

**EPPING FOREST DISTRICT COUNCIL**  
**NOTES OF A MEETING OF FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY**  
**PANEL**  
**HELD ON TUESDAY, 11 NOVEMBER 2008**  
**IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING**  
**AT 7.00 - 8.53 PM**

<b>Members Present:</b>	D Jacobs (Chairman), , K Angold-Stephens, M Colling, J Philip, W Pryor, A Watts and J M Whitehouse
<b>Other members present:</b>	Mrs D Collins, D Stallan and C Whitbread
<b>Apologies for Absence:</b>	G Mohindra and J Collier
<b>Officers Present</b>	D Macnab (Deputy Chief Executive), J Gilbert (Director of Environment and Street Scene), P Maginnis (Assistant Director Human Resources), P Maddock (Assistant Director Accountancy), J Preston (Director of Planning and Economic Development), S Tautz (Performance Improvement Manager), Mrs J Twinn (Assistant Director of Finance and ICT), R Wilson (Assistant Director Operations (Housing)), A Hendry (Democratic Services Officer) and S Mitchell (PR Website Editor)

**31. WEBCASTING INTRODUCTION**

The Chairman made a short address to remind all present that the meeting would be broadcast on the Internet, and that the Council had adopted a protocol for the webcasting of its meetings.

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

The Panel noted that there were no substitute members.

**33. DECLARATION OF INTERESTS**

Pursuant to the Council Code for Members Conduct, Councillor W Pryor declared a personal interest in agenda item 10 (Key Performance Indicator – KPI LPI 102 percentage of licence applications) by virtue of being a publican. He declared that his interests were not prejudicial and that he would remain in the meeting for the consideration of the item.

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

The Terms of Reference and the Work Programme were noted.

**35. 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 30 September 2008 and the actual expenditure or income applicable.

He brought paragraph 3 to the attention of the meeting in which the salaries schedule showed an underspend £446,000 at the six month point. This was due to the non-settlement of the 2008/09 pay award and equated to 4.6% of the budget. An allowance of 2.45% was included in the budget for the pay award. The pay award has now been referred to arbitration. Paragraph 4 showed an under achievement of £36,000 for Building Control but savings put in place will ensure that the account breaks even. The Land Charge searches income at month 6 was £125,000 below the expected level. A report will be going to a Cabinet meeting highlighting the issues concerned and how the loss could be remedied. It was also noted that North Weald Airfield was £52,000 below expectations due to difficulties letting Hanger 1.

Officers were expecting the Council's investment income to be greater; this is due mainly to the cut in interest rates and the current economic climate.

Councillor Philip asked if the Council's Icelandic investment income would be returned. Mr Maddock said that they were hopeful that the Council would get its money back but, for planning purposes, they had taken the view that the money would not be paid back. Councillor Whitehouse asked if the Council would get back the interest on the whole period of the investment or only until the time the bank went down. He was told that the Council had claimed for the whole period. But it was unknown, at present, how much it would get back.

Asked about the real net position of the council, Mr Maddock said that they were in the middle of creating a revised budget for the year. He suspected that there would be an underspend, depending on the final salary award, but this underspend would be less than in previous years.

Councillor Pryor asked what was the likelihood of the Springfield Scheme staying at a 2% variance, if this was not likely the Panel should be informed. Also what controls do we have to ensure that it does not happen. The Assistant Director of Operations (Housing), Roger Wilson said that an explanatory Portfolio Holder report had just been completed and this was to go to Cabinet in December.

**RESOLVED:**

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

**36. ESSEX LOCAL AREA AGREEMENT 2006-2008 AND 2008-2011**

The Performance Improvement Manager, Mr S Tautz, introduced the report on the Essex Local Area Agreement (LAA) 2006-08 and 2008-11. The Panel noted that Essex County Council was the responsible authority for the LAA and had reported to the Essex Partnership Management Board in July 2008 outlining the overall progress against the first LAA for the county, which was in place from April 2006 until March 2008. Essex County Council was also required to report on performance against the LAA to the Government Office for the East of England and a copy of that report was attached to the agenda for information. In considering this report the Panel was reminded that it covered all the priorities and indicators contained within the LAA, including many that were not the responsibility of this Council.

