

MINUTES OF THE PERFORMANCE AND FINANCE SELECT COMMITTEE
Wednesday, 24th January 2007 at 7.30 pm

PRESENT: Councillor Dunn (Chair) and Councillors Butt, Jones, Pagnamenta (part) and Powney (alternate for J Moher).

Apologies for absence were received from Councillors Bessong, Detre, Mendoza and J Moher.

Councillor Mistry also attended the meeting.

1. Declarations of Personal and Prejudicial Interests

None declared.

2. Deputations

None.

3. Minutes of the Previous Meeting – 9th November 2006

RESOLVED:-

that the minutes of the previous meeting held on 9th November 2006 be received and approved as an accurate record.

4. Matters Arising

None.

5. Revenue and Benefits Performance

David Oates (Head of Benefits, Revenue and Benefits) introduced the part of the report concerning Benefits Performance. He advised Members that efforts had been focused on clearing the backlog of claims and changes in circumstances, which had been reduced from 13,345 cases in May 2006 to less than 4,500 in December 2006, although the anticipated small increase in backlog over the Christmas period had occurred. The reduction had been achieved through ring-fencing backlog items and recruiting permanent staff to fill vacancies.

The Select Committee heard that the Benefits' Service contribution to the Comprehensive Performance Assessment (CPA) score of 3 for 2005-06 was likely to be repeated for 2006-07, despite the introduction of harder tests. David Oates confirmed that the processing of new claims performance was within the target of 36 days and that a solid 3 star rating was anticipated overall. From April 2007, a tougher performance measure (PM), a new PM10, would be introduced to replace the current interventions (PM10) and visits (PM12). The new PM10 would measure activity that led to a reduction in benefit

entitlement. As the current 4-star performance rating in this area would be equivalent to a 1-star under the new system, greater attention would be focused on this risk area and a new strategy would be developed to address it.

A number of other areas were being addressed to maintain the overall CPA score. One example included reducing the age profile of outstanding work, with (at 2 January 2007) 51.68% of outstanding work less than 1 month old; a target was in place to ensure all outstanding work was less than 2 weeks old. Temporary staff had been recruited to help reduce the number of backlog cases and a home-working pilot project is to commence in April 2007.

Complaints and appeals performance had also improved, particularly with regard to Stage 1 responses. David Oates referred to customer service performance in the report, which represented a significant improvement since the beginning of 2006-07. Members also heard that there was an initiative to encourage take-up of Housing and Council Tax benefits amongst pensioners and a phone line had been set up for this service.

Members commented on the Benefits Performance and sought clarification on a number of issues. The Chair praised the performance in respect of reducing the age profile of outstanding work and welcomed the initiative to improve Council Tax Benefit take-up from pensioners which he hoped would prove to be a success. He also sought details on how the Department for Work and Pensions (DWP) had determined the new targets. Councillor Jones acknowledged that staff retention was difficult in this area and enquired whether exit interviews were undertaken with employees prior to their leaving. She asked whether instances of reduction in claimants' benefits sometimes resulted in those deserving of support missing out on their entitlements. Councillor Jones also sought clarification on the apparent discrepancies between London boroughs concerning the methodology of annual targets for benefit reductions and why there had been a reduction in overtime payments for staff.

In reply, David Oates advised Members that the DWP had undertaken analysis of national statistics and had concluded that there should be a reduction in benefits to a number of areas within the 6 risk groups identified nationally, whilst the issue of underpayment had not been a major consideration. It was thought that the DWP's proposals were designed to help meet its Local Public Service Agreement targets. The Select Committee heard that some staff who had left had joined agencies but that there was no trend towards staff leaving to join other local authorities. Measures undertaken to retain staff included creating a more conducive working environment and entering new employees on a 14-week, class-based training programme. As a disincentive, employees would be asked to repay these training costs if they left the

Council shortly after completing the course. Members were advised that exit interviews were conducted with staff who were leaving.

