

**MINUTES OF THE PERFORMANCE AND FINANCE SELECT COMMITTEE**  
**Wednesday, 18<sup>th</sup> January 2006 at 7.30 pm**

PRESENT: Councillor Nerva (Chair) [part] and Councillors Crane, Fiegel (alternate), J Moher and R Moher.

Also present were Councillor Fox (Lead Member for Adults, Health and Social Care), Councillor Coughlin (Lead Member for Corporate Resources), Simon Davis and Peter Greeney (PricewaterhouseCoopers).

An apology for absence was received from Councillors Rands.

**1. Chair of the Meeting**

RESOLVED:-

that in the absence of the Chair, Councillor J Moher assume the chair.

**2. Declarations of Personal and Prejudicial Interests**

There were none.

**3. Deputations**

There were none.

**4. Minutes of the Previous Meeting – 9<sup>th</sup> November 2005**

RESOLVED:-

that the minutes of the previous meeting held on 9<sup>th</sup> November 2005 be received and approved as an accurate record.

**5. Matters Arising**

Following a query from Councillor R Moher with regard to change in circumstances work, Margaret Read (Head of Revenue and Benefits) provided clarification regarding back work.

**6. Change of Order of Business**

RESOLVED:-

that the order of business be amended as follows below.

**7. Joint Audit and Inspection Letter**

Duncan McLeod (Director of Finance and Corporate Resources) referred to the report before the Select Committee which was

accompanied by the Joint Audit and Inspection Letter for 2004/2005 and was considered by the Executive at its meeting on 16<sup>th</sup> January 2006. Members were advised that officers would analyse the detail in the letter in order to develop an action plan for on-going monitoring by the Performance and Finance Select Committee. Members were invited to comment on issues that they may wish to look at in further detail in the future.

Simon Davis (PricewaterhouseCoopers) outlined PwC's role and their involvement in production of the Joint Letter and Peter Greeney (PricewaterhouseCoopers) confirmed that the PwC's non qualified opinion had been issued on 31<sup>st</sup> October 2005 with regard to the Council's 2004/2005 accounts. Peter Greeney confirmed that there had been improvements to the Council's financial position and that it was in line to achieve its 2005/2006 target. However, it was acknowledged that there were a number of pressures that could impact on the Council's overall position, as detailed in the report.

Referring to key issues indicated in the Joint Audit and Inspection Letter, Peter Greeney referred to the pension fund and explained that whilst the Council was in a deficit position, strategies were in place to recover the deficit over the next 25 years. Commenting on the direction of travel statements, Members were advised that Brent had achieved a score of three and was improving well. The Council's use of resources was scored at 3 and overall the position was very good, however it was acknowledged that there was a need to improve performance in a number of areas with regard to the assurance framework but much of this work was now underway. It was noted that whilst it had been a strong year for Brent and that the Council was travelling in a positive direction with considerable progress having been achieved, such progress needed to continue and work undertaken on specified areas.

Commenting specifically on the pension fund issue, Councillor Crane referred to the Council tax burden and queried how the Council could ensure that external factors did not unnecessarily affect residents. Peter Greeney explained that the Council tax burden was not a current risk area but that the matter should be monitored in future years. At this point Councillor Coughlin stressed that the market dictated performance and limited the options available to the Council. He then extended his thanks to officers and representatives from PricewaterhouseCoopers for their work throughout the year.

In response to a query concerning the HR strategy and how the action plan would be monitored, Phil Newby (Director of Policy and Regeneration) explained that the action plan was the subject of consideration by the Improvement Board. Consequently roll out and delivery of the HR strategy would be closely monitored. Councillor Fiegel commented that the pension fund situation had been dictated by the market but that there remained a significant responsibility on the

Council to ensure that any impact on services as a result of meeting contribution needs was minimised. It was acknowledged that good processes were in place to meet this demand.

