

**EPPING FOREST DISTRICT COUNCIL**  
**NOTES OF A MEETING OF FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY**  
**PANEL**  
**HELD ON THURSDAY, 9 DECEMBER 2010**  
**IN COUNCIL CHAMBER, CIVIC OFFICES, HIGH STREET, EPPING**  
**AT 7.00 - 9.35 PM**

- Members Present:** G Mohindra (Chairman), R Cohen (Vice-Chairman), W Breare-Hall, Ms R Brookes, D Jacobs, B Judd, J Philip, Mrs J Sutcliffe and Ms S Watson
- Other members present:** Mrs D Collins, D Stallan and J M Whitehouse
- Apologies for Absence:** D C Johnson and W Pryor
- Officers Present** D Macnab (Acting Chief Executive), J Gilbert (Director of Environment and Street Scene), A Hall (Director of Housing), R Palmer (Director of Finance and ICT), P Maginnis (Assistant Director (Human Resources)), D Newton (Assistant Director (ICT)), N Richardson (Assistant Director (Development Control)), S Tautz (Performance Improvement Manager) and A Hendry (Democratic Services Officer)

**29. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)**

The Panel noted that there were no substitute members.

**30. DECLARATION OF INTERESTS**

No declarations of interest were made.

**31. MINUTES FROM THE LAST MEETING**

The minutes from the previous meeting held on 09 September 2010 were agreed.

**32. TERMS OF REFERENCE / WORK PROGRAMME**

The Panel noted their Terms of Reference and Work Programme.

**33. CHANGE IN ORDER OF THE AGENDA**

With the agreement of the Panel the Chairman took agenda item 7, Quarterly Financial Monitoring, before agenda item 6, Finance Reception Refurbishment and Extension Feasibility.

**34. FINANCIAL MONITORING - QUARTER 2.- JULY TO SEPTEMBER 2010**

The Director of Finance and ICT, Bob Palmer, introduced the report on the quarterly financial monitoring for July to September 2010. The report provided a comparison between the original profiled budgets for the period ending 30 September 2010 and the actual expenditure or income.

They noted that:

- The salaries underspend was now at 3.7%;
- The projected shortfall for Building Control was projected to be about £124,000;
- The bank rate had stayed at 0.5%, so there was still no decent return from our investments;
- The Council would be receiving a further dividend shortly from the Heritable Bank, officers were looking at a return of at least 85p in the pound, with this in mind the Council should not see the predicted shortfall of £375,000 as first predicted;
- The income from MOT's were holding up quite well;
- The Bobbingworth Scheme completion report would be going to the next Cabinet meeting;
- An error on the spread sheet showed a variance of £32,000 for Young Peoples Leisure Facilities, but it was also showing at 0%, this would be modified for next time;
- Under Refuse Collection, officers pressed ECC as much as they could, but understood that ECC had a lot of work to do before EFDC could receive their 'tipping away' contributions for the first quarter of 2010/11; and
- The early bad weather was of a relatively short duration and should not unduly affect the Council's finances.

**RESOLVED:**

That the Panel noted the revenue and capital financial monitoring report for the second quarter of 2010/11.

**35. FINANCE RECEPTION REFURBISHMENT AND EXTENSION FEASIBILITY**

The Acting Chief Executive, Derek Macnab, reported on the work coming out of the Customer Transformation Task and Finish Panel especially that around the adequacy of the reception areas within the Civic Offices, particularly the finance reception area. The Audit Commission Inspectors were also highly critical of the benefits/finance reception area, saying it was small with limited and uncomfortable seating...Interviewees do not have privacy...the area does not meet disabled customers needs... there are no facilities for people with young children...and as there is no full time receptionist, customers must use a telephone provided to be seen by a member of staff.

To aid understanding and layout of that reception area, the members were taken on a tour of the area accompanied by the acting Chief Executive, the Director of Finance and ICT and two representatives from Norfolk Property Services, Ms L Turp and C Sanders, who had prepared a feasibility study identifying options in addressing the inspectors concerns. The members were also given copies of the three options identified in their feasibility report, in the shape of various floor plans.

On return, Ms Turp gave a brief out-line of the problems faced in the reception area, pointed out that it was not up to Disability Discrimination Act (DDA) accessible standards, had poor acoustics, a lack of privacy and soundproofing, lots of physical barriers, poor hearing induction loops and an ineffective queue management system. They had proposed opening up the space and making it a more friendly area by taking away barriers without diminishing security; and had proposed three separate costed options.

