

Scrutiny Standing Panel Agenda



Finance and Performance Management Scrutiny Panel Tuesday, 31st March, 2009

Place: Civic Offices, High Street, Epping

Time: 7.00 pm

Democratic Services Officer: A Hendry - The Office of the Chief Executive
Tel: 01992 564246 Email: ahendry@eppingforestdc.gov.uk

Members:

Councillors D Jacobs (Chairman), G Mohindra (Vice-Chairman), K Angold-Stephens, J Collier, M Colling, J Hart, J Philip, W Pryor, A Watts and J M Whitehouse

1. APOLOGIES FOR ABSENCE

2. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

(Assistant to the Chief Executive) To report the appointment of any substitute members for the meeting.

3. DECLARATION OF INTERESTS

(Assistant to the Chief Executive). To declare interests in any items on the agenda.

In considering whether to declare a personal or a prejudicial interest under the Code of Conduct, Overview & Scrutiny members are asked pay particular attention to paragraph 11 of the Code in addition to the more familiar requirements.

This requires the declaration of a personal and prejudicial interest in any matter before an OS Committee which relates to a decision of or action by another Committee or Sub Committee of the Council, a Joint Committee or Joint Sub Committee in which the Council is involved and of which the Councillor is also a member.

Paragraph 11 does not refer to Cabinet decisions or attendance at an OS meeting purely for the purpose of answering questions or providing information on such a matter.

4. MINUTES (Pages 3 - 8)

To confirm the minutes of the meetings of the Panels held on 10th February 2009.

5. TERMS OF REFERENCE / WORK PROGRAMME (Pages 9 - 14)

(Chairman/Lead Officer) The Overview and Scrutiny Committee has agreed the Terms of Reference of this Panel and associated Work Programme. This is attached. The Panel are asked at each meeting to review both documents.

6. KEY PERFORMANCE INDICATORS 2009/10 (Pages 15 - 42)

(Deputy Chief Executive) To consider the attached report.

7. EQUALITY AND DIVERSITY - PROGRESS REPORT 2008/09 (Pages 43 - 48)

(Deputy Chief Executive) To consider the attached report.

8. VALUE FOR MONEY STRATEGY - REVIEW (Pages 49 - 70)

(Deputy Chief Executive) To consider the attached report.

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

To consider which reports are ready to be submitted to the Overview and Scrutiny Committee at its next meeting.

10. FUTURE MEETINGS

To consider the forward programme of meeting dates for the new year for this Panel. They are:

16th June 2009;
25th August 2009;
17th November 2009;
12th January 2010;
23rd February 2010; and
22nd April 2010.

Agenda Item 4

**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY
PANEL
HELD ON TUESDAY, 10 FEBRUARY 2009
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.00 - 8.46 PM**

Members Present: D Jacobs (Chairman), G Mohindra (Vice-Chairman), K Angold-Stephens, M Colling, J Hart, J Philip, A Watts and J M Whitehouse

Other members present: Mrs D Collins and C Whitbread

Apologies for Absence:

Officers Present D Macnab (Deputy Chief Executive), J Gilbert (Director of Environment and Street Scene), A Hall (Director of Housing), J Preston (Director of Planning and Economic Development), P Maddock (Assistant Director Accountancy), P Maginnis (Assistant Director Human Resources), S Tautz (Performance Improvement Manager), Mrs J Twinn (Assistant Director of Finance and ICT) and A Hendry (Democratic Services Officer)

53. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

The Panel noted that there were no substitute members.

54. DECLARATION OF INTERESTS

Pursuant to the Council Code for Members Conduct, Councillor A Watts declared a personal interest in agenda item 6, LPI 16 Average time for processing new benefit claims, by virtue of being associated with the software provider under discussion. He declared that his interests were prejudicial and that he would remain, but not partake in, the discussion for the consideration of the item.

55. MINUTES

The notes from the previous meeting held on 13 January 2009 were agreed.

56. TERMS OF REFERENCE / WORK PROGRAMME

The Terms of Reference and the Work Programme were noted subject to:

- Item 9 of the work programme to be identified as completed; and
- Item 8 – the next report that was due on May/June 2008 should read 2009.

57. KEY PERFORMANCE INDICATORS - QUARTER 3 - PERFORMANCE MONITORING

The Performance Improvement Manager, Mr S Tautz, introduced the latest Key Performance Indicator (KPI) monitoring report for 2008/09. The Panel noted that a range of twenty-nine KPIs for 2008/09 were adopted by the Cabinet in June 2008, to

focus improvement on key areas and achieve comparable performance with the top performing local authorities (where appropriate).

The Panel reviewed performance reports for the majority of the KPIs for the period from 1 April to 31 December 2009. The Performance Improvement Manager reported that a number of the KPI's could not easily be monitored on a quarterly basis and that performance against these would be reported at the end of the year.

The Panel then went on to review the KPIs in turn.

NI157b - *processing of planning applications ('minor' applications types)* – Councillor Watts asked about the progress on the KPI improvement plan. He was told that as in previous years there was a requirement to provide a detailed improvement plan. This would include looking at cases that may need to go to committee or not. There was a request to look at the volume of applications to the number of staff available. It may be that applications may drop off in the current financial climate. There was a case to look at applications that went on to appeal.

NI191 – *Residual household waste per household* – Councillor Jacobs asked if the figures for waste was identified in kilos; he was told that it was.

NI192 – *Percentage of household waste sent for reuse, recycling and composting* – Councillor Jacobs asked if the figures were Districts or the Counties. He was told that it was a mixture of the two. They could not just use County figures as they were late by a number of months. These figures were based on EFDC's measurements.

NI195 (a) – *Improved street and environment cleanliness (levels of litter)* – noted that it was a government requirement this was measured on a four monthly basis so some meetings of the Panel would not receive an update. Officers were hopeful they would meet the 10.5% target.

LPI 02a – *Average time (days) to determine a Premises Licence* – this was adopted at the Panel's last meeting – so no historical information was available.

LPI 04 – *Rent collected as a proportion of rents owed on housing revenue account dwellings* – this was well above target until this quarter. Officers were still hopeful that the target would be achieved, but they were uncertain, due to delays resulting from the installation of the new revenues and benefits computer system.

LPI 12 – *Affordable homes built and acquired* – noted that there was not much the council could do about achieving this target this year. Any action needed a long lead in time, especially due to the current economic climate. However, there are a lot of homes planned to be handed over next year. It was predicted that some 240 homes would be delivered in the new financial year.

LPI 16 – *Average time (days) for processing new benefits claims* – Officers noted that this would probably get worse within the next quarter due to the implementation of the new IT system. They were getting a lot more claims and it took a long time to set up new claimants. They also had some staffing problems. However, extra agency staff was being engaged to help clear the backlog.

LPI 28 – *Number of working days lost due to sickness absence* – noted that quarter 3 figures were hit by flu and winter chills, pushing the figures up. The trigger points of 8 days or 5 separate occasions needed to be kept under constant surveillance and management.

LPI 42 – *Percentage of Households served by a kerbside collection of recyclables* – the council was making progress in putting in processes so that people in flats and buildings of multiple occupation could have access to recycling banks. Officers hope to see an improvement in this indicator by the middle of the year and into the next.

RESOLVED:

That the Panel noted the Council's performance figures for the first nine months of 2008/09.

58. QUARTERLY FINANCIAL MONITORING

The Assistant Director of Accountancy, Peter Maddock introduced the Quarterly Financial Monitoring report to the Panel. This report provided a comparison between the profiled budgets for the period ended 31 December 2008 and the actual expenditure or income applicable.

The Panel noted that:

- a 2.45% pay increase had now been implemented, however the award itself was still in arbitration;
- income budgets were looking increasingly volatile;
- Development Control income at month 9 was £17,000 below expectations, due to pre-application fees not reaching expectations;
- Building Control income showed an underachievement of £53,000. Income levels would not reach predicted levels and a revised budget had been prepared on a basis of an income loss of £80,000;
- Land Charge search income at month 9 was £187,000 below expected levels;
- Hanger No.1 had now been let;
- Income from car parking was higher than expected mainly due to additional season tickets issued to Essex County Council. The additional income was included in the revised estimates;
- Since November 2008, interests rates had plummeted dramatically;
- Investments interest the final figure would be nearer a quarter million rather than the expected £3069k.

Councillor Mohindra asked what the time frame was for the council getting its money back from its investments with the Heritable Bank. Mr Maddock replied that they had no definite indication of the timescale, but it should hopefully be within the next six months.

Councillor Angold-Stephens asked if the present interest rate cut was factored in for next year. Mr Maddock replied that yes, they had factored in £200k CSB Growth for next year.

Councillor Angold-Stephens asked if the Car Park and Traffic Schemes budget would be exceeded at the end of the year. Mr Maddock replied that he was not aware of any overspend. The Director of Environment and Street Scene said that not all that data was up to date. The Harlow Highways office was currently experiencing staffing difficulties and that Councillor Bassett would be writing to the County Portfolio Holder to say that this was unacceptable.

Councillor Watts asked about the completion date for the Springfield Improvement Scheme works. The Director of Housing said that a completion date of June 09 was anticipated. Because of the 12 week extension, they were now expecting an overspend on the final account.

RESOLVED:

That the Panel noted the revenue and capital financial monitoring report for the third quarter of 2008/09.

59. VALUE FOR MONEY COST AND PERFORMANCE ANALYSIS 2007/08

The Panel received a verbal update of the deliberations of the sub-group considering the Value for Money (VFM) Cost and Performance Analysis. The Sub-committee consisted of Councillors Jacobs, Mohindra and Watts.

Councillor D Jacobs advised the Panel of the conclusion of the sub-committee previously established to consider the Council's Value for Money, Cost and Performance Analysis for 2007/08. They had carried out a comprehensive review of the cost and performance information that was currently available for the Council's services in 2007/08. Officers had pointed out that many areas had already been scrutinised and it would not be worthwhile for the sub-committee to try and duplicate this.

The sub-committee identified the following areas as requiring detailed scrutiny of the action being taken by the Executive to improve performance and said that it would like progress reports in 2009/10 on the performance of:

- (1) green waste collection;
- (2) responsive repairs and void properties; and
- (3) housing benefit and council tax.

The Sub-Committee also requested progress reports on data quality.

Councillor Watts commented that the VFM sub-group had done what it was supposed to do for this year, but queried about the timing for its work next year. The Deputy Chief Executive said that officers were in the process of mapping out a series of reports for 2009/10 and that the work of the sub-group would be incorporated within this.

The Director of Housing said the VFM Review last year was very useful, comparing EFDC to other authorities. It had therefore been agreed that the VFM Review exercise should be replicated this year, in terms of comparative costs and performance for 2007/08. The information should be available through the Audit Commission by the end of February. We can then compare our costs and performance with other authorities.

Councillor Watts said that at a meeting this time next year, they should be appointing a sub-group to meet in March. The Director of Housing commented that it may be too quick, having regard to the publication date of comparative data by the Audit Commission, and that the earliest that consideration could be given would be April, as it takes time to get the information and analyse it. Officers would need time to assess it and make it meaningful.

Councillor Watts said this needed to be a continuing process. At their next meeting, it was agreed that the Scrutiny Panel should give consideration to the timing of meetings for next year.

RESOLVED:

That following the consideration of the VFM Cost and Performance Analysis for 2007/08 and with regard to the findings of the corporate VFM Review in 2008, reports be made to a future meeting of the Scrutiny Panel in respect of:

- (a) Progress towards securing of cost and performance improvements in respect of the following services:
- Green waste collection;
 - Responsive repairs and void properties; and
 - Housing and Council tax Benefits.
- (b) Proposed arrangements for the development and member consideration of the VFM Cost and Performance Analysis for 2009/10

60. MEDIUM TERM FINANCIAL STRATEGY

The Assistant Director of Accountancy, Peter Maddock introduced the medium term financial strategy report for the period ended 2012/13. It was noted that the Panel had requested at its last meeting to see the medium term financial strategy. The strategy itself is an important document that sets the financial framework for the medium term with a view to managing future budgets and identifying necessary savings early so that these could be managed in a controlled way.

The report allowed a considered view to be taken of spending and resources. Without a medium term financial strategy finances would be managed on an annual basis leading to sudden expansion and contractions in services.

The strategy was updated annually and was originally considered in September 2008 with the financial issues paper that forms the start of the budget process. The updated strategy was then considered by the Finance and Performance Management Cabinet Committee at its meeting on 26 January 2009.

The Panel noted that it was necessary to increase the CSB target upwards from £17.9m to £18.1m.

It was noted that target savings of £300,000 were necessary in each of the final three years of the strategy. The strategy would be monitored during the year and updated for the September 2009 meeting of the Finance and Performance Management Cabinet Committee.

Officers promised to get the four year forecast to the panel in good time next year.

RESOLVED:

That the Panel noted the medium term financial strategy for the period ending 2012/13.

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

To report back to the Overview and Scrutiny Committee with a general update on the reports considered at this meeting.

62. ANY OTHER BUSINESS

It was noted that there was no other urgent business for consideration by the Panel.

63. FUTURE MEETINGS

The schedule for future meetings were noted.

TERMS OF REFERENCE - STANDING PANEL

Title: Finance and Performance Management
Status: Standing Panel
Terms of Reference: Performance Management 1. To review statutory and local performance indicator outturns for the previous year at the commencement of each municipal year, and to determine the following on an annual basis: (a) A basket of 'Key' Performance Indicators (KPIs) important to the Council's core business and corporate priorities; and (b) The monitoring frequency of the KPIs identified by the Panel for the year; 2. To monitor performance against the adopted KPIs throughout the year; and to make recommendations for corrective action in relation to poorly performing indicators; Council Plan 3. To undertake an annual review of performance against objectives, targets and actions contained in the Council Plan for 2006 to 2010; Public Consultation 4. To develop arrangements to directly engage the community in commenting on and shaping the future direction of services to make them more responsive to local needs, including the development of proposals for effective consultation through an annual community conference; 5. To annually review the consultation exercises undertaken by the council over the previous year. Finance 6. To consider the draft budgets for each portfolio and in so doing to evaluate and rank proposals for either enhancing or reducing services. Members will need to ensure consistency between wider policy objectives and financial demands. 7. To consider financial monitoring reports on key areas of income and expenditure for each portfolio. ICT 8. To monitor and review progress on the implementation of all major ICT systems: <ul style="list-style-type: none">• Review of the Web-Casting System.

Value For Money

9. To consider the annual Value for Money Analysis, and to identify any areas where further detailed analysis may be required to be undertaken by a Task and Finish Panel during the year.

Essex Local Area Agreement

10. To monitor performance against the performance indicators contained within the second Essex Local Area Agreement, that the Council 'has regard to'; and to make recommendations for corrective action in relation to poorly performing indicators.

Equality and Diversity

11. To undertake an annual review of progress towards the implementation of the Council's Race Equality, Gender Equality, and Disability Equality Schemes, and performance in relation to other equality and diversity issues.

