

### 3. FINANCE AND PERFORMANCE MANAGEMENT STANDING PANEL

#### Introduction by Chairman:

*"This Panel's task is to keep a watchful eye on the Council's finances and its performance. We have also found our workload heavily influenced by the need to tick Audit Commission boxes. The Panel has also taken over some of the residual work left over by the Customer Services and ICT Standing Panel that was dissolved at the beginning of the year, which has led to some heavy agendas.*

*This year we have had some of our meeting webcast which has brought our work to a wider audience.*

*I would like to thank my vice Chairman Gagan Mohindra for the support he provided during the year and, of course, the lead officers for their invaluable help and advice."*

*Councillor Jon Whitehouse  
April 2008*

#### **The Finance and Performance Management Scrutiny Panel consisted of the following Members:**

Councillor J M Whitehouse (Chairman)  
Councillor G Mohindra (Vice Chairman)  
Councillors R Bassett, J Hart, M Colling, D Jacobs, R Morgan, Mrs Richardson, Mrs P Smith and A Watts.

The Lead Officer was Derek Macnab, Deputy Chief Executive.

#### **Terms of Reference**

To review Best Value Performance Indicator (BVPI) and Local Performance Indicator (LPI) outturns for the previous year at the commencement of each municipal year, and to determine the following on an annual basis:

- (a) The criteria for deciding which BVPIs and LPIs should be formally monitored by the Panel throughout the remainder of the year, based upon the 'traffic light' system of performance reporting, Comprehensive Performance Assessment improvements, and existing council and member priorities;
- (b) A 'basket' of priority BVPIs and LPIs, performance against which will be reported to the Panel throughout the year;
- (c) The monitoring frequency of those priority BVPIs and LPIs identified by the Panel;

- (d) Arrangements for the wider member reporting and monitoring of performance against those BVPIs and LPIs that are not contained in the Panel's 'basket' of high priority indicators;

To consider proposals and make recommendations for corrective action in relation to poorly performing BVPIs and LPIs;

To consider and make recommendations as appropriate on the format and content of the Council's annual Best Value Performance Plan;

To undertake a full review of the existing Council Plan and to make recommendations to the Cabinet on the overall strategic vision to be adopted, within the context of how the authority intends to prioritise resources and develop services in the medium term;

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;

To annually review the consultation exercise undertaken by the council over the previous year;

To consider 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;

To consider financial monitoring reports on key areas of income and expenditure for each portfolio;

The Panel to consider feedback from the Customers Services Working Group to ensure that the Panel is kept up to date on current customer service activities across all service areas; and

To monitor and review progress on the implementation of all major ICT systems.

**The Panel scrutinised a number of important issues over the last year, which included:**

i) The Key Performance Indicators for 2007/08. The panel scrutinised 52 Key Performance Indicators (KPIs) for 2007/08, suggesting that 75% of these KPIs achieve top quartile as the previous target of 50% was met last year. The Panel kept these indicators under review on a quarterly basis throughout the year;

ii) A Value for Money Sub-group was established and suggested that a special Task and Finish Panel be set up to carry out a detailed service review. The Service chosen was Planning and Economic Development. Following this recommendation a Task and Finish Panel was set up by the main Overview and Scrutiny Committee to do just this;

iii) The Panel received a report arising from the Best Value Review of Leisure Management. This report reviewed Leisure services for the District detailing whether their key objectives had been met and value for money achieved. The Panel

concluded that the Council's aims and objectives had been met and that Leisure Services were to be congratulated for this success story;

iv) The Panel reviewed the Council Plan for 2006-2010 Annual Review. The Panel received the Council Plan monitoring report, the Local Area Agreement for Essex monitoring report and the Comprehensive Performance Assessment Improvement Plan monitoring report;

v) The Panel received a report on the Council's Consultation Plan for 2007/08. The Consultation Plan resulted from an Audit Commission suggestion on improving our approach to Public Consultation, particularly in respect of ensuring engagement with minority communities and other hard to reach groups. The Consultation Plan was to be developed as part of the annual business planning process from 2006/07 onwards;

vi) The Panel considered the Performance monitoring report on the Local Area Agreement and the Comprehensive Performance Assessment Improvement Plan, keeping a check on the objectives and the Council's ability to meet them. An update would go to the Panel on a six month basis;

vii) The Panel also considered (on a quarterly basis) the quarterly Financial Monitoring report, keeping them up to date on the key areas of income and expenditure for each portfolio.;

viii) The Panel considered the annual report on Fees and Charges as part of the budget setting process. The levels of fees and charges are considered for the forthcoming financial year. The Panel expressed concerns that the charges were rising dramatically for people on limited income and asked that the Finance and Performance Management Cabinet Committee to be given a fuller explanation on the background to this increase;

ix) The Panel received a report from the Principal Valuer and estate Surveyor on Land and Property assets Review. The Council has an above average portfolio of property. A large sale had just been successfully completed and the future use and occupation of all four depots were currently under review;

x) An entire meeting was devoted to the draft detailed Portfolio Budgets, containing the breakdown of individual Portfolio Holders budgets for 2008/09. The Panel's recommendations would go to their parent overview and Scrutiny Committee and then on to the cabinet with their comments on the budget. The cabinet would then recommend a budget and Council Tax to Council for approval;

xi) reviewing the Use of Resources Assessment – Auditor Judgement 2007 report the Panel noted that the Council had made good improvements having improved from an adequate level 2 to a good level 3; and

xii) The Panel noted the new National Outcome and Indicator Set to be introduced from April 2008. This was introduced by the Department for Communities and Local Government as a set of new national indicators to replace all other performance indicators including Best Value Performance Indicators (BVPIs). The Panel also considered which, if any, of the Council's current BVPIs should be carried forward into the new regime as they may prove to be useful. Several were chosen to be carried on into the new regime.