**Option 1** – to open things up and put in semi transparent low level barriers, take away the glass screens, put in new furniture and move the public area back. Total cost would be £200,600.

**Option 2** - as option 1 but with the addition of the extension to provide a group interview room. Total cost would be £267,266.84p.

**Option 3** – as Options 1 and 2 but with new external glazing and sliding doors (two sets of automated doors), external roller shutters and new information screens. Total cost would be £302,255.86p.

The Panel and other attending councillors then went on to question Ms Turp and Bob Palmer on various aspects of the proposals. They noted that:

- There may be a ticket based queuing system via a touch screen or a database system;
- Generally speaking three interviewing (refurbished) booths were adequate for the council's interviewing needs;
- With the opening up of the space in the reception are, they were looking to the installation of panic buttons for staff members;
- The new space would be 'open' and 'transparent' which should deter violent behaviour;
- The screens between the interview booths would be sufficient to provide adequate soundproofing and privacy for the people being interviewed;
- The new caution interviewing room would be able to be used for ordinary interviews as well;
- The new Limes Farm sub-office may take some potential visitors away from this reception area;
- The disruption of the existing facilities during the refurbishing would last between 6 weeks to 2 months;
- During this period a Portable Cabin would be set up to take the staff. The most expensive option for this would be £4,015 for the duration, services costs of £5,000, the least expensive option would be £1,755;
- The new area would allow buggies to be parked there with a small area for children to play in; and
- There were two options for furniture, one was to have very heavy furniture so that it could not be moved easily or, option two, to have them screwed to the ground.

**RESOLVED:**

That the Panel recommended Option 3, at a cost of £302,255.86, to the Overview and Scrutiny Committee and Cabinet.

**36. KEY PERFORMANCE INDICATORS 2010/11 - QUARTER 2 PERFORMANCE MONITORING**

The Performance Improvement Manager, Mr S Tautz introduced the report on quarter two of the Key Performance Indicators for 2011/11 and invited the Panel to go through the latest figures.

**LPI 50** – *number of elderly people participating in physical activity provided by the Council* - noted a significant drop off in participants. This was largely due to the number of external funded schemes coming to an end at around the same time.

**LPI NI 14** - *Avoidable Contact Improvement Plan* - querying the amount of emails now being received, it was noted that the out of office reply was to be extended to people outside the council.

**NI 196** – *Improved street and environmental cleanliness (Fly-Tipping)* – noted that the council was not achieving its target. The improvement plan should have been attached but had not. It will be put on the next report.

**LPI 53** – *Number of completed fraud investigations carried out by the benefits Investigations Team* – noted that this target had been reduced from 500 to 300 and it needed to be changed on the indicator.

**LPI 08** – *Urgent repairs undertaken within target times* – noted that the quoted figure was incorrect. This will be updated when possible. Currently the Council is out to tender for a private repairs contractor to oversee its repairs service.

**LPI 10** – *Satisfaction with repairs* – noted that the emphasis was to get the repairs right first time and not have any call-backs.

**RESOLVED:**

That the Council's performance for the first six months of 2010/11, in relation to the Key Performance Indicators adopted for the year, be noted.

**37. NATIONAL INDICATOR SET - ABOLITION AND REVIEW**

The Performance Improvement Manager, Mr S Tautz introduced the report on the abolition and review of the current National Indicator Set.

The Secretary of State for Communities and Local Government had recently written to the Leaders and Chief Executives of all local authorities, setting out changes to existing performance arrangements. The new arrangements detailed by the Secretary of State provided for the replacement of the existing National Indicator Set with a single list of data required to be provided to the Government by local authorities, although it was unclear whether the National Indicator Set had ceased immediately, or whether it remained in place until the end of 2010/11.

It was considered appropriate for the Council to continue to monitor and internally report performance against each of the National Indicators that formed part of its adopted set of Key Performance Indicators (KPI) until the end of 2010/11, even if not formally required to do so for the purpose of submitting performance returns to the Government. A number of the existing National Indicators were used as performance measures for the Council's Key Objectives for 2010/11, and therefore clearly needed to be retained until at least the end of the year. This approach had been supported by the Finance and Performance Management Cabinet Committee at its meeting on 22 November 2010.

Since the changes to existing performance arrangements were announced by the Secretary of State, a review of the existing KPI set had been undertaken to identify any National Indicators that could be deleted as KPIs for 2011/12, on the grounds

that data collection was resource intensive or over burdensome, or where issues of limited value and validity had arisen in respect of data previously collected. As part of this review process, Service Directors highlighted ongoing and future activities in the areas where KPIs could be deleted, in order to ensure that the Council maintained appropriate focus on key areas in the absence of corporate assessment or centralised performance reporting arrangements. This exercise has resulted in proposals for some National Indicators to be carried forward into 2011/12 as Local Performance Indicators.

