

**PERFORMANCE SELECT COMMITTEE held at COUNCIL OFFICES
LONDON ROAD SAFFRON WALDEN at 7.30 pm on 12 JUNE 2007**

Present:- Councillor H S Rolfe – Chairman.
Councillors S Barker, M L Foley, M A Gayler, T P Knight,
J Salmon and P A Wilcock.

Officers in attendance:- A Bovaird, S Bronson, A Clarke, L Petrie, P O'Dell,
C Roberts and T Turner.

Also present:- P King – Audit Commission.

PS1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor A J Ketteridge.

PS2 MINUTES OF THE MEETING HELD ON 25 APRIL 2007

The Minutes of the meeting of the Committee held on 25 April 2007 were received, confirmed and signed by the Chairman as a correct record.

PS3 MATTERS ARISING/ACTION LIST

The Committee received the list of committee actions and confirmed that there was no other action to raise.

PS4 WORK PROGRAMME

The Committee considered the report of the Director for Communities setting out the Committee's anticipated work programme for 2007/08.

The Chairman of the Committee added that he would like the Committee to examine a cost benefit analysis of recycling; partnership performance management and customer services. He wished to take one of these as a topic in each meeting.

Councillor Gayler suggested that the matter of unreturned calls related to the need for implementation of the software since there was an automatic reminder system promised as a part of the telephone package.

RESOLVED that

- 1 The outline work programme be agreed with the addition of items on partnership performance (August) and Customer complaints (August update, full report September).
- 2 Arrangements be made for the Members of the Committee to visit UConnect.

PS5

BUDGETARY CONTROL IMPROVEMENTS

The Committee received the report of the Director of Resources on budgetary control improvements. The appendix to the report gave the feel of launching a new financial year. All officers knew their budgets and target and had the information to enable them to manage them.

The most important job was the finalising of accounts.

Councillor S Barker asked whether savings were expected in the Housing Department in connection with the Housing Revenue Fund and how this impacted on budget. The Director of Resources said that the only savings expected were those from organisational reengineering of £50,000. Councillor Gayler suggested that the Committee cycle was not best timed to receive regular financial reports. The Director of Resources replied that this would be possible off-line and it was his hope to make such information available online.

The Chairman of the Committee stressed that it was the Committee's remit to examine the process whereby this information was conveyed.

RESOLVED that the Committee notes the contents of the report of the Director of Resources.

PS6

ANNUAL AUDIT AND INSPECTION PLAN

The Committee received the report of the Director for Communities conveying the Audit Commission's Annual Audit and Inspection Plan 2007/08 for the Council. Paul King, representing the Audit Commission, explained that the report set out the Commission's roles, responsibilities and the statutory framework to which they worked since 2005/06 and also a value for money conclusion, together with the Commission's performance assessment framework. He informed the meeting that the assessment in the current year would take place earlier than in the previous one and some of the criteria would change. He detailed the changes compared with the existing position. Councillor Rolfe commented that the report did not say whether the Council's achievement was good or bad financial value for money, merely commenting on the presence or otherwise of financial management arrangements and spending against budget or otherwise.

Councillor Barker asked how many days work had been provided for the fee charged and Paul King explained that they did not usually quantify these and that it was not the Audit Commission's responsibility to state whether the Council was giving best value for money and why.

In answer to further questions on this aspect from Councillor Knight, he said the Commission could make recommendations on how to improve the arrangements made and if there was scope to improve, recommendations could be made, but the Commission would not give quantifiable assessment of how the Council could improve value for money.

Paul King explained that whilst the Commission looked at processes, value for money was a function of what was achieved and how the Council managed. This Council had been given a 2 and a 1 as a response so more weight had been given to outcomes than to processes.

The Chief Executive referred to the projected timing of the next VFM audit which would not enable the Council to make progress on the 2 until the next year because of the alteration of the audit measurement periods.

The Chairman of the Committee referred to the fees charged by the Commission and expressed surprise at the size of them.

Paul King pointed out that in the previous year the Audit Commission had found a £50M mis-statement in the Council's accounts. Councillor Knight expressed her view that the audit fee appeared excessive in the light of the Council's budget and she found it disconcerting that they had not been provided with a chart of other district councils' fees.

The Chairman of the Committee suggested, in summary, that the Committee ask Paul King to detail the total days allocated to each audit activity and to provide details of how the Council could make real savings on this fee, in time for the next meeting.

