

**PERFORMANCE SELECT COMMITTEE held at COUNCIL OFFICES  
LONDON ROAD SAFFRON WALDEN at 7.30 pm on 16 NOVEMBER 2010**

Present: Councillor H S Rolfe - Chairman  
Councillors S Barker, T P Knight, R M Lemon,  
J Salmon, P A Wilcock and A C Yarwood.

Officers  
in attendance: R Auty (Head of Performance and Communications),  
S Bronson (Audit Manager), S Joyce (Assistant Chief  
Executive—Finance), S Martin (Head of Customer Support  
and Revenue Services), J Mitchell (Chief Executive) and  
R Procter (Democratic Services Officer).

Also attending: Debbie Hanson - Audit Commission.

**PS32 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillor A J Ketteridge.

**PS33 MINUTES**

The Minutes of the meeting held on 21 September 2010 were received and amended as follows:

The final sentence of the fourth paragraph of Minute PS26 (Annual Governance Report) was amended to read 'She [Debbie Hanson] added that whilst a value for money conclusion would form part of the report for 2010/11 it would no longer be reported as a "stand-alone" criterion.'

The third sentence of Minute PS24(ii) (Asset Management) was amended to read 'An asset management and asset register would be brought to the Finance and Administration Committee before the end of the financial year.'

Subject to the above amendments the Minutes were approved as a correct record and signed by the Chairman.

**PS34 ACTION LIST**

The Head of Performance and Communications updated the Committee on actions arising from the previous meeting. A report on environmental crime and enforcement had been circulated to town and parish councils. Regarding the inclusion of additional information in the corporate risk register on the impact and likelihood of corporate risks, the addition of further columns was not possible, but this information for the previous quarter would be made readily accessible within the report.

**PS35 AUDIT COMMISSION PROGRESS REPORT**

The Committee considered a report summarising progress against the audit plan for 2009/10.

Debbie Hanson said she was finalising an interim report with officers which would be brought to the February meeting of the Committee. She referred Members to the summary set out in the report. She said there were revised external audit standards, about which a letter had been issued to the Assistant Chief Executive – Finance, but these changes would have no impact on the audit fee. She referred Members to new guidance on value for money criteria, which could be accessed on the Audit Commission website.

The Chairman asked for clarification regarding the audit on housing benefit. Debbie Hanson explained the Audit Commission's approach to identifying and classifying errors within the service. She suggested bringing a more detailed report back to the Committee once this work had been concluded.

Councillor Yarwood criticised the report, saying it was difficult to analyse in any useful way what the Council was doing in terms of errors within the benefit system. Without this information, it was impossible for Members either to address errors or challenge the analysis.

The Head of Customer Support and Revenue Services said he was aware of some of the details around these errors, and that some were systemic, and some were individual assessment errors. Those which were reported to him tended to be clerical in nature.

The Chairman said Councillor Yarwood's point was taken, and that there was a report later on the agenda regarding this particular service.

Councillor Barker said she agreed with Councillor Yarwood on this point, as Members did not know what sort of errors were being made, and would not wish the situation to continue for another year.

Debbie Hanson agreed that further information on the housing benefit service would be provided once this audit had been concluded.

PS36

## **AUDIT COMMISSION REPORT ON HEALTH INEQUALITIES**

The Committee considered a report on how partnership and public services were working to tackle health inequalities. The report summarised progress in Essex as a whole, but included an assessment for Uttlesford's Local Strategic Partnership. Debbie Hanson drew Members' attention to the areas of target setting and performance monitoring, which required improvement. The report recommended a more cohesive strategic approach to be taken in Uttlesford.

Councillor Barker questioned a reference in the report to the Spearhead Group. She had recently attended a presentation given to the South Area Forum by the chief executive of NHS West Essex, Catherine O'Connell. Councillor Barker had referred to the same tables given in this report on life expectancy, but had been informed that these were not the figures being relied upon by NHS West Essex. Councillor Barker criticised the repetitive nature of the Audit Commission's report, but said she had found one highly significant reference, the statement that 'more than three-quarters of the population do not have disability-free life expectancy as far as the age of 68 – the pensionable age to which England is moving. Those living in the most

deprived areas can expect only some 52 years of disability-free life.'

Councillor Barker said if people were meant to be working until the age of 68 and three-quarters of the population were not healthy, this was a dire situation. She was surprised at the figure quoted, and felt there should be a much greater focus on keeping people healthy.

Debbie Hanson said she could only comment to the extent that she had discussed the key points of the report with the author, who had now departed from the organisation following re-structuring. However, she agreed this was a point which deserved consideration as part of the backdrop to longer working. She would seek clarification as to whether the figures were up to date. With reference to Councillor Barker's earlier question, she said she would revert to her by email with information on the Spearhead Group.