David Oates explained that the 50% of case interventions undertaken were drawn from across the entire spectrum of customers and circumstances. Consequently there was the possibility that this would not identify as many changes in circumstances as would arise from more targeted work on claims from specific risk groups. However he advised that there were plans to conduct data matches with other agencies and undertake publicity campaigns in order to target those more likely to experience a change in circumstances in order to address this issue. Members also heard that since publication of the report, there had been progress on the methodology used by councils to set annual targets on reductions and there was now greater uniformity on this issue. Duncan McLeod (Director, Finance and Corporate Resources) advised Members that a reduction in overtime payments had been necessary to keep expenditure within budget.

Paula Buckley (Head of Client Team, Revenue and Benefits) updated Members on the Revenues performance. Paula Buckley advised that Council Tax for 2006-07 was 1.04% below target as of December 2006. The performance for 2005-06 collection was currently set to achieve the contractual target of 96% by the end of the year. Performances for 2004-05 and 2003-04 collection were projected to achieve 95.75% as against a target of 96.5% and 95% as against a target of 96.5% respectively. With regard to pre Capita contract arrears dating from 1993 up until April 2003, good progress had been made with £5.41m collected by Capita and contractual targets had already been achieved.

Members also heard about the Pensioners Benefits Take-Up Campaign and that the recovery policy was being reviewed to focus attention on those who had difficulty in paying Council Tax. The "Brent Magazine" and Decaux bus shelter sites had publicised and would publicise Council Tax payment by direct debit and the enforcement action that the Council could and would take against persistent non-payers – including the suspended prison sentences and bankruptcy orders.

Turning to National Non-Domestic Rate (NNDR) collection, Paula Buckley stated that although, as of 31st December 2006, the collection for 2006-07 was 0.83% below the target set by Capita, this could be largely attributable to a re-evaluation that took place in December involving Wembley Arena and properties in the Junction Retail Park.

The Chair enquired why Council Tax direct debit payments were spread over a 12 months period as opposed to ten months for other payments and he sought the percentage of those who paid by this method. The Chair enquired where the arrears were occurring and whether there was a particular profile and class of property concerned.

He also enquired whether there were statutory powers that required landlords and agencies to provide information on tenants with regard to Council Tax. The Chair noted the relevance of the comments in the report that any failure to maximise Council Tax and NNDR would impact on the Council's cash flow and budget in light of the overall situation concerning the Council budget. Councillor Jones enquired whether NNDR collection rates were included as part of the CPA and whether there was a similar profile of late payments in this area as for Council Tax collection.

In reply to the issues raised by Members, Paula Buckley confirmed that the NNDR collection contributed towards the CPA score and that there had been significant improvements with regard to payment arrears, where a much lower rate existed than for Council Tax. She advised Members that direct debit payments were due to be changed so that they were made over a 10 month period. She added that direct debit was a cost effective method of collecting Council Tax and that thanks to the kind of promotional campaigns described earlier, the numbers using this payment method had been increasing.

Representatives of CAPITA were invited to comment on the issues raised by Members. The Select Committee were advised that the 2006-07 Council Tax collection target for December 2006 was affected due to the increase in the number of payments through Direct Debit, where customers had until March 2007 to complete payments for that year's Council Tax. The percentage of payment through this method had increased from 43.7% in April 2006 to 46.35% in October 2006. With regard to arrears, Members were advised that a lot of work had been undertaken in profiling such cases, including those cases where summonses had been issued. It had been identified that a number of arrears cases concerned privately rented properties, where 6 months tenancies were prevalent. CAPITA representatives explained that efforts had been made to improve liaison with landlords to determine who was living in the property and that the database flagged cases involving private tenants so that letters were be sent to these homes before a 6 month period had elapsed requesting details of the occupiers. Members noted that there was no statutory requirement for the landlord to provide details of tenants in relation to Council Tax.

RESOLVED:-

- (i) that the reduction in outstanding work in the Benefits Section since the previous report in September 2006 and the current plans for clearance of the remaining backlog and the movement of the service towards a generic assessment workforce be noted;
- (ii) that the Benefit Service's current and projected "3" score for the 2007 CPA, and preparations being made towards the 2007-08 CPA be noted;

- (iii) that changes to the CPA scoring methodology for the 2007-08 year, based chiefly around changes in requirements for the Verification Framework Interventions process be noted;
- (iv) that it be noted that legislation has been enacted which permitted claims and changes in circumstances to be made and reported electronically and via telephone, without the requirement for further written confirmation or for customers' signatures;
- (v) that Capita's Council Tax and NNDR collection performance against profiled forecasts be noted; and
- (vi) that the Council Tax and NNDR collection levels for arrears in the 2003-04 and 2004-05 financial years need to improve if the 2006-07 contractual targets were to be achieved by 31st March 2007.

