

MINUTES OF THE PERFORMANCE AND FINANCE SELECT COMMITTEE
Tuesday, 29th July 2008 at 7.30 pm

PRESENT: Councillor Dunn (Chair), Councillor H B Patel (Vice Chair) and Councillors Ahmed, Butt, Green (alternate for Councillor Bessong), Mendoza, Pagnamenta and Van Kalwala.

An apology for absence was received from Councillor Bessong.

Councillor Van Colle (Lead Member for Environment, Planning and Culture) also attended the meeting.

1. Declarations of Personal and Prejudicial Interests

The Chair declared a personal interest as a board member of Energy Solutions North West London, however he did not consider his interest prejudicial and remained present for the whole meeting.

2. Deputations

None.

3. Minutes of the Previous Meeting – 5th June 2008

RESOLVED:-

that the minutes of the previous meeting held on 5th June 2008 be received and approved as an accurate record.

4. Matters Arising

None

5. Waste Contract Performance

Chris Whyte (Head of Environmental Management, Environment and Culture) introduced the report covering the Waste Contract Performance from 2007/2008 and for the first quarter of 2008/2009. Starting with street cleansing performance, Chris Whyte advised that because of increased frequency of sweeps compared to the previous contract, the average performance for 2007/2008 was 21%, 11% better than the previous year's figures, although 2% shy of that year's target. However, the tranche 1 score for 2008/2009 of 13% gave early indications that a further significant improvement was likely for this year. Turning to recycling, Chris Whyte advised that a rate of 22.2% had been achieved for 2007/2008, which although slightly better than the previous year, was 2.8% short of the target of 25%. He commented that this was primarily due to the poor return in organic waste, or 'wet' recycling caused by contaminated loads that were being

rejected. In order to address this issue, Chris Whyte explained that refuse crews were being encouraged to provide more feedback to the Council so that they could target residents who were frequently contaminating their loads. It was noted that dry, green box, re-use recycle centre and bring recycling rates had increased quite significantly. The Select Committee also heard that street collection rate had increased by 3% in 2007/2008 which was attributable to the improved cleaning regime as part of the new contract.

Chris Whyte continued by stating that the overall recycling target for 2008/2009 was 27% and performance to date as of end of June was 26.2%, a 2% improvement on the same period from the previous year. In addition, contamination of organic loads to date was much reduced from last year and this would help improve the recycling rate. Chris Whyte advised that the introduction of Compulsory Recycling from the 4th August was likely to have a significant impact in improving recycling rates and there had been a large upturn in requests for green boxes.

With regard to missed collections, Chris Whyte explained that these peaked when the new contract commenced in April 2008, which was likely to be due to the new collection arrangements that were made, and again in October 2008 when same day collection for refuse and recycling refuse collections were introduced. Overall performance for 2007/2008 of 95 missed bins per 100,000 collections was an improvement although this was short of the target of 45 missed bins per 100,000 collections and performance had been inconsistent during the year. However missed collections up to 7th July for this year had shown an improvement to 80 missed bins per 100,000 collections. The Select Committee noted that formal complaints for refuse and recycling had risen slightly in 2007/2008 compared to the previous year, mainly due to changes to service arrangements, whilst street cleaning related complaints had reduced.

During Members' discussion, Councillor Green commented that residents had reported green boxes going missing and he enquired whether it was possible for these boxes to be personalised. He also asked how complaints concerning the refuse collection service were fed back to the refuse crews. Councillor Pagnamenta sought further details concerning what steps would be taken to prevent contamination of loads, especially in view of the impending introduction of compulsory recycling. Councillor Butt enquired why it was not Veolia's responsibility to handle loads that were found to be contaminated after they had been collected from bins and why did the Council have to pay costs to send such waste to landfill.

Councillor Ahmed asked how many warnings residents were given regarding contaminated loads before enforcement action was taken. Councillor H B Patel emphasised the need to promote recycling to residents and he suggested that removing charges for disposal of bulky items would be an incentive, otherwise it could contribute to rises in

incidences of fly tipping. He also sought clarification as to whether missed bin collections for an entire street would only count as a single complaint. The Chair sought further explanation as to the reasons for the number of missed collections recorded for each type of collection.

