

**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY
PANEL
HELD ON TUESDAY, 15 AUGUST 2006
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.00 - 8.40 PM**

Members Present: J M Whitehouse (Chairman), J Hart (Vice-Chairman), Mrs R Gadsby, R Church, P House and R Morgan

Other members present: Mrs D Collins and J Knapman

Apologies for Absence: M Colling and Mrs A Cooper

Officers Present R Pavey (Assistant Head of Finance), R Sharp (Principal Accountant), J Bissell (Principal Accountant), S Tautz (Senior Performance Management Officer), T Tidey (Head of Human Resources and Performance Management), Mrs J Twinn (Assistant Head of Finance), R Wilson (Assistant Head of Housing Services (Operations)) and S G Hill (Senior Democratic Services Officer)

Also in attendance:

1. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

No substitutes were reported.

2. DECLARATION OF INTERESTS

No declarations were made.

3. NOTES OF PREVIOUS MEETING - 1 JUNE 2006

Noted and agreed as a correct record.

4. TERMS OF REFERENCE / WORK PROGRAMME

The current work programme was noted.

5. KEY PERFORMANCE INDICATORS 2006/07

The Panel noted that this was the first quarter when the new performance monitoring system had been used to provide information on KPI's. Officers were working with the suppliers to improve presentation of the statistics.

On the specific KPI's the following questions were asked:

KPI Number	Title	Comments
BV 008	Invoices Paid on Time	The Panel congratulated the officers on continuing improvements in performance

KPI Number	Title	Comments
BV 009	Percentage Council Tax Collected	The Panel congratulated the officers on continuing improvements in performance
BV012	Working Days Lost to Sickness	Noted that managers were now seeking reasons for absence and following a new procedure for managing absence.
BV014	Percentage of Early retirements	Noted this related to one individual case.
BV063	Energy Efficiency of Housing Stock	Noted that the Council was currently on target to meet this indicator. A further assessment would take place at the end of the year.
BV066	Rent Collection	The Panel congratulated the officers on continuing improvements in performance.
BV082a (ii) and BV0082b	Household Waste Management	Data collection problems noted. Head of Environmental Services was asked for further information on how data was calculated. Panel to give further consideration to these KPI's at the next meeting
BV109	Planning Applications considered within target timescales	Noted that the Constitutional Affairs Panel were currently undertaking a review of the Planning Subcommittees that might improve performance even further.
BV175	Racial Incidents Resulting in Further Action	Noted that the process meant that the indicator was always met.
BV183	Use of Bed and Breakfast Accommodation	Noted that targets for stays were difficult to meet. The Council had now introduced a more advanced homeless prevention service that it was hoped would make a difference to the figures.
BV184a	Non decent local authority dwellings	Noted that the first quarter target should read 5.9%
BV199	Local Street and Environmental cleanliness	Noted that data for these KPI's was only collected three times per year and first quarter figures were not therefore available. First third of the year's results would be reported at month 6.
BV212	Average Time to let Local Authority dwellings	It was hoped that the introduction of the new choice based lettings scheme would improve performance on this indicator.

6. STAFF VACANCIES

The Panel noted that revenue outturn for 2005/06 presented to the Finance and Performance Management Cabinet Committee on 19 June 2006 had showed that both the General Fund and the Housing Revenue Account were underspent.

One of the main reasons for this underspend was the level of staff vacancies experienced during the financial year. The salaries underspend in 2005/06 had been £530,000 (2.7%) when compared to the original budget. However had been was an improvement on the previous year when the figures were £1,143,000 (5.9%).

Members received information broken down on a service by service basis.

The position as at the end of June 2006 when compared to the budget at month three showed a saving of £242,000, of this around a third related to the Housing Revenue Account. At that date there were a total of 60 posts vacant. Some of these were being covered by temporary and agency staff, however some were vacant and have been for some time for a variety of reasons.

As a result of this situation each service area was being asked to review their staff establishment paying particular attention to any posts that had been vacant for over a year. Service areas had been asked which posts are vacant, for how long, and what the future plans for the posts were. The responses from services would be submitted to the next meeting.

7. DATA QUALITY AUDIT AND VALUE FOR MONEY STRATEGY

The Panel noted as the first stage of the audit of Best Value performance Indicators (BVPIs) for 2005/06, the Audit Commission was undertaking an assessment of the overall management arrangements of all local authorities to secure data quality. Although part of this assessment related to the quality of performance information, the audit related to corporate data quality arrangements, and was therefore a much wider issue than the BVPI audit.