6. Comprehensive Performance Assessment (CPA) – Where Are We and Where Are We Going

Prior to the presentation of the report, Phil Newby (Director, Policy and Regeneration) gave a brief overview of the situation. He advised Members that although the refreshed CPA score for 2006 due in February 2007 was likely to remain at 3 stars, there were concerns regarding the change in methodology for assessing scores and in the performance of the Culture Block which could affect the 2007 CPA score. One positive aspect had been one of the highest response rates compared to other London local authorities to the Best Value Performance Indicator (BVPI) General Survey; the initial results had indicated an increase in public satisfaction levels. Phil Newby stressed the importance in encouraging responses from members of the public who did not usually respond to such surveys: such a group were likely to increase the overall satisfaction rate and present a more representative sample of opinion.

Cathy Tyson (Assistant Director, Policy and Regeneration) advised Members that significant changes in the methodology and weighting would be introduced for the 2007 CPA assessment. Whilst the CPA score of 3 stars was retained for 3 years following the last assessment in January 2006, service area CPA scores were refreshed annually through a combination of BPVI surveys and inspections. Members heard that inspections were approaching the end of their validity in service areas and their weighting was to be reduced for the 2007 assessment. Furthermore, there would be no inspections counting towards the CPA assessment for the Culture Block in 2007 which would be entirely based on performance indicators (PIs). This form of assessment, which made use of satisfaction scores, presented a risk to the Culture Block score because such scores were volatile and placed

disproportionate importance to libraries and sports performance - areas which had proven difficult to improve using this form of assessment alone. It was anticipated that the 2007 CPA model would exacerbate these problems because the rating would be determined solely by PI scores and timed-out inspections. This raised the prospect that the Culture Block score in 2007 could drop to 1, resulting in an overall 2007 CPA score dropping to 2. Officers were looking at a number of ways to tackle this particular problem.

Members heard that there would be a wider selection of PI indicators to form the 2007 assessment for Housing and the Environment; that Children and Young People and the Benefits Blocks had recorded improvements in performance and were easily maintaining a 3-star rating. Cathy Tyson advised that the Audit Commission had not provided much information concerning the specific measurements for the 2007 CPA model and thresholds to measure the performance would not be set until February 2007. A further consideration was the likelihood of the CPA being replaced by the Community Area Assessment in future, under which ratings would take account of local strategic partnerships and would be risk-based. This would be broader in scope and would combine achievements to date and achievements to come.

The Chair expressed his dismay at the Audit Commission's repeated and almost retrospective changes in the CPA model and the likely impact it would have on the Council's CPA scores. He also commented on the Audit Commission's failure, so far, to provide more specific details on PI indicators. He enquired whether the Council and other local authorities would be submitting further representations to the Audit Commission with regard to the 2007 CPA model, commenting that the more such representations made, the more likely the Audit Commission were to take these into account. The Chair also sought details on the current PIs for the Culture Block and reasons why these scores were low in Brent and other London boroughs.

In reply to the Chair's comments, Cathy Tyson advised Members that the Audit Commission would not confirm CPA PIs for 2007 until March 2007 which made the likely impact difficult to assess at this stage. She stated that a number of local authorities were in a worse situation than Brent because they did not have high inspection scores to boost their CPA scores. Phil Newby commented that a London Boroughs' Chief Executives meeting would be raising concerns about the 2007 CPA model. He stated that initially the CPA had been instrumental in raising quality throughout the Council's service areas and that it would be regrettable if one star was lost from our CPA rating owing to the vagaries of the assessment criteria which, in turn, could result in a loss in staff morale.

Members also heard that some Culture Block PIs were based on old legislation, such as the Library Act 1964, and it was suggested that

such PIs were neither relevant nor accurately reflected activity in this area. Phil Newby also advised Members that Sports England had recently had an input into the assessment of the Culture Block and this had changed the focus within priority areas.