Chairman: Cllr Derek Jacobs

Finance and Performance Management Standing Panel			
Item	Report Deadline/ Priority	Progress / Comments	Programme of future meetings
(1) Best Value Performance Plan 2007/08	Report considered annually	Completed: The Summary BVPP and arrangements for consideration of full BVPP for 2008/09 agreed on 11 February 2008. The statutory requirement to produce an annual BVPP has been revoked as part of the new performance framework for local government, and the performance plan for 2008/09 will be the last to be produced in the current form.	17 June 2008 19 August 20 October 11 November 13 January 2009 10 February 31 March
(2) Key Performance Indicators - Performance Monitoring	Performance reports considered on a quarterly basis.	Quarterly KPI performance reports will be considered at the meetings to be held on 19 August 2008, 11 November 2008 and 10 February 2009. An extra meeting was arranged on 20 October 08 to consider Qtr 1.	
(3) Quarterly Financial Monitoring	Reports to be considered on a quarterly basis.	First Quarter information was considered on 19 August '08, 2 nd Quarter on 11 November '08 meeting and the 3 rd Quarter to go to the February 09 meeting.	
(4) Performance (Services to be scrutinised in Rotation)	Ongoing	The Panel looked at the Council's land and accommodation strategy at its meeting in November 2007. Further issues for consideration may be identified during the year.	
(5) Essex Local Area Agreement	Performance reports considered on a quarterly basis	Completed: Outturn report in respect of the first Essex Local Area Agreement (LAA) was considered during 2008/09. Quarterly performance reports in respect of the performance indicators within the second Essex LAA that the Council 'has regard to' will be considered at the meetings to be held on 19 August 2008, 11 November 2008 and 10 February 2009.	

(6) Council Plan 2006-2010 – Performance Monitoring	Performance report considered on an annual basis.	Considered at August 08 meeting. Annual performance report was considered at the meeting held on 19 August 2008.	
(7) Annual Value for Money Analysis	Value for Money Analysis updated on an annual basis to reflect latest available cost and performance information	The Value for Money Analysis was considered at the meeting to be held on 19 August 2008, to identify any areas where further more detailed and targeted analysis may be required to be undertaken by a Task and Finish Panel during the year. A Sub Group had been constituted and reported to the February 09 meeting.	
(8) Annual Consultation Plan	Report considered on an annual basis. Considered at the August 08 meeting.	Completed August 08. Consultation Plan considered at first meeting of each municipal year. Next report due May/June 2009	
(9) Detailed Portfolio Budgets	To go to the January 2009 meeting.	Completed - Annual review of the Portfolio holders budgets	
(10) Medium Term Financial Strategy	To go to the February 2009 meeting.	Completed - To review the Council's medium term financial strategy.	
(11) Race Equality Scheme Monitoring and Progress with Equalities Work	Report considered on an annual basis.	Monitoring report in respect of the Race Equality Scheme and progress with other equality issues to be made to the meeting to be held on 31 March 2009.	
(12) Gender Equality and Disability Equality Schemes – Monitoring	Report considered on an annual basis	Monitoring report in respect of the Gender Equality and Disability Equality Schemes to be made to the meeting to be held on 31 March 2009.	
(13) Capital Outturn 2007/08 and use of transitional relief in 2008/09	To go to June 2008 meeting.	Considered at the June 2008 meeting.	
(14) Provisional Revenue Outturn 2007/08	To go to the June 2008 meeting	Considered at the June 2008 meeting.	

(15) Fees and Charges	Report considered at the November 08 meeting.	Completed.	
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Report to the Finance and Performance Management Scrutiny Panel

SCRUTINY



Date of meeting: 31 March 2009

Portfolio: Finance and Performance Management

Subject: National and Local Performance Indicators 2009/10 - Adoption of 'Key' Performance Indicators

Responsible Officer: S. Tautz (01992 564180)

Democratic Services Officer: A. Hendry (01992 564246)

Recommendations/Decisions Required:

- (1) That, proposals for the adoption of 'Key' Performance Indicators for 2009/10, be agreed; and**
- (2) That a corporate target be set for the achievement of year-on-year improvement against four out of every five of the adopted Key Performance Indicators for 2009/10 and future years.**

Executive Summary:

1. (Deputy Chief Executive) Members have previously received details of the National Outcome and Indicator Set, and the National Performance Indicators (NIs) that were introduced from 1 April 2008. The NI set replaced all other existing suites of statutory indicators including Best Value Performance Indicators (BVPIs).

2. Subsequent to the introduction of the National Outcome and Indicator Set, it is important for local authorities to continue to use Local Performance Indicators (LPIs) to reflect performance against local priorities. The introduction of the NI set in April 2008 provided an opportunity for a thorough review to be undertaken of the Council's locally determined LPIs for 2008/09, and this exercise has recently been repeated for 2009/10. This report therefore makes proposals for the adoption of a range of 'Key' Performance Indicators (KPIs) for 2009/10, comprising both NIs and LPIs.

Reasons for Proposed Decision:

3. To enable members to contribute to the review of the current LPI set, with a view to the adoption of relevant NIs and LPIs reflecting the Council's core business and its corporate priorities, as KPIs for 2009/10.

Other Options for Action:

4. None. The Council is required to collect and report data against relevant NIs, and is encouraged to utilise LPIs to monitor performance against the achievement of local priorities and targets. Appropriate data collection systems and monitoring and reporting arrangements are already in place for each of the indicators proposed to be adopted as KPIs for 2009/10.

Report:

5. The National Outcome and Indicator Set was introduced from 1 April 2008. Extensive guidance has been issued by the Department for Communities and Local Government in relation to individual NIs, and a copy of the full guidance document has previously been placed on deposit in the Members' Room.

6. A range of twenty-nine KPIs for 2008/09 was adopted by the Cabinet at its meeting on 10 June 2008, comprising both NIs and LPIs. The aim of the KPIs is to focus improvement on key objectives and achieve comparable performance with that of the top performing local authorities (where appropriate), and to then maintain or improve further on that level of performance. In adopting the KPIs for 2008/09, the Cabinet set a target for at least 75% to achieve target performance by the end of the year, and performance against this target will be reported at year-end.

7. Improvement plans are produced for the KPIs, setting out actions to be implemented in order to achieve or maintain target performance, and to reflect year on year changes in service delivery. A number of the NIs introduced from April 2008 are designed to be reported annually at year-end only, and members have also previously agreed that performance in relation to some of the LPIs (in their previous incarnation as BVPIs) also be subject to detailed scrutiny at year-end only, as little change is likely over each three month quarterly period. Progress in achieving target performance in respect of the KPIs that are suitable for monitoring on a quarterly basis is reported to the Finance and Performance Management Scrutiny Panel and the relevant Portfolio Holder at the conclusion of each quarter.

8. The Scrutiny Panel will be aware that the Council's overall rate of performance improvement, measured against the former BVPIs for 2007/08 and previous years, is below average. With this in mind, the Corporate Executive Forum (CEF) considers that greater focus now needs to be placed on improving performance against the whole spectrum of performance indicators, rather than against a 'basket' of selected indicators. It is therefore proposed that all relevant indicators should be designated as KPIs for 2009/10.

9. The KPIs have traditionally been determined at the first cycle of meetings in each municipal year (May/June), resulting in a potential delay in the implementation of improvement effort by almost the whole of the first quarter of the financial year. For 2009/10, it is intended that the KPIs be determined at this stage (February/March) in the calendar year, linked to provisional targets based on third quarter performance (April to December 2008). It should be noted that targets have not been set for several NIs for the current year, and that the baseline data collected for 2008/09 will inform future improvement and target setting for 2009/10 onwards.

10. All service directors have accordingly commenced a robust review of the authority's current LPI sets, with a view to the retention of those indicators as LPIs for 2009/10 onwards, where they continue to reflect local priorities but were not brought forward into the new NI set in a broadly similar form. The review has resulted in the proposed deletion of several existing indicators that are no longer considered to reflect local priorities, and the transfer of a significant number of others to the relevant draft business plans for 2009/10 or strategic documents such as the Asset Management Plan.

11. Details of the proposed KPIs for 2009/10 are attached as Appendix 1 to this report. The proposed indicators comprise:

- (a) Those NIs where the Council has sole responsibility for the indicator (i.e. where it is directly responsible for service provision and has collection and reporting responsibility. These reflect a wide range of both national and local priorities, but exclude those indicators informed by the bi-annual 'Place Survey' or other survey measures (which will be subject to separate reporting arrangements) and those NIs to which the Council contributes data but for which it has no reporting responsibility; and

- (b) Those LPs (including some proposed additions to the set) that reflect local priorities but which are not covered by the NI set, with all other existing LPs being transferred to the relevant draft business plans for 2009/10 or other appropriate strategic document.

10. The KPIs will comprise the totality of the Council's formal performance indicator measures. Those existing LPs that are proposed for deletion or transfer to business plans or other strategic documents are highlighted in grey shading. A number of these indicators generally still provide valuable and relevant management information, and performance against these indicators will therefore continue to be monitored as part of the Council's new arrangements for the alignment of its business, budget, workforce planning and development processes.

11. Improvement plans will be produced for all of the KPIs, setting out actions to be implemented in order to achieve or maintain target performance, and to reflect year on year changes in service delivery. In view of the corporate importance attached to the KPIs, the improvement plans will be considered, agreed and monitored by CEF. Although it is not yet known whether the Council's target of achieving top-quartile performance for at least 75% of the KPIs for 2008/09 has been achieved, CEF recommends that a target be set for the achievement of year-on-year improvement against four out of every five of the adopted KPIs for 2009/10.

12. The Scrutiny Panel is requested to agree the proposals set out in this report for the adoption of KPIs for 2009/10 and the relevant targets for the year. This report was considered by the Finance and Performance Management Cabinet Committee at its meeting on 16 March 2009, and the proposed indicators and targets for 2009/10 were agreed, subject to the concurrence of the Panel. The Cabinet Committee also proposed the introduction of a new LP for 2009/10 in relation to the Council's approach to Housing and Council Tax Benefit Fraud, and the Director of Finance and ICT will report to the Scrutiny Panel in respect of this proposed new LP.

13. Service Directors will be in attendance at the meeting to respond to any issues in respect of proposals for the retention/deletion of specific indicators and proposed targets for 2009/10.

Resource Implications:

The respective Service Director will identify the resource requirements for any proposals for corrective action in respect of KPI areas of current under-performance set out in this report.

Legal and Governance Implications:

There are no legal implications or Human Rights Act issues arising from the recommendations in this report, which ensure that the Council monitors progress against its KPIs for 2009/20, and that proposals for corrective action are considered in respect of areas of current under-performance.

Safer, Cleaner and Greener Implications:

The respective Service Director will have identified any implications arising from proposals for corrective action in respect of KPI areas of current under-performance set out in this report, in respect of the Council's commitment to the Nottingham Declaration for climate change, the corporate Safer, Cleaner and Greener initiative, or any Crime and Disorder issues within the district.

Consultation Undertaken:

The targets and performance information set out in this report have been submitted by each appropriate Service Director, and have been reviewed and considered by the Corporate Executive Forum.

Background Papers:

None.

Impact Assessments:

The respective Service Director will have identified any risk management issues or equality implications arising from any proposals for corrective action in respect of KPI areas of current under-performance set out in this report.

KEY PERFORMANCE INDICATORS 2008/09

ESSEX LOCAL AREA AGREEMENT 2008-2011 INDICATORS	
1.	NI 8 - Adult participation in sport*
2.	NI 11 - Engagement in the arts*
3.	NI 17 - Perceptions of anti-social behaviour*
4.	NI 20 - Assault with injury crime rate*
5.	NI 195(a), (b), (c) and (d) - Improved street and environmental cleanliness (levels of graffiti, litter, detritus and fly-posting);
6.	NI 186 - Per capita CO ² emissions in the local authority area*
7.	NI 188 - Adapting to climate change*
8.	NI 191 - Residual household waste per head
9.	NI 192 - Household waste recycled and composted
10.	NI 197 - Improved local biodiversity - active management of local sites*
11.	LPI 03 – People feeling safe outside after dark*
12.	LPI 12 – Affordable homes built and acquired
NATIONAL INDICATORS	
Housing Portfolio	
13.	NI 158 - Percentage of decent council homes*
14.	NI 160 - Local authority tenants' satisfaction with landlord services*
Planning and Economic Development Portfolio	
15. -17.	NI 157 (a), (b) and (c) - Processing of planning applications as measured against targets for 'major', 'minor' and 'other' application types
LOCAL PERFORMANCE INDICATORS	
Housing Portfolio	
18.	LPI 04 - Rent collected as a proportion of rents owed on housing revenue account dwellings
19.	LPI 11 - Average number of single homeless households placed in bed and breakfast accommodation
Environmental Protection Portfolio	
20.	LPI 42 - Percentage of households served by kerbside collection of recyclables
Community Wellbeing Portfolio	
21.	LPI 02 (a), (b) and (c) - Licence applications processed within targets
Finance and ICT Portfolio	
22.	LPI 13 - Percentage of invoices paid within 30 days of receipt
23.	LPI 14 - Percentage of Council Tax collected
24.	LPI 15 - Percentage of non-domestic rates collected
25.	LPI 16 - Average time for processing new benefit claims
26.	LPI 17 - Average time for processing notification of changes of circumstance for benefit claims

Corporate Support Services Portfolio	
27.	LPI 28 - Number of working days lost due to sickness absence
Leisure and Young Persons Portfolio	
28.	LPI 49 - Number of pupils visiting museums and galleries in organised school groups
Planning and Economic Development Portfolio	
29.	LPI 44 - Achievement of milestones within Local Development Scheme

*Performance against these Key Performance Indicators is monitored annually at year-end only. Performance against all other indicators is monitored on a quarterly basis.

