

EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY
PANEL
HELD ON THURSDAY, 1 JUNE 2006
IN CIVIC OFFICES, HIGH STREET, EPPING
AT 7.00 - 9.20 PM

Members Present: J M Whitehouse (Chairman), (none), R Church, M Colling, Mrs A Cooper, Mrs R Gadsby, P House and R Morgan

Other members present: J Knapman

Apologies for Absence: J Hart

Officers Present P Haywood (Joint Chief Executive), T Tidey (Head of Human Resources and Performance Management), R Palmer (Head of Finance), A Scott (Head of Information, Communications and Technology), A Hall (Head of Housing Services), C O'Boyle (Head of Legal, Administration and Estates), Mrs J Tautz (Senior Local Land Charges Officer), J Gilbert (Head of Environmental Services), J Preston (Head of Planning and Economic Development), Mrs L MacNeill (Assistant Head of Leisure Services), S Tautz (Senior Performance Management Officer) and A Hendry (Democratic Services Officer)

Also in attendance: (none)

1. WELCOME

The Chairman welcomed the new members to this the first meeting of the Finance and Performance Management Scrutiny Panel and briefly outlined the purpose of the panel.

2. CONFIRMATION OF MEMBERS, CHAIRMAN AND VICE CHAIRMAN.

The Committee noted that since the agenda was printed, the membership had been slightly altered. Councillor Morgan was now a member in place of Councillor Knapman and Councillor Jacobs had replaced Councillor Goold.

3. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

No Substitute members had been appointed to the meeting.

4. DECLARATION OF INTERESTS

No declarations of interest were made at the meeting.

5. NOTES OF PREVIOUS MEETING

The notes of the meeting of the Panel held on 25 April 2006 were agreed as a correct record.

6. TERMS OF REFERENCE / WORK PROGRAMME

The Panel noted the work programme for 2006/07. Members were informed that if they wished to add anything to the work programme they should get into contact with Tony Tidey, the Lead Officer or the Chairman.

7. KEY PERFORMANCE INDICATORS 2005/06 AND 2006/07

The Head of Human Resources and Performance Management introduced the report on the Key Performance Indicators. The system uses a traffic light system, Red and Green to indicate the performance against the target for the year. Red means that the target was not achieved and Green that the target was achieved.

Of the 100 or so performance indicators, the Cabinet chose 40 of these as key performance indicators as crucial targets, and aims to have 40% of these indicators in the top quartile. The panel noted the 40 key performance indicators listed in the agenda.

Progress in achieving top quartile performance is reported to the Scrutiny Panel and the relevant Portfolio Holder at the conclusion of each quarter. Performance reports in respect of all other BVPI's and LPIs are placed in the Members' Room on a quarterly basis.

Using the latest figures the overall position of top quartile status was reported as follows:

- (a) 19 (47.7%) met the top quartile target (Green); and
- (b) 21 (52.3%) failed to meet the top quartile target (Red).

This is comfortably above our 40% target. Given this, the panel could recommend to the Cabinet that a 50% target should be set for next year.

The panel noted the key performance indicators outturn for 2005/06, the outturn related to the whole year. The Senior Performance Management officer reported that from June this year a performance management ICT system would provide improved KPI monitoring reports.

The Panel went through the KPIs, where the following was noted:

BV2b (The Duty to Promote Race Equality) – was 2% below target, but there is an action plan for improvement, which will be implemented in the autumn.

EH6 (Process all Licence Applications within the Statutory Period) – was doing well – but circumstances beyond the Council's control stopped us getting 100% - because of this the Council might need to review the target of 100%.

BV82a(i) (Household Waste Management (Recycling))- The Head of Environmental Services updated the figures for this indicator changing the 2005/06 Q4 figure to 16.2%.

BV82a(ii) (Household Waste Management (Recycling))– The Head of Environmental Services reported the outturn for 2005/06 Q4 figure was 8044.

BV82b(i) (Household Waste Management (Composting))– The Head of Environmental Services reported the outturn for 2005/06 Q4 was 7.3%.

BV82b(ii) (Household Waste Management (Composting)) – The Head of Environmental Services reported the outturn for 2005/06 Q4 was 3617.