Following a query from Councillor Nerva concerning insurance handling and in particular the payment of claims, the Director of Finance and Corporate Resources explained that the Council needed to make progress on this issue with regard to false claims. It was noted that investment in roads and pavements had led to a reduction in the number of claims made against the Council. Members were advised that the majority of claims were paid through the Council's budget rather than through the insurers and that the service areas were aware of where accidents occurred. At this point members of the select Committee thanked PricewaterhouseCoopers and officers for the report.

**8. Performance Monitoring – Percentage of Equipment and Adaptations Delivered within 7 Working Days (PAF D54, BV56)**

Councillor Fox (Lead Member for Adults, Health and Social Care) was present at the meeting for this item.

Councillor Fox referred to the joint equipment store which was used by both the Council and local hospitals across Brent and advised that in 2004/2005 86% of equipment was delivered within seven days. Members noted that as a result of an internal audit, administrative practices and IT weaknesses had been addressed and consequently there was now more accurate data input which reflected an increase in equipment being delivered within seven days. Whilst a target of 76% of equipment being delivered in seven days was estimated towards the end of the year, the figure was lower than the previous year because of under reporting and higher demand. Members were advised that the equipment store worked under very difficult conditions and that the premises and the systems in place were inadequate. It was noted that discussions had been ongoing for some time with regard to the need to make improvements at the equipment store and in November the Executive agreed to seek an alternative provider through tender.

Following a query from the Chair with regard to monitoring the delivery of equipment on occasions when the seven-day target was not met, Christabel Shawcross (Assistant Director, Community Care) advised Members that she did not have the data concerning equipment that was delivered after seven days. It was said that no indicators were set beyond the seven-day period, but analysis would be given to factors affecting performance. Councillor Fox stressed that the matter had not arisen through the issue complaints system, as might be expected. It was confirmed that residents completed a satisfaction questionnaire upon delivery. Councillor Crane stressed that Members' concerns were primarily about the social implications rather than the performance aspect. It was noted that whilst the Council was providing

a good service there were a number of priorities to make further improvements.

Members noted that the Council was considering the option to tender to a new service/provider in order to best meet residents' needs and that following a review it was possible that the service would be out-sourced.

**RESOLVED:-**

- (i) that the performance monitoring report be noted; and
- (ii) that Members of the Performance and Finance Select Committee acknowledge the assurances provided with regard to the best value performance indicator.

#### **9. Revenue and Benefits Performance – Update**

Margaret Read (Head of Revenue and Benefits) introduced David Oates (Head of Benefits) to Members of the Select Committee. Margaret Read then provided an outline of the report before the Select Committee, referred to prioritised areas and explained that the service was generally stable. Members were advised that three areas of workload were very stable including change in circumstances, verification framework and overpayments recovery. With regard to in-year Council tax collection, Capita was currently 0.2% ahead of target and it was anticipated that Capita would achieve its 93.5% target by March 2006. With regard to document imaging, Members were advised that the system had gone live in mid-November 2005 and the Council was benefiting from greater visibility of workloads and their status. There was a now far more customer focused approach to dealing with claims and processing work.

The report clearly set out all key areas of work that were currently outstanding and required resolution. Members were advised that significant progress had been made with regard to new claims and the Council's position was healthy. With regard to outstanding work for change in circumstances, Members were advised that further data cleansing processes were underway to tackle outstanding workloads and that the focus in 2006/07 would be on addressing change in circumstances work. It was noted that the processing of new claims was the main priority for the Department in order to meet CPA and financial requirements and that it was anticipated that annual targets could be achieved. With reference to customer services, Margaret Read explained that there had been an increase in complaints particularly with regard to Council tax but that this had been anticipated in light of the Council's more robust approach to collection. Whilst there had been some improvements in customer service delivery in the one stop shop in Brent House and the call centre, ongoing improvements in the future were still necessary. Margaret Read

referred to the Verification Framework new applications module which would be fully implemented by March 2007 following a pilot and updated about the implications of the new requirements of this module. Members were advised that year end billing activities would commence in the near future and no problems were currently anticipated.