2009/10 National Indicator Set (District Council Spatial Level)

Ref:	Summary Definition and Direction of Improving Performance (HIGH/LOW)	Responsibility	2008/09 Target	2008/09 Quarter 3 Performance	Proposed 2009/10 Target	Supporting Comments	Note
NI 001	Percentage of people who believe people from different backgrounds get on well together in their local area. This indicator supports Government aims to create strong and cohesive communities and thriving places, in which a sense of difference is replaced by shared values and a sense of purpose and belonging (HIGH)	Local Strategic Partnership	N/A	N/A	N/A	The bi-annual Place Survey is lead by the Epping Forest Local Strategic Partnership (LSP). Improvement against the results of the first survey (2008/09) will be coordinated by the LSP	Place Survey
NI 002	Percentage of people who feel that they belong to their neighbourhood. This indicator supports Government aims to create strong and cohesive communities and thriving places, in which a sense of difference is replaced by shared values and a sense of purpose and belonging (HIGH)	Local Strategic Partnership	N/A	N/A	N/A	The bi-annual Place Survey is lead by the Epping Forest Local Strategic Partnership (LSP). Improvement against the results of the first survey (2008/09) will be coordinated by the LSP	Place Survey
NI 003	Civic participation in the local area. This indicator promotes greater local participation in a range of civic activities, one of the principal means by which individuals exercise their empowerment for the benefit of the locality (HIGH)	Local Strategic Partnership	N/A	N/A	N/A	The bi-annual Place Survey is lead by the Epping Forest Local Strategic Partnership (LSP). Improvement against the results of the first survey (2008/09) will be coordinated by the LSP	Place Survey
NI 004	Percentage of people who feel they can influence decisions in their locality. This indicator supports Government aims to build communities where individuals are empowered to make a difference to their lives and their area, and measures the extent to which people feel able to influence decisions affecting the local area (HIGH)	Local Strategic Partnership	N/A	N/A	N/A	The bi-annual Place Survey is lead by the Epping Forest Local Strategic Partnership (LSP). Improvement against the results of the first survey (2008/09) will be coordinated by the LSP	Place Survey
NI 005	Overall/generat satisfaction with local area. This indicator provides authorities and service deliverers with a baseline of local satisfaction which will help them identify and address issues affecting how residents feel about their area (HIGH)	Local Strategic Partnership	N/A	N/A	N/A	The bi-annual Place Survey is lead by the Epping Forest Local Strategic Partnership (LSP). Improvement against the results of the first survey (2008/09) will be coordinated by the LSP	Place Survey
NI 006	Participation in regular volunteering. This indicator supports the creation of a culture in which individuals are able to contribute to their communities by volunteering (HIGH)	Local Strategic Partnership	N/A	N/A	N/A	The bi-annual Place Survey is lead by the Epping Forest Local Strategic Partnership (LSP). Improvement against the results of the first survey (2008/09) will be coordinated by the LSP	Place Survey
NI 008	Adult participation in sport (LAA Indicator). This indicator measures participation in sport and active recreation at the local level (HIGH)	Derek Macnab	N/A	N/A	N/A	The annual Active People Survey is undertaken by Sport England. NI 8 is included in the Essex Local Area Agreement 2008-11, but the Council does not have a collection or reporting responsibility in respect of the indicator.	Active People Survey
NI 011	Engagement in the arts (LAA Indicator). This indicator measures attendance at and/or participation in the arts at the local level (HIGH)	Derek Macnab	N/A	N/A	N/A	The annual Active People Survey is undertaken by Sport England. NI 11 is included in the Essex Local Area Agreement 2008-11, but the Council does not have a collection or reporting responsibility in respect of the indicator.	Active People Survey
NI 014	Reducing avoidable contact. Minimising the proportion of customer contact that is of low or no value to the customer (LOW). This indicator measures the proportion of customer contact that is of low or no value to the customer (LOW).	Derek Macnab	N/A	N/A	To be determined	Outturn performance for this indicator (survey measure across all relevant service areas) will be considered by Management Board in April 2009. The target for 2009/10 will be determined on the basis of this outturn figure, and will be reported in the new financial year.	Year-end

Ref:	Summary Definition and Direction of Improving Performance (HIGH/LOW)	Responsibility	2008/09 Target	2008/09 Quarter 3 Performance	Proposed 2009/10 Target	Supporting Comments	Note
NI 017	<i>Perceptions of anti-social behaviour (LAA indicator). Local authorities are the key partner in tackling anti-social behaviour and have statutory duties to enforce anti-social behaviour legislation (LOW).</i>	Local Strategic Partnership/Crime Reduction Partnership	N/A	N/A	N/A	The bi-annual Place Survey is lead by the Epping Forest Local Strategic Partnership (LSP). Improvement against the results of the first survey (2008/09) will be coordinated by the LSP and, in respect of this indicator, by the Epping Forest Crime and Disorder Reduction Partnership.	Place Survey
NI 020	<i>Assault with injury to the rate (LAA indicator). This indicator measures assaults with less serious injury per 1,000 population, as a proxy for alcohol related violent offences (LOW).</i>	Local Strategic Partnership/Crime Reduction Partnership	N/A	N/A	N/A	The bi-annual Place Survey is lead by the Epping Forest Local Strategic Partnership (LSP). Improvement against the results of the first survey (2008/09) will be coordinated by the LSP and, in respect of this indicator, by the Epping Forest Crime and Disorder Reduction Partnership.	Place Survey
NI 021	<i>Dealing with local concerns about anti-social behaviour and crime issues by the local council and police. This indicator supports partnership working with local agencies, and also measures confidence in local agencies to tackle community safety issues (HIGH).</i>	Local Strategic Partnership/Crime Reduction Partnership	N/A	N/A	N/A	The bi-annual Place Survey is lead by the Epping Forest Local Strategic Partnership (LSP). Improvement against the results of the first survey (2008/09) will be coordinated by the LSP and, in respect of this indicator, by the Epping Forest Crime and Disorder Reduction Partnership.	Place Survey
NI 036	<i>Building resilience to violent extremism. This indicator assess local arrangements to stop people becoming or supporting violent extremists (HIGH).</i>	Local Strategic Partnership/Crime Reduction Partnership	N/A	N/A	N/A	The annual assessment of the arrangements for building resilience to violent extremism is required to be undertaken by the Epping Forest Local Strategic Partnership (LSP). This indicator will therefore be coordinated by the LSP.	Year-end
NI 154	<i>Net additional homes provided. This indicator encourages a greater supply of new homes to address long-term housing affordability issues, and measures the net increase in dwelling stock over one year (HIGH).</i>	John Preston	144.08	N/A	144.08	The target for this indicator for 2008/09 and 2009/10 is based on the Council's total East of England Plan (2001-2021) housing allocation, annualised between 2008/09 and 2020/21.	Year-end
NI 155	<i>Number of affordable homes delivered (Gross). This indicator promotes an increase in the supply of affordable housing through new-build completions, changes of use and conversions (HIGH).</i>	Alan Hall	66.00	14.00	57.00	The proposed target for this indicator for 2009/10 is based on developments currently on site and due to start.	Quarterly
NI 156	<i>Number of households living in temporary accommodation. This indicator monitors progress towards reducing the number of households in temporary accommodation provided under homelessness legislation (LOW).</i>	Alan Hall	104.00	73.00	100.00	The proposed target for this indicator for 2009/10 is based on a realistic level, taking account of expected increased homelessness due to the current economic situation. The proposed target is lower than the Government's target for the Council.	Quarterly
NI 157 (a)	<i>Processing of planning applications as measured against targets. This indicator ensures that local planning authorities determine major planning applications in a timely manner (within 13 weeks) (HIGH).</i>	John Preston	80.71%	57.69%	81.00%	The proposed target for this indicator for 2009/10 assumes the top quartile figures to be similar to those used as targets for 2008/09.	Quarterly
NI 157 (b)	<i>Processing of planning applications as measured against targets. This indicator ensures that local planning authorities determine 'minor' planning applications in a timely manner (within 8 weeks) (HIGH).</i>	John Preston	83.66%	78.49%	84.00%	The proposed target for this indicator for 2009/10 assumes the top quartile figures to be similar to those used as targets for 2008/09.	Quarterly
NI 157 (c)	<i>Processing of planning applications as measured against targets. This indicator ensures that local planning authorities determine 'other' planning applications in a timely manner (within 8 weeks) (HIGH).</i>	John Preston	92.57%	89.54%	93.00%	The proposed target for this indicator for 2009/10 assumes the top quartile figures to be similar to those used as targets for 2008/09.	Quarterly

Ref:	Summary Definition and Direction of Improving Performance (HIGH/LOW)	Responsibility	2008/09 Target	2008/09 Quarter 3 Performance	Proposed 2009/10 Target	Supporting Comments	Note
NI 158	<i>Percentage of non-decent council homes.</i> This indicator measures the number of non-decent council homes and the proportion this represents of the total council housing stock, in order to demonstrate progress towards making all council housing decent (LOW).	Alan Hall	1.50%	N/A	0.00%	The Government's expectation, and that of the Council, is that the authority should have no non-decent homes by April 2010.	Year-end
NI 159	<i>Supply of ready to develop housing sites.</i> This indicator measures the ability of local planning authorities to maintain a five-year supply of deliverable sites for housing through the Local Development Framework, and is the total number of net additional dwellings that are deliverable as a percentage of the planned housing provision (in net additional dwellings) for the five year period. (HIGH).	John Preston	100.00%	N/A	100.00%	As in 2008/09, the proposed target of 100.00% is considered appropriate for this indicator for 2009/10. Good performance against the indicator equates to a percentage of 100.00% or greater.	Quarterly
NI 160	<i>Local authority tenant satisfaction with landlord services.</i> This indicator encourages the delivery of good housing management services by local authorities where they retain ownership of council housing (HIGH).	Alan Hall	85.00%	N/A	83.00%	The tenant satisfaction survey is required to be undertaken every two years. There is no survey in 2009/10, so the 2008/9 figure will be returned, which is 83% (weighted).	Year-end
NI 170	<i>Previously developed land that has been vacant or derelict for more than 5 years.</i> This indicator measures the success of local authorities in facilitating the re-use of brown field land as a contribution to regeneration and economic growth, and is expressed (in percentage terms) as the area of developed land that is vacant or derelict for more than five years (LOW).	John Preston	10.00%	N/A	10.00%	As in 2008/09, the proposed target of 10.00% is considered appropriate for this indicator for 2009/10. The indicator is calculated from the result of the National Land Use Database return.	Year-end
NI 180	<i>Value for Money: Total net value of on-going cash-releasing value for money gains that have impacted since the start of the 2008/09 financial year.</i> This indicator measures the total net value of on-going cash-releasing value for money gains that have impacted since the start of the financial year (HIGH).	Bob Palmer	£635,000	N/A	£300,000.00	The proposed target for 2009/10 is in line with the Council's Medium-Term Financial Strategy.	Year-end
NI 180	<i>The number of changes of circumstances which affect customers' Housing Benefit/Council Tax Benefit entitlement within the year (per 1000 caseload).</i> This indicator ensures that customers receive the correct amount of HB/CTB and contributes to reducing poverty and fraud and error (N/A).	Bob Palmer	975.00	Unable to report at present	1000.00	This is not an indicator that the Council is in control of, as it cannot limit changes in people's circumstances. In view of the increased number of claims, it is felt appropriate to increase the target for the indicator for 2009/10.	Quarterly
NI 181	<i>Time taken (days) to process Housing Benefit/Council Tax Benefit new claims and change events.</i> This indicator measures benefit performance, as delays in the administration of benefits can impact on some of the most vulnerable people (LOW).	Bob Palmer	15.00	19.44	15.00	Although the same target is proposed for 2009/10 as for 2008/09, this represents a challenge as performance has fallen short of this target and the number of claims has increased.	Quarterly
NI 182	<i>Satisfaction of businesses with local authority regulation services (environmental, health, licensing, public sector landlords).</i> This indicator supports the success of the economy through a business friendly environment (HIGH).	John Gilbert, Colleen O'Boyle, Alan Hall	N/A	N/A	75.00%	This indicator is cross-directorate in its measurement. It is measured at year-end and questionnaires relating to 2008/09 will be issued shortly, the results of which will provide a baseline for the future. However, based on the limited satisfaction survey data available from a more limited survey, a preliminary target of 75% is set. This is a new indicator, although it is predicated on existing datasets. Whilst it could be argued that, given the nature of the issue being measured, a target of 100% should be applied, in reality this is not realistic since there are a wide range of factors, some critical and some not, which could render a premises not 'broadly compliant'. Furthermore, premises could remain not 'broadly compliant' even following intervention. Therefore, based on known data and inspection outcomes, a target of 75% is suggested for 2009/10 which can be reviewed following the first	Year-end
NI 184	<i>Food establishments in the area which are broadly compliant with food hygiene law.</i> This indicator protects public health by ensuring food is safe and fit to eat by monitoring local authority performance in increasing compliance with food law (HIGH).	John Gilbert	80.00%	N/A	75.00%		Year-end

Ref:	Summary Definition and Direction of Improving Performance (HIGH/LOW)	Responsibility	2008/09 Target	2008/09 Quarter 3 Performance	Proposed 2009/10 Target	Supporting Comments	Note
NI 185	<i>CO2 reduction from local authority operations.</i> This indicator supports the achievement of the Government's climate change objectives, as the public sector is in a key position to lead on carbon emissions by setting a behavioural and strategic example (HIGH).	John Preston	N/A	N/A	To be determined	Performance against this indicator is calculated at year-end and, without baseline levels of performance, it is not yet possible to establish a target for 2009/10. Based on outturn performance for 2008/09, the proposed target for the indicator for 2009/10 will be reported in the new financial	Year-end
NI 186	<i>Per capita CO2 emissions in the local authority area (LAA Indicator).</i> This indicator supports the achievement of the Government's climate change objectives, as the public sector is in a key position to lead on carbon emissions by setting a behavioural and strategic example (HIGH).	John Preston	N/A	N/A	5.90%	This indicator is included in the Essex Local Area Agreement (LAA) 2008-11, and the targets for 2008/09 and 2009/10 are drawn from the LAA.	Year-end
NI 187	<i>Tackling fuel poverty. People receiving income based benefits living in homes with a low energy efficiency rating.</i> This indicator assesses levels of fuel poverty through an annual survey of people receiving income based benefits living in homes with low energy efficiency ratings (LOW).	John Preston	N/A	N/A	To be determined	Performance against this indicator is calculated at year-end and, without baseline levels of performance, it is not yet possible to establish a target for 2009/10. Based on outturn performance for 2008/09, the proposed target for the indicator for 2009/10 will be reported in the new financial	Year-end
NI 188	<i>Planning to adapt to climate change (LAA Indicator).</i> This indicator ensures that local authorities are prepared to manage risks to service delivery, the public, local communities, local infrastructure, businesses and the natural environment, from a changing climate (HIGH).	John Preston	Level 3	N/A	Level 3	This indicator is included in the Essex Local Area Agreement (LAA) 2008-11, and the targets for 2008/09 and 2009/10 are drawn from the LAA.	Year-end
NI 192	<i>Residual household waste per household (cumulative Kg) (LAA Indicator).</i> This indicator supports Government wishes to achieve year on year reductions in the amount of residual waste collected, through a combination of less overall waste and more reuse, recycling and composting (LOW).	John Gilbert	554.00	401.00	548.00	The proposed target for 2009/10 aligns with the current target for the indicator as set out in the Essex Local Area Agreement 2008-2011.	Quarterly
NI 194	<i>Percentage of household waste sent for reuse, recycling and composting (LAA Indicator).</i> This indicator supports year on year reductions in the amount of residual waste collected, and measures the percentage of household waste arising sent for reuse, recycling, composting or anaerobic digestion, which were previously measured separately by BYPI 82(a) and BYPI 82(b) (HIGH).	John Gilbert	40.00%	45.85%	42.00%	The proposed target for 2009/10 aligns with the current target for the indicator as set out in the Essex Local Area Agreement 2008-2011.	Quarterly
NI 194	<i>Air quality: % reduction in NOx and primary PM10 emissions through the local authority's estate and operations.</i> This indicator measures the percentage reduction in NOx and primary PM10 emissions through the Council's estate and operations, to identify local authorities that are proactive in minimising air pollution emissions (HIGH).	John Preston	N/A	N/A	To be determined	Performance against this indicator is calculated at year-end and, without baseline levels of performance, it is not yet possible to establish a target for 2009/10. Based on outturn performance for 2008/09, the proposed target for the indicator for 2009/10 will be reported in the new financial	Year-end
NI 195 (a)	<i>Improved street and environmental cleanliness (Litter).</i> This indicator seeks to reduce unacceptable levels of graffiti, litter, detritus and fly-posting (HIGH).	John Gilbert	10.50%	13.00%	10.00%	The proposed target for 2009/10 is a 0.5% reduction on that for 2008/09 to ensure continued improvement. This is considerably in excess of the Essex Local Area Agreement 2008-2011 target of 23% for 2009/10 and 20% for 2010/11. Quarter 3 performance reflects the eight-month	Four Monthly
NI 195 (b)	<i>Improved street and environmental cleanliness (Detritus).</i> This indicator seeks to reduce unacceptable levels of graffiti, litter, detritus and fly-posting (HIGH).	John Gilbert	15.00%	12.50%	13.00%	The proposed target for 2009/10 is a 0.5% reduction on that for 2008/09 to ensure continued improvement. This is considerably in excess of the Essex Local Area Agreement 2008-2011 target of 27% for 2009/10 and 24% for 2010/11. Quarter 3 performance reflects the eight-month	Four Monthly
NI 195 (c)	<i>Improved street and environmental cleanliness (Graffiti).</i> This indicator seeks to reduce unacceptable levels of graffiti, litter, detritus and fly-posting (HIGH).	John Gilbert	5.00%	0.50%	3.00%	The proposed target for 2009/10 is a 2% reduction on that for 2008/09, to reflect that the actual levels of graffiti found on inspection are low. Quarter 3 performance reflects the eight-month period to 30 November 2008.	Four Monthly

