

MINUTES OF THE PERFORMANCE AND FINANCE SELECT COMMITTEE
Wednesday, 9th November 2005 at 7.42 pm

PRESENT: Councillor Nerva (Chair), Councillor Rands (Vice-Chair) and Councillors J Moher and R Moher.

Also present were Sue King (Capita), Neil Smith (Capita), Councillor Lyon (Lead Member for Children and Families) and Councillor Coughlin (Lead Member for Corporate Resources).

Apologies for absence were received from Councillor Beswick (Lead Member for Crime Prevention and Public Safety) and Councillors Crane, Duffin Joseph, H B Patel.

1. Chair of the meeting

RESOLVED:-

that, in the absence of the Chair, the Vice Chair assume the Chair.

2. Declarations of Personal and Prejudicial Interests

Councillors Rands and J Moher advised those present that they were both Members of the BHP Board.

3. Deputations

There were none.

4. Minutes of the Previous Meeting – 6th September 2005

RESOLVED:-

that the minutes of the previous meeting held on 6th September 2005 be received and approved as an accurate record.

5. Matters Arising

With regard to an item on page 9 of the minutes concerning active borrowers as a percentage, Kevin Quigley confirmed that Vital Signs indicator 1 (BS1) was a local indicator.

6. Change of Order of Business

RESOLVED:-

that the order of business be amended as follows below.

7. Revenue and Benefits Performance

Margaret Read (Head of Local Taxation and Benefit) provided the Select Committee with an overview of outline performance in relation to Council Tax and Business Rates Collection as at 30th September 2005. Members also received an update about outstanding benefit work and were advised that the Service was in a stable position. Margaret Read confirmed that verification framework items were being worked through and that whilst the new system and processes were still bedding in, the Department was on course to achieve targets. A review of all aged change in circumstances work had been undertaken and good progress had been made in terms of processing these. The service was now prioritising new applications in order to ensure the LPSA target of 36 days was achieved by March 2006. Members were advised that a new Head of Benefits had been recruited.

With regard to Council tax, Members were advised that in terms of in year collection, Capita was on line for achieving its 93.5% contractual target by year end. With regard to arrears collection, Members were advised that the collection in 2003/2004 was historically problematic and that further improvements were necessary in order to achieve targets. Members noted that the 2004/2005 collection figures were more encouraging, although still below profiled targets and that a number of collection activities were underway including bailiff visits, bankruptcy proceedings, car clamping and a proposed January recovery publicity campaign. Margaret Read confirmed that pre-contract arrears collection was encouraging and that the Service was achieving its targets for Business Rates collection. Members were advised that implementation of the new Document Imaging System was scheduled for 14th November 2005. Referring to customer services' issues, Members were advised that call centre performance had improved and that there was now an improved abandoned call rate. Members also noted that following the establishment of a fully integrated one stop shop in Brent House, improved customer service delivery was anticipated. Details would be reported to a future meeting of the Select Committee. It was noted that annual billing preparation would commence shortly.

In response to a query from Councillor Rands Margaret Read confirmed that the Document Imaging System would replace the previous system which was implemented in 1995 and which was in need of updating as it had been difficult and expensive to adapt to the changing demands of the service. Members noted that the system would enhance performance monitoring and that an update following implementation of the system would be provided at a future meeting. In terms of customer services, Margaret Read explained that key performance indicators enabled the Department to monitor staff and customer performance issues on an ongoing basis including the review of waiting times and resolution rates. In response to a query regarding the recovery of arrears, Neil Smith (Capita) explained that 2003/2004 had been historically problematic and that a range of database

inaccuracies had necessitated targeted action. In terms of arrears collection, Capita was instigating bankruptcy proceedings by looking at the top 100 debtors, tracing individuals and progressing proceedings where possible. Capita was also instigating longer term options in addition to regular bailiff campaigns, car clamping and attachment of earnings. The Lead Member for Corporate Resources advised those present that contract re-negotiations were underway to ensure mutual incentives for both sides.

