

EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY
PANEL
HELD ON TUESDAY, 11 MARCH 2014
IN COUNCIL CHAMBER, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.00 - 8.40 PM

Members Present: A Lion (Chairman), Mrs R Gadsby (Vice-Chairman), K Angold-Stephens, D Jacobs, J Knapman, Mrs J Lea and Ms S Watson

Other members present: D Stallan, Ms S Stavrou and C Whitbread

Apologies for Absence: H Mann, G Mohindra and J Wyatt

Officers Present S Tautz (Performance Improvement Manager), J Gilbert (Director of Environment and Street Scene), A Hall (Director of Housing), P Maddock (Assistant Director (Accountancy)), N Richardson (Assistant Director (Development Control)) and A Hendry (Democratic Services Officer)

37. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

The Panel noted that Councillor J Lea was substituting for Councillor Mohindra.

38. MINUTES OF THE LAST MEETING

The minutes of the previous meeting held on 12 November 2013 were agreed.

39. DECLARATION OF INTERESTS

No declarations of interest were made.

40. TERMS OF REFERENCE / WORK PROGRAMME

1. The Panel noted their Terms of Reference and Work Programme.

2. The Chairman noted that there were a significant number of consultants working in the council at present. Did we know how much we spent on them? Mr Maddock noted that they had provided this information before and could do so again. Councillor Knapman noted that we needed to compare how much it would cost for officers to do this same job. We also needed to compare data that was meaningful. Councillor Watson agreed with Councillor Knapman, some consultants are employed for very specific jobs and some were more general. What were the outcomes and how much money did it save or make for us?

Councillor Whitbread added that we needed meaningful data put into this report. It also depended on what you classed as a consultant. This was a good thing to look at but only in the right light as suggested by Councillor Knapman.

AGREED: that a report be brought to a future meeting on the use, cost and saving made of Consultants by this Council.

3. Councillor Lion also wanted to look at the question of Solar panels. He was concerned that the financial analysis was speculative. Was this something the Panel could look at? Councillor Jacobs noted that this had already been agreed and perhaps the Panel should look at this in a few years time to see what the outcome was.

41. KPI 41 PERFORMANCE ON RE-LETTING COUNCIL PROPERTIES

The Director of Housing, Alan Hall introduced the report on KPI 41, performance on re-letting Council properties. At its last meeting this Panel asked for a report on this indicator as they were concerned that the performance was well below target. This report set out the reasons for refusals of properties and why certain properties were difficult to let. It seemed that the most common reason was a dislike of the neighbourhood or the estate, which was surprising as they should know the area. It also showed the type of property that was difficult to let. The properties most often refused were those in sheltered accommodation, which were therefore the most difficult to let. It was also noted that a lot of people were staying at home for longer periods and skipping sheltered housing altogether. Officers were trying to make Sheltered Housing more desirable for people to move into. In an attempt to reduce void properties further they were looking at introducing tougher penalties for refusals of offers of accommodation should be introduced to encourage home seekers to only bid on properties they were likely to accept. They were also looking to moving to a weekly choice based letting system, but this would have cost implications and members would need to know what they were.

It was noted that the quarter 3 figures were a lot better, the average void figures reduced by 8 days, going in the right direction.

Councillor Angold-Stephens noted that one of the reasons given were that pets were not allowed. Were they told of the pet's policy for that property before hand? Also if the Choice based letting system moved from two weeks to one week, would they have only have one week to respond? Mr Hall noted that it was easier and quicker to bid on line. As for pets, he was not sure if they specifically said this in the adverts. He would check.

Councillor Jacobs said that people needed to know if a property accepted animals. As for the KPI, any further scrutiny was really for the Housing Scrutiny Panel. Councillor Lion asked if this would be going to that Panel and was told that it was the intention to do so once they had commissioned the proposed in-depth void study mentioned in the report.

Councillor Watson asked what the loss in rental revenue due to voids was for the year. Mr Hall said he did not have the figures with him, but he knew it was less than 2%, probably around 1.6% and compared to other authorities that was very good. Councillor Watson said that if it was that low should we be paying someone to look into this; also there seemed to be a lot of void one bed properties. Mr Hall noted that it was low, but in monetary terms it was quite a lot and they were looking to make it better. As for one bedroom properties, he was not sure why this was; it maybe that some of the people were looking to downsize and could be more choosy on what properties they move into.

