

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, interest 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.