RESOLVED that the Audit Commission be asked to provide further details on its fee scale including the total days allocated to each activity and suggestions for reduction of this at the next audit.

PS7

COMPREHENSIVE AREA ASSESSMENT

The Committee received a presentation by Paul King of the Audit Commission about comprehensive area assessment which he regarded would succeed performance assessment. A copy of the presentation entitled "The Evolution of Regulation" was circulated at the meeting. Paul King spoke at length describing the proposed new variety of assessment which was planned to occur from year 2009/10 and would be based on area (in this case the area Essex) and would also be future focussed using the vehicle of the LSA's and LAA's which were already in place as well as a raft of other fora. Mr King was asked why it was intended in the name of "less duplication" to consult a huge number of foras when the Districts already knew where the areas of deprivation were and would not wish to be assessed using values and requirements from other Districts.

Members expressed concerns about the proposed new delivery assessment, but noted that further consultation would come to future meetings as CAA developed.

RESOLVED to discuss further at future meetings as CAA develops.

PS8

BEST VALUE PERFORMANCE PLAN

The Committee considered the report of the Head of Partnerships and Performance submitting for approval the draft Best Value Performance Plan.

The Head of Partnerships and Performance explained that there had been a 5% improvement made on all best value performance indicators across the board. In the case of target BV79bii however, targets were being reduced to 25%, 30% and 35% respectively in the years 2007/10. Likewise a reduction was suggested for BV127a to 5.5, 5.2 and 4.9 in the years 2007/10. Further to the recommendation of the Committee at its last meeting, planning targets had been uplifted as follows. BV109a, 65%, 68% and 71% in the years 2007/10. BV109b, 70%, 73% and 76% in the years 2007/10 and BV109c, 85%, 87% and 90% in the years 2007/10.

In answer to questions, the Senior Housing Officer described the pressures impacting on achievement of housing repairs targets. A Member suggested that a local target should be introduced to meet decent homes standards for the Council's homes, and it was agreed that targets be introduced in the case of performance indicators H2 and H3 as follows:

H2, 99.25, 99.35 and 99.36 in the years 2007/10. H3, 8.99, 8.98 and 8.97 in each of the years 2007/10.

RESOLVED that subject to the amendments above the content of the Best Value Performance Plan be approved.

PS9

BEST VALUE USER SATISFACTION SURVEYS

The Committee considered the report of the Head of Partnerships and Performance setting out the results of the Best Value User Satisfaction Surveys undertaken during 2006/07. Comparisons were made with previous surveys in 2000/01 and 2003/04 along with Essex and all District Councils.

It was noted that the methodology for surveys was prescribed by the Government leaving little discretion for the District Council. It was felt that the three year gaps between surveys were unsatisfactory and that people's actual views were insufficiently represented by the figures given. It was also felt that the questions were very broad and left much room for error as to the motive behind the answers.

RESOLVED that the Best Value User Satisfaction Survey results be noted and performance targets for 2009/10 agreed.

PS10

ANNUAL INTERNAL AUDIT REPORT AND OPINION

The Committee considered the report of the Acting Audit Manager on work carried out by Internal Audit during 2006/07 and the Council's control environment for 2006/07. Members noted the areas of less adequate error or loss risk and the Director of Resources explained that measures were being taken in creditors, VAT management, payroll allowances and expenses and in

sundry debtors management to improve this situation. As regards the response maintenance and the leisure audits, the main areas of concern had prompted recommendations to management to mitigate the risks. Once the audits were complete, they would be displayed on the intranet for Members to view.

RESOLVED that

- 1 Audits on insurance and sundry debtors be submitted to the next meeting of the Committee in August and that a report on the creditors audit be submitted to the September meeting.
- 2 Internal audit coverage, the internal audit opinion and compliance with the code are noted.

PS11 **HOUSING ALLOCATIONS**

The Committee considered the report of the Acting Audit Manager about a recent internal audit report on housing allocations. The Senior Housing Officer said that errors to the online and printed leaflets had now been corrected.

RESOLVED that the Housing Allocations Internal Report and Management Action Plan be noted.

PS12 **ITEMS FOR NEXT MEETING**

Performance Indicators – Quarter 1
Partnerships Performance and Local Area Agreement
Risk Management update
Sundry Debtors and Insurance
Internal Audit Reports
Consultation – update
Customer satisfaction and complaints update
Either Access to Services inspection report or Leisure PFI report

The meeting ended at 9.50 pm.