Councillor Lion noted that there was an option to select three choices, the private sector would not do that, were we being too generous? Some people may want to downsize, but not move out of their current estate. Mr Hall replied why, then would

they put in a bid for another area? As for three bids, that would be something to look at.

Councillor Gadsby said some refusals were about the poor state of repair and cleanliness; what was being done about this? Mr Hall said they did look at the properties and obviously people's views differ. But they do look to see what work needed to be done, but as always more can be done.

Councillor Lion noted that a lot of people were looking to downsize, could we accommodate them? Mr Hall agreed that a lot of people were looking to downsize for financial reasons, however a lot of people were also happy to pay the extra in less benefits and stay put.

Councillor Stallan commented that for a number of years, voids had been causing concerns. The Tenants and Leaseholders Association were also looking into this. Not only would a property stay empty but there was also the loss in rent to the Council. One of the refusals highlighted was in Sheering which was bid for but not wanted as they did not want to go that far out. If someone bids they must be serious about it and that has to be managed. He could understand the refusals on repair and decoration, but we do make sure a property was up to a high standard. We needed to maximise the lettings as much as possible and any comments could be directed to the Housing Scrutiny Panel later on in the year.

Councillor Gadsby asked if a property was refused how fast did it go back on to the website. She was told it would be up again within the week.

Councillor Knapman thought that most of the reasons for refusal, such as location, was not something we could do something about. What were the ones we could do something about?

RESOLVED:

That the report on KPI 41, performance on re-letting Council properties and the initiatives set out were noted.

42. KEY PERFORMANCE INDICATORS 2013/14 - THIRD QUARTER

The Performance Improvement Manager, Mr S Tautz, introduced the report on the third quarter outturns of the Key Performance Indicators for 2013/14. It was noted that 28 or 80% of the indicators had achieved their cumulative third-quarter target with 7 or 20% not achieving the cumulative target. 83% of indicators were anticipated to achieve the cumulative year-end target.

The panel reviewed the nine-month performance in relation to the KPIs for 2013/14.

KPI 11 – *what % of the rent we were due to be paid for our commercial premises was not paid* – Councillor Watson noted that our economy was on the up and that these figures needed to be looked at more closely, specific reasons were needed as to why this was. Councillor Jacobs agreed as the figures should be gradually improving and we should slowly be coming out of a bad position. Councillor Stavrou noted that these were historic figures and things were only just improving. Councillor Knapman said that we were now seeing movement in the right direction and there was an explanation from the officers in the report. 3% as a target seemed to him to be set at the right level and we were moving in the right direction. Councillor Angold-Stephens noted that write-offs may have a part in this.

Councillor Lion agreed and noted that the Panel should monitor the next quarter to check for improvements.

Mr Tautz noted that at the last meeting of the Panel, they had asked for a report on KPI 11 to be brought to a meeting. This would be brought to the next one.

KPI 12 – *what % of our commercial premises was let to tenants* – noted that this was largely the same as KPI 11.

KPI 20 – *how much non-recycled waste was collected for every household in the district* – Councillor Jacobs noted that he had queried this at the last meeting as the target figures were incorrect. As quarter 3 covers the Christmas period he had suggested that the target should be 270 to 280. The Director of Environmental Services, Mr Gilbert agreed that this had been mentioned last time. This year's target was based on last year's performance. He suspected that they may need to correct this as the 2012/13 period was out of the ordinary. They were relying on the new waste contract that would come in, in November. He noted that KPI 21 was also linked to this indicator. There was also a problem of food waste going in the residual bins that was collected every two weeks although food waste was collected weekly. The commentaries on both indicators say that they continue to be worked on. If we wanted to do better than 60% we would have to invest more.

Councillor Knapman raised concerns about recyclate collection from flats. There had been no offer of food waste or glass collection at his block. This should be easy to put in. Mr Gilbert said that they had put in a lot of effort into recycling in flats. They needed to get agreement from the people who lived there to improve things. Councillor Knapman suggested that we needed to impose certain standards on recycling, especially in private flats. Mr Gilbert also noted that the problem they faced in some areas was that they got high levels of contamination which results in the rejection of entire loads by the processor. This then all ends up in landfill.

