

Report to the Council

Committee: Cabinet

Date: 26 July 2011

Subject: Finance and Economic Development Portfolio

Portfolio Holder: Councillor G Mohindra

Item: 7(d)

Recommending:

That the report of the Finance & Economic Development Portfolio

Holder be noted

Accountancy

The Statutory Statement of Accounts has been completed and submitted to the external auditors. When the audit has been concluded and the Accounts have been scrutinised by the Audit and Governance Committee they will be submitted to Council for approval in September. The full implementation of International Financial Reporting Standards has made the Statutory Statement of Accounts longer and more complex so the report to Council will include a commentary and explanations of the key issues.

Members may recall that the Council obtained £150,000 of grant funding from Improvement East for a range of efficiency projects. Many of the projects are underway and the Director of Finance & ICT has met with PricewaterhouseCoopers to take forward their work on Revenue Income Optimisation. Some of the funding was allocated to an exercise called Prioritised Resource Planning which will be undertaken by Ernst & Young and the Leader and I met with Ernst & Young recently to discuss the scope of their review. Further reports will be made to Cabinet and Council on all of the projects as they progress.

Benefits

All of the performance data for the first quarter of 2011/12 will be reported to the Finance and Performance Management Scrutiny Panel on 20 September, although I am able to share some of that data now. The first quarter is always the heaviest in terms of workload for Benefits with annual changes to process. The average time taken to process a new benefit claim in quarter one was 26.27 days, this is behind the target of 23 days but is an improvement on the average of 29.45 days for the first quarter of 2010/11. Similarly for processing changes of circumstance, the average time taken is 9.72 days which is behind the target of 8 days but better than the 2010/11 figure of 10.67 days in the first quarter. Both targets for new claims and changes of circumstance should still be achieved over the year as a whole.

Revenues

The collection statistics for the first quarter will also be reported to the Finance Scrutiny Panel. So far, despite the economic conditions, collection rates for both Council Tax and Non-Domestic Rates are marginally ahead of last year. In the first quarter of this year 27.50% of Council Tax has been collected, compared to 27.39% in 2010/11. The year on year comparison is slightly better for Non-Domestic Rates as 30.44% has been collected in the first quarter, compared to 30.03% last year.

Economic Development

The Lea Valley White Water Canoe Centre Study has now been completed. The main items coming out of the study are to do with the need to produce a master plan for the area surrounding the White Water Centre and explore the feasibility of short and medium term actions in the lead up to the Olympics, such as promoting festivals and events. Longer term actions include looking at diversifying the offer of activities and events in the area, potential new facilities and branding and marketing in order to make the area a preferred destination. Copies of the study will be circulated shortly and a presentation made by the joint Olympics Officer to the Local Development Framework Cabinet Committee in the autumn.

An important sector in the local economy of the district is the glasshouse industry. The area around the Lee Valley produces around 80% of the UK's cucumbers and is starting to contribute substantially towards the national tomato and pepper supply. As with many sectors it has had to deal with major challenges recently and as a result the local community are now becoming much more aware of the importance of this business sector. A mix of private/public and voluntary groups have now started to work together to further raise the profile and celebrate this 'unique' element of our local economy through National Cucumber Day and The Great British Cucumber Festival – both of which will be celebrated on 17 September at Abbey Gardens. This work is also feeding into the local economy strategy and tourism strategy.

Performance Management

Corporate Plan 2011-2015

The new Corporate Plan for 2011/12 to 2014/15 has recently been published on the Council's website. Although responsibility for the Corporate Plan falls within the Leader's Portfolio, the development of the Plan has been led by the Performance Improvement Unit.

Some hard copies of the Corporate Plan will be printed in due course, for distribution to Members and the Council's information centres etc., although printed numbers of the physical document will be kept to a minimum. In the meantime, the Plan can be viewed and downloaded from the website at http://www.eppingforestdc.gov.uk/Library/files/Performance_Management_Unit/Corporate%20Plan%202011-15.pdf

Progress against the Corporate Plan key objectives for 2011/12 will be reported to the Cabinet and the Overview and Scrutiny Committee in October 2011 and April 2012.

Key Performance Indicators 2011/12

The targets for each of the Council's Key Performance Indicators (KPI) for 2011/12 have now been agreed and, for the first time, some KPI targets have been subject to a profiling exercise. This has involved loading performance expectations into particular quarters where higher performance levels have previously been experienced, such as the higher proportion of Council Tax collection that traditionally occurs in the first three quarters of the year.

Previously, most annual KPI targets had simply been split equally across the four quarters of the year. The profiling of KPI targets in this structured and calculated way more accurately reflects anticipated performance patterns throughout the year and helps to meet the performance information requirements previously identified by the Finance and Performance Management Scrutiny Panel.

The Finance and Performance Management Cabinet Committee and Scrutiny Panel have agreed that a corporate target of 70% be set for the achievement of improvement against the KPIs for 2011/12.

Estates

Work is continuing on the potential Langston Road Development and a meeting of the District Development Committee has been scheduled for 5 September to consider a planning application.

In addition to the high profile work on potential developments the Estates Section have important ongoing work in managing the Council's commercial properties. One aspect of this is lease renewals and I am pleased to report that one significant renewal has recently been agreed, subject to contract, at £35,000 per annum. This was originally let as a ground lease in 1952 at £80 per annum; the substantial increase now is due to the new lease reflecting the full market value of the buildings on the site. This example highlights the important role of the Estates Section in balancing our overall budget.