EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY
PANEL
HELD ON TUESDAY, 10 MARCH 2015
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.00 - 8.39 PM

Members Present:	T Church (Chairman), A Mitchell MBE (Vice-Chairman), K Angold-Stephens, D Dorrell, J Knapman, G Mohindra, J M Whitehouse and Ms S Watson
Other members present:	A Lion, J Philip and Ms S Stavrou
Apologies for Absence:	Mrs E Webster (Vice Chairman of Council)
Officers Present	P Maddock (Assistant Director (Accountancy)), D Newton (Assistant Director (ICT and Facilities Management)), B Copson (Senior Performance Improvement Officer) and A Hendry (Democratic Services Officer)

37. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

The Panel noted that there were no substitute members.

38. NOTES OF LAST MEETING

The minutes of the previous meeting held on 11 November 2014 were agreed.

39. DECLARATION OF INTERESTS

No declarations of interest were made.

40. KEY PERFORMANCE INDICATORS 2014-15 - QUARTER 3 PERFORMANCE

The Senior Performance Improvement Officer, Barbara Copson introduced the report on the quarter 3 performance of the year's Key Performance Indicators that were relevant to this Scrutiny Panel.

Eleven of the Key Performance Indicators fell within this Panel's areas of responsibility. The overall position with regard to the achievement of target performance at the end of the third quarter of the year for these eleven indicators was as follows:

(a) 6 (55%) indicators achieved the cumulative third quarter target, and
(b) 5 (45%) indicators did not achieve the cumulative third quarter target,
(c) 7 (64%) were currently anticipated to achieve the cumulative year-end target.

At their last meeting this Panel had asked for information on targets and trends for the indicators. Officers hoped to adapt the charts and add in the information that was being sought.

Councillor Knapman noted that GOV001 (*How satisfied with their experience were visitors to the Council's website*), was not that useful. In getting to the calendar page he had to go through numerous steps. It seemed long winded and hard to find. As for GOV 002 (*what % of the rent we were due to be paid for our commercial premises was not paid*), it would be useful to know what this was in monetary terms, then members could get a better feel of what they were talking about. He was still concerned about sickness as we never seemed to have got to grips with this. It maybe that the target was wrong. We were not as good as compared to the private sector.

The Assistant Director (Accountancy), Mr Maddock noted that we had had hit our sickness targets last year but, unfortunately, not this year. Long term absences had come down slightly, but not the short term ones. Staff have been advised on the best way to avoid cross infection and on best hygiene practices; but it was likely that we would not hit our target this year.

Councillor Philip noted that this Panel used to review sickness figures regularly, but then they came down three years in a row. It had been the focus for some years by this Panel. As for the website, the website board will be looking at this at their meetings and, you should be able to access the calendar with just one click.

Councillor Lion added that this Panel used to review sick absence figures at each meeting, it improved and we decided to look at it on a six monthly basis. The commercial rent arrears seemed significant and we should look at these in more detail. Mr Maddock said that at the quarter 4 period they could produce more detailed information on this.

Councillor Watson wanted to know what areas of the website people were trying to access; this may be quite specific and what area someone was accessing may predetermine how happy they would be. As for commercial rent, she would like to see what the implications were for the end of the year. This needed to be quantified and we needed more details for us to use. On NNDR collection (RES 004 – *what % of the district's annual business rates were collected?*), she was confused why we were below the target and wondered if we would miss the target anyway, when we have missed the last 3 quarters.

Councillor Mohindra asked if the Panel could be supplied with the latest position on commercial premises and the position on the date due. Mr Maddock replied that these debts were regularly reviewed; as they were commercial they were more easily collectable. If needed, he could provide the latest position.

Councillor Mohindra commented on RES002 (*what % of the invoices we receive were paid within 30 days*); he noted that we had signed up to a charter on this but had not seen any commentary. Mr Maddock said that they had looked at the numbers for ways to speed up processing. It was too late for this year, but he was confident for the coming year. Also, internal invoices were still paper based, but e-invoicing was coming in to speed up this part of the system.

Councillor Church would like information on how many invoices were disputed and not just the ones that were agreed. Mr Maddock replied that if an invoice was disputed then that invoice would be put on hold and the clock would stop until it was sorted out.