In reply, Chris Whyte advised Members that residents could mark their green boxes with an identifier if they were concerned about them going missing, whilst residents' complaints were monitored by ward officers who passed their concerns onto Veolia. Members heard that clear and comprehensive information was being sent to residents concerning what materials should be recycled and the reduction in contaminated loads in the early part of 2008/2009 suggested this initiative was proving effective. In addition, a Call Centre facility was available for residents who had any further queries. It was noted that residents who persistently contaminated loads were written to in the first instance advising them of how to prevent this, which would be followed by a warning to remove the bin if the problem persisted. The final course of action would result in the bin being removed if this warning was not heeded. Chris Whyte acknowledged the continuing need to promote recycling and advised the Select Committee that charges for disposal of bulky waste items had been reduced. He informed Members that there had been incidences of some confusion between the refuse collection crews when the collection rounds had been changed, whilst there was also an element of residents misunderstanding where, for example, they may have reported a missed bin collection when in fact the day of collection had been changed.

Thomas Paris (Veolia representative) confirmed that a reported missed collection was attributable to each property. He advised that refuse crews were being instructed to leave leaflets on residents' bins explaining why items could not be collected and to alert ward officers where residents were persistently loading their bins incorrectly. He stated that a reason why residents had not previously been aware that they were disposing waste incorrectly was because refuse crews had been putting misplaced items in the right bin. Members noted that refuse crews made every effort to identify contaminated loads prior to collection.

Keith Balmer (Director of StreetCare, Environment and Culture) advised Members that because there was less opportunity to check for contaminated waste during collection that it was more likely to be identified at the point of disposal. It was noted that even a small amount of contamination would render waste unrecyclable.

Keith Balmer then drew Members' attention to the second part of the report concerning the Council's response to the Audit Commission's Inspection of the Waste Management Plan. He explained that a full Action Plan was yet to be developed whilst priority was given to implementing Compulsory Recycling. In addition, the Council's ongoing transformation agenda was likely to influence some of the actions

addressing the Audit Commission's recommendations, particularly in relation to value for money and it was anticipated that the consultancy group carrying out the transformation review would soon be reviewing the Waste Collection and Street Cleansing Service. Therefore it was felt prudent to wait until the findings of the review before proceeding with an Action Plan. Keith Balmer added that the Action Plan would be considered by the Select Committee at a future meeting.

The Chair concurred that priority should be given to implementing Compulsory Recycling and that Members welcomed discussion on the Action Plan at a future meeting. He commented that problems still persisted in some areas, such as missed collections, but overall the trend was one of improvement, particularly in street cleansing performance and he acknowledged that Compulsory Recycling was likely to have a significant positive impact on performance.

6. Asset Management Task Group – Report 1

Richard Barrett (Head of Property and Asset Management, Finance and Corporate Resources) introduced the report which followed on from the scope and terms of reference for the Task Group agreed at the last meeting. Richard Barrett explained that a draft version of listed properties had been drawn up which revealed a range of different agreements with voluntary organisations, ranging from licenses, to short and long term leases. Members heard that the Council had a variety of relationships with voluntary community groups and therefore it was desirable to produce a cohesive strategy for this sector. In addition, the findings of the Quirk Review, a Government initiative concerning community assets, would need to be taken into account when devising the strategy.

The Chair commented that this topic would continue to be reviewed throughout the year and he welcomed discussion on how Members wished to proceed with the information available. Councillor Mendoza enquired about the criteria used to agree the licence or lease, such as consideration of peppercorn rates of likely future market rates. Councillor Van Kalwala enquired if a retention policy existed once a current lease expired.

In reply, Richard Barrett advised that the Executive had agreed in 2003 the criteria for agreeing 7 year leases to organisations. Such leases would be balanced by consideration of market value rates and the proposed use of the property and rent abatements would be considered where the community benefits could be assessed. Other options also needed to be considered, such as could the property be better managed if the voluntary group concerned could obtain external funding. With regard to retention policy, Richard Barrett commented that some voluntary groups had a historical connection with a particular property and agreeing to let them remain there was considered where appropriate and on the individual merits of each case. In addition,

some organisations may have automatic rights under the 1954 Landlords and Tenants Act.

The Chair requested a briefing note providing further information on the 1954 Landlord and Tenants Act and a copy of the Executive report agreeing criteria for 7 year leases to outside organisations be presented at a future meeting.