Councillor Crane referred to the table concerning aged profile of outstanding benefit processing work and was advised that the table was intended to provide a snapshot of outstanding Benefit work as at December 2005. It was acknowledged that the table should include a direction of travel in order to highlight the Department's progress. Suggestions were put forward about how this information could be better presented in the future. Following a query concerning verification work and the termination of claims, Margaret Read explained that approximately 1,600 claims were facing suspension but that termination was not immediate. It was noted that new procedures had been introduced and that a number of attempts to contact residents had to be made before a claim could be terminated. Margaret Read commented on the increasing number of private tenant claims and the potential for fraud. It was stressed that numerous checks were undertaken particularly with regard to vulnerable clients in order to minimise wrongful suspension and future processing problems.

Councillor Nerva referred to the degree of liaison with other partners such as Registered Social Landlords (RSLs) to ensure that appropriate payment of benefits continued and was advised that a number of liaison functions had been set up by the Council both internally and with key organisations in order to enhance information sharing. Margaret Read confirmed that the Council was now more likely to know about RSL tenants' change in circumstances than private tenants and that the Verification Framework was working well. Members were advised that the Council was intervening on 50% of claims annually in accordance with targeted risk. Councillor J Moher stressed the need to maximise collection of Council tax through greater publicity and was advised that a range of activities were being undertaken including the launch of a campaign in the near future regarding non payment and an article in the Brent Magazine. Members of the Select Committee stressed the need to ensure that there was also a positive campaign regarding payment of Council tax. With regard to payment of the PSA reward grant, Margaret Read confirmed that the Council was confident that it would achieve the 36-day target, although it was important to acknowledge that other areas of work would be de-prioritised in order to achieve this target.

**RESOLVED:-**

- (i) that the update report be noted;

- (ii) that the Performance and Finance Select Committee note the work undertaken in internally and externally.

**10. Corporate Governance and Statement on Internal Control**

Simon Lane (Head of Audit and Investigations) referred to the report before the Performance and Finance Select Committee which provided a monitoring report on the Corporate Governance Framework for the period January 2005 to December 2005 and an update on the corporate governance action plan. The report also provided a mid-year update on the Council's statement on internal control. Members were advised that the action plan contained detailed information as at January 2006 about each action that was in place and the current position for the Council. Members were reminded that the Director of each service and corporate area had been requested to set out their own risks and action plans for inclusion in the statement of internal control. It was noted that the report outlined the interim position on the Statement of Internal control and that a more detailed update would be provided in July 2006.

Following a query from the Chair with regard to insurance claims made against the Council Duncan McLeod confirmed that this issue was included on the Environment and Culture department's risk register. Members were advised that the risk register would be completed in April 2006. As an area for further improvement, a detailed report on claims management would come back to the Select Committee in the future for further consideration by Members. Councillor Crane referred to the potential risks regarding NHS/Council costs and queried whether this issue should also feature on the risk register as a result of the potential cost implications for the Council. Simon Lane explained that the Strategic Finance Group (SFG) routinely monitored the financial risks and hotspots across the Council.

RESOLVED:-

that the report be noted.

**11. Performance Monitoring – Average Time Taken to Remove Fly-Tips from Public Land (LPSA 10)**

Chris Whyte (Head of Environmental Management) provided a background to the LPSA target and referred to the downturn in performance which had been noted by the Select Committee in November 2005. Members were advised that following an investigation into why there had been a downturn in performance during the year it had been established that as a result of an administrative error inaccurate data had been entered on to the system. Subsequently Onyx had been charged to assess and review all data to ensure that there were no discrepancies and the data now indicated that the Council was removing fly tips within one day (0.9

days). Members were advised that the Council was confident that ongoing improvements in performance would be made.