The audit was to be based on a self-assessment exercise and through on-site validation by the Commission. The audit would result in a scored judgement, as a result of a review of the following five themes and areas for audit focus:

Review theme	Audit focus
Governance and leadership	Was there a corporate framework of management and accountability for data quality, with a commitment to securing a culture of data quality throughout the organisation?
Policies and procedures	Where there appropriate policies and procedures in place to secure the quality of data recorded and reported by the organisation?
Systems and processes	Had the organisation put in place systems and processes that secure the quality of data as part of the normal business activity of the organisation?
People and skills	Had the organisation put in place arrangements to ensure that all staff had the appropriate knowledge, competencies and capacity for their roles in relation to data quality?
Data use	Had the body put in place arrangements that are focused on ensuring that data supporting performance information is also used to manage and improve the delivery of services?

For each theme area, the Commission had specified a number of Key Lines of Enquiry (KLOE) as a basis for councils to undertake a voluntary self-assessment of their current position with regard to data quality. Although the completion of a self-assessment was not a mandatory requirement for the purposes of the audit, the Commission considered that this exercise would be helpful for both the audit and for the Council to understand its current position.

Members received the draft self-assessment for the data Quality audit which set out the audit KLOEs in detail. The timescale for the submission of the self-assessment element of this work was tight, and was required by the Audit Commission shortly after the meeting.

The results of the Data Quality audit would feed into the Council's next Value for Money assessment, and also inform the second round of district council Comprehensive Performance Assessment. The results of the audit would also have a bearing on the BVPI audit, in that the sample of performance indicators to be subject of in-depth review would be determined partly by the risks elicited from the Data Quality audit.

The completion of the self-assessment had provided an opportunity to set out an overall corporate approach to ensuring data quality, through the development of a Data Quality Strategy, a copy of which was considered by members. The strategy set out the commitment to ensuring that arrangements for securing the quality of key data met the highest standards.

Value For Money Assessment

The Panel noted that, in preparation for the forthcoming Value for Money assessment, a need had been identified to bring together the various elements of the Council's current approach to providing value for money services into a single comprehensive document. Members received a draft version of a corporate Value for Money Strategy. The draft Strategy set out the authority's overall approach to achieving value for money and appropriate responsibilities at both member and officer level. The self-assessment, once completed, would be presented to the Finance and Performance Management Cabinet Committee for endorsement at its meeting on 25 September 2006, as there was no other scheduled meeting of the Scrutiny Panel before the submission deadline.

The Scrutiny Panel endorsed the content of the Council's draft self-assessment submission in respect of the Data Quality assessment and Value For Money Strategy. Members thanked officers for the hard work that had gone into preparing the documents.

Agreed:

- (1) That the Council's self-assessment submission in respect of the 'Data Quality' assessment to be undertaken by the Audit Commission, be endorsed;**
- (2) That the Panel endorse the Council's draft Data Quality and Value For Money Strategies; and**
- (3) That the Cabinet be recommended to adopt the draft Data Quality and Value For Money Strategies.**

8. QUARTERLY FINANCIAL MONITORING 2006/07 (1ST QUARTER)

CSB and DDF

The Panel received the first quarter monitoring schedule covering the period from 1 April 2006 to 30 June 2006.

The main budget variances were as follows:

The salaries schedule showed an under spend of some £242,000 (5.1% of budget) and reflected the fact that staff vacancies were running at a high level. Members noted that this issued had been discussed earlier at the meeting.

Income sources such as Local Land Charges and Car Parking showed a small overachievement and Building Control and Development Control a small underachievement. Members agreed that variances like this were always likely to occur and therefore gave little cause for concern at present.

Expenditure relating to the alteration to the Local Plan, which fell under Forward Planning showed a marked, underspend. This was District Development Fund (DDF) money, which was expected to be spent later in the year.

The Housing Repairs Fund also showed an underspend. Much of this was due to the cyclical maintenance contracts, which had not commenced until July.

As at 30 June 2006 no payments had been made to Sports and Leisure Management Ltd under the Management Contract. This had been due to new liaison arrangements with SLM's finance department being established and agreed ways of working agreed. Since then April's claim had been paid and May and June were expected to be paid shortly.

The Off Street Car Parking budget showed an overspend. Members noted that this was due to maintenance work occurring earlier than originally anticipated. Also Land and Property and Refuse Collection income show an adverse variance but in both cases was due to income relating to 2005/06 not being received by the end of June 2006.

Members also noted proposals to keep Portfolio Holders informed of budget variances over the coming months.

Capital Monitoring

Members would receive the updated Capital Programme at the Cabinet meeting on 4 September 2006 that would revise the spending profile of the existing programme and introduce new items agreed since the last update in June 2006.

It was noted that, as part of the process of considering next years budget, a financial issues paper was being prepared by the Head of Finance, which would be presented to the next meeting.

Agreed:

That the Panel the financial monitoring report for the First quarter of 2006/07, be noted; and

That financial monitoring continue on a quarterly basis and in the format presented to the Panel.

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

No items would be reported from this meeting.

10. FUTURE MEETINGS

Noted that the next meeting would be held on 14 November 2006 at 7.00 p.m.