7. Property Asset Disposals

Richard Barrett introduced the report, advising the Select Committee that threshold levels of officer delegation regarding property asset transactions had been agreed by Full Council in 2007 at £100,000 for rental and £300,000 for acquisitions and disposals. He advised Members that the 2007/2008 Property Assets Disposals had accumulated £7.351 million which had exceeded the target set for 2007/2008. Richard Barrett drew Members' attention to the schedule of disposals as set out in the appendices. With regard to the disposals schedule for 2008/2009, Richard Barrett explained that the list would be subject to changes throughout the year. Members heard that there was not a large surplus of property to dispose of and that where appropriate properties were offered to other service areas or other public sector organisations.

Councillor Green, in noting that property market values were subject to fluctuations, enquired whether it was usual to retain properties where a reasonable offer could not be obtained. With regard to disposal criteria, Councillor Van Kalwala asked if the circumstances of the area the property concerned was located was taken into account. The Chair asked whether any assets needed to be retained due to their proximity to the proposed Civic Centre site.

In response, Richard Barrett advised Members that there were no Council-owned premises within the vicinity of the proposed Civic Centre site other than Brent House. The Civic Centre site was technically an option to acquire a long lease at present, however as soon as it was built and occupied by the Council for 1 day the lease would be subsumed into a freehold interest. Members noted that the Council would not dispose of properties if an offer at market rate level was not offered, unless the organisation concerned offered considerable community benefits, as previously explained. Where an organisation did offer community benefits, decisions whether to lease to them could be referred to the Executive.

Councillor Mendoza then raised the issue of receiving income through right to buy properties. The Chair, in noting other disposal opportunities, such as the selling of Council-owned lofts, asked that further information be provided at a future meeting into the various revenue raising opportunities in property disposal.

RESOLVED:-

- (i) that the schedule of disposals attached as Appendix 1 detailing transactions for the financial year 2007/2008 be noted;
- (ii) that the schedule of disposals agreed by Full Council for 2008/2009 and beyond and as set out in Appendix 2 be noted; and
- (iii) that the schedule of all transactions completed under delegated powers attached as Appendix 3 be noted.

8. **Performance and Finance Review – Activity Data in Focus**

Peter Stachniewski (Deputy Director, Finance and Corporate Resources) gave a Powerpoint presentation to Members on this topic. He explained that the information provided identified measures of key drivers of spending. Some of the drivers of spending were corporate, such as the number of employees and agency staff, but the majority were at directorate level, such as the tonnage of waste collected or recycled or the costs of children in care. Members heard that the information could be used to provide an understanding of Council expenditure, identify longer term spending pressures, develop strategies for delivering improved outcomes with limited resources and measure the effectiveness of these strategies. Such information was key to delivering a number of the Council's main strategies, such as the Waste Strategy, the Children's Social Care Strategy and the Adult Social Care Strategy. The information was reported to a number of groups within the Council, including service managers, the Strategic Finance Group, the Executive, the Budget Panel and this Committee.

Peter Stachniewski then posed a number of questions for Members to discuss how this information could be improved, such as was the right information being used, presented and interpreted correctly, could forecasting be improved, what action should be taken in areas where was not sufficient activity data and how could Members use the information.

Councillor Van Kalwala enquired whether the purpose of the information was to provide early indication of specific patterns of spending or of problems that may arise, or whether it was for more strategic uses, such as identifying measures of spending or drivers of change. He also sought further details of the process with regard to critical success factors. Councillor H B Patel, in referring to the Quarterly Monitoring sheet, enquired why the variance on the capital sheets was so large in some instances.

The Chair commented that the revised format of the report allowed Members to flag up budget and performance issues simultaneously. He sought views as to how indicators could be used to more effectively

track progress in the transformation of services, such as reducing unnecessary face to face contact with customers. In acknowledging the concerns over the Adult Social Care budget, he enquired what actions were being undertaken to address this and what the drivers of spending were.

In response, Peter Stachniewski commented that there were some areas where success could be measured in quantitative terms, such as number of children in care, whilst ways of more accurately measuring other areas, such as customer service, were being considered. Peter Stachniewski suggested that areas which were under budgetary pressure be considered in more detail, such as Children's Care, or Adult Social Care. Officers were looking at better ways of presenting such data and welcomed input from Members. Peter Stachniewski explained that the information was increasingly being used to help shape strategies, however it was also being used to help identify problems or area of concern at an early stage. With regard to variances in spending referred to by Councillor H B Patel, Peter Stachniewski advised that end of year variances on capital often reflected the speed at which individual schemes were spending and therefore measured success in terms of how much was spent, as opposed to looking at the impact of spending, such as maintenance backlog in schools or provision of additional school places. The revised approach was intended to focus more on these outcomes, whilst also monitoring spending.