Following a query from Councillor Crane with regard to prosecutions against fly-tippers, Mr Whyte confirmed that 35 prosecutions had taken place in the last two to three years and that this was an increasing area of work for the Council. It was noted that the Council would pursue prosecutions whenever possible and that work would be stepped up following the introduction of new legislation in 2006, which would provide better opportunities for the Council to tackle fly-tipping. Chris Whyte confirmed that weekends were classified as a weekday and that a day was a 24-hour period. Members were advised that clearance operations could be undertaken seven days a week and that the Department was satisfied that teams were working at the weekend, as a result of on-going monitoring. Members were advised that rubbish in excess of 3 cubic metres was deemed a fly-tip and that 5,000 tons (2,000 incidents) of fly-tipped material was recovered last year.

**RESOLVED:-**

that the report on the LPSA 10 performance indicator be noted.

**12. CPA – Report Back on Refresh**

Cathy Tyson (Assistant Director, Policy) provided an overview of the CPA framework and assessment. Referring to the December 2005 score, Members were advised that new methodologies had been introduced by the Audit Commission and that there was now a far more rigorous use of resources test for local authorities. Members were advised that there was now a need for consistent performance across all critical service areas. Whilst a level 3 rating had been achieved in the majority of service areas this had not been achieved by Environment and Culture, where hard targets needed to be achieved. Cathy Tyson confirmed that in 2006/07 there would be greater reliance on best value performance indicator data and consequently harder challenges to ensure that improvements were made. It was noted that approximately 79% of performance indicators had improved in the last two to three years but that there was a need to further drive improvement across the Council at speed in a consistent approach.

Members noted that Brent was now a three-star authority and had achieved a good result following a number of major achievements in the past year. Members were advised that the corporate assessment was currently underway within the authority but that the result would not be available until April 2006. It was suggested that following further discussions between the Council and the Audit Commission the outcome of the assessment might be deferred until after the local elections in May 2006 as a result of political sensitivities.

Following a query about the Environment and Culture Department's ability to improve performance, Cathy Tyson explained that the Council was addressing key issues such as waste management and that rapid improvements had been made in the last 18 months. Councillors R Moher and Fiegel suggested that issues such as recycling required significant publicity and a re-education of residents in order to promote new services and improve performance data. Phil Newby (Director of Policy and Regeneration) referred to further innovations in the future with regard to waste management and highlighted on-going attempts to increase recycling and a reduction in waste. Councillor Nerva highlighted the possibility of cross-borough working as part of these innovative approaches.

RESOLVED:-

that the update report be noted.

**13. Task Group Update**

Kevin Quigley explained that work was still not ongoing with regard to the Performance and Management Task Group and that it was anticipated that the final task group report would be presented to the Select Committee for consideration in March 2006. Those present were advised that following an interview with the Deputy Leader in the near future, the draft report would be prepared. Issues that would be considered included the duplication of service and the use of performance management data to improve service delivery. Members were advised that there were a number of conclusions emerging from the investigation such as the need for a combination of local and national indicators and a greater role for StreetCare officers to improve street cleaning services. At this point Councillor Nerva highlighted issues such as neighbourhood input and quality assurance specifically with the Council's contractors in order to ensure that the same high standards were met both in and out-house.

RESOLVED:-

- (i) that the verbal update on the task group be noted;
- (ii) that the final report of the Performance Management Task Group be presented to the Select Committee for consideration in March 2006.

**14. Annual Work Programme 2005/06**

Duncan McLeod confirmed that the Revenues update would also be considered at the next meeting and that representatives from Capita would be present. With reference to a further update report on Robberies/Street Crime, Members requested that the report be cross-cutting with reference to the role of partners in reducing crime.



RESOLVED:-

that the Performance and Finance Select Committee note the Annual Work Programme 2005/2006, subject to the comments made at the meeting.

**15. Items Requested onto the Scrutiny Agenda**

There were none.

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

There were none.

**17. Date of Next Meeting**

RESOLVED:-

that the next meeting of the Performance and Finance Select Committee take place on Tuesday, 21<sup>st</sup> March 2006.

**18. Any Other Urgent Business**

There was none.

The meeting ended at 9.30 pm

At 8.00pm Councillor Nerva assumed the Chair.

N NERVA  
Chair (part)

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