Councillor Watson asked if finance knew when an invoice had arrived. She was told that 95% of invoices went straight into finance and the clock started when it was registered by finance.

Councillor Philip noted that a lot of the information on the website was covered by reports to the Website Development Board.

Councillor Angold-Stephens asked if we would meet the targets for the NNDR indicator (RES004) by the end of the year. Mr Maddock said that a lot of income would come in at the end of the year, so that they were confident that they would achieve it.

Councillor Watson wanted to know if a section took on an extra member of staff, would it cost more to achieve the target taking into consideration the added cost of that staff member. Could this sort of information be supplied? Councillor Angold-Stephens said that we did get this information last year about the fraud team, which more than covered the expenditure. Mr Maddock said that he could put in a comment along those lines.

Councillor Knapman commented on his concern about levels of attendance by staff on Fridays, was this a future problem in the making? Could this be looked into? Councillor Philip said that it would not be a problem unless it was in a customer facing job. Mr Maddock said that as a manager he saw the leave cards for his staff and organised his office around this. Councillor Lion agreed, it was down to the manager to manage his section. Councillor Stavrou said that she had not had a problem over the years with not being able to contact members of staff when needed.

> **RESOLVED:**
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> That the performance of the Key Performance Indicators, for quarter 3, in relation to this Panel's area of responsibility was noted.

41. **KEY PERFORMANCE INDICATORS 2015-16 - REVIEW AND TARGETS**

The Senior Performance Improvement Officer, Barbara Copson introduced the report on the review of the Key Performance Indicators (KPIs) proposed for 2015/16. Although some revisions to existing KPIs were proposed, it was not intended that significant changes be made to the overall indicator set for the next year. Service Directors had identified provisional targets for each indicator with their relevant portfolio holders based on third quarter performance (and the estimated outturn position) for the current year.

The KPIs relevant to this Panel had a number of changes recommended. It was proposed that the following indicators were deleted:

i) *GOV001   How satisfied with their experience were visitors to the Council's website?* - this indicator has not generated a statistically viable sample to be worthwhile;

ii) *RES007   How many fraud investigations were completed?* - Housing Benefit investigation will cease to be the responsibility of the Council from October 2015;

iii) *RES008   In what percentage of potential benefit fraud cases investigated by the Benefit Investigation Team, was fraud proven?* - Housing Benefit investigation will cease to be the responsibility of the Council from October 2015.

Three new indicators were to be introduced to replace GOV001 Website Satisfaction:

I.   Are customer needs being met by the Corporate Website being available?

II. Are customer needs being met by the Corporate Website not having broken links?

III. Are customer needs being met by the main Corporate Website having effective navigation?

The Panel noted that improvement plans would be developed for each KPI, identifying actions to achieve target performance, which would be considered and agreed by Management Board. As part of this process, the Board will also review the provisional targets for each KPI with reference to outturn data for 2014/15 when this becomes available. Any revisions to targets on the basis of the outturn position will be reported to this Scrutiny Panel in June 2015.

Councillor Jon Whitehouse commenting on the proposed website indicators noted that not everything that we wanted to know was measurable. Did we do any user testing on how people use the website? The Assistant Director ICT and Facilities Management, Mr Newton replied that they were considering doing this. The Website Development Board did receive a lot of statistics on the website. But the board was made up of Council employees who are familiar with the website. They were thinking of asking affiliated organisations, such as the Tenant Participation Board to get some impartial feedback. They also hoped to use other groups that we were in contact with. However, they would not like to pay an organisation to do this.

Councillor Knapman commented that there had been a lot of improvement over time on our website and this should be noted.

Councillor Mohindra asked if the council only looked at Housing Benefit fraud. He was told that it did. He then asked if we could look at Council Tax fraud or corporate fraud. Councillor Philip said that they would need to look at this to see what they would need to measure. As for the new three website indicators, these were what the big companies looked at.

Councillor Watson was unsure about the comments to RES003 'what % of the district's annual Council Tax was collected?' Mr Maddock said that he was unsure and that he would talk to the relevant Assistant Director about it.

> **RESOLVED:**
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> That the proposed Key Performance Indicators and targets for 2015/16 that fall within this Panel area of responsibility be agreed and referred to the Finance and Performance Cabinet Committee.