Councillor Rolfe said he was interested in the report from the perspectives of both his role in health service provision and as chairman of the Local Strategic Partnership (LSP). The LSP was aware that Uttlesford was fortunate in its health equality, but accepted there were various factors which affected people's access to healthcare, such as knowledge of how to access the available help, as well as factors such as lifestyle and diet. The LSP intended to follow up these factors as priorities. He said it would be a challenge to effect a rapid harmonisation of approach between all agencies, as the expertise of local authorities in health was limited.

Councillor Wilcock said there was indeed health inequality in the district, and agreed that an important means of addressing such inequality was better education to enable self-diagnosis. He said lack of resources in particular areas was an issue, despite the relative wealth of the district, so he was intrigued by the concept of 'total place' promoted by the government. One area of great concern was child obesity.

The Chairman agreed that the problem of child obesity was very worrying. He said the LSP would take a lead on establishing the Health and Wellbeing Boards referred to in the report.

Members discussed aspects of health inequality, the lack of a transparent 'joined up' approach in health services and the effect of cutbacks which could exacerbate the difficulty of obtaining GP appointments. Experiences of availability of GP appointments varied across the district, but in areas where people found it very difficult to obtain appointments, Members were concerned about possible adverse effects on early diagnosis. Members felt the aim in Uttlesford should be a proactive approach to wellbeing.

The Chairman agreed that preventive care was important and could reduce costs. Regarding the new commissioning bodies, controls over the responsibilities of GPs would be necessary, and he took the view there was a role for local government in representing the customer.

Councillor Barker said many health issues derived from problems people faced with their housing, education or finances, and that Members had a duty to encourage people to approach them for information, as often people in these circumstances did not know who to turn to.

The Chief Executive reminded Members that this was a report about inequality, not health care, and that a broader view was necessary. The government had made it clear that leading on health was a task for first tier authorities. Regarding the reference in the report to the proportion of the population which did not have disability-free life expectancy to age 68, it should be noted the figures included those with comparatively minor disabilities, such as the need to wear glasses. From Uttlesford's point of view, this area was one of the healthiest places in the country. The whole structure was changing, and the Council would need to part of the public health process, through the county and the LSP group.

The Chairman summed up the discussion, saying there were a number of areas which councillors could take forward. The main issues were how to join up the various agencies; how to engage with the bodies replacing West Essex PCT; and how to encourage preventive health measures.

PS37

## **PERFORMANCE MANAGEMENT REPORT 2010/11 QUARTER 2**

The Head of Performance and Communications presented a report summarising quarter 2 performance for the quarterly collected indicators and setting out detailed performance information in areas of concern. The Committee was invited to note the views of the Strategic Management Board, and to consider any further action to be taken.

The Chairman referred to the issue of procurement, and described the use by the NHS Procurement Hub of a digital procurement card, which gave certain advantages in terms of cost and efficiency, as it aggregated spending to enable a discount to be applied. He recommended that officers explore the benefits to the Council of using a procurement card.

The Assistant Chief Executive - Finance said the recently-appointed Procurement Manager was researching e-procurement solutions. He asked the Chairman to liaise with officers to arrange a reference visit to observe the way in which the NHS Procurement Hub was using the digital procurement card.

Members discussed the Council's performance in terms of payment of supplier invoices. The Assistant Chief Executive - Finance assured Members he was monitoring relevant departments to ensure prompt settlement of invoices.

Members noted the comments given in the report relating to procurement strategy.

Regarding asset management, Councillor Wilcock asked when outstanding actions would be completed. The Chairman reminded Members that this subject had been considered in some depth at the last meeting, and he noted that Braintree District Council had been appointed as consultants.

The Assistant Chief Executive - Finance said progress on compiling an asset register was good, and that an action plan was being prepared, which would

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go forward to the Finance and Administration Committee by the end of the financial year. The Chairman asked for an update on the arrangement with Braintree District Council to be provided at the next meeting.

Regarding vacant commercial premises Councillor Yarwood questioned whether the performance indicator target of 5% was realistic, and suggested a target based on five years. The Chief Executive replied it was hard to know the value of this performance indicator, and there would be a review of the indicators around commercial development next year.

The Chairman said the local authority had a role to play in helping areas to avoid economic decline. Although the indicator of vacant commercial premises was not the only measure, it was necessary to have indicators for commercial activity.

Councillor Barker said if Stansted Airport were excluded, an indicator based on the collection of the NNDR would give a more realistic idea of commercial trends.

The Chairman asked for action on this indicator to be reported by the end of the financial year.

Councillor Knight referred to the unfortunate trend for rural public houses to be left to deteriorate, to the extent that in some cases they were no longer a source of business rates. She asked what action could be taken to prevent this situation. The Chief Executive confirmed the Council was taking action where appropriate, for example in relation to premises in Radwinter.