It was noted that the new LAA for 2008-2011, was formally agreed and adopted by Essex County Council in May 2008. As part of the LAA, Epping Forest Local Strategic Partnership (LSP) had received an allocation of £453,855 Performance Reward Grant (PRG) to be spent on suitable schemes during 2009/10 and 2010/11.

A list of the various schemes proposed by the LSP and their cost were noted by the Panel. Councillor Mrs. Collins said that currently only £21k had been received from the Government and they also had to get agreement from County for the new projects. They were not sure when the government would provide all the money, but they hope to get it by March 2010. County would front load the money as long as they are sure they will get it back from central government.

The Deputy Chief Executive, Derek Macnab, noted that a number of these schemes were being delivered by Voluntary Action Epping Forest, but as a voluntary organisation they would not commit any finance until they were sure they would get the money. Until this assurance is given a potential three year incremental programme may be reduced to eighteen months or less.

Asked who employed the people for these projects, the Council or the LSP Mr Macnab replied that the District would only employ people around the CCTV project, other bodies would pick up the other schemes.

Councillor Angold-Stephens asked how many people would be employed by the Youth Worker – Youth Justice Scheme. He was told that the figure would be ascertained and reported back to him.

**ACTION:** to find out proposed number to be employed by the Youth Justice Scheme.

Councillor Watts wanted attention to be drawn to the fact that money had been awarded to LSPs over five years to help develop capacity to engage with the local community and co-ordinate partnership working. He was concerned this type of work would overlap the work carried out by other bodies such as NAPS, duplicating resources. Were we, as an authority in danger of losing our grip on what was happening on these bodies? Councillor Mrs Collins shared his concerns, but added that whatever was done needed to show results. They were all worthwhile projects but were difficult to measure. The County were running the scheme and many councils were keen on taking part and on this basis we were looking for co-operation with them and other bodies. Councillor Watts said he understood the need to engage the local community and the need to ensure that people were looking at engaging the community on these schemes and no others. Councillor Mrs Collins said that they have action and risk plans set up and it would be reported back to the Council on any progress made in partnership with other agencies.

Mr Macnab added that the LAA has £45k to pay for a play survey and to host a community conference once a year. The LSP had held a recent away-day to work out the details for this.

**RESOLVED:**

That:

- (a) the Panel noted the final position of the first Local Area Agreement for Essex; and
- (b) the Panel noted the current position in regard to Performance Reward Grant Allocation for the new Essex Local Area Agreement.

**37. CAPITAL PROGRAMME 2008/09 TO 2012/13**

The Assistant Director of Accountancy, Peter Maddock introduced the Capital Programme 2008/09 to 2012/13. The Panel had requested to see the Council's Capital Programme in June this year with a commentary on the process through

which the Capital Budget goes through before it is adopted by full Council in February of each year.

The Panel noted that the Capital Programme was a five year document that set out the Capital Budget for the current financial year and the forecast for the following four years. The forecast for 2012/13 will go through a number of revisions before it will eventually get adopted. There was a different process to follow for the revenue budget.

Councillor Angold-Stephens commented that the summary page contained a lot of carry overs. Was this normal? Mr Maddock replied that this was because over the years, a number of projects that had slipped, such as Bobbingworth Tip.

Councillor Angold-Stephens then queried the budget for the Loughton Leisure Centre. He understood that £46k was for funding this year, but the budget shows £58k. Why the £12k difference on what we thought we had to pay? Mr Macnab said that there was a residual sum carried over from previous years and this boosted the budget.

Councillor Angold then went on to ask about the £50k for the Careline Service, this was not shown as an individual item. Mr Maddock said that the figures in the revenue account are a summary as a lot of individual projects fall within the Housing Revenue Account. He was not sure where the £50k sat but would get back to the Councillor with this information.

**ACTION:** Mr Maddock to contact Councillor Angold Stephens.

**RESOLVED:**

That the Panel noted the Capital Programme 2008/09 to 2012/13.

**38. FEES AND CHARGES 2009/10**

The Assistant Director of Accountancy, Peter Maddock introduced the report on Fees and Charges as part of the budget setting process. The general premise was that fees and charges would be increased by 5% in line with the retail prices index.

It was noted that the Land Charges searches income had suffered significantly due to an increase in personal searches, the introduction of Home Information packs and the effects of the credit crunch. The government was setting out the charges for this service and officers were currently assessing the charges. The same applies for Hackney Carriage Operators and Vehicle Licences, the costs are currently being assessed and until this has been concluded it was felt inappropriate to agree an increase.

