

EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY
PANEL
HELD ON TUESDAY, 18 SEPTEMBER 2012
IN COUNCIL CHAMBER, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.00 - 7.56 PM

Members Present: Mrs R Gadsby, D Jacobs and H Mann

Other members present: C Whitbread

Apologies for Absence: A Lion, Ms S Watson, G Chambers, J Hart and Ms H Kane

Officers Present D Macnab (Acting Chief Executive), J Gilbert (Director of Environment and Street Scene), A Hall (Director of Housing), T Brown (Senior Finance Officer), S Tautz (Performance Improvement Manager), J Twinn (Assistant Director (Benefits)) and A Hendry (Democratic Services Officer)

15. ELECTION OF CHAIRMAN

In the absence of the Chairman and the Vice-Chairman nominations were requested for the role of Chairman for the meeting.

RESOLVED:

That Councillor Mrs Gadsby be elected Chairman for the duration of the meeting.

16. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

The Panel noted that there were no substitute members.

17. DECLARATION OF INTERESTS

No declarations of interest were made.

18. MINUTES FROM THE LAST MEETING

The minutes of the previous meeting held on 19 June 2012 were agreed.

19. TERMS OF REFERENCE / WORK PROGRAMME

The Panel noted their Terms of Reference and Work Programme. The Panel also noted that item 13 of their work programme "Value for money and data quality strategies" would now go to their next meeting in November.

20. ANALYSIS OF THE AUDIT COMMISSION'S VALUE FOR MONEY PROFILES

The Performance Improvement Manager, Mr S Tautz, introduced the report analysing Value for Money as a one-stop point of reference for much of the data

contained in the 2010/11 version of the Audit Commission's Value for Money Profile Tool. Its primary purpose thereafter is to allow officers and members to identify any Value For Money (VFM) indicators or issues which they consider appropriate for further in-depth consideration and review. Despite a number of concerns around the comparability of all the data it is a useful pointer as to how the Council compares with its geographical and statistical neighbours and allows the Council to focus its value for money work on particular areas of concern. The report contained a mass of figures broken down into various sections, to enable members to identify appropriate VFM issues, enabling them to see how they compare to the national picture, to identify councils facing similar challenges and to learn from the approach of other councils.

Councillor Jacobs commented that there had been a number of years of not comparing like with like, what was needed were better and more comparisons; however, he noted that the 'family group' contained two unitary authorities, not really comparable to us. He went on to question the correction in paragraph 8 of the report (% of rent collected for Local Authorities owned housing in 2010/11) that the corrected figure should be 98.14% and not 96.5%. It was noted that this had been mistakenly put in and it should be 98.14%.

Councillor Jacobs commented that he thought that the Council's revenue reserve shown as 15.6% was bit low, should it not be in the region of about 25%. The Acting Chief Executive, Mr Macnab replied that the policy of the Council was to have a reserve of 25% of net expenditure. Ms T Brown, the Principal Accountant added that the figures quoted here was misleading as it excluded a lot of the reserves we have. These are just the "earmarked" reserves. The Panel noted that a report on this would be going to the Finance Cabinet Committee.

Councillor Jacobs noted that our spending on environmental services was quite high except for Southend and Tendering; other authorities do not seem to be spending as much, was this unfair on us? The Director of Environmental Services, Mr Gilbert said some of this reflected our decision to spend money on flood control.

Councillor Mann was complementary of EFDC's spend on homelessness, being the third lowest in Essex. Mr Hall, Director of Housing, said it was down to the low usage of Bed and Breakfast places, with most of their clients being put up in Norway House; and partly down to the good work of the Council's homeless prevention service.

RESOLVED:

1. That the analysis of the Audit Commission's Value for Money Profiles for all Essex Authorities and the CIPFA Nearest Neighbour Authorities of the Council be noted; and
2. That those members of the Scrutiny Panel not present at the meeting be contacted directly to seek any views that they may have with regard to the content of the value for money analysis and any suggestions or proposals that they would like to put forward for further action, analysis, investigation or report in respect of particular areas of concern in relation to the data presented in the analysis.