Marianne Locke (Assistant Director, Arts & Learning (Environment & Culture)) advised the Select Committee that PIs in the Culture Block were based on residents' satisfaction levels. She cited the example of the recently opened (April 2006) Brent Museum in Willesden Green Library; although it had welcomed larger numbers of visitors in comparison with its predecessor, because the collection was being developed, it was not scoring as highly as it might. Members heard that PI scores varied between the sports centres and libraries and Marianne Locke reiterated that it was not yet possible to identify specific areas to concentrate on improving because the 2007 CPA Model had not yet been confirmed.

Councillor Jones queried the relevance of satisfaction levels for concert halls and theatres in Brent and she enquired when the last satisfaction survey had been carried out. Councillor Pagnamenta commented on the difficulties on measuring the Culture Block area. In reply to these issues, Joanna Mercer confirmed that the last residents' satisfaction survey was undertaken in October 2006. Phil Newby stated that Brent had performed better than most other London local authorities in the survey and that there had been significant improvements in refuse collection and libraries service areas, however there was plenty of improvements to be made across a number of areas. He added that the Council's inspection scores may well have been affected due to Brent being one of the first local authorities to be inspected.

RESOLVED:-

that the report on the CPA be noted.

7. Annual Report on the Council's Handling of Complaints 2005-06

Susan Riddle introduced the report on the Council's handling of complaints for 2005/2006. The Select Committee heard that the Council had received a complimentary letter on its' performance for the third consecutive year from the Local Government Ombudsman (LGO) and that it was now five consecutive years since there had been a formal Ombudsman report submitted against the Council. Furthermore, this information would be made available to the Audit Commission and taken into account in deciding the CPA score.

The service areas' performance against corporate targets had been variable, although this could be partly explained by the reorganisation that had taken place in some departments. She stated that three new complaints managers had been appointed to create further potential for improvement. Members heard that the LGO's office had itself received

a critical MORI report relating to its public perception – and this had also added to the Council' workload. Amongst the changes made was a redefinition of the closure of cases. This now included local settlements, where the complainant and the Council come to an agreement separate from any Ombudsman involvement. Susan Riddle commented that this had unfairly inflated the number of complaints, albeit that Brent's performance for cases closed in this manner had been much better than the national average and the top performer across the London boroughs.

Susan Riddle stated that complaints received internally had risen, particularly first stage, where both Environment & Culture and Brent Housing Partnership had experienced increases. However, complaints that had reached the third stage had fallen this year. She advised the Select Committee that the public had not shown a high level of trust in the Council's complaints handling process and that a publicity campaign would be launched to address this point. Members heard that there was a CPA assessment aspect to this: the LGO also looked at complaints involving the Council's partnerships. This highlighted the need to look at the Council partners' own complaints processes and to see if these were significantly different to the Council's.

Members noted the comments made by Susan Riddle and thanked her for her presentation.

8. Vital Signs Performance Digest Quarter Two July – September 2006

Cathy Tyson introduced the report on the Vital Signs Performance for July – September 2006 and confirmed that both the Local Area Agreement (LAA) and LAA stretch targets had been agreed. Members heard that areas that had performed well to date this year included action against domestic violence, schools attaining the National Health Schools Standards, the number of schools offering extended services, the number of young people visiting Council-owned sports facilities, the number of accidental fires in residential property, the length of stay in temporary accommodation and the level of recycling. Areas that were causing concern included the increase in benefit processing times, the reduction in revenue, the standards of street cleanliness, the escalation in complaints particularly from stage 1 to 2 and the response times to complaints, the number of children's adoptions looked after and the number of library visits.

The Chair enquired how the stretch target was determined for reducing the number of smokers and sought clarification over the arrangements for handling complaints in Housing. In response, Cathy Tyson explained that there were two projects being undertaken in partnership with the Brent teaching Primary Care Trust (tPCT); the first target, the number of people stopping smoking for four weeks, was being met, whilst meeting the second target of stopping smoking for 13 weeks was

proving harder to achieve. With regard to housing complaints, Cathy Tyson advised Members that BHP had their own complaints procedure which would affect the Council's CPA score - especially if escalated to the Ombudsman. However, all housing complaints would soon be incorporated into Housing's complaint system and the introduction of the Council Complaints Monitoring System would further improve the handling of complaints.