Following comments regarding the publicity of payment and non-payment of Council tax, Margaret Read explained that the proposed publicity campaign in January 2006 would be very visual for both payers and non-payers with an overall message about the need for local residents to pay their Council Tax. Duncan McLeod (Director of Finance) explained that a positive publicity campaign had taken place in 2004 informing people about entitlement to Council tax benefits. Commenting on the number of complaints received regarding Council tax, particularly those reaching Stage 2, Margaret Read explained that whilst it was accepted that complaints would be made about this issue, the Council needed to ensure that effective control systems were in place and that this was a priority area for improvement, particularly the number of complaints that were upheld.

In response to a query from the Lead Member for Corporate Resources concerning data cleansing, Sue King (Capita) advised those present that a data cleaning exercise on 2003/2004 data had been undertaken, although data cleansing work was ongoing as a regular housekeeping exercise in order to minimize discrepancies.

RESOLVED:-

- (i) that the Performance and Finance Select Committee note Capita's Council tax and NNDR collection performance against contractual targets for 2005/2006;
- (ii) that the Performance and Finance Select Committee note the Council Tax and NNDR collection for arrears in the 2003/2004 and 2004/2005 years will need to improve to achieve contractual targets in 2005/2006;
- (iii) that the Performance and Finance Select Committee note that Capita's performance against the Collection Improvement Plan that was submitted to the Performance and Finance Select Committee in June 2005.

8. **Change of Chair**

RESOLVED:-

that, following the arrival of Councillor Nerva at the meeting during the previous item, he assume the Chair for the remainder of the meeting.

9. **Internal Annual Audit Report 2004/2005**

Simon Lane (Head of Audit and Investigations) outlined a report before Members which included an opinion on the overall adequacy and effectiveness of the Council's internal controls and presented a summary of the audit work undertaken during the year. Simon Lane referred to the main issues identified in the report including areas of control, areas completed in the Audit Plan and an overview of each of the larger systems audits and financial reviews including the school audits.

In response to a question from Councillor Rands, Simon Lane explained that completion of the Audit Plan was reliant upon adequate resources, as previously discussed at an earlier meeting of the Performance and Finance Select Committee. Members were advised that recruitment and retention was a London-wide problem and that as a result of having to rely on temporary staff, work was constantly being moved onto future work programmes. It was noted that the high vacancy rate within the Council needed to be considered as a longer term issue. Commenting specifically on risks around school audits, Members were advised that approximately seven schools had not been audited in the past three years and that therefore there was the potential risk that issues were not being identified. Members were advised however that the undertaking of significant work around corporate governance issues provided additional assurance for the Council. Commenting on the timescales for undertaking an audit, Simon Lane confirmed that work often took longer than anticipated to conclude and that this therefore had an impact on completion of the Audit Plan.

In response to a query from Councillor J Moher, Simon Lane confirmed that a lot of work was being done to monitor action being taken to address identified risk areas, and that a high level group involving Duncan McLeod and Alison Mathieson met regularly to ensure on-going monitoring of risk areas. With regard to school audits, Simon Lane confirmed that community schools were audited every three years but that voluntary aided schools had different arrangements. Members noted that foundation schools were generally audited every year rather than every three years. It was noted that the Council needed to be satisfied by a schools' audit processes and therefore they were sent checklists to show how they were conducting their internal audits. It was noted that a review of these checklists was now necessary. Members were advised that a 10-point action plan had been drawn up for one school and that there was regular monitoring of these issues as a result of the risk issues that had been identified. At this point the Lead Member for Corporate Resources explained that a schools' governing body determined what audits were undertaken but

that these issues would be raised at a forthcoming schools' meeting to ensure that adequate audits and processes were in place for all schools.