The Director of Finance and ICT reported that officers were currently assessing the costs involved in the calculation and reporting of performance information for the KPIs, although it was likely that some KPI data would still have to be collected and analysed even relevant indicators were ceased.

The Panel then went on to review the current National Indicator set.

**NI 181** – *Time taken to process housing benefit/council tax benefit* – asked why it should be downgraded to an LPI, the Panel noted that it was a combination of two other more meaningful indicators, which made this one fairly meaningless.

**LPI 24(c)** – *User satisfaction with the council's website* – noted and agreed this as a new KPI.

**LPIs 39** (*rent arrears - commercial*), **40** (*occupation rate*) and **41** (*rental value – commercial*) – noted that these needed comments attached to them.

Noted that a further report on this would be coming back to this Panel.

**RESOLVED:**

- (1) That the abolition of the National Indicator set be noted;
- (2) That, the monitoring and member reporting of each of the National Indicators forming part of the Council's adopted Key Performance Indicator set for 2010/11, continue until the end of the year;
- (3) That existing Key Performance Indicators be retained for 2011/12 as set out in the schedule agreed by the Scrutiny Panel; and
- (4) That, the proposed Local Performance Indicator 24(c) – 'user satisfaction with the Council's website' – be adopted as a new KPI for 2011/12.

**38. SICKNESS ABSENCE - QUARTERLY UPDATE**

The Assistant Director (Human Resources), Paula Maginnis, introduced the first of the regular quarterly sickness absence reports. The Council's target for sickness absence under LPI28 was an average of 8 days per employee; and the outturn figures for 2010/11 were , Q1 = 1.88 days and Q2 = 1.81 days. Over both quarters 9% of staff met the trigger levels or were above. 46% had sick absences but did not meet the trigger levels and 45% of staff had no sickness absences.

The Panel noted that the figures for quarter 1 and 2 were by directorate and had improved from last year's figures. This was achieved by tougher management and more monitoring of staff by managers.

**RESOLVED:**

That the Panel noted the report on sickness absences.

### **39. FEES AND CHARGES 2011/12**

The Director of Finance and ICT, Bob Palmer introduced the report on the council's fees and charges and any scope to increase particular charges. The Panel noted that a report had gone to the Finance and Performance Management Cabinet Committee and the Cabinet on 6 December. As part of the budget setting process the levels of fees and charges are considered for the forthcoming year. The recently announced Comprehensive Spending Review made it clear that Council's face significant cuts in Government support and therefore budgets generally will come under increasing pressure. There was also less freedom for Authorities wishing to raise additional revenue from fees and charges as more are subject to cost recovery only on Government direction. Against this backdrop it was felt that fees and charges should be increased by 5% where possible.

To avoid two price increases in the year such as VAT and increased charges it was agreed that they would go up on 4 January on all charges and fees that were vat-able.

The Panel noted that under the listed increases, that:

- Small Land Sales Valuation Charge should be increased from £303 to £318 per sale and not as shown to £288.75; and
- Valuation & Legal Charge – resale of RTB Property within 5 years – should be increased from £305 to £320 per application; and also
- That the Panel were delighted that Car parking charges had been held at current levels.

#### **RESOLVED:**

That, on consideration of the policy for increasing the fees and charges for 2011/12, the Standing Panel recommended a general increase of 5% to the Cabinet.

### **40. PERFORMANCE INDICATOR REPORTING - CONTENT AND PRESENTATION**

The Performance Improvement Manager, Mr S Tautz reminded the Scrutiny Panel that Members had previously expressed an interest in the quarterly Key Performance Indicator (KPI) monitoring report becoming more useful as a performance management tool, including more relevant contextual information around the indicators.

One aspect of the KPI performance reports currently presented to the Scrutiny Panel was that most annual targets which need to be split across the four quarters of the year, were simply split into four equal quarterly targets. Members had remarked at the Scrutiny Panel meeting on 9 September 2010 that they would be interested in seeing these annual targets profiled in a more structured and calculated way, so as to more accurately reflect anticipated performance patterns throughout the year. Proposed targets for the KPIs for 2011/12 would be considered at the meeting of the Scrutiny Panel to be held in March 2011 and, once the target setting process had been completed, service directors would be asked to identify appropriate quarterly profiles of these targets, which will be reported back to the Panel alongside the reporting of the first quarter performance for 2011/12.