Appendix 2 – Briefing Note: Vital Sign BV 163 D: Adoption of Children Looked After

With the agreement of the Chair, Janet Palmer (Assistant Director, Social Care (Children & Families)) circulated an additional paper providing further statistics. Drawing Members' attention to the briefing note, Janet Palmer advised Members that over the last two years there had been an improvement in the number of adopted children who had been under Council care for 6 months or more. This improvement was in line with the performance of neighbouring outer London boroughs, but behind those of inner London boroughs which tended to be better resourced in this area. However, Special Guardian Orders (SGOs) would now contribute to the indicator and it was expected that figures would improve once this indicator had been counted: a further eight children were due for adoption along with two or three SGOs which would produce better figures by the end of the year. Members noted that adoption targets had been increased following the introduction of a second adoption team.

Janet Palmer advised that finding suitable adopters was becoming harder as more complex issues, behavioural difficulties and the impact of abuse had added to the work and preparation involved. Furthermore, some children's complex cultural heritage limited the pool of suitable adopters, whilst in other cases kinship care arrangements, such as long term fostering, were more appropriate. However, although adoption was usually the preferred permanency option, especially for younger children, it was unlikely that the numbers adopted would rise significantly in the foreseeable future owing to the increasing difficulties in finding suitable adopters.

Janet Palmer stated that a number of children had been removed from the care of their natural parents because of the parent's problems arising from drug or alcohol dependency. However, the courts were often reluctant to approve adoption as rehabilitation of child with natural parents was a priority wherever possible, making adoption harder to obtain and frequently lengthening the processes involved.

The Chair, in noting the growing trend for carers to prefer long term fostering to adoption as the financial support was not means tested, asked whether the Government had been made aware of this issue. He also enquired if any publicity measures were being considered to widen the pool of prospective adopters and foster carers. Councillor

Jones enquired about unaccompanied asylum seeker care arrangements.

In reply to the issues raised, Janet Palmer advised that comments concerning financial support for adopters and foster carers had been made in response to the Government's Green Paper. Furthermore, foster carers benefited from the permanent support of a social worker. Proposals being considered to increase the number of carers included raising the allowance for carers and paying a higher allowance for those who looked after difficult children. With regard to unaccompanied asylum seekers, Janet Palmer advised that efforts to secure fostering arrangements would be made for those of over 12 years of age, whilst acquiring British Citizenship for those under 12 would sometimes be undertaken to assist in obtaining adoption or long term fostering care arrangements.

Appendix 3 – Briefing Note: Vital Sign: Number of Library Visits per 1,000 of Population

Marianne Locke drew Members' attention to the briefing paper, advising that the Audit Commission's visit in 2006 had revealed inconsistencies and inaccuracies in the way visitor data had been collected for individual libraries. As a result, a new uniform collection method had been implemented which indicated that performance had appeared to have dropped and although visitor figures were rising it was anticipated that this year's target of 7,800 visits per 1,000 head of population would not be met, although every effort was being made to further increase visits. Members were advised that the library service's CPA was middle ranking in comparison with the 20 outer London boroughs. However, the library service faced difficulties in making an impact on residents' views and a large number of residents were not visiting libraries. Some libraries, such as Willesden Green, continued to be very popular and attracted a large number of visitors. Marianne Locke also advised that changes were needed if the overall expenditure on book stock was to be increased.

During discussion, the Chair sought details on the percentages spent on property, stock and facilities, the facilities used by visitors and the socio-economic background of visitors. Councillors Jones and Butt sought clarification on what constituted a visit. Councillor Powney sought information about the proportion of visitors using the various facilities and whether this differed depending on the library. He also enquired if some libraries had larger catchment areas and who were the main groups visiting libraries.