BV199a (Local Street and Environmental Cleanliness – Litter and Detritus) – The Head of Environmental Services reported the outturn of 2005/06 Q4 was 13% (in this case a low figure is good).

BV199b (Local Street & Environmental Cleanliness – Graffiti) – The Head of Environmental Services reported the outturn of 2005/06 Q4 was 0% (in this case a low percentage is good).

BV199c (Local Street & Environmental Cleanliness – Fly-posting)) – The Head of Environmental Services reported the outturn for 2005/06 Q4 was 0% (again low is good).

BV82 and BV199 have improved significantly.

The Chairman asked if there were any discernable differences between areas with wheeled bins and those without. The Head of Environmental Services replied that they cannot tell about individual areas, but they were sending 3.5 thousand tonnes less to landfill this year compared to last year, which was good progress.

Councillor Mrs Gadsby said that the street cleansing in Waltham Abbey was not very good and asked why the BVPIs showed an improvement. The Head of Environmental Services said that the areas that they gathered the figures from was prescribed by the Government; these remain the same year on year and are not sensitive to these cases.

Councillor Morgan commented that flytipping was getting worse in the rural areas, and asked how it should be controlled. The Head of Environmental Services replied that getting evidence was difficult, there was now more flytipping with no corresponding prosecutions. The Head of Legal Administration and Estates clarified that the evidence was not difficult to obtain, it was just difficult to prove. In order to keep on top of this the council needs all its officers looking out for fly-tipping when they travelled around the district.

BV8 (Percentage of Invoices Paid on Time) - The corrective action proposed should have read:

"A further request to pass invoices more promptly has been made. The indicator is to be monitored monthly by officers to check progress. The figure for April 2006 is encouraging."

BV9 (Percentage of Council Tax Collected) – was just under target, but two extra staff have now been recruited to help.

BV78b (Speed of Processing Change in circumstances for Housing Benefit/Council Tax Benefit Claims) – has now had a change of definition – the DWP is now advising that it is now 9 days and not 11 days. 9 days is a difficult target to achieve as a lot of claims do not always come in with all the information and have to be sent back for completion, which we then give the claimant a month to reply to. Officers had improved from 25 days to 11 days.

BV63 (Energy Efficiency of Housing Stock) – The Head of Housing Services commented that this figure should be indicated as being in the top quartile and not the median.

BV64 (Vacant Dwellings Returned to Occupation or Demolished) – The Head of Environmental Services explained that it was difficult to set a target for this KPI. He asked that it be taken out for now and reinstated if need be later, if thought warranted. On consideration, the Panel agreed to remove this indicator.

Agreed to remove BV64 from the KPIs.

BV183a (Length of Stay in Temporary Accommodation (Bed & Breakfast) in weeks) – The Head of Housing Services noted that the target for 2006/07 should be 0%.

BV184a (Non-Decent Local Authority Dwellings (percentage) – The Head of Housing Services indicated that the target for 2006/07 should be 6% and for 2007/08 should be 5.2%.

BV15b (Affordable Housing) – This is a case for member consideration at the various Planning Sub-Committees. Councillor Knapman commented that sometimes the council gets money instead of affordable housing, and asked how this is recorded. The Head of Housing Services replied that this is included in the Capital Programme and in the progress report on Section 106 agreements but is not noted here in the BVPIs.

BV11b (Top 5% Earners: Ethnic Minorities) – The Head of Human Resources and Performance Management noted that although the outturn is red, it is only under by one member of staff.

BV12 (Working Days Lost Due to Sickness Absence) – The Head of Human Resources and Performance Management noted that last year and the year before that the figures were estimated. This year the figures were obtained by accurate monitoring, so this will be taken as the base line figure. New procedures have been put in place for the Services to follow.

BV157 (E-Government: E-enabled interactions) – this is being removed as E-Government has moved to regional centres. New ways of monitoring will be introduced along with a new BVPI.

BV106 (New Homes on Previously Developed Land) – The Head of Planning and Economic Development said performance was pleasing. The most recent figures show that only 3 properties were built on greenfield sites. This BVPI should be cross-referenced with Housing Services' Affordable Housing figures.