Ref:	Summary Definition and Direction of Improving Performance (HIGH/LOW)	Responsibility	2008/09 Target	2008/09 Quarter 3 Performance	Proposed 2009/10 Target	Supporting Comments	Note
NI 195 (d)	<i>Improved street and environmental cleanliness (Fly-Posting). This indicator seeks to reduce unacceptable levels of graffiti, litter, detritus and fly-posting (HIGH).</i>	John Gilbert	5.00%	0.00%	3.00%	The proposed target for 2009/10 is a 2% reduction on that for 2008/09, to reflect that the actual levels of fly-posting found on inspection are low. Quarter 3 performance reflects the eight-month period to 30 November 2008.	Four Monthly
NI 196	<i>Improved street and environmental cleanliness (Fly-Tipping). This indicator seeks to achieve reductions in the total number of incidents and an increase in enforcement action taken to deal with the illegal disposal of waste (HIGH).</i>	John Gilbert	Grade 2	Grade 2	Grade 2	The proposed target for 2009/10 remains the same as that for 2008/09. This reflects the fact that the Environment Enforcement team is not fully operational and therefore enforcement activity and prosecutions are unlikely to rise.	Quarterly
NI 197	<i>Improved Local Biodiversity. Proportion of local sites where positive conservation management has been or is being implemented (LA indicator). This indicator measures the proportion of local sites where positive conservation management has been or is being implemented (HIGH).</i>	John Preston	N/A	N/A	N/A	Spatial Level changed to Single-Tier and County Councils only in recent Department for Communities and Local Government update of NI Definitions	No longer applicable

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PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Office of The Deputy Chief Executive							
CURRENT LPI REFERENCE	RESPONSIBILITY	SUMMARY DEFINITION AND DIRECTION OF IMPROVING PERFORMANCE (HIGH/LOW)	RETAIN AS LPI YES / NO	2008/09 Target	Quarter 3 Performance	Proposed Target	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR RECOMMENDATION OF LPI
LPI 01	Derek Macnab	The level of the Equality Standard for Local Government. The Equality Standard provides a framework for delivering continuous improvement in relation to fair employment outcomes and equal access to services (HIGH).	Yes	Level 2	Year End	Level 3	Equality and diversity continue to be important areas against which the Council's performance is assessed. The Equality Standard is the best measure of the authority's progress on equality issues and, although the Standard is to be replaced in the near future, it is considered that this should remain an LPI for 2009/10.
LPI 24	Derek Macnab	The number of visits to the Council's website (cumulative). This indicator measures the effectiveness of the Council's website function. A website visit is defined as a series of one or more page views, which starts with the first page view and ends when no activity on the part of the visitor is registered for thirty minutes. If the same visitor returns to the web site after thirty minutes, this is registered as a new visit (HIGH).	Yes	815,000.00	540,103.00	756,000.00	Technical problems within the monitoring package have led to an historical over estimate of visits to the website. This has now been redressed with a revised total for 2008/09 expected to be in the region of 720,000 visits. The target for 2009/10 has therefore been revised to reflect the more accurate recording. The trend in internet usage is believed to be increasing and the target for 2009/10 has therefore been increased by 5% on the revised figure for 2008/09.
LPI 47	Derek Macnab	Number of visits to Council funded or part funded museums and galleries in the area per 1,000 population. This indicator encourages local authorities to make museums more attractive to local communities and to maximise their educational value (HIGH).	No	566.00	552.47	N/A	Although this indicator provides important monitoring and trend information in relation to the Council's museum service, it is not considered relevant for retention as an LPI. The indicator is to be transferred to the Deputy Chief Executive's Office Business Plan, where performance will continue to be monitored.
LPI 48	Derek Macnab	Number of visits to Council funded or part funded museums and galleries in the area, that were in person per 1,000 population. This indicator encourages local authorities to make museums more attractive to local communities and to maximise their educational value (HIGH).	No	123.00	97.45	N/A	Although this indicator provides important monitoring and trend information in relation to the Council's museum service, it is not considered relevant for retention as an LPI. The indicator is to be transferred to the Deputy Chief Executive's Office Business Plan, where performance will continue to be monitored.

LPI 49	Derek Macnab	<i>Number of pupils visiting museums and galleries in organised school groups. This indicator encourages local authorities to make museums more attractive to local communities and to maximise their educational value (HIGH).</i>	Yes	4100.00	3133.00	4100.00	This LPI will remain with the same target as 2008/09. This is due to the availability of the new education website and number of schools preferring to access this resource, rather than visit in person.
NEW	Derek Macnab	<i>Number of elderly people participating in physical activity as part of the 'Active Health' and 'New Horizons' programmes to address the ageing population (HIGH).</i>	New	New	New	900.00	The purpose of this proposed new LPI is to monitor the Council's contribution towards meeting the health and well being needs of the ageing population.

PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Corporate Support Services

CURRENT LPI REFERENCE	RESPONSIBILITY	SUMMARY DEFINITION AND DIRECTION OF IMPROVING PERFORMANCE (HIGH/LOW)	RETAIN AS LPI YES / NO	2008/09 Target	Quarter 3 Performance	Proposed Target	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR RECOMMENDATION OF LPI
LPI02	Colleen O'Boyle	The percentage of licence applications processed within set periods (a) premises: 30 days, (b) temporary event: 5 days and (c) hackney carriage/private hire: 5 days. This indicator monitors the Council's effectiveness in the determination of statutory licences (HIGH).	Yes	(a) 100.00 (b) 100.00 (c) 100.00	(a) 100.00 (b) 100.00 (c) 100.00	(a) 100.00 (b) 100.00 (c) 100.00	These LPIs were only adopted by the Finance and Performance Management Scrutiny Panel in October 2008. The targets set in October 2008 have been taken forward into 2009/10 as they are still considered still appropriate.
LPI25	Colleen O'Boyle	Percentage of top 5% of staff who are women. This indicator measures progress towards the achievement of equal opportunities in employment (HIGH).	No	29.08%	30.41%	N/A	Although this indicator provides important work for monitoring and trend information to support the Council's equal opportunities policies, it is not considered relevant for retention as an LPI and will be transferred to the Human Resources Unit Business Plan for 2009/10 where performance will continue to be monitored.
LPI26	Colleen O'Boyle	Percentage of top 5% of staff from an ethnic minority. This indicator measures progress towards the achievement of equal opportunities in employment (HIGH).	No	3.20%	2.89%	N/A	Although this indicator provides important work for monitoring and trend information to support the Council's equal opportunities policies, it is not considered relevant for retention as an LPI and will be transferred to the Human Resources Unit Business Plan for 2009/10 where performance will continue to be monitored.
LPI27	Colleen O'Boyle	Percentage of top 5% of staff who have a disability. This indicator measures progress towards the achievement of equal opportunities in employment (HIGH).	No	6.25%	5.89%	N/A	Although this indicator provides important work for monitoring and trend information to support the Council's equal opportunities policies, it is not considered relevant for retention as an LPI and will be transferred to the Human Resources Unit Business Plan for 2009/10 where performance will continue to be monitored.
LPI28	Colleen O'Boyle	Number of working days lost due to sickness absence (cumulative). This indicator monitors the level of staff sickness absence across the authority, and supports the implementation of the Council's Managing Absence Policy (LOW).	Yes	8.00	7.76	8.00	This indicator is required as the upward trend in the absence figures for 2008/09 is a concern for members and officers. The 2008/09 target should be retained in order to reflect the continuing trigger level of 8 days as contained within the Managing Absence Policy.
LPI29	Colleen O'Boyle	Percentage of employees retiring early (excluding ill health) as a percentage of the Council's workforce. This indicator monitors the level of staff early retirement. In local authorities (LOW).	No	0.00%	0.00%	N/A	Although this indicator records the Council's prudence when dealing with early retirements, it is not considered relevant for retention as an LPI and will be transferred to the Human Resources Unit Business Plan for 2009/10 where performance will continue to be monitored.

PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Corporate Support Services

CURRENT LPI REFERENCE	RESPONSIBILITY	SUMMARY DEFINITION AND DIRECTION OF IMPROVING PERFORMANCE (HIGH/LOW)	RETAIN AS LPI YES / NO	2008/09 Target	Quarter 3 Performance	Proposed Target	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR RECOMMENDATION OF LPI
LPI30	Colleen O'Boyle	Percentage of employees retiring in grounds of ill health, as a percentage of the Council's workforce. This indicator monitors the level of staff early retirement in local authorities (LOW).	No	0.00	0.00	N/A	Although this indicator is still relevant as it shows the Council using best practice and independent Occupational Health advice in reducing staff absence, it is not considered relevant for retention as an LPI and will be transferred to the Human Resources Unit Business Plan for 2009/10 where performance will continue to be monitored.
LPI31	Colleen O'Boyle	Percentage of the Council's employees who are women. This indicator measures progress towards the achievement of equal opportunities in employment (HIGH).	No	55.00%	55.69%	N/A	Although this indicator provides important workforce monitoring and trend information to support the Council's equal opportunities policies, it is not considered relevant for retention as an LPI and will be transferred to the Human Resources Unit Business Plan for 2009/10 where performance will continue to be monitored.
LPI32	Colleen O'Boyle	Percentage of the Council's employees with a disability. This indicator measures progress towards the achievement of equal opportunities in employment (HIGH).	No	8.00%	7.74%	N/A	Although this indicator provides important workforce monitoring and trend information to support the Council's equal opportunities policies, it is not considered relevant for retention as an LPI and will be transferred to the Human Resources Unit Business Plan for 2009/10 where performance will continue to be monitored.
LPI33	Colleen O'Boyle	Percentage of the Council's employees from ethnic minority communities. This indicator measures progress towards the achievement of equal opportunities in employment (HIGH).	No	3.10%	3.34%	N/A	Although this indicator provides important workforce monitoring and trend information to support the Council's equal opportunities policies, it is not considered relevant for retention as an LPI and will be transferred to the Human Resources Unit Business Plan for 2009/10 where performance will continue to be monitored.
LPI34 (a-c)	Colleen O'Boyle	Property condition/excavator (housing property). Percentage gross internal floor space in 'poor' categories (a), 'good', (b) Satisfactory, (c) 'Poor and (d) 'Bad'. This indicator measures the condition of property assets for their current use and provides information on the overall condition of the Council's estate (HIGH).	No	a) 28.00% b) 72.00% c) 0.00% d) 0.00%	Year End	N/A	Although this indicator provides important monitoring and trend information to support the management of the Council's property assets, it is not considered relevant for retention as an LPI. The indicator is retained in the current Asset Management Plan, where performance will continue to be monitored.

PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Corporate Support Services

CURRENT LPI REFERENCE	RESPONSIBILITY	SUMMARY DEFINITION AND DIRECTION OF IMPROVING PERFORMANCE (HIGH/LOW)	RETAIN AS LPI YES / NO	2008/09 Target	Quarter 3 Performance	Proposed Target	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR RECOMMENDATION OF LPI
LPI35 (a-c)	Colleen O'Boyle	Property condition (excluding housing property); Backlog of maintenance by cost in priority levels (a); Urgent; (b) Essential and (c) Desirable. This indicator measures the condition of property assets for their current use and provides information on the overall condition of the Council's estate (N/A).	No	a) 100% b) 500% c) 95.00%	Year End	N/A	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR REMOVAL OF LPI: Although this indicator provides important monitoring and trend information to support the management of the Council's property assets, it is not considered relevant for retention as an LPI. The indicator is retained in the current Asset Management Plan, where performance will continue to be monitored.
LPI36 (a-c)	Colleen O'Boyle	Annual rate of return from non-operational portfolio in property categories (a) Industrial, (b) Retail and (c) Agricultural. This indicator demonstrates the justification in financial terms for retaining a non-operational investment portfolio (N/A).	No	a) 3.00% b) 4.00% c) N/A	Year End	N/A	Although this indicator provides important monitoring and trend information to support the management of the Council's property assets, it is not considered relevant for retention as an LPI. The indicator is retained in the current Asset Management Plan, where performance will continue to be monitored.
LPI37 (a-c)	Colleen O'Boyle	Total annual management costs per square metre for the property portfolio in property categories (a) Operational, (b) Non-Operational and (c) Operational and Non-Operational Combined. This indicator measures the cost and efficiency of property services provision (N/A).	No	a) £4.00 b) £1.50 c) £5.50	Year End	N/A	Although this indicator provides important monitoring and trend information to support the management of the Council's property assets, it is not considered relevant for retention as an LPI. The indicator is retained in the current Asset Management Plan, where performance will continue to be monitored.
LPI38	Colleen O'Boyle	Running costs and carbon dioxide emissions per square metre gross internal area (a) Repair and maintenance costs; (b) energy costs; (c) water costs and (d) CO ₂ emissions for operational property. This indicator measures the running costs of the Council's operational property (LOW).	No	Not Set	Year End	N/A	Although this indicator provides important monitoring and trend information to support the management of the Council's property assets, it is not considered relevant for retention as an LPI. The indicator is retained in the current Asset Management Plan, where performance will continue to be monitored.
LPI39	Colleen O'Boyle	Rent arrears as a percentage of rental income (excluding housing property). This indicator is a measure of a local authority's rent collection and arrears recovery service for its property portfolio (LOW).	Yes	3.50%	Year End	To be determined	This indicator assists in monitoring the collection of important income to the Council. Performance against this indicator is calculated at year-end and it is not yet possible to establish a target for 2009/10. Based on outturn performance for 2008/09, the proposed target for the indicator for 2009/10 will be reported in the new financial year.
LPI40	Colleen O'Boyle	The occupation rate of commercial and industrial property. This indicator monitors the effectiveness of the local authority's asset management function (HIGH).	Yes	0.97	Year End	To be determined	This indicator helps to monitor the vitality of the Council's commercial and industrial portfolio. Performance against this indicator is calculated at year-end and it is not yet possible to establish a target for 2009/10. Based on outturn performance for 2008/09, the proposed target for the indicator for 2009/10 will be reported in the new financial year.
LPI41	Colleen O'Boyle	Rental value as a percentage yield of the commercial and industrial portfolio asset value. This indicator monitors the effectiveness of the local authority's asset management function (HIGH).	Yes	9.50%	Year End	To be determined	This indicator provides a measure of the Council's ability to generate income from its commercial and industrial portfolio. Performance against this indicator is calculated at year-end and it is not yet possible to establish a target for 2009/10. Based on outturn performance for 2008/09, the proposed target for the indicator for 2009/10 will be reported in the new financial year.