On KPI 21, Councillor Jacobs suggested that we could introduce kerbside caddie collection for food waste as people may not want to drag out their large green wheeled bins and kerbside food caddies would be just the job. Mr Gilbert agreed the council needed to introduce flexibility into the system and offer residents more choice in how they dispose of their waste. He hoped that this could be achieved through the new contract.

KPI 35 – *how many benefits fraud investigations were completed by the Council* – it was noted that the target line on the graph was not right but the figures were correct.

Councillor Knapman noted that the explanation was quite clear that with staff shortages it was hard to undertake fraud investigation.

Councillor Jacobs noted that what was important was the percentage of people caught; this would mean a lower target and would achieve a better result.

KPI 55 – *what % of planning applications, refused by council members against the planning officer's recommendation, were granted permission on appeal* – it was noted that the newest figures had dropped down to 60% - a positive result.

RESOLVED:

1. That the performance for the third quarter of 2013/14 in relation to the Key Performance Indicators adopted for the year be noted; and
2. That as previously requested, the Director of Corporate Support Services make a comprehensive report to the next the next meeting of the Panel with regard to current performance in respect of KPI 11 (Commercial Premises – Rent), including the identification of appropriate actions to improve performance and achieve the year-end target position.

43. KEY PERFORMANCE INDICATORS 2014/15 - REVIEW TARGETS

Mr S Tautz introduced the report on the targets for the Key Performance Indicators for 2014/15. The KPIs provide an opportunity for the Council to focus attention on how specific areas for improvement would be addressed. The targets were based on the quarter 3 performance and would be considered by the Finance and Performance Management Cabinet Committee.

The adoption of challenging but achievable KPIs each year is a key element of the Council's Performance Management Framework. Although a number of new indicators and some revisions to existing KPIs were proposed for 2014/15, it was not intended that significant changes be made to the indicator set for the next year, as the current suite of measures was considered appropriate for the ongoing evaluation of relevant performance factors. Service directors had identified provisional targets for each indicator with the relevant portfolio holder(s), based on third-quarter performance (and the estimated outturn position) for the current year.

Councillor Angold-Stephens noted that KPI 41 came under the new asbestos regulations. If we had significant amounts of asbestos in our properties this would not help our void times. Mr Hall, Director of Housing Services replied that it took a lot of time to find out if there was any asbestos in a property. They needed an achievable target for this KPI and 37 days seemed reasonable. Next year if this was achieved they could bring it down. It should be remembered that the longer the void period the greater the loss. They would continue to minimise the loss as much as possible by reducing the void period.

Councillor Jacobs noted that with KPI 20 we seemed to be getting ahead of ourselves. He was loath to see us go above a 390kg target; other authorities have a lower recycling figure than us. Mr Gilbert, the Director of Environmental Services, noted that this reflected what they were doing at present. But as we were changing contracts at present we may be giving ourselves a difficult time on this. A more realistic target could be set for next year.

Commenting on the proposed new KPI on the percentage of calls answered by the Council's Careline Services within 60 seconds, Councillor Knapman asked how long would an ordinary member of the public have to wait before they are answered by our switchboard. This would be a good indicator to monitor. Essex County Council was good at this and this was something we should look at. Mr Tautz replied that he would take this suggestion back to the Assistant Director of ICT and ask him to put something together for the next meeting.

Councillor Knapman was unsure of the value of KPI 55 as it reflected what the members did on planning applications by going against officer's recommendations. They would always do what they thought best and what they thought was right. And there was nothing that officers could do about this, so what was the point. Mr Richardson, Assistant Director Planning, noted that this was an indicator of Council performance, it could be altered by member training and members had hit the target in previous years. We could always go back to how we used to monitor it by merging it with KPI 54.

Councillor Jacobs noted that KPI 36 was doing better than KPI 35. Also it was noted that the 2013/14 percentage figure for KPI 35 had a typographical error and would have to be rectified.

RESOLVED:

1. That the proposed Key Performance Indicators and targets for 2014/15 be agreed and recommended to the Finance and Performance Management Cabinet Committee for adoption; and
2. That the Cabinet Committee be requested to consider the development of an additional KPI for 2014/15, in connection with the quality and response time for telephone calls answered by the Council's switchboard.

44. EQUALITY OBJECTIVES 2012-2016 - PROGRESS

The Performance Improvement Manager, Mr S Tautz, introduced the report on the current progress made against the Council's Equality objectives for 2012 to 2016.