BV109a, b & c (Major, Minor and Other Planning Applications) - The Head of Planning and Economic Development noted that these had improved from last year. They have met their figures because of their new IT system restructure and new (temporary) staff, the 'hit squad'. The Chairman asked if they are able to maintain their improvements. The Head of Planning replied that they would report on their situation with the use of the 'hit squad' to the July Cabinet.

BV109b – the Head of Planning and Economic Development said they would miss their performance targets mainly because of the Sub-Committee dates – he could see merit in having 3 sub-committees on a 3 weekly cycle to improve the timescale. Councillor Colling asked that all sub-committee chairmen be given some background information on this and they be invited to the next meeting of the Constitutional and Members Service Standing Panel when they may look into this issue.

Agreed to invite the Sub-Committee Chairmen to the next Constitutional and Members Service Standing Panel meeting.

The Panel then considered the 40 KPIs as a whole to see if any could be removed or added to the list.

The Chairman asked the Panel to consider if there were any non-essential KPIs or new ones that should be added.

Councillor Knapman (Finance, Performance Management and Corporate Support Services Portfolio Holder) commented on the need to build around 600 affordable homes per annum and that the targets for H15a should be altered upwards to reflect this. The Chairman said that they should let the Housing Scrutiny Panel complete its work before altering the targets. The Head of Housing Services pointed out that the targets need to have some bearing of what's being constructed. The Housing Scrutiny Panel has recently completed this work and has made its recommendations to the Cabinet, but it is not certain if it will produce any more affordable homes. In this case money is not the issue but the land allocated to housing is. The issues concerns Planning Policy in the Green Belt.

The Head of Human Resources and Performance Management said that the next years' targets should be centred on core business, as the external auditor was likely to ask why they had been chosen. As all national targets are increasing we have to be satisfied that we are able to meet the upgraded targets.

Councillor Morgan wanted to know if Planning Enforcement was monitored. He was told that it was not easy at present, as it is based on a manual system, but it will soon go on to computerised monitoring systems, which will enable planning to provide more information for the BVPIs. A report on this will be presented soon.

Attention was drawn to the Community Safety BVPIs for 2005/06. It was noted that it is not solely within the power of the Council to influence the performance of these indicators. Management Board wished to pursue improvement in this area with Essex Police and through the auspices of the Epping Forest Crime and Disorder Reduction Partnership. However it was not recommended that these indicators be adopted as KPIs for 2006/07. The Chairman asked that it be established how these targets link with Police targets and that this should be added to the Overview and Scrutiny Committee work programme.

Agreed that the Overview and Scrutiny Committee be asked to consider the involvement of the Epping Forest Crime and Disorder Reduction Partnership in the monitoring of the Community Safety BVPIs.

Councillor Gadsby asked that Parking Issues be added to the list of Performance Indicators. The Head of Environmental Services replied that they could monitor how many correctly issued/ appealed against tickets have been issued or the number successfully issued, or the recovery rate on tickets issued but not paid. For these figures we are in the hands of others, and it is important that we chose indicators that we can control.

Agreed that a new local performance indicator on Parking be added, looking at how many tickets are issued, how many are appealed and how many were successful in their appeal.

The Joint Chief Executive (for Resources) endorsed the Head of Human Resources' comments concerning the achievement top quartile status. Cabinet had decided that the Council could achieve 40% and we achieved 47%; the government will look for us make further improvements. It is possible to recommend to the Cabinet that we now look to achieve 50% of the KPIs to achieve top quartile status.

Councillor Knapman agreed that this was a realistic figure to meet.

RECOMMENDED TO CABINET:

1. That BV64 (Vacant Dwellings Returned to Occupation or Demolished) be deleted as a Key Performance Indicator and that Local Performance Indicator PR3 (Response to Press Enquiries) be deleted as a measure of local performance.
2. That the remaining 39 KPIs be endorsed by the Finance and Performance Management Scrutiny Panel and readopted as KPIs for 2006/07.
3. That a new LPI on Parking, looking at how many tickets are issued, how many are appealed and how many were successful in their appeal, be developed by the Head of Environment Services and adopted as an additional KPI for 2006/07.
4. That a target be set of 50% of the KPIs for 2006/07 to achieve top quartile status.