Members noted technology was also now available to allow the quarterly KPI results to be both summarised and to give an abbreviated overview of performance which could be drilled into at deeper levels via an on-screen display that allowed members to interactively scrutinise indicators of concern or interest. Mr. Tautz showed the meeting proposals for a system of electronic display of KPI performance which, although still in development, could eventually enable members to interrogate KPI performance and supporting documentation such as the annual improvement plan. This new layout also enabled officers to expand the comments made for each indicator and also provide a range of links, which would be of use to service managers as well as members, and would Reduce the number of printed pages that needed to be included within future performance reports.

Members were happy with the potential of the system and amount of detail that could be put into it. They noted that:

- It was intended that members would eventually have access to this system on line, although this might involve additional investment in the performance management system;
- They would have the ability to scroll back through the quarters to see historical figures and trends;
- The figures online were a good idea but members would still like a lot of the figures printed on the agenda for ease of reference; and
- System enhancements still had to be developed further and it was not intended that any move to full electronic display of KPI performance for the Scrutiny Panel would be implemented immediately, although this approach was now to be used for the consideration of KPI performance by Management Board.

**RESOLVED:**

(1) That, subject to the review and agreement of a suite of Key Performance Indicators for 2011/12, the principle of the profiling of annual targets for appropriate Key Performance Indicators to reflect quarterly performance patterns, be agreed;

(2) That proposals for the future presentation of quarterly KPI reports in a more interactive and dynamic electronic style, with a reduced requirement for printed reports, be supported in principle;

(3) That a further report be made to a future meeting of the Scrutiny Panel, setting out proposals for the future presentation to the Scrutiny Panel of quarterly KPI information, that address the views expressed by the Scrutiny Panel.

#### **41. ICT UPDATE**

The Assistant Director ICT, David Newton introduced a report updating the Panel on the recent UK Society of Information Technology Management (SOCITM) benchmarking exercise undertaken for the Council. The SOCITM report analysed the Key Performance Indicators (KPIs) from 27 councils in the UK and broke down the results into 3 main categories:

- (a) Performance;

- (b) Resourcing; and
- (c) Management.

EFDC came out quite well against other authorities but were found to be deficient in the number of passwords resets, now rectified by installation of the new self service password reset system and our old telephony system was highlighted as being expensive. A project to replace this and improve performance and cost is to be included within next year's ICT Business Plan. Officers were also looking at replacing 'Groupwise' with 'Outlook', migrating servers to virtual servers, investigating mobile working and the use of Blackberry style solutions and looking at a Wide Area Network (WAN) upgrade.

Members asked about the amount of printing that was done and what was being done about it. Mr Newton explained that a Multi Function Devices project was now reaching its final stage, and there would a short report on this at the next meeting.

Queried about disaster recovery Mr Newton said that a number of offices could access the major systems; however there was also internet access to the systems. They were virtualising the servers at present which could be accessed from anywhere via the internet.

Members wanted to know what the LDF implementation was about and were told that it was a planning system requiring to be implemented.

It was noted that Harlow and Uttlesford had approached EFDC about joint ICT services. We were looking to get a best price for this so that we had the option to join them in the future.

**RESOLVED:**

- (1) That the findings of the recent Society of Information Technology Management (SOCITM) draft benchmarking report for the financial year 2009/10 be noted; and
- (2) The progress on ICT projects for 2010/2011 was noted.

**42. EQUALITY ACT 2010 - PUBLIC SECTOR EQUALITY DUTY**

The Performance Improvement Manager, Mr S Tautz introduced the report on the new Equality Act which came into force from 1<sup>st</sup> October 2010. This replaced existing anti-discrimination laws and brought in a new Public Sector Equality Duty which brought together the existing race, disability and gender duties and extended them to cover age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment.

The government has just published a consultation document containing draft regulations for the Public Sector Equality Duty, which was anticipated to come into effect from 4<sup>th</sup> April 2011. The financial and officer resources for this duty would be as existing.

The government aimed for the equality duty to help public bodies achieve improved equality outcomes and to introduce specific duties that create the conditions and culture in which equality performance would improve.



**RESOLVED:**

That the likely implications for the council to the introduction of the new Public Sector Equality Duty was noted.

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

To report back to the Overview and Scrutiny Committee on the reception refurbishment study and on the situation of the National Indicator Set and the new performance indicator reporting system.

**44. FUTURE MEETINGS**

The dates for the future meetings of this Panel were noted.