Development Control fees are controlled by central government and no indication about any increase so far. Building Control fees are ring-fenced.

Concerns were raised about the raising heating costs at Norway House, which were proposed to be increased to substantially recoup losses previously made.

Councillor Jon Whitehouse commented that this was an aggressive approach to increasing income. Wage increases are not at this level and in the current financial climate he was not sure that these were justified. Mr Maddock explained that they

took the September 08 Retail Price Index Figure of 5% to fix the rate. If members proposed a different view they would certainly consider it.

Councillor Jacobs pointed out that the proposed short stay car park fees were being increased by more than 5%. He noted that this came up every year and that more people tended to park for an hour. Councillor Philip added that currently the one hour fee is less than 50% of the two hour fee. The increase will bring it up by 23%, which is unreasonable. Councillor Whitbread said this was open for discussion, although we did have the cheapest rates in this area and we were one of the few councils that offered free Saturday Parking. The Director of Environment and Street Scene, John Gilbert, commented that setting the right fees for parking was always difficult. It was going up to accommodate the updating and improvements to the car parks and the computer system. It was not unreasonable to ask for these increases, especially as not all the tariffs had been increased. They had to put the prices up by whole numbers as the meters did not allow for anything smaller than a five pence coin. However, officers have taken note of members concerns and will attempt to adjust the tariffs to a more equitable share.

**ACTION:** Director of Environment and Street Scene to review the Car parking tariffs.

Councillor Jon Whitehouse asked that the 50% concession offered to people of pensionable age for the disposal of bulky household waste be extended to include the disabled and perhaps people on benefits. Mr Gilbert said that this was a standard concession that had always been offered only to people of pensionable age. Councillor Mrs Collins added that the contractors had to run the scheme; any additions could make it very complicated to administer and also make it more expensive. Councillor Jacobs asked that the concerns of Councillor Whitehouse's concerns be noted.

Councillor Whitehouse noted that Housing was seeking to recover the rising heating costs at Norway House; will the existing tenants be charged for the previous tenants? The Assistant Director of Housing said that they were phasing in the charges over a three year period. This was only the second year, but he accepted that it may be unfair for some tenants. Councillor Stallan added that they had been undercharging tenants in the past. Mr Macnab assured Councillor Whitehouse that it was not an attempt to recover retrospective costs.

Councillor Angold-Stephens queried the seemingly high cost of 'dispersed alarms' for the Housing Stock. He was assured that it was Essex County Council who benchmarked the cost and that we were currently below average for the County.

**RESOLVED:**

That with the exception of Car Parking charges which the Panel asked to be reviewed again by officers, the Panel considered and agreed the policy for increasing fees and charges for 2009/10 and recommended the general increase of 5% to the Finance and Performance Management Cabinet Committee.

**39. KEY PERFORMANCE INDICATORS 2008/09 QUARTER 2 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 08, to

focus improvement on key areas and achieve comparable performance with that of 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 30 September 2008. The Director of Planning and Economic Development would report separately in relation to Current performance against NI 157a (Processing of planning applications – ‘Major’ application types).

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

**KPI LPI 02** – *The percentage of licence applications processed within statutory periods.* The Deputy Chief Executive explained that in view of the limitations of this indicator in terms of the Council’s overall licensing responsibilities and the performance currently attained, this Panel had previously agreed that this indicator should be deleted or revised to reflect a more relevant and challenging performance measure. Officers had been in consultation with the Portfolio Holder and had worked out four options that could be used to replace the current indicator.

The Assistant Director of Human Resources informed the Panel that the four options had been discussed with the Portfolio Holder and they had thought that option 2 and 4 were the most suitable. It was now a question of what the members of this Panel would like to see measured.

Councillor Watts commented that premises licences are important but members would need to know what the numbers are for them to make a decision. Mr Gilbert said that there were not a lot of temporary events but each one was important and had to be handled quickly.

Councillor Pryor said that a personal licence lasted for 10 years and that a premises licence tended not to change. Temporary event notices are what people are taking note of. Each personal licence holder can ask for twelve temporary licences’s a year. Councillor Whitehouse remarked that it would make sense to pick up the most important indicators. Councillor Angold-Stephens said that since he had been on the Licensing Committee the biggest types of licence asked for was the Hackney Carriage and Private Hire ones.

