

MINUTES OF THE MEETING OF THE FINANCE & PERFORMANCE SCRUTINY PANEL HELD ON TUESDAY, 31ST OCTOBER, 2023

MEMBERS: Councillors Nawshad Ali (Chair), Sabri Ozaydin (Vice Chair), Thomas Fawns, Alessandro Georgiou, Paul Pratt, Julian Sampson, Doug Taylor and Mahmut Aksanoglu

Officers: Fay Hammond (Executive Director - Resources), Steve Muldoon (Assistant Director of Finance), Nick Denny (Director of Property), Doug Ashworth (Head of Property Development), Julie Barker (Head of Exchequer Services), and Petra Stephenson (Governance Officer)

Also Attending: Shanise Mensah (Youth Parliament) and Iceniean Brazil (Youth Parliament)

1. WELCOME AND APOLOGIES

Cllr Sabri Ozaydin (Vice Chair) welcomed everyone to the meeting and invited Panel Members and Officers to introduce themselves.

Apologies for absence were received from Cllr Nawshad Ali (Chair) and Cllr Ayten Guzel who were substituted by Cllr Doug Taylor and Cllr Mahmut Aksanoglu, respectively.

Apologies for lateness were received from Cllr Aksanoglu.

2. DECLARATION OF INTEREST

In respect of item 5, Cllr Doug Taylor advised that he was a Board Member of Energetik.

Cllr Sabri Ozaydin advised that he was a Director of Housing Gateway Ltd; and Cllr Thomas Fawns advised that he was a Governor at Durants School.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on Wednesday 29 March 2023 were agreed.

4. P-CARD PAYMENT MONITORING

RECEIVED the report which sets out the current controls in place in relation to purchase card use and spend.

FINANCE & PERFORMANCE SCRUTINY PANEL - 31.10.2023

Julie Barker, (Head of Exchequer Services) highlighted key issues such as the reduction in the number of cards in circulation, reduction in spend, the controls in place, improved transparency for better reporting and the creation of business accounts with Amazon and Travelodge resulting in better deals, best value and a reduced risk of misappropriation of funds.

Noted

1. In response to Members' questions on misappropriation, maximum spend and sanctions, it was confirmed that Exchequer were satisfied that the 263 cards now in circulation were primarily used by front line services for small spend items. Purchase cards provide flexibility for services and allow officers to get discounts and obtain best value in relation to the purchases they buy online. It was also confirmed that monitoring is in place to ensure officers are using the most appropriate payment option when purchasing goods and services. There will always be a need to use purchase cards but to control spend purchasing limit categories have been introduced.
2. In respect of sanctions and misappropriation, spend is monitored every month. If suspected misappropriation is uncovered a referral is made to the Counter Fraud Team who investigate and draft a report with recommendations which could include referral to HR to consider misconduct or to the police to consider prosecution. Exchequer has made 3 referrals to the Counter Fraud Team in the last 6 months.
3. In respect of paragraph 12, Members suggested checking, in future for equivalent spend via the Neptune purchasing system to ensure there is no reckless spending using purchase orders rather than on the card now there are controls in place.
4. It was confirmed that purchase cards are the best way to acquire road tax as it is possible to track and reconcile spend. There is also a fee for direct debits.
5. In response to concerns about People, Fay Hammond (Executive Director- Resources) provided reassurance regarding improvement and the new system should rectify issues. It is the area with the most cards.
6. Members congratulated Julie on the positive change.

5. QUARTERLY MONITORING REPORTS

Received the Quarterly Monitoring Reports (Revenue, Capital and Performance reports) for information.

Steve Muldoon highlighted the key points in the reports.

Revenue

FINANCE & PERFORMANCE SCRUTINY PANEL - 31.10.2023

1. Cllr Georgiou highlighted that the three Quarterly Monitoring Reports should have been separated as items rather than amalgamated to make them easier to address.
2. In response to Members' questions on the recurring theme of Digital Services' overspend, officers asserted that there is a strategy in place to return to balance in the current year with numerous plans to address the figures which include redundancies and reducing systems.
3. It was confirmed by officers that the aim for next year is to return to balance without using reserves.
4. In response to Member questions, it was confirmed that in the published plan £9M or £10M of growth is expected but temporary accommodation pressures remain.
5. In response to further queries regarding Millfield Theatre officers confirmed that there is no budget pressure next year as the new lease replacement should fully cover any costs.
6. In respect of reductions in pension fund contributions, it was advised that keeping investments at a good level was paramount to ensure commitments can be honoured.
7. With regards to HIF funding additional money was received but not as much as expected so proposals had to be scaled back.

Performance Report

Members expressed dissatisfaction at the non-attendance of the Deputy Leader, Cabinet Member or relevant officers.

It was agreed that the report should be carried over to the next meeting so questions could be answered.

Noted.

1. In response to an enquiry from a Member of Youth Parliament, Shanise on what has been done to reduce knife crime in London, officers explained that teams work closely with the police and young people, and there are several schemes to reduce and prevent knife crime.

6. WORK PROGRAMME 2023/24

An updated work programme for the municipal year was received at the meeting.

Noted.

7. DATES OF FUTURE MEETINGS

Future dates were noted.

An additional meeting date will be scheduled via an email to Members.

FINANCE & PERFORMANCE SCRUTINY PANEL - 31.10.2023

8. COMMERCIAL PROPERTY ASSETS AND INVESTMENT RETURN/INCOME GENERATION

After part 2 discussions the item was noted and it was agreed that the Property Director, Nick Denny would talk through the deck at a later date.

The meeting ended at 8:50pm