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PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Environment and Street Scene

CURRENT LPI REFERENCE	RESPONSIBILITY	SUMMARY DEFINITION AND DIRECTION OF IMPROVING PERFORMANCE (HIGH/LOW)	RETAIN AS LPI YES / NO	2008/09 Target	Quarter 3 Performance	Proposed Target	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR RECOMMENDATION OF LPI
LPI D3	Local Strategic Partnership Crime and Disorder Reduction Partnership	People feeling safe outside their door (LAA indicator). The development of the new Local Area Agreement has revealed that Essex residents display disproportionate levels of fear of crime compared to actual crime statistics, and this indicator measures the percentage of people saying they feel safe outside their door (HIGH).	No	53.00%	Year End (Place Survey)	N/A	The bi-annual Place Survey is led by the Epping Forest Local Strategic Partnership (LSP). Improvement against the results of the first survey (2008/09) will be compared by the LSP and, in respect of this indicator, by the Epping Forest Crime and Disorder Reduction Partnership.
LPI 42	John Gilbert	Percentage of households served by a kerbside collection of recyclables. This indicator measures the base with which households are able to recycle (HIGH)	No	95.00%	91.36	N/A	This former Best Value Performance Indicator is currently retained as an LPI. Although it remains important that the Council strives to expand the delivery of the recycling service to as many residents' households as possible, this resolution has generally been achieved. See proposed new LPI below.
NEW	John Gilbert	Issues raised and complaints received by the Environment and Neighbourhoods Team (Enviro Crime and Rapid Response) that are responded to within three working days (HIGH).	New	New	New	90.00%	Dealing with 'enviro-crime' is a key element of the corporate 'Safer, Cleaner, Greener' (SCG) initiative. The Response Vehicle is a key component of the SCG initiative and, as such, the time taken to respond to and deal with complaints and issues is of fundamental importance.
	John Gilbert	Implementation of formal containerised recycling facilities in flats and communal buildings. This indicator is intended to replace LPI 42 above (HIGH).	New	N/A	New	95.00%	The Council has met the former Best Value Performance Indicator (currently retained as LPI 42) through the provision of sack-based facilities for any resident who wishes to participate in recycling. This indicator takes this process further through the provision of formalised containerised solutions on a site basis.

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PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Finance and ICT

CURRENT LPI REFERENCE	RESPONSIBILITY	SUMMARY DEFINITION AND DIRECTION OF IMPROVING PERFORMANCE (HIGH/LOW)	RETAIN AS LPI YES / NO	2008/09 Target	Quarter 3 Performance	Proposed Target	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR RECOMMENDATION OF LPI
LPI 13	Bob Palmer	<i>Percentage of invoices paid within 30 days of receipt.</i> This indicator encourages the prompt payment of undisputed invoices for commercial goods and services (HIGH).	Yes	97.00%	98.00	97.00%	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR REMOVAL OF LPI: It is proposed to keep the overall target for 30 days at 97% as additional resource has been allocated to ensure local suppliers are paid within 20 days. A higher target could be set for all suppliers but this could obstruct the earlier payment of local suppliers.
LPI 14	Bob Palmer	<i>Percentage of Council Tax collected (cumulative).</i> This indicator monitors the rate of collection of Council Tax (HIGH).	Yes	98.50%	0.80	98.00%	The proposed target for this indicator for 2009/10 has been revised to take account of the lag in collection due to the IT system conversion. The conversion process delayed the recovery cycle for the fourth quarter of 2008/09 and this will have an impact on in-year collection as these accounts are managed through the process. There is also concern about more people being unable to pay in the current economic climate.
LPI 15	Bob Palmer	<i>Percentage of non-domestic rates collected (Cumulative).</i> This indicator monitors the rate of collection of NNDR (HIGH).	Yes	99.30%	0.82	98.20%	The lower target proposed for this indicator for 2009/10 follows the change in legislation on empty properties, which are now subject to a full charge instead of 50% or 100% reduction. This was intended to encourage owners to bring empty premises back into use, but is unlikely to succeed in a recession. The state of the economy has also made it more difficult to collect rates generally.
LPI 16	Bob Palmer	<i>Average time (days) for processing new benefit claims.</i> This indicator monitors the administration of Housing and Council Tax Benefit (LOW).	Yes	30.00	41.72	25.00	The ambitious target proposed for this indicator for 2009/10 reflects the determination of service management to overcome the difficulties experienced during 2008/09.
LPI 17	Bob Palmer	<i>Average time (days) for processing notification of changes of circumstance for benefit claims.</i> This indicator monitors the administration of Housing and Council Tax Benefit (LOW).	Yes	11.00	12.32	10.00	The ambitious target proposed for this indicator for 2009/10 reflects the determination of service management to overcome the difficulties experienced during 2008/09.
LPI 18	Bob Palmer	<i>Accuracy of processing benefit claims.</i> This indicator monitors the administration of Housing and Council Tax Benefit (HIGH).	No	N/A	N/A	N/A	The Finance and Performance Management Security Panel has previously agreed the deletion of this indicator.

PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Finance and ICT

LPI 23a.	Bob Palmer	Capital Projects Cost: This indicator measures the delivery of capital projects (LOW).	No	75.00%	Year End	N/A	Although this indicator provides important monitoring and trend information to support the management of the Council's property/assets, it is not considered relevant for retention as an LPI. The indicator is retained in the current Asset Management Plan where performance will continue to be monitored.
LPI 23b.	Bob Palmer	Capital Projects Time predictability: This indicator measures the delivery of capital projects (H/CH).	No	50.00%	Year End	N/A	Although this indicator provides important monitoring and trend information to support the management of the Council's property/assets, it is not considered relevant for retention as an LPI. The indicator is retained in the current Asset Management Plan where performance will continue to be monitored.

PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Housing							
CURRENT LPI REFERENCE	RESPONSIBILITY	SUMMARY DEFINITION AND DIRECTION OF IMPROVING PERFORMANCE (HIGH/LOW)	RETAIN AS LPI YES / NO	2008/09 Target	Quarter 3 Performance	Proposed Target	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR RECOMMENDATION OF LPI
LPI 04	Alan Hall	<i>Rent collected as a proportion of rents owed on housing revenue account dwellings. This indicator is a measure of a local authority's rent collection and arrears recovery service (HIGH).</i>	Yes	98.81%	98.12%	98.80%	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR REMOVAL OF LPI This is an important housing management indicator
LPI 05	Alan Hall	<i>Average number of days to re-let Council dwellings. This indicator measures the Council's housing management performance, as it is important that property re-let times are kept to a minimum in view of current pressures on social housing (LOW).</i>	Yes	49.00	47.00	45.00	This is an important area on which the Council needs to improve, and will be a key focus for the proposed appointment of a private repairs management contractor
LPI 06	Alan Hall	<i>Current rent arrears-as-proportion of rent toll. This indicator is a measure of the performance of the Council's housing rent collection and arrears recovery service (LOW).</i>	No	1.60%	2.14%	N/A	This indicator measures similar activity to LPI 04 and, in order to avoid duplication, can therefore be deleted.
LPI 07	Alan Hall	<i>Emergency repairs undertaken within target time (within 24 hours). This indicator is a measure of housing management performance, as it is incumbent upon the Council as landlord to ensure the upkeep of its dwellings and that repairs are completed on time (HIGH).</i>	Yes	99.00%	99.00%	99.00%	Although performance against this indicator is good, this will be one of the key measures that will be monitored for the proposed appointment of a private repairs management contractor
LPI 08	Alan Hall	<i>Urgent repairs undertaken within target time (within 5 working days). This indicator is a measure of housing management performance, as it is incumbent upon the Council as landlord to ensure the upkeep of its dwellings and that repairs are completed on time (HIGH).</i>	Yes	95.00%	87.00%	95.00%	This indicator measures an important area in which the Council needs to improve, and will be a key focus for the proposed appointment of a private repairs management contractor
LPI 09	Alan Hall	<i>Routine repairs undertaken within target time (within 6 weeks). This indicator is a measure of housing management performance, as it is incumbent upon the Council as landlord to ensure the upkeep of its dwellings and that repairs are completed on time (HIGH).</i>	Yes	95% (of 8 week target)	85% (of 8 week target)	90% (of 6 week target)	This is an important area on which the Council needs to improve, and will be a key focus for the proposed appointment of a private repairs management contractor. The proposed target for 2009/10 is 90% of a 6 week target response time, compared with 95% of an 8 week response time in 2008/09.
LPI 10	Alan Hall	<i>Satisfaction with repairs. This indicator is a measure of housing management performance, as it is incumbent upon the Council as landlord to ensure the upkeep of its dwellings and that repairs are completed on time and to the satisfaction of tenants (HIGH).</i>	Yes	98.00%	98.00%	98.00%	Although performance against this indicator is good, this will be one of the key measures that will be monitored for the proposed appointment of a private repairs management contractor

PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Housing							
CURRENT LPI REFERENCE	RESPONSIBILITY	SUMMARY DEFINITION AND DIRECTION OF IMPROVING PERFORMANCE (HIGH/LOW)	RETAIN AS LPI YES / NO	2008/09 Target	Quarter 3 Performance	Proposed Target	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR RECOMMENDATION OF LPI
LPI 11	Alan Hall	Average number of single homeless households placed in bed and breakfast accommodation. This indicator monitors progress towards reducing the number of households in temporary accommodation provided under homelessness legislation (LDM).	No	9.50	2.50	N/A	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR REMOVAL OF LPI Due to global homelessness prevention work, the numbers for this indicator are now quite low, although there will always be some households placed in bed and breakfast accommodation. All 156 measures has in all temp accommodation
LPI 12	Alan Hall	Affordable homes built and acquired (LMA Indicator). This indicator promotes an increase in the supply of affordable housing through the number of newly built affordable houses delivered. (HIGH)	No	45.00	14.00	N/A	Although this indicator is contained in the Essex Local Area Agreement for 2008-2011, it duplicates the information provided by National Indicator 155 and can therefore be deleted.

PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Planning & Economic Development

CURRENT LPI REFERENCE	RESPONSIBILITY	SUMMARY DEFINITION AND DIRECTION OF IMPROVING PERFORMANCE (HIGH/LOW)	RETAIN AS LPI YES / NO	2008/09 Target	Quarter 3 Performance	Proposed Target	JUSTIFICATION OF RECOMMENDATION OF LPI
LPI 43	John Preston	<i>Completion of Local Development Scheme. This indicator ensures that local planning authorities plan effectively for their areas (N/A).</i>	No	Yes	Year End	N/A	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR REMOVAL OF LPI This former Best Value Performance Indicator related to the original submission of all local development Schemes and is not relevant now. appropriate for retention as an LPI.
KPI/LPI 44	John Preston	<i>Achievement of milestones within Local Development Scheme. This indicator ensures that local planning authorities plan effectively for their areas (N/A).</i>	Yes	Yes	No	Yes	Given the corporate importance of the Local Development Framework, the Local Development Scheme milestones contribute to the Council's corporate priorities. Indicator definition to reflect Local Development Scheme milestones to be developed by the Director of Planning and Economic Development.
LPI 45	John Preston	<i>Number of appeals allowed against refusal of planning applications, as percentage of the total number of appeals against refusals. This indicator seeks to assess the levels of applications that may be refused in order to meet development control performance targets (LOW).</i>	Yes	25.00%	36.92%	25.09%	The proposed target for this indicator for 2009/10 represents the most up to date district top quartile position (2007/08) for this former Best Value Performance Indicator.
LPI 46	John Preston	<i>Percentage of Conservation Areas with up to date character appraisals. This indicator ensures that planning decisions are based on informed understanding of the special character and needs of local areas (HIGH).</i>	No	16.00%	16.00%	N/A	Although this indicator records the Council's management of Conservation Areas, it is not considered relevant for retention as an LPI and will be transferred to the Planning and Economic Development Business Plan for 2009/10, where performance will continue to be monitored.

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PROPOSED LOCAL PERFORMANCE INDICATORS 2009/10

Internal Audit

CURRENT LPI REFERENCE	RESPONSIBILITY	SUMMARY DEFINITION AND DIRECTION OF IMPROVING PERFORMANCE (HIGH/LOW)	RETAIN AS LPI YES / NO	2008/09 Target	Quarter 3 Performance	Proposed Target	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR RECOMMENDATION OF LPI
LPI 19	Joe Akerman	Percentage of audit projects completed. This indicator monitors the effectiveness of the Council's Internal Audit function (HIC3).	No	90.00%	65.00%	90.00%	JUSTIFICATION OF RESPONSIBLE DIRECTOR FOR REMOVAL OF LPI Although this indicator records the performance of the Internal Audit Unit, it is not considered relevant for retention as an LPI and will be transferred to the Internal Audit Unit Business Plan for 2009/10, where performance will continue to be monitored by the Audit and Governance Committee.
LPI 20	Joe Akerman	Productive audit time. This indicator monitors the effectiveness of the Council's Internal Audit function (HIC3).	No	70.00%	72.00%	72.00%	Although this indicator records the performance of the Internal Audit Unit, it is not considered relevant for retention as an LPI and will be transferred to the Internal Audit Unit Business Plan for 2009/10, where performance will continue to be monitored by the Audit and Governance Committee.
LPI 21	Joe Akerman	Internal Audit customer satisfaction. This indicator monitors the effectiveness of the Council's Internal Audit function (HIC3).	No	83.00%	87.00%	85.00%	Although this indicator records the performance of the Internal Audit Unit, it is not considered relevant for retention as an LPI and will be transferred to the Internal Audit Unit Business Plan for 2009/10, where performance will continue to be monitored by the Audit and Governance Committee.
LPI 22	Joe Akerman	Average cost per productive audit day. This indicator monitors the effectiveness of the Council's Internal Audit function (HIC3).	No	£320.00	£298.00	£320.00	Although this indicator records the performance of the Internal Audit Unit, it is not considered relevant for retention as an LPI and will be transferred to the Internal Audit Unit Business Plan for 2009/10, where performance will continue to be monitored by the Audit and Governance Committee.

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Report to: Finance and Performance Management Scrutiny Panel

Date of Meeting: 31 March 2009



Portfolio: Finance and Performance Management

Subject: Equality and Diversity - Progress Report 2008/09

Officer contact for further information: S. Tautz (01992 564180)

Democratic Services Officer: A. Hendry (01992 564246)

Recommendations/Decisions Required:

That current progress in relation to the development and implementation of the Council's approach to Equality and Diversity issues be noted.

Executive Summary:

1. (Deputy Chief Executive) At its meeting on 28 March 2008, the Scrutiny Panel received a comprehensive report on the Council's progress towards meeting its statutory equality duties.
2. The Council's Performance Improvement Unit (PIU) is responsible for equality and diversity issues. As a result of establishment vacancies and the transfer of staff resources out of the PIU following the corporate restructure in 2008, limited progress on equality and diversity issues was made over the first half of 2008/09. However, the PIU is now fully staffed and this report details current progress on various matters, and proposals for further action.

Reasons for Proposed Decision:

3. The Council is responsible for the development and coordination of an approach to its statutory equality duties, particularly in relation to the specific responsibility for promoting equality and diversity.

Other Options for Action:

4. None. The Council is statutorily required to carry out a range of equality and diversity activities.

Report:

Background:

5. Local authorities and other public bodies are currently subject to a range of duties to promote equality and diversity in respect of the race, disability and gender equality strands. The Council has developed Equality Strategies for each of these areas, progress against which was considered by the Scrutiny Panel in March 2008.