42.   **ICT UPDATE**

The Assistant Director ICT and Facilities Management, Mr Newton introduced the report updating the Panel on the ongoing works and projects of the ICT strategy. Overall the projects are on track and progressing well.

The Panel noted that:

- ICT now incorporates the GIS and the Gazetteer team. The opportunity was taken to merge the helpdesk, switchboard and desktop support to create a more proactive desk service team;

- The new telephone system was now fully live. Auto attendants (menu assisted calls) have been created to help direct calls, workgroups have been created to ensure quicker answering and less abandoned calls and calling line identification (CLI) is now displayed on all outgoing calls;
- New core and edge switches have now been installed resulting in network availability for January 2015 averaging 99.97%. It was essential to keep this up to date for reliability;
- The 'GOOD' and 'Mod.Gov' applications has now been installed on various devices to enable members and officers to access files and emails whilst not in the office. Feedback on ease of use and reliability had been excellent. If members wanted this system IT would need to set them up with an EFDC email address. Also 50 branch routers have been distributed to enhance home working;
- The whole council was now covered by wireless connectivity, which was working well. By the end of the month this would also include satellite offices;
- Host servers have been replaced by 'Fujitsu' and are now in place and undergoing testing;
- ICT now have out of hours call-out arrangements to enable them to resolve any problems before core working time begins. This has proved very successful to date with a number of potentially serious issues resolved outside of normal working hours; and
- We have now developed our own online booking system for leisure services and this will eventually link in with the Finance system.

Councillor Watson asked if the disposal of the old equipment was secure. She was assured that it was, very.

Councillor Watson then asked if officers could somehow market our in-house developed booking system to other authorities. Mr Newton said that they had looked into this; it appeared that other authorities wanted many variations to our basic system and made it confusing. He was, however, talking to the Essex on line partnership about this.

Councillor Mohindra asked how secure we were against a cyber attack. Mr Newton replied that we had a good security officer and system in place. So, much so that Essex County Council had a virus before Christmas and our system was good enough to block it.

Councillor Lion said that as our core switches were 99.97% effective, could this become a KPI. He was told that it was something officers could easily monitor.

Councillor Lion noted that now Mod.Gov was available on a tablet which could also provide the Council Bulletin and agendas, he encouraged members to use it as they were looking to save paper and printing costs. Mr Newton added that, at a future meeting, he could show the Panel the statistics on website use and could also demonstrate how Mod.Gov worked. The Panel thought this was good idea.

RESOLVED:

The Panel noted the progress on the ICT projects for 2014/15.

43. PERFORMANCE MONITORING - TELEPHONE CALL HANDLING

The Assistant Director ICT and Facilities Management, Mr Newton introduced the report on call handling. Following on from the September 2014 meeting of this Panel it was agreed that examples of monitoring reports be brought to a future meeting for discussion on possible ways of monitoring telephone call handling.

Our new telephone system was now live and could produce various monitoring information. Following the introduction of a number of auto attendants (menu assisted calls), a large number of calls now bypass the switchboard and go straight to directorate contact centres and workgroups. Reporting on the switchboard was still a requirement, but was it also necessary to report on the calls that have been relayed by the auto attendants.

Other authorities that have telephone systems like us tend to favour reporting on:
   a. The percentage of abandoned calls; and
   b. The number of calls sent directly to the voicemail system.

ICT tended to favour these indicators that specifically relate to the service callers were receiving. During January, 35,388 calls were received – 9.8% of these were classified as abandoned with 4.22% of calls going directly to voicemail. This may be something that the Panel would want to monitor, but not necessarily as a KPI.

Councillor Mohindra noted that before there was some concern about teams not adopting this system. Was this changing? Mr Newton said that it was changing. He noted that if a contact centre received an abandoned call they would call back. Other areas would need looking at. Councillor Mohindra asked if this Panel could have a list of the top three teams. Mr Newton replied that this sort of thing normally went to Management Board; he could ask if they could pass it on to this Panel.

Councillor Watson asked if a set number of rings could be logged before a number was classed as abandoned. This was to rule out the accidental call etc. she suggested a minimum of 4 rings. Mr Newton said he would find out if the system could do this.

Councillor Whitehouse noted that the length of waiting would drive abandoned calls. Did people know where they were in the queue? Mr Newton said that our system could not do that at present, but they were working with the suppliers on this. It could tell how many were in the queue and the average number of people calling etc. the contact centre could see what was happening in real time on their screens.