RECOMMENDED TO THE OVERVIEW AND SCRUTINY COMMITTEE:

1. That the Overview and Scrutiny Committee be asked to invite representatives of the Epping Forest Crime and Disorder Reduction Partnership to explain the Partnership's performance with regard to Community Safety BVPIs, and consider the Council's role.

8. GERSHON BACKWARD LOOKING STATEMENT FOR 2004/05

The Head of Finance introduced a report giving the background to the Gershon Efficiency Savings. In 2003 Sir Peter Gershon was commissioned by the Prime Minister and Chancellor to consider the scope for efficiency savings across all public expenditure. He was asked to look at specific proposals to deliver efficiencies and more general changes that could be made to the framework within which the public sector operates to improve efficiency. The final report 'Releasing Resources to the Front Line' was published in July 2004. In November 2004, the Government introduced the efficiency agenda to local authorities. Local Government was informed that it would be responsible for delivering over £6.45bn of total efficiency gains by 2007-08. This meant that over the next three years, each local authority is expected to achieve 2.5% p.a. efficiency gains compared to their 2004/05 baseline.

Members noted that a backwards-looking statement was due for 2005/06 and was scheduled for submission by 16 June 2006. However on 17 May 2006 an additional 60-page guide was issued by the Department for Communities and Local Government (DCLG). As authorities are required to take into account this guidance in

constructing their backward-looking statements the DCLG has extended the deadline from 16 June to 6 July.

The current position figures were appended to the report. Members noted that in Gershon you can have cashable efficiency that can be transferred to other areas. Due to this the council had a cashable transfer of £400k to be added to the £500k

Noted:

The Panel noted the contents of the report and the efficiencies proposed for inclusion in the backward-looking Annual Efficiency Statement for 2005/06 to be submitted to the DCLG by 6 July 2006.

9. REPORT ON LOCAL LAND CHARGES

The Scrutiny Panel had previously asked for an explanation of the ongoing anticipated reduction in the levels of income generated from Local Land Charges search fees.

The Head of Legal Administration and Estates introduced the report on Local Land Charges. She explained that although this service did make a profit it was not set up explicitly to do so.

There are currently two ways to make a search. There is the official search, costing £120 and a personal search, costing £11.

The official standard Local Land Charges search provided a comprehensive response to all standard search enquiries using records/documents held by the authority and Essex County Council, although not all of the information on which search responses are based is publicly available at the present time.

A personal search is a search of the Local Land Charges Register carried out in accordance with the Local Land Charges Act 1975 and the Local Land Charges Rules 1977 as amended. Section 8 of the 1975 Act allows any person to search the Local Land Charges Register on payment of the prescribed fee, which is currently set by the Government at £11.00 per parcel of land. In addition, but quite separate from the Local Land Charges Act requirement, any person is entitled by law to inspect free of charge any records open for public inspection held by a local authority.

The two methods of search do not produce exactly the same results. Furthermore, whilst the Council is entirely responsible for the accuracy of responses that it provides to official Local Land Charge searches, the local authority is not responsible in any way for the accuracy or quality of the work carried out by agents or individuals who carry out a personal search.

Personal searches are being used more and more by various commercial agencies, and are now acceptable to mortgage companies. EFDC charges £11 plus £4 for any photocopying. Commercial Companies provide this for the £15 we charge, and sell it on to solicitors for £100. The people who are selling/buying see no difference in their charges.

An official search, although more thorough, can take much longer, which is another factor in some people choosing the personal search route.

At the request of the Joint Chief Executive (Resources), an investigation was recently conducted by a team from the ICT Department into the reasons for the current level of performance in responding to standard searches, which has concluded that the following points appear to be the major cause of delays in providing search information, which can presently take between eight and ten days:

- Essex County Council Highways Department - There is no Service Level Agreement in place with the County Council for the provision of search responses. Since the withdrawal of the Highways Agency, search enquiries are currently posted on a daily basis to the Area Highways Office in Harlow. Search responses are returned in batches, not on a daily basis, by post from the Area Highways Office; and
- Environmental Services - There is similarly no Service Level Agreement in place with the Head of Environmental Services for the provision of search responses. Search turnaround has traditionally been very good (approximately 2 days), although since the introduction of the Council's new waste collection arrangements, staff that usually deal with search enquiries have had to give priority to dealing with waste collection enquires.

