such poor condition that a CPO was proposed. This motivated the owner to repair and replace security boarding on doors and windows. A planning application has recently been submitted. But it is fair to say that progress remains slow and there is no assurance that this property will be improved or occupied in the near or distant future. Mr Thorpe was conversant with the developer concerned and there was previous experience of non-compliance. He assured the panel that the property was being monitored and where necessary non-compliance would be enforced. Mr Thorpe committed to provide members with further information outside this meeting.

The Leader acknowledged comments from a member regarding the adoption of a licensing scheme for house in multiple occupation (HIMO). He would investigate further and consider the potential benefits for NEL.

Regarding questions about Top Town Market, the panel was minded that it had requested an update likely to be presented in January 2024. However, Mr Thorpe reassured members that there were a two phase approach. Phase one the normal daily

communication and promotion of the traders offers through Equans managements of the Market and phase two through the Freshney leisure project team with continued regular meetings with market traders including one-to-ones. The council's communications team were collaborating on promotion of the market, advertisements and notices alluding to the leisure scheme and associated moves, demolitions and changes. Concessionary rates were also being considered with a view to retain and increase occupancy in the run up to the opening of a new market hall.

In response to questions about overgrown gardens in the context of empty homes, Mr Thorpe was able to confirm that there were sufficient resources to undertake the current specified contract relating to remedy and enforcement. However, if more was needed, then more resources would be required. Member noted that overgrown gardens were not just a problem of empty homes.

A member sought reassurance that the on-demand bus service would continue, given the reduction in provision and a reduction in passengers. Mr Thorpe confirmed the reduction from three to two buses but stated that usage had steadily increased since the launch of the booking app. Work to promote the service and booking app continues.

RESOLVED – That the report and members' comments be noted.

SPE.20 GYPSY AND TRAVELLER NEGOTIATED STOPOVER SITES (NSS) - UPDATE

The panel received a requested briefing note from the Head of Estates and Business Development providing an update on the above. Ms Fisher advised members on two very recent encampments that were not able to be included in the written report. Where necessary, and in the most recent case, the authority worked closely with the safer communities partnership. Mr Thorpe explained that the small numbers of gypsy and traveller groups that visited North East Lincolnshire were generally known to officers. As a result, officers were familiar with how to communicate the policy, engage with and support groups.

Members raised the following issues:

- the number of encampments (four) versus the number of groups (two),
- nature of support offered,
- dealing with anti-social behaviour and damage,
- incentives for groups to engage with the NSS process and
- lessons learned to date.

The panel agreed to receive an update in 12 months.

RESOLVED –

- (1) That the update and members comments be noted
- (2) That the panel receive an update in 12 months

SPE.21 TRACKING THE RECOMMENDATIONS OF SCRUTINY

The panel received a report from the Statutory Scrutiny Officer (Assistant Chief Executive) tracking the recommendations of the Economy Scrutiny Panel.

It was agreed that items referenced SPE.55 regarding Gypsy and Travellers Negotiated Stopping Agreements and SPE.8 regarding disabled facilities grants be removed as they are now complete. Furthermore, it was agreed that the report on Freshney Place Market Hall be brought to the January panel meeting.

RESOLVED –

- 1 That items referenced SPE.55 and SPE.8 be removed as complete.
- 2 That the report be noted.

SPE.22 QUESTIONS TO PORTFOLIO HOLDER

There were no members' questions to the Portfolio Holder.

SPE.23 CALLING-IN OF DECISIONS

There were no formal requests from members to call in decisions taken at recent meetings.

There being no further business, the Chair declared the meeting closed at 7.35 P.M.