In response to a query from Councillor R Moher as to whether action plans were re-visited between audits, Simon Lane confirmed that follow ups had already been looked at in certain areas and that for major systems work the audit team would review whether appropriate action had been taken. Simon Lane confirmed that the relevant Service Area Directors would be approached by the Head of Internal Audit to ensure that adequate action was undertaken where necessary. Councillor Rands expressed some concerns regarding the lack of an effective audit trail but was advised by the Head of Internal Audit that whilst a comprehensive trail did exist, he had been reluctant to produce a lengthy tracking document for the Select Committee. He stressed that the Audit Team routinely monitored the Action Plans, which were signed up to by Service managers, to ensure ongoing monitoring and to minimize future risks. It was suggested that the appropriate Lead Member should be made aware of all the service area related action plans so that they could undertake a monitoring role. Councillor Rands acknowledged that a full body of findings were not before Members but stressed the need for a more conclusive document that showed when action was taken and tracked whether recommendations were implemented. Simon Lane explained that on the whole the majority of recommendations were implemented but that on an occasion that the recommendations were rejected, generally on cost grounds, they were discussed in detail with relevant service area directors and comments from the Audit Department held on file. Members were advised however that if a significant issue was rejected then the Head of Internal Audit would raise the matter further with CMT to pursue implementation.

Commenting on the audit of systems and concerns about the 71% completion rate, Simon Lane acknowledged that this was an issue but that it was hoped that coverage of systems would be improved in 2006/2007. The Lead Member for Corporate Resources highlighted the difficulties posed by recruitment and retention issues and stressed that a prioritisation of issues was necessary.

RESOLVED:-

- (i) that that the Performance and Finance Select Committee note the content of the Internal Audit Annual Report 2004/2005;
- (ii) that the Performance and Finance Select Committee receive an update on internal audit issues, including recruitment and retention, in six months' time.

10. **BHP Performance Report**

Martin Cheeseman (Director of Housing and Community Care) updated Members on the day to day performance of Brent Housing Partnership (BHP) as detailed in the report before Members. He explained how BHP continued to perform well in terms of general performance indicators. He then provided an overview of performance monitoring details and explained that BHP was on target to achieve a number of performance targets. Members were advised that some Best Value Performance Indicators were increasingly challenging, although some adjustments were anticipated in the future, and that it was necessary to assess where performance could be improved such as satisfaction ratings. Consequently ongoing monitoring was necessary to ensure that challenges were adequately addressed.

In response to a query regarding complaints, Martin Cheeseman explained that BHP held a more detailed breakdown of complaints issues rather than those presented as a BVPI summary. He added that the BHP Board and the Housing and Community Care Senior Management Team received reports to analyse trends on complaints issues and stressed that whilst there were probably now less complaints regarding repairs issues, there had not been a decrease in the number of complaints regarding re-housing. Following a query from Councillor Nerva regarding BHP customer satisfaction, Members noted that complaints were assessed to monitor customer satisfaction with BHP's service delivery. Phil Newby (Director of Policy and Regeneration) advised those present that the Executive would receive the Annual Complaints Report at its November meeting with details about all complaints made to the Council and highlighting monitoring trends. It was noted that further work would be done in the following year to address Stage 2 complaints handling.

In response to a query regarding comparative performance by BHP and Registered Social Landlords (RSLs), Martin Cheeseman explained that the Council was undertaking a benchmarking exercise that utilised a suite of housing management indicators from across a range of authorities and RSLs. It was noted that because similar work had previously been undertaken and since the RSLs were inspected and monitored in different ways, there was reluctance by RSLs to participate. Following comments by Councillor J Moher about the Decent Homes Programme and the need to promote the positive impact of this scheme, Martin Cheeseman confirmed that the Government was keen to publicise successful initiatives such as three star ALMOs like Brent. However this was generally in the professional housing movement so the Council needed to use the local press and Council publications to promote BHP. Commenting on the longer term future of the BHP, Members were advised that BHP had proven its ability to manage stock in an effective and specialised manner and that regular discussions would continue. However, since ALMOs had a fixed asset base they were not therefore expected to last long term. Members noted that the Government had established a task group to consider the future of ALMOs and that a report was anticipated by early

2006. Councillor J Moher stressed the need for publicity by the Council about BHP and suggested that the service area ensure that all opportunities and events were used to promote BHP. Councillor Rands stressed the need to ensure that Ward councillors were advised of local improvements.