21. KEY PERFORMANCE INDICATORS 2012/13 - QUARTER 1 PERFORMANCE MONITORING

The Performance Improvement Manager, Mr S Tautz, introduced the quarter 1 performance monitoring on the Council's Key Performance Indicators (KPIs) report. It also asked for agreement to changes to four KPIs.

As part of the duty to secure continuous improvement, a range of Key Performance Indicators (KPI) relevant to the Council's services and key objectives are adopted each year. Performance against the majority of KPIs is monitored on a quarterly basis, and has previously been an inspection theme in external judgements of the overall performance of the authority.

The three-month position with regard to the achievement of target performance for the KPI for 2011/12, was:

- (a) 21 (77.77%) achieved the first quarter performance target;
- (b) 6 (22.22%) did not achieve the first quarter performance target.

Targets were originally set by this Scrutiny Panel last year. Improvement plans had been circulated previously. If members had any specific questions then they should contact the specific director concerned.

Councillor Jacobs said he thought that there was an error in the reported percentage of KPI 21 "% of all household was sent to be recycled, reused or composted". Mr Gilbert agreed saying it should be 59.96% and not as shown (58.16%). It took time for the figures to catch up. He noted that the bad weather had caused less green recycling this year, but we should hit our targets at year end.

Councillor Jacobs noted that there was quite a lot we could do to increase food waste recycling; could we increase our percentage on this? Mr Gilbert replied that they provided a weekly collection service, but there was a reluctance out there to recycle food waste.

Councillor Mann looking at KPI 35, asked if an increase in investigations would benefit the Council. The Assistant Director, Benefits, Ms Twinn said as they were doubling the number of investigations they should be able to meet the proposed new target.

The Panel agreed the proposed amendments to the four KPIs.

RESOLVED:

- (1) That the Council's performance for the first quarter of 2012/13, in relation to the Key Performance Indicators adopted for the year be noted;
- (2) That, subject to the concurrence of the Finance and Performance Management Cabinet Committee:
 - (a) the target for KPI 35 (Benefit Fraud Investigation) for 2012/13, be increased to 300;
 - (b) the target for KPI 46 (Affordable Homes) for 2012/13, be increase to 72; and
 - (c) that the revision of the methodology for reporting performance against 'KPI 22 – (Unacceptable levels of litter) and 'KPI 23 – (Unacceptable levels of detritus) be agreed as set out in the report.

22. QUARTERLY FINANCIAL MONITORING REPORT

The Principal Accountant, Ms T Brown introduced the quarterly financial monitoring figures. This provided a comparison of the original estimate for the period ended 30 June 2012 and the actual expenditure or income as applicable. Generally speaking the emerging pattern was in line with expectations. It was noted that:

- The Housing Repairs Fund showed an underspend of £442,000; but things could change and it was being constantly monitored;
- The salary underspend for quarter 1 was due mainly to vacancies;
- Income was mostly on target; however, there were fewer major building works at present so there was less income there;
- Investment interest levels in 2012/13 were slightly below expectations at quarter 1, and significantly below the prior year;
- Development Control income at Month 3 was £13,000 below expectations;
- Building Control income was also down, but by £18,000 as activity in the building industry was at a low level;
- Licensing income was in line with expectations;
- Income from MOT's was below expectations. There were some difficulties whilst a new ramp was installed; and
- Capital Accounts were on target overall, but the trend would be very variable over the year.

Councillor Gadsby asked if the problem with the MOT testing last year had been exacerbated by the loss of work from the BMW dealership. She was told it had affected receipts but, with the installation of a second ramp, it would not be long before the income started flowing again. The second ramp allowed them to be more efficient.

Councillor Gadsby asked if the all weather pitch in Waltham Abbey had now finally been signed off. She was told that there had been a lot of environmental problems which had now been solved. The works had been out to tender and they were now in final negotiations with the contractor and hopefully the pitch should be up and running in the early New Year.

RESOLVED:

That the revenue and capital finance monitoring report for the first quarter of 2012/13 be noted.

23. 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.

24. FUTURE MEETINGS

The dates for the future meetings of this Panel were noted.