6. In the Queens Speech in December 2008, the Government announced a new Equality Bill which is due for introduction in 2010. The Equality Bill extends the range of groups covered by equalities legislation from race, disability and gender, to include age, faith/belief, sexual orientation, and gender reassignment. The Bill also introduced a single new equality duty for public bodies, which requires them to tackle discrimination, promote equality of opportunity and encourage good community relations across all seven equality strands.

7. The Council currently measures its equality performance against the Equality Standard for Local Government (ESLG), through a local performance indicator. The Equality Standard is a tool designed to enable local authorities to mainstream equality and to ensure that discriminatory barriers are identified and removed. The ESLG has helped to make equality an integral part of service delivery. To reflect recent demographic changes and emerging thinking on the nature of equality and diversity, a revised equality standard known as the Equality Framework for Local Government (EFLG) is to be introduced in April 2009.

8. The EFLG takes account of criticisms that the former standard was too process orientated, unnecessarily resource intensive and therefore burdensome. The EFLG has simplified the measurement of equality performance by reducing the previous five levels of attainment down to three, encouraging a proportional approach, and favouring critical self-assessment rather than external auditing. The EFLG also adopts the practical definition of equality as used in the 2007 Equality Review of 'equal life chances for all'. This overcomes the limitations of traditional interpretations of equality and focuses on what really matters to people, whilst recognising that people have different needs and that some may need more or different resources to have access to the same outcomes as others.

9. The Council has currently attained Level 2 of the ESLG, which equates to the 'Emerging' first level of the new framework. Performance to date on the ESLG will automatically count towards the new EFLG, and the simplification of the standard has the potential to bring the next level of the standard, that of 'Achieving', within the grasp of the authority and work to progress this will take place accordingly. The local performance indicator that measures the Council's equality performance has been retained for 2009/10, as part of a proposed suite of 'key' performance indicators for the year.

Comprehensive Area Assessment and Use Of Resources

10. Equality, diversity and human rights are likely to be integral to the Comprehensive Area Assessment process to be introduced from April 2009, informing ambitions for:

- (a) better outcomes for individuals, families and communities, including tackling unequal outcomes;
- (b) stronger and more cohesive communities; and
- (c) better understanding of the needs and aspirations of communities, including the differing needs and life chances of individuals, families and communities and the barriers to equality.

11. Equality and diversity considerations are also mainstreamed in the methodology for the new Use Of Resources (UoR) assessment. From 2009/10 there are no explicit equality Key Lines of Enquiry (KLoE) for the assessment, and equality issues have been integrated across all themes. For example, there will be an expectation that the Council can demonstrate that it has taken account of the equalities profile of the local community when identifying priorities.

12. The new UoR methodology requires that equality good practice is embedded and showing outcomes. Use of the EFLG should assist the Council to demonstrate relevant and robust evidence to support the equality aspects of both CAA and UoR.

Equality Impact Assessments

13. In 2005 the Council implemented its Equality Impact Assessment (EqIA) programme according to the requirement to monitor policies for any adverse impact on the promotion of race equality, as required by the Race Relations (Amendment) Act 2000. In early 2008 work was done to ensure that EqIAs were undertaken for new policies or functions, and progress in this respect was also considered by the Scrutiny Panel in March 2008.

14. EqIAs are required to be reviewed every three years, and a programme for this exercise is currently being developed. Although the timing for the repeat of the original EqIAs has slipped as a result of the capacity issues identified at paragraph 2 of this report, it is intended that this exercise will be taken forward over the next few months.

15. In order to help meet the requirements of CAA, the EFLG and in order to address its responsibilities under the Equality Bill, the Council's EqIA toolkit has been revised to ensure that it can provide maximum value. The revised toolkit has recently been agreed by the Corporate Executive Forum (CEF), and is currently being subject to CEF piloted in several service areas, prior to being rolled out across the authority.

16. In line with the objective of mainstreaming equality into the authority and therefore service provision, the EqIA enlists the knowledge and input of staff actively engaged in providing services. Relevant staff training in the EqIA process is being provided, using service specific examples and performance orientated language to convey the message, followed up with active support and guidance in the completion of EqIAs. Arms length support is provided by the PIU on an ongoing basis where necessary, however it is anticipated the intensive initial support would assist relevant staff to become knowledgeable and confident with the process in order to take it forward.

Corporate Equalities Action Plan

17. The Corporate Equalities Action Plan (CEAP) supports the Council's existing key equality documents, including the EqIA process, and sets out key corporate equality responsibilities, objectives and actions. The CEAP was reviewed by the Scrutiny Panel in March 2008, and contains a number of actions that are being taken forward with the endorsement of CEF.

- (a) An Equalities Working Group (EWG) is to be established of Assistant Directors or managers from across the authority to provide support to Directors in implementing the CEAP and thereby progressing the overall equality agenda. The EWG will be engaged in the following equality activities:
 - 'equality mapping' the organisation's plans and activities and identifying equality mainstreaming, for service improvement and CAA purposes;
 - monitoring and reviewing the EqIA cycle;
 - ensuring that EqIAs are subject to 'reality checking' with service users;
 - supporting staff with EqIA process;
 - promoting the message that diversity is everyone's responsibility;
 - sharing best practice and community intelligence; and
 - providing support to an equality staff group.
- (b) Impact Assessments for proposed new policies The CEAP identifies the need to produce procedures and guidance to ensure impact assessments and formal consultation are carried out for relevant proposed policies and the outcomes reported before decisions are made and published. Formal requirements for the 'identification' of equality implications on all Cabinet and Overview and Scrutiny reports were introduced in May 2008. Case law (Kaur and Shah v London

Borough of Ealing - July 2008) has ruled that in relation to race, it is illegal to introduce a policy without having conducted an EqlA. With this in mind, the relevant Agenda Planning Groups led by the Chief Executive and Deputy Chief Executive will in future take a more robust approach to ensuring that all reports identify relevant equality implications, and that EqlAs are undertaken prior to the consideration of reports by the Cabinet and the Overview and Scrutiny Committee and Panels where necessary;

- (c) An equalities staff group is to be created to provide an opportunity for minority or disadvantaged groups or members of staff across the seven equalities strands to engage with the Council as an employer in relation to equality issues. Staff equality focus groups have been identified as good practice, and the new UoR methodology requires the Council to demonstrate that it operates positive diversity practices, and receives positive feedback by staff on workforce diversity. The staff group will be a source of information and advice for the Council, helping to develop initiatives and to progress positive change, and will provide an opportunity for personal development for staff, making available a supportive environment to address issues of concern and to create opportunities to learn about the equalities agenda. Interest in participation in the focus group will be sought from amongst those staff who have declared themselves to have a disability, and the group would be supported as necessary by the PIU.

Disability and Gender Equality Schemes

18. A Consultative Group comprising local people with disabilities was formed in respect of the Council's Disability Equality Scheme (DES) met regularly throughout 2007/08 in order to progress the development of an action plan for the Scheme. As a result of the previous staffing position within the PIU, little progress has been made in this respect, although the Consultative Group was reconvened during early March 2009 to consider a draft action plan drawing together a number of issues raised to date. The terms of reference and membership for the group are to be revised in line with the proposed new legislation to embrace the new general duty, to facilitate the similar development of an action plan for the Council's Gender Equality Scheme.

Disability Awareness Day

19. Every year December 3 is observed as the International Day of Disabled Persons, and is intended to promote understanding about disability issues and to increase awareness. Stemming from The United Nations General Assembly's Programme on Disability, the programme aims to do a number of things including promoting equal access to employment, education, information, goods and services, and advancing the rights and protecting the dignity of persons with disabilities. In 2008 a number of local authorities around the eastern region hosted disability awareness raising events in conjunction with the voluntary sector, and it is intended to investigate the holding of a similar type of event for the Epping Forest District in 2009 to promote awareness and services for the disabled. Local recognition of the International Day of Disabled Persons could provide the following advantages to the authority, its employees and the local community:

- (a) an opportunity to work towards meeting the General Duty under the new Equalities Bill;
- (b) an opportunity to promote council services for the disabled;
- (c) an opportunity to promote services within the voluntary sector for the disabled;
- (d) an opportunity to raise awareness within the council regarding disability equality;
- (e) an opportunity to promote the local government employer brand to under-represented groups; and
- (f) to meet specific actions in the Corporate Equality Action Plan around improving the impact and accessibility of the Council's services.

20. Further details of the Council's for recognising the International Day of Disabled Persons in December 2009 will be published in the Members' Bulletin.

Equality Monitoring

21. The Council is required to monitor its policies and functions for any adverse impact on the promotion of equality. Effective monitoring is seen as key to keeping track of how a policy is working, for example how different groups are affected by a service, how often and why people use a service, experience enforcement or legal action, or make complaints, and the nature of those complaints. In addition to these service-related monitoring requirements, the Council is also under a statutory duty to monitor employment outcomes concerning the numbers of people who:

- (a) are in post, or who make applications for employment, training and promotion;
- (b) receive training or performance assessment procedures;
- (c) are involved in grievance procedures or subject to disciplinary procedures; and
- (d) cease employment with the authority.

22. This employment monitoring information is to be published annually. In order to ensure consistency in the collection of monitoring information, and to comply with data protection requirements, the Council's Equality Monitoring Policy covers each of the equality strands. It is sensible to combine the various monitoring requirements in one overall process in order to avoid duplication.

23. The Council's equality monitoring report was last considered by the Scrutiny Panel in March 2008. The next report is to be produced by the Director of Corporate Support Services in June 2009, to cover 2007/08 and 2008/09 and provide two full comparative data for two full years. The report will be made to the Scrutiny panel early in the next municipal year, and thereafter will be reported each April/May.

24. The Scrutiny Panel is requested to note current progress in relation to the development and implementation of the Council's approach to the range of Equality and Diversity issues set out in this report.

Resource Implications:

The achievement of the Council's corporate equality responsibilities can currently be met from within existing resources.

Legal and Governance Implications:

There are no legal implications or Human Rights Act issues arising from this report, which seeks to ensure the development and coordination of a corporate approach to the Council's statutory equality duties, particularly in relation to the specific responsibility for promoting equality and diversity.

Safer, Cleaner and Greener Implications:

There are no legal implications arising from this report in respect of the Council's commitment to the Nottingham Declaration for climate change, the corporate Safer, Cleaner and Greener initiative, or any Crime and Disorder issues within the district.

Consultation Undertaken:

The actions proposed in this report have been reviewed and considered by the Corporate Executive Forum and Management Board. The Council's current approach to disability equality has been endorsed by the Disability Equality Consultative Group.

Background Papers:

None.

Impact Assessments:

There are no risk management issues arising from this report. This report seek to ensure the development and coordination of a corporate approach to the Council's statutory equality duties, particularly in relation to the specific responsibility for promoting equality and diversity.



Report to the Finance and Performance Management Scrutiny Panel

Date of meeting: 31 March 2009

Portfolio: Finance and Performance Management

Subject: Value For Money Strategy - Review

Responsible Officer: S. Tautz (01992 564180)

Democratic Services Officer: G. Woodhall (01992 564470)

Recommendations/Decisions Required:

- (1) That the Council's draft Value For Money Strategy for 2009 to 2012 be adopted; and**
- (2) That arrangements for annual scrutiny of the Council's Value For Money performance be agreed.**

Executive Summary:

1. (Deputy Chief Executive) The Council is required, under the Local Government Act 1999, to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The relationship between economy, efficiency and effectiveness is often defined as 'Value For Money'.

2. The Council's Value For Money (VFM) Strategy was first adopted in 2006, and has recently been reviewed in light of the completion of the detailed 'Value For Money Review' of the Council's costs and performance, which was undertaken during 2008 in light of the Audit Commission's concern at the level of costs identified in its Use of Resources Judgement for 2006/07. A presentation of the findings of the VFM Review was made to the Finance and Performance Management Cabinet Committee in August 2008 and a copy of the detailed report arising from the review has been placed on deposit in the Members' Room.

3. Scrutiny of the Council's VFM performance has traditionally been undertaken by the Scrutiny Panel, through the development of a VFM analysis tool. The purpose of the analysis tool has been to provide an initial indicator of the relationship between the Council's service costs and performance, in order to identify areas where further more detailed and targeted analysis or improvement activity may be required.

Reasons for Proposed Decision:

4. The VFM Strategy sets out the Council's overall approach to ensuring the provision of value for money services. The revised version of the Strategy builds upon the work undertaken as part of the corporate VFM Review in 2008, as a result of which improvements are also proposed to existing arrangements for the annual scrutiny of the Council's VFM performance.

Other Options for Action:

5. None. The VFM Strategy seeks to bring together best practice within the Council in terms of the provision of value for money services. Failure to identify arrangements for securing and improving value for money might mean that opportunities for improvement are lost, and may adversely affect the reputation of the authority.

Report:

Value For Money Strategy 2009-2012

6. The Council's VFM Strategy was first adopted in 2006, and has recently been reviewed by the internal Use Of Resources Working Party. VFM is defined as the relationship between economy, efficiency and effectiveness (i.e. the value chain).

- Economy is the price paid for what goes into providing a service – for example, the cost per hour of a refuse collector or the rent per square metre of accommodation;
- Efficiency is a measure of productivity – how much you get out in relation to what is put in. For example, the number of Housing Benefit applications processed per worker per week or the number of Council homes maintained per £1,000 spent; and
- Effectiveness is a measure of the impact achieved and can be quantitative or qualitative. For example, the number of planning applications processed (quantitative) and satisfaction levels amongst different sections of the community with street cleansing standards (qualitative).

7. VFM is the perception of persons' paying for goods and/or services that the goods and/or services received were worth the price paid. A number of factors may be considered in assessing whether VFM is achieved including suitability, quality, whole life costs and the relationship between economy, efficiency and effectiveness. VFM is high when there is an optimum balance between economy, efficiency and effectiveness i.e. relatively low costs, high productivity and successful outcomes.

8. The achievement of VFM is central to the delivery of quality services, improved outcomes for citizens and businesses and continuous improvement. The Comprehensive Performance Assessment process placed great emphasis on the delivery of VFM through the annual Use of Resources judgement, and VFM will be equally central to Comprehensive Area Assessment when introduced from 1 April 2009.

9. The Council has had a robust and integrated approach to VFM for many years. This has included a whole series of arrangements, including devolving budgets to service managers, comprehensive benchmarking and cost comparison arrangements, a track record of outsourcing/market testing, an effective Procurement Strategy and investment in new technology to deliver service improvements and efficiencies. In addition, a corporate 'VFM Review' was undertaken in 2008 through an analysis of information available from a variety of sources (including cost and performance data published by the Audit Commission), in order to reach an overall conclusion on the provision of VFM by the Council. An annual review of the Council's VFM performance is also undertaken by the Finance and Performance Management Scrutiny Panel, and best practice suggests that the Council should articulate these activities in the form of a coherent and consistent strategy, to be applied across the Authority.

10. The revised version of the Council's VFM Strategy 2009-2012 is attached as Appendix 1 to this report, and sets out the framework for how VFM will be approached across the Council over the next three years. The Strategy assigns responsibility for VFM across every level of the Authority, and incorporates an action plan, progress against which it is

intended will be monitored by the Committee on a six-monthly basis. The Strategy will also contain details of the Council's key performance indicators for each year, a report on which will be found elsewhere on the agenda for this meeting.