RESOLVED:-

- (i) that the Performance and Finance Select Committee note the progress made by BHP in delivering the decent homes programme, as well as on other significant performance indicators;
- (ii) that the Performance and Finance Select Committee note that performance reports will be produced at six-monthly intervals, ie half-yearly performance;
- (iii) that the Director of Housing and Community Care note the comments regarding promotion and publicity and ensure effective promotion in the future regarding BHP performance;
- (iv) that local Ward councillors be advised about local improvements in their area with regard to BHP performance.

11. **Performance Monitoring – Exclusions (LI1)**

Following consideration of the Vital Signs (Quarter 1) at the last meeting on 6th September 2005, Members had requested further information regarding the LI1 target (the number of pupils excluded from Brent maintained schools per 1,000 pupils). The report before Members provided them with information about the rate of permanent exclusions in the Borough, historical trends concerning exclusions and details regarding the Children and Families Department's response. Paul Roper (Head, Alternative Education Services) outlined the main issues and explained that all local authorities had different processes for recording and responding to exclusion issues. Commenting on primary schools, Members were advised that exclusions were generally very low and that Brent's figures were in line with inner/outer London averages. With regard to secondary schools, Brent was in line with national trends. Members were advised that DfES guidelines had gradually been revised over the past five years and teachers now had far more scope for determining if a child should be permanently excluded.

Paul Roper confirmed that the Department maintained meticulous records for all exclusion cases and that the Exclusions Team worked closely with all secondary schools to ensure that all exclusions were properly accounted for and procedures maintained. Members noted that the majority of exclusions were as a result of physical assault or persistent disruptive behaviour. It was noted that there had been a

consistently high rate of permanent exclusion amongst four secondary schools in 2004/05 with 37 out of 72 exclusions attributed to these schools and with two of them accounting for 24 of the 37. . It was noted that all four schools had been recognised as having challenging populations and that routine Ofsted inspections had recognised the justifiable use of exclusion within these schools. Paul Roper confirmed that the Department was focusing on children's needs in order to maintain and improve current systems and processes and to provide adequate support with focussed resources to vulnerable groups.

In response to a query from Councillor Rands, Paul Roper confirmed that the different ages and ethnicity of pupils were assessed. Following a query regarding future DfES guidance and support for head teachers, Paul Roper confirmed that there was a lack of clarity regarding whether guidance would be amended in the future. Councillor Nerva queried what action had been taken either locally or nationally to assess the cost and resource implications of undertaking exclusions. Paul Roper explained that whilst both the social and financial costs of exclusion were significant it was vital that there was adequate support for children at risk of exclusion. At this point the Lead Member for Children and Families (Councillor Lyon) explained that whilst exclusions had to be expected it was important to identify ways in which the Council could minimize the possibility of exclusion. It was stressed that more work would be beneficial in primary schools and through youth and community centres in order to provide support to younger people at an earlier age but that the cost implications of this approach had to be taken into account.

In response to a query regarding the Local Area Agreement, Phil Newby explained that this issue would be addressed through targeted work with the cohort and that discussions were currently underway with the Children and Families Department. With regards to how the Department monitored children at risk of permanent exclusion and ensured that intervention was possible, Paul Roper confirmed that following a fixed term exclusion the Pupil Referral Unit (PRU) worked closely with the school and the pupil to draw up a pastoral support plan. This process involved a number of key agencies and ensured that there was ongoing support for the child in order to minimize the risk of permanent exclusion.

RESOLVED:-

that the briefing update on exclusions be noted.