Councillor Wilcock suggested that the Economic Working Group of the LSP be invited to look into this topic. The Chairman said the LSP was investigating economic indicators over a range of bodies, but agreed the group should be asked for their input.

Regarding planning income, officers stated that by the end of the year planning income should be in line with budgets.

Regarding corporate indicators listed in the report, Members were pleased to note the high proportion with 'green' status.

PS38

## **REVENUE COLLECTION AND HOUSING BENEFIT PAYMENTS**

The Committee received a report setting out the half year position for the collection of council tax, business rates and also the payment of housing benefits.

The Head of Customer Support and Revenue Services took Members through the report in detail. He said collection of council tax had improved, compared with the previous year. An increased number of reminders for council tax payment had been sent, and that this action appeared to have had a valuable effect, in terms of fewer summonses being issued.

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Councillor Barker asked whether the Council could promote payment by direct debit. The Head of Customer Support and Revenue Services said the 65-70% of people who paid by direct debit remained fairly consistent, but that customers had a conflicting incentive to come off this system and pay instead by debit or credit card in order to gain card points. He said for other services such as miscellaneous debt, direct debit was the preferred method, and it should also be noted that the Lifeline service was now paid by direct debit also.

Further questions were asked about the billing of customers who did not use direct debit, and about the mechanisms for identifying the number of businesses within the district which were subject to business rates. Officers confirmed that information from Members, Parish Councils and other sources was helpful in this regard.

Members noted the increase in the number of housing benefit claimants, the cost of which ultimately fell on central government, and commended officers on the impressive improvement in processing time for such claims. Regarding accuracy of claims, the Head of Customer Support and Revenue Services said this was a complex system, requiring officers to exercise judgment, but performance figures were moving in the right direction. Regarding government proposals for a universal credit to replace all benefits, such a change would be a significant piece of work. A pilot was due to be carried out in 2013, and the new system would be applied in 2014 for new claims, and in 2017 for existing claims. He offered to provide Members with a briefing report on the Welfare Reform Bill.

The Chairman agreed it would be helpful to have a report on this topic, and asked whether the Council was being consulted. The Head of Customer Support and Revenue Services said there would be an opportunity to contribute to consultation via the Local Government Association.

Members asked further questions about the accuracy of claim processing. The Head of Customer Support and Revenue Services said monitoring was carried out by a member of staff who looked for trends in clerical error and identified training needs.

The Chairman asked that the Committee be provided with comparative figures from neighbouring local authorities on processing of benefit claims.

PS39

## **INTERNAL AUDIT PROGRESS REPORT**

The Committee considered the report of the Internal Audit Manager, which set out details of work undertaken since the last meeting and gave an update on implemented and outstanding internal audit recommendations. Members noted that progress was satisfactory, and that in relation to recommendations which had not yet been implemented, explanations were given.

The Committee discussed the audit of Members' allowances, in particular the fact that claims for allowances were not always being submitted on a monthly basis. The Assistant Chief Executive - Finance said financial regulations indicated claims should be submitted monthly, and that Members should at

the latest complete any claims by the end of the first month after the end of the financial year.

The Committee noted there were some Members who had not claimed for three or four years, and that these individuals had been informed they could not claim arrears to that extent.

Members put forward a number of suggestions and comments. Councillor Knight said the time and effort involved in making claims for what was often a very small return over the period of only one month tended to discourage some Members from submitting monthly claims. Councillor Wilcock said with the support of group leaders, the position should be made clear to Members that allowances could only be claimed up to three months in arrears.

The Chairman summed up the discussion, concluding that administration of Members' allowances took up time and that group leaders should be approached in order to come up with a preferred limit for claims, which in the Committee's view should be three months.

Councillor Knight asked a question regarding the reasons for exceeding the allocated audit days for assessing performance management. The Internal Audit Manager said additional points had arisen, details of which she could provide to Members by email.

PS40

## **CORPORATE RISK REGISTER**

The Chief Executive presented a report on the Council's Corporate Risk Register for the end of quarter 2. He said some of the 'red' status risks were key areas, although some had reduced. For example in relation to Landsbanki, the latest CIPFA estimate was that councils would get 95% of deposits back.

With reference to the corporate risk code for affordable sport, leisure and cultural activities, Councillor Barker asked how many people had taken up free swimming. The Chief Executive said the withdrawal of funding had not appeared to have made much difference to the number of people swimming, indicating that existing customers had taken up this scheme.

Councillor Knight said she was aware of some people who were no longer able to take their children swimming, due to the cost.

The Chairman said it would be interesting to know whether swimming was available on prescription for those whose health would be improved by such exercise, and said he would make enquiries.

Councillor Yarwood referred to the corporate risk on deficient management and/or decision making processes. He questioned how sound governance could be measured during the Council's move to a cabinet system. The Chief Executive agreed to discuss such measures in further detail with Councillor Yarwood outside the meeting.

The meeting ended at 9.05pm. Page 7