Councillor Knapman said that in doing this there was need to compare like with like. For example some parts of planning shuts down after midday as planners went off on site visits etc. this could not be compared to other sections. Councillor Lion noted that we could now divert calls to someone who was not in the office. Councillor Knapman understood that some officers had to use voicemail, but would like to see these callers have their calls returned.

> **RESOLVED:**
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> 1.   That the Panel agreed to the new reporting definitions on call handling, that of:
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>> i)   The percentage of abandoned calls; and
>> ii)   The number of calls sent directly to the voicemail system.

But this would be subject to a minimum of 4 rings for abandoned calls.

2.   The Panel would like to see these figures on a quarterly basis.

44.   QUARTERLY FINANCIAL MONITORING

The Assistant Director Accountancy, Mr Maddock introduced the financial monitoring report on income and expenditure for quarter 3.

The Panel noted that:
- The salaries schedule showed an underspend of £164,000 (or 1.1%). This time last year the variance was 1.2%. With the implementation of the new pay award the underspend would reduce going forward;
- The Governance Directorate was showing and underspend of £77,000, relating mainly to the Estates Division;
- The Resources Directorate showed an underspend of £75,000 relating to a number of areas, but mainly Revenues;
- Development Control income at month 9 was going particularly well. Fees and charges were £82,000 higher than the budget to date and pre-application charges were £16,000 higher;
- Building Control income was £18,000 higher than the budgeted figure at the end of the third quarter;
- Local Land Charges income was in line with revised expectations at the end of December and had continued the upward trend of recent months;
- Hackney Carriage income was up by £2,000 and other licensing in line with the budget;
- The income from MOT's were in line with the revised position. Cabinet had determined in October that the service would be re-located to a new depot at Oakwood Hill but would scale back its operations with the service breaking even;
- Things had improved on the parking income receipts as the teething problems experienced with the new cash collector were being overcome. Income was now slightly above the revised budget;
- The Housing Repairs Fund showed an underspend of £79,000. The full year's budget was likely to be fully spent;
- This was the second year for the new Business Rates Retention Scheme, whereby a proportion of rates collected were retained by the Council. There were two aspects to this monitoring, firstly changes in the rating list and secondly the collection of cash;
- Cash collection was important as the Council was required to make payments to the Government and other authorities based on their share of the rating list. These payments are fixed and have to be made even if no money was collected. Therefore, effective collection was important as this can generate a cash flow advantage to the Council. At the end of December the total collected was £27,551,925 and payments out were £24,304,499; meaning the Council was holding £3,247,426 of cash and so the Council's overall cash position was benefitting from the effective collection of non-domestic rates.

In all, it would be a surprise if the Council showed an underspend this year.

Councillor Mohindra queried the comments on industrial estates, wanting to know if £300k was more than expected as the commentary indicated the income was higher. Mr Maddock said that he would investigate and get back to him.

Councillor Whitehouse asked if income on off street parking was getting better. He was told that yes it was catching up, the income increase was due to the increase in pay and display charges.

Councillor Watson wondered if the increase in the income from Building Control and Development Control was due to the lack of a local plan and was the timetable for this slipping further. Councillor Philip said he did not believe that people were not putting in planning applications due to a lack of a local plan. The majority of the applications were for household changes. We still had the existing Local Plan in place, so it was not right to say that we did not have one. He noted that updates on this would be coming out soon, but they did not wish to rush this as they needed a good evidence base. But, he agreed that these figures needed to be kept under observation. Councillor Watson noted that the budget for forward planning had been revised downwards and re-profiled. Mr Maddock said that a substantial part had been moved into 2016/17. Councillor Watson asked if this could be brought back to the next meeting.

> **RESOLVED:**
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> That the Panel noted the revenue and capital monitoring report for the third quarter of 2014/15.

45.   TERMS OF REFERENCE / WORK PROGRAMME

The Panel noted their Terms of Reference and work Programme.

Councillor Whitehouse asked what had happened to item 15 of the work programme, the 'use and cost of consultants'. Mr Maddock said that this would have to be moved into the work programme of the new Resources Select Committee in the new year.

46.   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 with a special emphasis on the ICT Update report.