12. **Performance Monitoring – Robberies (LPSA4)**

Following consideration of the Vital Signs (Quarter 1) at the last meeting of the Select Committee, Members had requested further information regarding the LPSA4 target (total number of robberies in Brent, as measured by the Metropolitan Police Authority). The report

before Members provided a review of robbery offences in Brent, particularly in relation to the Local Public Service Agreement (LPSA) target on this crime type. Valerie Jones (Head of Community Safety) outlined the report before Members and provided a summary of robbery statistics within the Borough. Members were advised that Brent was not in line with the target that had been set over two years earlier at a time of promising reductions in robberies when it was felt that there was scope to achieve reductions. Both the Police and the Council had underestimated the impact of Brent's youth population at that time and had been over optimistic about what could be achieved. It was noted that a similar situation had been experienced across London. Members were advised that a Community Safety Officer had since been identified and through the Partnership Steering Group the robbery figures were reviewed bi-monthly. Members were advised that action had been taken to control and monitor these issues and that Operation Lockdown had recently taken place and that Operation Cerberus, a more partnership based approach, was now underway to respond to gun crime, motor vehicle and robbery crime.

Commenting on the prolific offender strategy, Members were advised that a top list of offenders had been identified and that the key agencies were monitoring these individuals' activities in a more proactive approach. Work was also underway to tackle increasing mobile phone crime across the Borough in addition to crimes committed on or around the London Underground, particularly on the Bakerloo line. Members were advised that discussions were underway between the Council, Police and the British Transport Police to address such issues. Commenting on promotion and publicity, Members were advised that a flyer promotion would take place on 10th November 2005 at Asda to raise awareness about robbery and street crime. An initiative with the Children and Families Department was also underway to look at the issue of children at risk from robbery crime and Members noted that work was underway with primary and secondary schools to prevent future crime by raising awareness amongst local school children. Members were advised that there had been a reduction in robberies since September 2005 but that there had been an overall 7% increase in robbery figures on last year. However the Metropolitan Police Authority's figures indicated a 15% rise across London overall.

Councillor Rands queried what action would be undertaken to improve public safety on the transport infrastructure and minimise the risk of crime on key underground routes such as the Bakerloo line. Valerie Jones explained that a new CCTV control room had been established in Brent House which was linked to a number of Borough wide CCTV systems. Members were also advised about the work of various agencies including wardens, the Safer Neighbourhoods Teams, the Police and officers from StreetCare who provided an integrated approach to tackling street crime. Members were advised that whilst there were no plans to purchase new static CCTV cameras funding would be allocated to the provision of a mobile CCTV unit.

At this point Councillor J Moher commented on the amount of resources that had been allocated to tackling robbery crime and expressed concerns that there had been little improvement. He requested a breakdown of the types of robberies being committed, the areas in which the Police were trying to tackle the issues and some clarity regarding the initiatives that were underway. Responding to a query, Valerie Jones explained that the majority of robbery offences were committed between 4.00pm and 6.00pm and then after 10.30pm. Members were advised that whilst this crime type was not seasonal robberies were generally committed after dark. It was noted that there was an issue of under-reporting particularly by old and vulnerable people. Following comments about the linkage of robbery crime to school exclusions and alcohol and drug misuse, Valerie Jones indicated that alcohol consumption could make people more vulnerable to victimisation in the case of late evening offences but the link between drug misuse and robbery was not easy to clarify. Members noted that a large number of offences could be attributed to school yard bullying.

Following a query regarding statistics about arrests and convictions for those crimes that were reported, Valerie Jones explained that the Police did not keep statistics on prosecution and convictions as this was retained as CPS data which meant that the Council was unable to monitor cases. Members were advised that tracking was a huge area for improvement but that it required significant resources. Valerie Jones confirmed that the CPS now attended crime prevention group meetings and that therefore this issue could be raised at future meetings. At this point, Councillor Farrell referred to youth on youth crime and stressed the need for cross-cutting initiatives by the Council to identify ways to support children and develop effective anti-bullying strategies. Councillor Farrell commented on the successful anti-bullying campaign that had been undertaken at Kingsbury High school. Valerie Jones explained that work was underway by both the Council and the Police to raise awareness amongst school children to explore and highlight issues surrounding youth crime and the youth crime prevention strategy.