The performance of other internal services in responding to search enquiries is acceptable and can be more easily monitored/controlled by the Local Land Charges Section.

It should be noted that the Council pays Essex County Council £22.00 per search (£77,000 per annum) for a service that is both slow and erratic, which is the same cost as other Essex local authorities who are receiving a five-day or better turn round.

Further evidence that the impact of Local Land Charges is a national rather than a local issue has come from the Local Government Association who have alerted all local authorities to complete a questionnaire that they and the Office of Fair Trading have circulated in relation to the property search market. The questionnaire is a response to claims from the commercial personal search organisations that councils are abusing their dominant market position by restricting and denying access to information needed by homebuyers. This Council has replied to the questionnaire. In the same alert, the Local Government Association has advised Councils to brief their members on the following points:

- The current system allows for personal searches of the Local Land Charges Register at a fee of £11.00 whereby individuals can carry out a limited search on their own behalf without paying the authority the full fee to carry out a more comprehensive search for them. This nominal sum contributes towards the cost of maintaining the information and providing the service to the customer;
- Whilst Councils understand the rationale of offering such a fee for genuine personal searches the facility appears to be increasingly used by commercial organisations paying the same £11.00 as private individuals and charging the consumer a much higher price for the information;
- There are important consumer protection issues if consumers are not fully informed about the type of search their conveyancer has commissioned (£11.00 fee only covers a limited statutory search) and the image of local

government can be tarnished by complaints about searches which have, in fact, been carried out by other organisations;

- As the volume of commercial searches increases there can be knock on effects on Council Tax budgets. Calculations in Northamptonshire suggest the activity of commercial search company operators adds between 2% and 10% to the district council tax bills; and
- Councils are investing substantially in computerised systems in order to improve the standard and quality including speed of the service they offer.

Councillor House asked what options were available to the Council as it cannot increase its fees. The Head of Legal Administration and Estates said that they had told the Government that £11 is not enough, as it does not cover our background costs. There are currently 50,000 items on the register (a computer system). By next year it will be merged with the Planning computer system, so it will make it easier for the public to look up. Soon they will be able to look at it from home, but they will still have to pay for it.

Councillor Colling asked if we could get a better service from Highways. The Senior Local Land Charges Officer commented that those Councils receiving a better service had Mouchel Parkman acting as their agents. The Head of Legal Administration and Estates said that Mouchel Parkman could not provide the service for this authority at present, but in the future they may well be responsible for providing the Highways information for all the Essex Authorities.

Councillor Knapman suggested that a follow up report would be necessary to address the issues that have been raised and how the service provided by Local Land Charges could be improved in order to compete with the personal search companies. He also asked whether the fee for a Local Land Charge search could be reduced and if this would affect the number of personal searches carried out. The Senior Local Land Charges Officer said that a reduction of the search fee is an option, this has been done in Castle Point which has led to a reduction in the number of personal searches being undertaken.

The Chairman agreed that a further updating report should be provided at the November meeting, informing the panel what has been achieved and/or implemented in the meantime.

RESOLVED:

That a further report on the status of the Local Land Charges budget and the income generated from standard searches and personal searches, be brought to the November Finance and Performance Management Standing Panel, highlighting:

- (a) progress achieved in improving current performance in relation to the turnaround for standard searches;
- (b) options for improving the search enquiry services provided by Essex County Council and the Head of Environmental Services; and
- (c) the implications for the Local Land Charges budget and the workload of the Land Charges Section of any reduction in the Council's current fees and charges for searches.

10. REPORTS TO BE MADE TO THE NEXT MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE

None referred.

11. FUTURE MEETINGS

Noted that the next meeting is to be held on 15 August 2006 at 7pm. Other programmed meetings are:

14 November 2006,
15 January 2007 and
12 February 2007.