Value For Money Performance Analysis

11. The VFM Analysis Tool was originally developed as a means to better understand the Council's unit costs for individual services, and how they related to performance and compared with other organisations. The analysis has previously been recognised as a model of good practice by the Audit Commission.

12. The purpose of the VFM analysis is only to provide an initial indicator of the relationship between service costs and performance, to identify areas where further more detailed and targeted analysis may be required, and which may then lead to a need for some form of corrective action or additional resource allocation. The first results of the analysis (for 2006/07) were considered by a Sub-Group of the Scrutiny Panel, as a result of which a specific Task and Finish Panel was established to consider the provision of VFM within the Council's planning functions. The Scrutiny Panel will be aware that the sub-group has also recently considered the analysis for 2007/08 and, as a result, progress reports in relation to a range of ongoing issues with major VFM implications will be found elsewhere on the agenda for this meeting.

13. In order to improve these existing arrangements for the annual scrutiny of the Council's VFM performance, it intended to refocus the analysis to concentrate in future on the use of the national cost and performance information published by the Audit Commission through its VFM Profile tool, supported by relevant commentaries from service directors. The corporate VFM Review adopted this approach to cost comparison, and proved useful in benchmarking the Council's costs and performance with other authorities, as it is based on a consistent set of data returns across all local authorities. The VFM Profile Tool facilitates comparison with pre-defined and bespoke local authority groupings in order to determine relative 'rankings'. It is intended that future analysis of the Council's cost performance should focus on comparisons with its 'nearest neighbour' authorities (those that are geographically and demographically similar), and the district and borough councils across Essex, in order to gain meaningful benchmarking information.

14. The Audit Commission's VFM Profile tool is updated during late February/early March each year. In order for the Council's own annual VFM analysis to be developed from this tool, it will be necessary to defer the Scrutiny Panel's traditional consideration of the authority's cost and performance information from late in each calendar year to the early part of each municipal year. However, this approach will allow members to receive more up to date cost information than has previously been the case. The Scrutiny Panel may therefore wish to agree arrangements for the consideration of the VFM analysis, and the composition of any necessary sub-group, as part of the formulation of its work programme for each year.

15. The Scrutiny Panel is requested to agree the Council's draft Value For Money Strategy for 2009 to 2012, and proposed arrangements for the annual scrutiny of the Council's VFM performance. This report was considered by the Finance and Performance Management Cabinet Committee at its meeting on 16 March 2009, and the draft Value Strategy and proposed arrangements for future VFM scrutiny were agreed, subject to the concurrence of the Panel.

Resource Implications:

It is considered that the budget and human resource implications of the implementation of the draft Value For Money Strategy and the on-going review of the Council's Value For Money performance can be met from within existing resources.

Legal and Governance Implications:

VFM is a key component of the annual Use of Resources judgement, and will be equally central to Comprehensive Area Assessment when introduced from 1 April 2009. Failure to identify arrangements for securing and improving value for money might mean that opportunities for improvement are lost, and may adversely affect the reputation of the authority.

Safer, Cleaner and Greener Implications:

There are no direct implications arising from the implementation of the draft Value For Money Strategy and the on-going review of the Council's Value For Money performance for the Council's commitment to the Nottingham Declaration for climate change, the corporate Safer, Cleaner and Greener initiative, or any Crime and Disorder issues within the district.

Consultation Undertaken:

The draft Value For Money Strategy has been developed by the Use Of Resources Working Party and has been agreed by Management Board. Revised arrangements for the on-going review of the Council's Value For Money performance have been considered by the Finance and Performance Management Scrutiny Panel.

Background Papers:

A copy of the Corporate VFM Review undertaken in 2008 has been placed on deposit in the Members' Room. The achievement of VFM is central to the published frameworks for the Use of Resources and Comprehensive Area Assessments for 2009.

Impact Assessments:

The lack of a coherent approach to VFM could lead to wasteful effort or an under-appreciation of the more strategic implications of taking forward particular initiatives.

**VALUE FOR MONEY
STRATEGY
2009-2012**

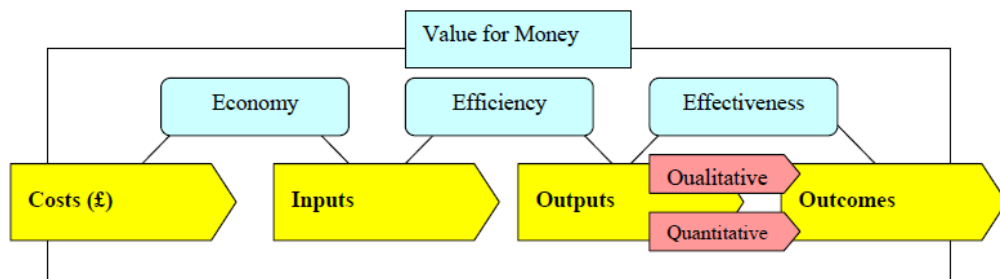
March 2009

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1. BACKGROUND

- 1.1 It is important that the Council has a good understanding of the inter-relationship between its performance and its costs, and that it uses this information to make sound strategic and policy decisions. This Value for Money Strategy sets out the Council's approach to ensuring that it provides value for money over the next three years (2009-2012). The action plan within the Strategy will be subject to a review of progress every six months by the Finance and Performance Management Scrutiny Panel.
- 1.2 The Audit Commission undertakes an annual Use of Resources assessment to evaluate how well councils manage and use their financial resources. The assessment focuses on the importance of having sound and strategic financial management to ensure that resources are available to support and improve Council services. This assessment is based upon national 'Key Lines of Enquiry' (KLoEs), for which value for money is a key component. This national framework provides the basis for the Council's actions to improve its performance in relation to value for money.
- 1.3 The Audit Commission has long defined value for money as the relationship between economy, efficiency and effectiveness and consideration of these aspects runs throughout the use of resources framework. Value for money is about obtaining the maximum benefit over time with the resources available. It is about achieving the right local balance between economy, efficiency and effectiveness or, spending less, spending well and spending wisely to achieve local priorities for services. Value for money is high when there is an optimum balance between all three elements.



- 1.4 The Audit Commission also acknowledges that value for money can be achieved in different ways and is also specific to different contexts, and a key component in assessing effectiveness is relevance to and impact on local priorities. What is value for money for one organisation, or locality, may not be the same for another.
- 1.5 The Council continues to operate a sound well-established approach to the achievement of value for money. In order to achieve value for money and to focus resources on its main priorities, the Council's Vision and Medium Term Priorities are set out within the Council Plan 2006-2010. A new Council Plan will be developed during 2009/10 and will be subject to extensive consultation with local residents, partner organisations and other stakeholders.
- 1.6 Further scope for linking resource allocation to priorities and performance and maximising value for money in the Council's use of resources is achieved through the inclusion of value for money as a mandatory element of the

Council's business planning process. Value for money is required to be addressed as a standing item in all Business Plans, and the agenda of meetings of individual service management teams.

2. POLICY STATEMENT

- 2.1 The Council recognises its responsibilities as a custodian of public funds to strive for value for money in the delivery of services.
- 2.2 The Council seeks to achieve and where possible improve value for money by ensuring that:
- costs compare well with other local authorities, and where appropriate other sectors, allowing for external factors;
 - costs are commensurate with service delivery, performance and outcomes achieved;
 - costs reflect policy decisions;
 - performance in relation to value for money is monitored and reviewed;
 - efficiency gains are achieved;
 - full long term costs are taken into account when making procurement and other spending decisions; and
 - external funding and partnership opportunities are sought in order to enhance funding for the Council.
- 2.3 This Value For Money Strategy sets out the Council's approach to value for money and methodology in achieving these aims for the period from 2009 to 2012, including the responsibilities of members and officers for the delivery of value for money. The Action Plan will be reviewed for each year of the Strategy, and progress in achieving specific actions and targets will be reviewed by the Finance and Performance Management Scrutiny Panel on a six-monthly basis.

3. VALUE FOR MONEY REVIEW 2007/08

(a) Background

- 3.1 In order to reinforce the Council's commitment to value for money, it completed a detailed corporate 'Value For Money Review' in 2008 to explore the facts that underlie the Audit Commission's views on the provision of value for money by the Council, and in order to reach an overall conclusion on the Council's provision of value for money. The purpose of the review was to :
- examine and comment on the Council's costs, as stated in the Audit Commission's Value For Money Profile Tool, and how they compared with other local authorities in comparator groups;
 - examine and comment on the Council's performance in respect of the performance data within the Audit Commission's Value For Money Profile Tool;
 - reach conclusions on the Audit Commission's value for money assessment of the Council;
 - consider the nature and limitations of the comparative data, particularly issues that could significantly affect the data and the Council's ranking;

- assess Council Tax levels, considering how they compare with other councils and the value for money provided by the Council from the 'citizen's perspective'; and
- consider the most cost effective future strategy to continuously improve value for money in terms of reduced costs, higher performance, or both.

3.3 The Value For Money Review raised a number of concerns about the accuracy and reliability of comparing the Council's costs with other councils using the Audit Commission's Value For Money Profile Tool. Some of these concerns were:

- a lack of commentary surrounding the data on the Commission's website to assist councils in understanding it;
- the use of net costs as a basis for the Commission's data rather than gross expenditure, thereby distorting the true cost of council services by masking costs with income;
- significant differences between local authorities in the comparator groups, which not only affected the overall net cost of services but also the comparisons between services; and
- reliance by the Commission on poor quality data when making comparisons between, and rankings of, local authorities.

3.4 As a result of the Value For Money Review, the Council concluded that:

- it is very important that the Council strives to continuously improve value for money;
- the Council agrees with the Audit Commission's comment in 2008 that its overall net costs 'are higher than comparable councils', but that the Council's perceived costs are artificially high for a number of reasons and the Council's ranking is therefore adversely affected;
- the Council knows where its costs are high compared with other councils and understands the reasons, but despite these higher costs the Council's council tax is very low and will remain low for at least the next three years;
- although the Council's net costs are comparatively high, there is no need to reduce overall costs, rather, there is a need to improve the Council's overall performance and the performance in specific areas;
- the Council will continue to seek and implement efficiency gains and reduce costs at service levels where possible. It will then, rather than reduce overall costs, continue to re-invest the savings in a targeted way to help further improve performance; and
- to justify the Council's level of spend, and the re-investment of efficiency gains, the Council must improve its performance.

3.5 These conclusions, mirror some of the key principles which underpin the Audit Commission's approach to Value for Money (as stated in the 2008/09 Audit Commission "Use Of Resources: Guidance For Auditors – 3.5 Value For Money in the use of resources"), namely:

- where possible to look at gross costs, as net costs can mask high spending if income is also high (balancing value for money for the whole community with charging levels that do not represent a barrier to people using the service);

- costs alone do not reflect value – local context and quality of service need to be taken into account in arriving at value for money judgements;
- numerical data on costs and performance provide a starting point for questions, not answers; and
- value for money judgements need to allow for local policy choices (within a national policy context) about priorities and standards of service

(b) The Council's Approach To Council Tax Levels

- 3.7 The Council's Medium-Term Financial Strategy is based on maintaining a policy of Council Tax increases of no more than 2.5% and remaining a low tax council. This means that the Council is able to deliver the full range of statutory services, and a wide range of discretionary ones, within a very low precept. This is possible due to the Council's healthy financial position.
- 3.8 There are a number of reasons why the Council is able to set such a comparatively low Council tax, including:
- good financial management;
 - the Council's debt free status;
 - relatively high exchequer support;
 - General Fund balances; and
 - Efficiency gains.
- 3.9 It is the Council's view that, from the perspective of the Council Tax payer, the Authority provides good value for money.
- 3.10 As a result of the Council's healthy financial position it does not have an immediate funding problem, however, there is a need in future years to identify savings. Therefore, there is no reason or need to reduce the Council's overall net expenditure on services, in order to simply reduce the overall cost of General Fund services.

(c) Future Focus Of The Council's Value For Money Strategy

- 3.11 It remains very important that the Council strives to continuously improve value for money. However, the Value For Money Review established that:
- although the Council's net costs are comparatively high (using the Audit Commission's Value For Money Profile Tool), there is no need to reduce the Council's overall costs;
 - however, there is a need to improve the Council's overall performance and the performance in specific areas.
- 3.12 The Council has concluded that it will continue to seek and implement efficiency gains, and reduce costs at service levels where possible. Rather than reduce costs, it will then continue to re-invest the savings in targeted ways, to help improve performance further.

(d) Findings For Future Action

- 3.13 Having regard to the Value For Money Review, on an annual basis the cost comparison information as derived from the Audit Commission's Value For

Money Profile Tool, is to be updated and reported, with any identifiable actions from the exercise to be monitored on an ongoing basis.

4. THE COUNCIL'S VALUE FOR MONEY METHODOLOGIES

4.1 The Council has a number of different methodologies and structures that it employs to deliver and promote value for money. These include:

- the Council has identified Use Of Resources, including value for money, as a key priority and has established a corporate officer-level Use Of Resources Working Party to progress the Council's approach to Use Of Resources and to ensure value for money in the services the Council provides;
- on an annual basis the Finance and Performance Management Scrutiny Panel compare and consider Council costs and performance, as detailed in the annual Value For Money Review, with a view to making recommendations for action to the Overview and Scrutiny Committee;
- value for money, including benchmarking, is a key element of the Authority's annual business planning process;
- reviews by Overview and Scrutiny examine and challenge services and costs and include consideration of value for money issues;
- the annual Internal Audit Plan ensures a variety of value for money related issues are addressed and all studies undertaken by the Internal Audit Unit incorporate a value for money element where appropriate;
- the Council continues to allocate overheads as fully as possible and guidance produced by the Director of Finance and ICT assists in the allocation of overheads within individual service budgets;
- the Council has joined the Essex Procurement Hub which has delivered a number of cost savings and is a cost effective way of obtaining expert procurement advice leading to increased value for money. Example areas of savings include the waste management contract, IT hardware, lease cars and the next stage will be the enforcing of the agreed framework of the Hub;
- the Council has adopted a corporate level approach of separating ongoing General Fund expenditure (Continuing Services Budget (CSB)) from expenditure on one-off projects (District Development Fund (DDF)). Growth in the CSB or DDF is subject to a value for money evaluation process;
- capturing annual efficiency gains identified under the Gershon regime; and
- annual improvement plans are produced for each of the Council's Key Performance Indicators which contain details of service costs wherever possible and feed into the annual development of Directorate Business Plans.

5. MEMBER LEVEL RESPONSIBILITIES

(a) Executive Functions

5.1 On an annual basis, the Cabinet (and, as appropriate, Portfolio Holders) will:

- determine relevant key priority objectives for the following year;
- consider the outcomes of the annual consultation exercise of partners and stakeholders when setting spending levels for the budget;

- allocate resources in line with agreed budget priorities, taking into account performance;
 - plan actions and allocate resources in the light of agreed priorities, identified community issues, deprivation indices and customer consultation feedback;
 - set targets for cost reductions and efficiency gains;
 - agree the annual efficiency plan; and
 - review any savings produced through the Procurement Strategy.
- 5.2 The Cabinet will also review the allocation and use of resources on an on-going basis, especially when making policy decisions, to ensure value for money.
- 5.3 The Finance and Performance Management Cabinet Committee may also undertake some of these functions as directed by Cabinet.