RESOLVED:-

- (i) that the Performance and Finance Select Committee note the briefing note outlining a review of robbery offences in the Borough;
- (ii) that a report back be provided at the meeting of the Select Committee in April 2006, focusing on the nature and implications of crime prevention work that has been implemented with schools and young people across the Borough; and

- (iii) that the British Transport Police and other agencies be encouraged to improve the Bakerloo line and other public transport links across the Borough in order to ensure adequate crime prevention and safety for children and young people.

13. Revenue Budget 2005/2006 Monitoring Report and Capital Programme Monitoring Report

The Select Committee received the Revenue Budget Monitoring report which set out the latest position on the 2005/06 Revenue Budget and which was agreed by Full Council on 28th February 2005. The report would seek approval from the Executive on 14th November 2005 for a number of virements and other budget transfers. The Capital Programme Monitoring report set out the monitoring position on the capital programme for the first six months of 2005/06 and provided information on prudential indicators, in line with arrangements to ensure affordability and value for money of the Council's capital programme. This report would also be considered by the Executive on 14th November 2005.

In referring to the Capital Programme Monitoring report, Duncan McLeod (Director of Finance and Corporate Resources) explained that there were a number of issues that needed to be addressed in 2006/07 but that these would be dealt with through the budget process. He commented on priority areas such as decisions affecting local schools, the need for a more targeted allocation of resources and a more defined approach to planned maintenance. Members noted the update on the prudential indicators and acknowledged the risk areas faced by the Council. The Lead Member for Corporate Resources explained that the Council was spending well compared to previous years and that there had been less slippage on the Capital Programme compared to previous years.

RESOLVED:-

that the Revenue Budget 2005/2006 Monitoring Report and the Capital Programme Monitoring Report be noted.

14. Vital Signs – Quarter 2 (2005/06)

Cathy Tyson (Corporate Policy Manager, Policy and Regeneration) advised those present that data on BVI 75 would be provided in the near future. Commenting on BVI 99(A), Members were advised that this statistic had not been included as this issue was monitored through an externally commissioned survey and therefore did not coincide with the quarterly digest. Members were advised that overall performance was good with 36 indicators identified in the green category and 9 identified in the red (risk) category. Members of the Select Committee were then invited to identify two topics on which they could consider

further information at the next scheduled meeting of the Select Committee.

RESOLVED:-

- (i) that the Performance and Finance Select Committee note the Vital Signs Quarter 2 Performance Digest;
- (ii) that further information regarding PAFD54, BV56 and LPSA 10 be presented to the next scheduled meeting of the Performance and Finance Select Committee for further investigation and consideration.

15. Task Group Update

Kevin Quigley provided a brief overview regarding the Performance Management Task Group and confirmed the membership as Councillors Nerva, H B Patel and Thompson. A draft scope would be circulated shortly outlining how the Task Group would investigate performance management and its use to improve performance within the Council. It was anticipated that investigations would conclude by December 2005 and that the Task group report would be considered by the Select Committee in January 2006.

16. Annual Work Programme 2005/2006

The Select Committee's annual work programme was presented for information. Duncan McLeod confirmed that the Joint Audit Inspection Letter was due to be considered by the Select Committee at the next scheduled meeting but that this may be considered at a later date.

RESOLVED:-

that the Select Committee's Annual Work Programme be noted.

17. Items Requested onto the Scrutiny Agenda

There were none.

18. Recommendations from the Executive for items to be considered by the Performance and Finance Select Committee

There were none.

19. Date of Next Meeting

RESOLVED:-

that the next meeting of the Performance and Finance Select Committee take place on Wednesday, 18th January 2006.

20. **Any Other Urgent Business**

There was none.

The meeting ended at 10.25 pm

N NERVA
Chair

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