**AGREED:** that options 2, 3 and 4 be adopted to be monitored for KPI LPI 02.

**KPI NI 158** – *Percentage of (non) decent council homes.* Councillor Watts asked why there were no figures for quarters one or two for 2008/09. The Assistant Director Operations (Housing) said that the figures were not reported on until the end of the year. But he could arrange for the Housing Assets Manager to attend the next meeting to explain the background. Councillor Watts said they should know what non-decent homes the Council had on a quarterly basis. Councillor Mrs Collins said that there were only annual figures which were only surveyed once a year.

Mr Macnab said that they would report back to the next meeting about these figures.

Councillor Pryor remarked that the comments said that the Council was on target, but they can’t say that if they did not know what the quarterly figures were. Councillor Philip added that this was a multi year programme, going up to 2010, so it was possible to say that the council was on target. He then suggested that Annual KPIs were not put on the quarterly reports. This was agreed by the Panel.

**AGREED:** that annual KPIs not be put on quarterly reports.

**KPI LPI 13** – *the percentage of invoices paid within 30 days of receipt.* Councillor Whitehouse remarked about the payments within 30 days. The Council had a good performance in this. There was a recent Council motion setting an even more ambitious target of 20 days. Is this being monitored? Mr Maddock replied that they had now put this into practice and they should be able to provide information on that in the same way that they do on the 30 day period. The difficulty may be to pick up all the businesses in the district. Councillor Whitehouse said it was an important thing that was being done and he was happy to know that it was being monitored.

**KPI LPI 14 and 15** – *Percentage of Council Tax collected and percentage of National Non-Domestic Rates (NDR) collected.* Councillor Mrs Collins said that there was a trend of non collection of council tax and NNDR. The council was only small amounts down at present but it was likely to get worse. Mr Maddock said in the current economic climate it may prove difficult to recover the payments; they were starting to have problems with recovering some of the empty property rates. The Assistant Director of Finance and ICT, Mrs J Twinn, added that they were already having problems and a number of direct debits had failed.

**KPI LPI 16** – *Average time processing new benefit claims.* Mrs Twinn reported a 15% increase in claims for the first six months

**KPI LPI 28** – *Number of working days lost due to sickness.* Councillor Mrs Collins was disappointed to see sickness figures going up again, and thought they needed to be watched carefully.

**KPI NI 157a** – *Processing of planning applications as measured against targets for 'major' application types.* The meeting noted that the figures were volatile and they may struggle to reach the top quartile.

**KPI NI 157b&c** – *Processing of planning applications are measured against targets for 'minor' application types and Processing of planning applications as measured against targets for 'other' application types.* It was noted if the second quarter performance was maintained, the Council will be in the top quartile at the end of the year.

**KPI NI 08 and 11** – *Adult participation in sport and Engagement in the arts.* Noted that there was no base data at present. Data to be collected at the end of the year.

**RESOLVED:**

- 1) The Panel considered and noted the Council's performance for the first six months of 2008/09 in relation to the Key Performance Indicators adopted by the Cabinet.
- 2) That KPI NI 02 – (Processing of licence applications) be reviewed as follows, to reflect a more meaningful and challenging performance measure:
  - i) Average time taken to determine a Premises Licence under the Licensing Act 2003 (including applications for transfers, variations and cancellations);
  - ii) Average time taken to determine a temporary Event Notice (Alcohol); and
  - iii) Average time taken to approve Taxi/Private Hire applications under delegated authority, from receipt of all necessary information.

**40. NATIONAL AND LOCAL PERFORMANCE INDICATORS**

At its last meeting this Panel requested a further report on LPI 45 (number of appeals allowed against refusal of planning applications) and LPI 159 (supply of ready to develop housing sites).

The Director of Planning and Economic Development introduced the updating report on the area planning sub-committees and extended explanations of the comments that accompanied LPI 45 and 159.

Councillor Watts on reviewing the report asked that the raw figures as well as the percentages be supplied in relation to LPI 157a (processing of Planning applications as measured against targets for 'major' applications types) so that they could put them into context. This was agreed by the Panel.

**RESOLVED:**

- 1) That the updating report on Planning LPis be noted; and
- 2) That figures as well as percentages be provided whenever possible for LPI 157a.

**41. 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 panel's progress to date.

**42. FUTURE MEETINGS**

The schedule for future meetings were noted.