(b) Overview and Scrutiny Functions

- 5.4 The role of Overview and Scrutiny will be to compare and assess performance and associated costs.
- 5.5 On an annual basis the Overview and Scrutiny Committee will:
- establish and monitor a work programme for the year ahead, which may include reviews of service areas via the Task and Finish Panel framework. One of the aims of any review undertaken will be to ensure that unit costs and performance are compared, scrutinised and improved where appropriate; and
 - receive reports on any reviews undertaken and make recommendations to Cabinet.
- 5.6 The Finance and Performance Management Scrutiny Panel will carry out the scrutiny of the Council's performance and costs, consisting of:
- the monitoring of performance against Key Performance Indicators (KPIs) for each year, on a quarterly basis;
 - consideration of local unit cost information, compared to national/regional/local benchmarks and links to performance indicators where appropriate, through an annual cost and performance analysis; and
 - the monitoring of progress with key capital and revenue projects in terms of both financial and operational issues, on a quarterly basis.

6. OFFICER LEVEL RESPONSIBILITIES

(a) Corporate Executive Forum

- 6.1 On a quarterly basis the Corporate Executive Forum (CEF) will carry out the following tasks:
- scrutinise performance information for the KPIs; and
 - consider progress with the identified key capital projects, on both a budgetary and operational basis.
- 6.2 On an annual basis CEF will:

- scrutinise performance information for all performance indicators;
- review the Council's Value For Money framework by considering key unit cost and quality indicators (derived from the Audit Commission's VFM Profile Tool), and the Council's performance with reference to benchmark groups, surveys etc; and
- provide a strategic steer for Members and officers on the development of the Council's priorities and associated value for money/performance management considerations, taking into account quality and cost.

6.3 On an ongoing basis CEF will:

- through the Cabinet Agenda Planning Group, ensure that full and accurate cost information is included in reports to the Cabinet, to ensure the proper alignment of resources with priorities; and
- ensure that appropriate processes are in place to secure high standards of data quality, as laid down in the Council's Data Quality Strategy, which is reviewed annually.

(b) Service Directors

6.4 On a quarterly basis Directors will:

- provide performance indicator information to CEF and members, reviewing performance and taking corrective action as necessary. This will follow a critical review of all Performance Indicator information with service managers in order to agree any required action to be taken as a result;
- review their budget expenditure, ensuring that resources are prioritised to key areas, and that budgetary performance is understood;
- identify and quantify any efficiency gains that have arisen in the previous quarter and identify any opportunities for future efficiency gains; and
- review progress with capital programme projects.

6.5 On an annual basis Directors will:

- review and update appropriate benchmarking data to determine whether their service provides value for money in terms of unit costs (against the Council's overall approach to value for money and benchmarking);
- take any necessary corrective action in the light of this;
- ensure that all opportunities to review cost data on a local, regional and national basis are identified e.g. by joining relevant benchmarking clubs; and
- critically, review the Audit Commission's cost profiles for the Council, and their comparisons with all district councils, and investigate further any areas where unit costs appear to be inappropriate or unreasonably high.

(c) Performance Improvement Unit

6.6 The Performance Improvement Unit will carry out the following functions:

- the maintenance of the 'Ten Performance Manager' performance management system;
- co-ordination of the collection and reporting of performance indicator data;

- co-ordination of the collection and reporting of unit cost data, where appropriate linking this to KPI data; and
- periodic review of the Value For Money Strategy and the six-monthly review and annual update of the action plan.

(d) Use of Resources Working Party

6.7 The Working Party will carry out the following functions:

- the maintenance, development and progression of the Council's approach to the annual Use of Resources Assessment, ensuring that value for money is a key element throughout the services that the Council provides;
- the review of annual Use Of Resources KLoEs and the identification of appropriate actions;
- the consideration of all related value for money issues.

Appendix 1 - Value For Money Strategy Action Plan 2009/10

Action	Target	Responsible Officer(s)	Timescales	Outcome
Establish a revised set of Key Performance Indicators based around the new set of National Indicators and a review of the Council's existing local performance indicators.	1 April 2009	Management Board, Performance Improvement Unit	Revised KPI set to be in place from 1 April 2009	Performance improvement against a wider range of priority areas than has previously been achieved.
Achieve year-on-year improvement against 4 out of every 5 agreed Key Performance Indicators (refer to Appendix 2 for details of agreed KPIs)	31 March 2010	Management Board	Outturn performance to be reported from April 2010	Performance improvement against a wider range of priority areas than has previously been achieved.
Undertake an annual VFM cost and performance review, with directors to report reasons for cost position and proposals for improvement.	April 2010	Management Board, Use of Resources Working Party, Performance Improvement Unit	Completion of VFM cost and performance review dependent on publication of VFM Profile Tool by the Audit Commission	The use of a consistent set of local authority data to facilitate consistent benchmarking in terms of cost and performance.
Rollout and implementation of the Business Performance Planning Framework.	1 April 2010	Performance Improvement Unit, Human Resources Unit	The Council's new Business Performance Planning Framework is	The alignment of business, budget, workforce planning and development processes into a clear framework to enable focus on priorities.

<p>Review and monitor progress against the key VFM areas identified by the Finance and Performance Management Scrutiny Panel as part of the consideration of the VFM cost and performance analysis for 2007/08 (Benefits Admin, Green Waste Collection, Housing Repair Response Times)</p>	<p>31 March 2009</p>	<p>Director of Finance and ICT, Director of Environment and Street Scene, Director of Housing</p>	<p>being implemented across 2009/10</p> <p>Reports to be made to Finance and Performance Management Scrutiny Panel meeting on 31 March 2009</p>	<p>Securing progress against the key VFM areas identified by the VFM cost and performance analysis for 2007/08.</p>
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Appendix 2 - Key Performance Indicators 2009/10 (to be populated)

NI / KPI Ref	Description	2008/09 Actual	2009/10 Target	2009/10 Target +/- vs 08/09 Actual %
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Appendix 3 - Value For Money Glossary

Benchmarking: Comparing costs, performance indicators and processes for a service with those of an equivalent service, e.g. Housemark benchmarking club which compares across a range of housing management functions

Business Plans: Business plans provide details about the Council's key priority objectives as well as each directorate or service's strategic and operational objectives for the year ahead and how these will be achieved. Business plans provide a link between corporate objectives at the strategic level and the individual personal action plans of staff.

Comparator Performance / Comparative Costs / Comparator Groups: The Audit Commission's VFM Profile Tool enables a local authority to compare its costs and performance with a range of groups or clusters of authorities. The following comparators are considered most useful in comparing the Council's costs:

- **Nearest Neighbours** – those Districts (not London Boroughs) which are deemed to be similar to the Council, and generally lie just inside or outside the M25;
- **Office of National Statistics (ONS) Local Authority Cluster** – those District Councils which the ONS considers to be similar to the Council in key ways; and,
- **Crime and Disorder Reduction Partnership (CDRP) Family Group** – those District Councils which are considered to have a similar crime profile to the Council.

Continuing Services Budget: As part of the Council's prudent approach to financial management, it separates General Fund expenditure into two elements. The Continuing Services Budget (CSB) accounts for "Ongoing annual costs in the General Fund" (see below for District Development Fund (DDF))

Cost Effectiveness: A form of analysis that combines cost and outcomes – for example, comparing the costs of alternative ways of producing the same outcome for users.

Council Plan: The Council Plan 2006-10 reflects the Council's medium-term aims and priorities, and the aspirations of the Community Strategy.

Council Vision: The Council's vision and strategic aim for the Epping Forest District for 2006-10 is for the District to be a safe, healthy and attractive place in which to live and work.

District Development Fund: As part of the Council's prudent approach to financial management, it separates General Fund expenditure into two elements. The District Development Fund accounts for "One-off expenditure in 1-3 years for specific projects" (see above for Continuing Services Budget (CSB))

Economy: The price paid for providing the service (staff, materials, assets etc.) e.g. how much it costs to empty a refuse bin

Effectiveness: The measure of the impact achieved, e.g. how satisfied customers are with the refuse collection service (qualitative) or how many bins were emptied on the correct day with no spillages (quantitative).

Efficiency: How much you get out from what you put in, e.g. how many bins are emptied.

Gershon (Annual Efficiency Gains): Councils are required to submit annual efficiency gains, at least 50% of which must be cashable. Cashable efficiency gains allow resources to be diverted to other front line services whilst maintaining the same output – less inputs for the same outputs. Non-cashable efficiency gains occur through increased productivity – the same inputs for greater outputs.

Key Performance Indicators (KPIs): The KPIs are a measure of the Council's performance in terms of its corporate priorities and core areas of service provision. The aim of the KPIs is to provide focused improvement and achieve comparable performance with that of the best local authorities.

Medium Term Priorities: The Council's medium-term priorities reflect the core issues that the authority faces in respect of the provision of services over the period from 2006 to 2010.

Value For Money (VFM): VFM is about obtaining the maximum benefit over time with the resources available. It is about achieving the right local balance between economy, efficiency and effectiveness or, spending less, spending well and spending wisely to achieve local priorities for services. VFM is high when there is an optimum balance between all three elements - when costs are relatively low, productivity is high and successful outcomes have been achieved. (Audit Commission Guidance to Auditors 2008).

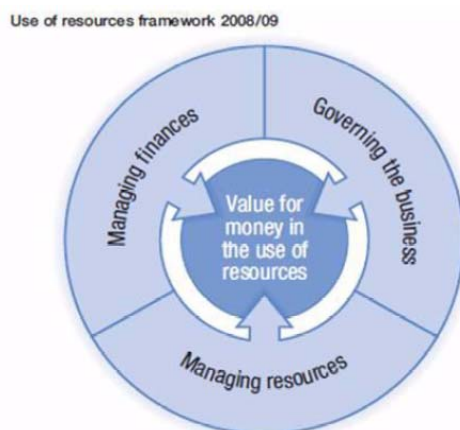
Appendix 4 - The Value For Money and Use Of Resources Framework

The Use Of Resources assessment forms part of the joint inspectorates' framework for Comprehensive Area Assessment (CAA). CAA will consist of two assessments, of the area and of the organisations in an area.

Local Area Agreements (LAA) are central to the new settlement between central government, local government and citizens. This is a long term strategy for the local area based on consultation with local people about the sort of place they want the area to be. The agreed local priorities will form the initial focus for the area assessment.

Area Assessments: The area assessment will look at how well public services are delivering better results for local people in local priorities and how likely they are to improve in the future. Use of resources will make a valuable contribution to the area assessment.

Organisational Assessments: The use of resources assessment is a key component of the proposed organisational assessment for councils. The use of resources assessment considers how well organisations are managing and using their resources to deliver value for money and better and sustainable outcomes for local people. The assessment is structured into three themes that focus on the importance of sound and strategic financial management, strategic commissioning and good governance, and the effective management of natural resources, assets and people.



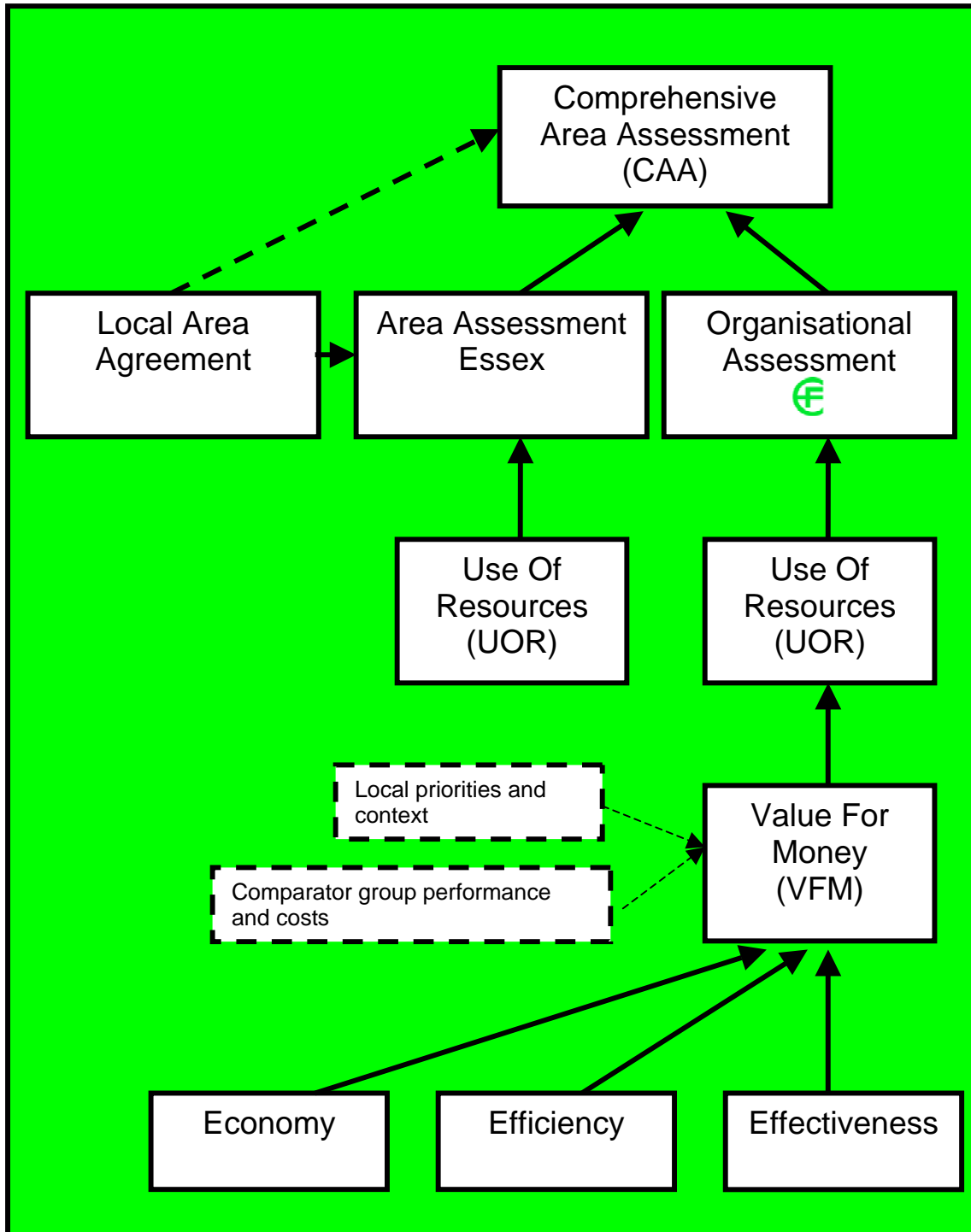
The key lines of enquiry in the three themes of the use of resources framework collectively comprise the auditor's assessment of value for money in the use of resources.

Assessing Value For Money (VFM) is a challenge. Inevitably some elements, such as quality and sustainability, are more subjective and more difficult to measure than other elements. 'Value' can often take many years to materialise, for example in long-term contracts. What is VFM at one point in time may not be a year later. It is therefore important when considering VFM to evaluate the optimum balance over the whole life of the service taking into consideration whole life costs and benefits.

VFM is also specific to different contexts and a key component is assessing effectiveness and relevance to and impact on local priorities. What is VFM to one organisation, or locality, may not be the same for another.

(abridged Audit Commission advice on Use of Resources to auditors 2008)

Appendix 5 - Value For Money, Use Of Resources and Comprehensive Area Assessment (based upon Audit Commission “Use of Resources: Guidance for Auditors – Section 3 The Assessment Framework”)



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