In reply, Marianne Locke advised the Select Committee that overall approximately 91% of expenditure was on premises and staff and 9% on book stock; expenditure details of individual libraries could also be provided. Visits were measured by an electronic count and visitors used a variety of facilities. The introduction of free internet access had

been largely responsible for the increase in visits. Use of facilities was also measured, including book issues and internet usage. Members heard that there was a large variation in the usage levels between libraries, with Marianne Locke comparing Willesden Green, which had issued approximately 63,000 items in the period October-December 2006, to Barham Park - which had issued approximately 14,000 items during the same period. Libraries such as Willesden Green had larger catchment areas as they were located on or near main roads, were near to other services and offered a wider range of facilities. The main user groups varied depending on the library, for example approximately 80% of Ealing Road Library's visitors were of Asian origin, whilst overall there was a large proportion of children visitors, many of whom had joined the Library Service's Reading Scheme. Marianne Locke also advised Members that a Draft Library Strategy was being developed to address current concerns, including how to increase library uses and that it would be reported to the Executive.

The Chair indicated interest in having the Library Strategy Paper put before a future meeting of the Select Committee.

9. **Brent Local Area Agreement (LAA) – Six Month Progress Report**

Cathy Tyson drew Members' attention to the "Summary of Progress" section in the report concerning the first six months' progress made by the Council and its partners in the Local Strategic Partnership, covering the period April to September 2006, since the LAA was agreed on 23rd March 2006. Cathy Tyson referred to the LAA's 6 headline outcomes as described in the report, stating that robust plans were in place to help meet the 12 associated stretch targets, which if all were achieved would attract a grant of approximately £9 million. To date, performance had been encouraging and the Council had made good use of the £5 million set aside during the first Local Public Service Area Agreement to meet the current LAA targets. Members heard that risk areas included Settled Homes, where proposals had been rejected by the Department for Work and Pensions, and health indicators - owing to the potential impact of the tPCT's financial difficulties. However, Cathy Tyson advised the Select Committee that overall the initial feedback had been positive - both in terms of the strategic structure that had been formed and the early signs of good progress in certain areas.

During the Members' discussion, the Chair raised the issue of whether there were any instances of duplication or contradictory aims between the LAA assessment and the CPA. Details were sought concerning the 40 to 50 critical measures that would be used to rationalise the outcomes framework. The Chair also enquired about what activities were being undertaken to promote the voluntary sector, including supporting voluntary clubs and associations. Councillor Jones commented on the encouraging progress and improvements that had been made in some areas, adding that project-based initiatives could produce more positive results.

In reply to the issues raised, Cathy Tyson advised Members that the structure of the LAA assessment ensured that there were no contradictions with the CPA. She cited the example of street cleanliness, which was an important area for both the CPA and the Council and had therefore been made central to the aims of the LAA and its stretch targets. Accordingly, areas that had been identified as important were afforded the same priority by the Council's partners. Members heard that there were 200 Government performance indicators, 35 of which applied nationally, 17 of which involved education, and the rest of which local authorities and their partners could select for their LAA assessment, including stretch targets. However, these indicators were subject to being changed or replaced by the Government and the Select Committee heard that there was disagreement within Government departments as to what these indicators should be. Phil Newby advised Members that Brent was a pilot authority focusing on the voluntary sector and young people as part of the run-up to the 2012 Olympics. He stated that Brent Association for Voluntary Action (BrAVA) led the voluntary sector and discussion was underway on how to raise the profile of the voluntary sector and partnerships with sports coaches were planned to develop the pilot scheme.

10. Performance & Finance Select Committee Work Programme

The Chair asked Members for suggestions for the committee's forward work programme so that these could be discussed at the next meeting. Councillor Jones expressed interest in considering the Staff Satisfaction Survey report. Phil Newby advised Members that the Chair of the Health Select Committee had expressed an interest in the Performance and Finance Select Committee looking at the possible implications for the Council resulting from the tPCT financial situation.

11. Items Requested onto the Overview and Scrutiny Agenda

None

12. Recommendations from the Executive to be considered by the Performance & Finance Select Committee

None

13. Date of Next Meeting

It was noted that the next meeting would take place on Wednesday, 14th March 2007.

14. Any Other Urgent Business

None

The meeting ended at 9.35 pm

A DUNN
Chair