It was noted that in March 2012, the Cabinet agreed a range of equality objectives for the four years from 2012 to 2016, designed to help the Council meet the aims of the general duty and bring about positive improvements to service design and delivery. This report reflects progress against the equality objectives as at the end of the second quarter of 2013/14.

In April 2012 the Council adopted four equality objectives for the four years until March 2016 to advance equality for service users and employees. The objectives are based in evidence, proportionate to the organisation, and were subject to public consultation. The equality objectives are focused on the following key areas where improvement in relation to equality has been identified as a priority:

- Equality Objective 1: The use of equality intelligence
- Equality Objective 2: Ownership of equality
- Equality Objective 3: Engagement
- Equality Objective 4: The workforce equality profile

The achievement of the equality objectives is supported by an action plan spread across their four-year time-frame.

Some of the outcomes and deliverables identified in the action plan could only be achieved incrementally or were dependent upon other pieces of work. The action plan was intended to be fluid to reflect changes in service delivery and the development of work to achieve greater fairness, and was therefore likely to be subject to revision and addition over the four-year life of the equality objectives.

The last programme of equality analysis was completed in March 2013 and feedback from the exercise had been used to develop a new and more user-friendly analysis toolkit. A screening exercise was currently underway to identify activities relevant to equality for inclusion in a new three-year analysis programme.

The method of reporting relevant equality information to decision-making bodies such as the Cabinet had been replaced with a Due Regard Record, designed to evidence consideration of equality implications. This approach has been the subject of a pilot exercise over recent months, the results of which are currently being evaluated.

Councillor Knapman noted that if this was what the law required then the Panel should monitor it but it should be paired down to only the essential information required to review current progress. Mr Tautz said that he would investigate what could be done, but pointed out that the report was already designed just to give a summary of current progress against individual actions. Councillor Angold-Stephens wondered if this could be reported on an exception basis, looking at the things that had missed their targets.

Councillor Jacobs noted that the report updated the equality item on undertaking a comprehensive review of the Council's existing arrangements for employee engagement (EO4.07 (a)) and that it had been discussed at a leadership team meeting in January. He wondered what the outcome was for that meeting. Mr Tautz said he would find out and report back.

Councillor Lion proposed that this report should come to this Panel on a six monthly, rather than quarterly basis, highlighting only the failing items on an exception basis. This was agreed by the meeting.

RESOLVED:

1. That the current progress against the equality objectives for 2012-2016 be noted; and
2. That from the 2014/15 municipal year, progress against the equality objectives be reported to the Panel on a six monthly basis highlighting only items on an exception basis.

45. QUARTERLY FINANCIAL MONITORING REPORT

The Assistant Director of Finance, Peter Maddock, introduced the quarterly financial monitoring report that provided a comparison between the original estimates for the period ended 31 December 2013 and the expenditure or income applicable. This was the third quarterly report for 2013/14 and covered the period from 1 April 2013 to 31 December 2013.

The Panel noted that at month 9 Development Control had recovered to the extent that it now exceeded both the prior year actual and revised position for 2013/14. Building Control income was revised down by £73,000, there were some expenditure savings to offset this, but the predicted deficit for this year had increased from £14,000 to £35,000. If the account goes into overall deficit this position will have to be addressed over the ensuing three year period to ensure the account did not remain in deficit.

From 1 April 2013 the Council was entitled to a share of business rates collected so monitoring the amount collectable was now more important than ever.

Cash collection was important as the Council was required to make payments to the Government and other authorities based on their share of the rating list. These payments were fixed and had to be made even if no money was collected. Therefore, effective collection was important as this could generate a cash flow advantage to the Council.

In summary, at the end of December the reduction in the overall value of the rating list was a cause for concern, but cash collection was going well. There were also a large number of appeals outstanding against rate assessments and these could cause a significant reduction in income.

Councillor Angold-Stephens noted that there have been some disgruntled taxi drivers who have claimed that we were making a lot of money out of them. It does look like we are making a surplus but there may be some recharges connected to this. Do we have accurate figures on this as we may get a Freedom of Information request. Mr Maddock said that they had already received a FOI request on this subject. They were currently running a surplus and recharging would come into play. This was difficult as this fluctuates from year to year. We have not put the charges up for some years so the surplus would come down.

RESOLVED:

That the revenue and capital financial monitoring report for the third quarter of 2013/14 be noted.

46. 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.