Phil Newby (Director of Policy and Regeneration) added that with regard to Adult Social Care, Government initiatives were geared towards encouraging customers to engage in self-directed support and customers themselves had indicated that they preferred this method. Such an approach would lead to changes in the number of staff required and therefore the likelihood of savings being made. Members noted that a number of large scale schemes with regard to this form of support were under consideration and Phil Newby advised that progress in this area was more advanced for example for service users with learning disabilities than older people. Phil Newby stressed that because of the volatility of demand led budgets, the importance of taking a more considered approach in seeking trends and changes in the demand for services and how they could be provided was not to be underestimated.

Cathy Tyson (Assistant Director [Policy], Policy and Regeneration) emphasised that the aim was not just to make savings, but also to provide a more efficient service. Through careful consideration of strategies, schemes could be devised that made both the right impact on the budget, whilst also producing better outcomes. For example, in Children in Care, the Council was looking at other authorities' methods of dealing with this issue to set benchmarking standards and to identify what working models were most effective. Service areas were in

constant discussion with each other to produce balanced schemes that would help attain the various objectives set.

The Chair welcomed a focus on Adult and Social Care activity measures used in their transformation programme at the next meeting of the Select Committee.

9. Performance and Finance Review – Quarter 4 and Outturn 2007/2008

Phil Newby provided an introduction to the main report and confirmed that the overall trend was an improvement from the previous year's performance. The overall results for 2007/2008 had 52.7% of Vital Signs indicators at low risk, 20% at medium risk and 27.2% at high risk. Phil Newby felt that improvements made were the most that could be hoped for through incremental change, but to take performance to a higher level, a transformation in the way services were provided was required.

Cathy Tyson then presented the main report, advising Members that most of the stretch targets were being met and these, if achieved, would bring considerable performance funding awards which could be as high as £8.5 million. Cathy Tyson highlighted some performance indicators (PIs), starting with Cessation of Smoking which would benefit from the Brent teaching Primary Care Trust's (PCT's) decision to reinvest in this programme. With regard to Sports Participation, Members heard that Sport England is undertaking a survey in Brent and the last survey results were encouraging, whilst Street Cleanliness was also improving. Cathy Tyson confirmed that a 3 star with an improving well Comprehensive Performance Assessment (CPA) rating had been achieved over the last 3 years, and it was likely that the same rating would be achieved for the last refresh score in February 2009. The Select Committee noted that some PIs in the Culture Block, relating to Library Visits and Museum and Theatre Visits would continue to prevent the Council obtaining a 4 star rating.

Cathy Tyson advised that Comprehensive Area Assessment (CAA) would replace the CPA in 2009. Areas of concern included School Places, Exclusions, Children's Social Care, in particular "the number of re-registrations on the child protection register" and the time taken to undertake Special Educational Needs (SEN) Assessments, where a transformation programme would commence soon which would investigate the reasons for the large number of requests for SEN assessments being made. Although overall the number of families in temporary accommodation had reduced in 2007/2008, it was still a cause of concern because of the increase in homeless acceptances. The need remained to increase the Number of Visitors to Libraries, whilst Graffiti had also been on the rise, although this often happened during the summer season and consideration of preventative measures was being undertaken. Targets to prevent complaints escalating from

stage 1 to stage 2 were being met in most service areas, although there were some poor response times in Children and Families and Environment and Culture. Members noted that staff sickness levels had reduced from the previous year.

Members then discussed the various areas of performance. Councillor H B Patel commented that providing internet facilities and ensuring a good stock of items would help increase Library Visits. Councillor Van Kalwala asked whether the proportion of Council staff with disabilities in the top 5% of earners was available and also if it was intended to broaden ethnic and religious representation at this level. The Chair commented that library visits were likely to increase when facilities were improved. The Chair also enquired what was perceived as the biggest risk to the budget for this year.

In reply, Cathy Tyson advised the Select Committee that the Library Service was looking to boost its stock by participating in collective borrowing with other London boroughs and every effort was being made to make sure the right facilities were in place. The Select Committee heard that the Kingsbury Centre had seen a dramatic increase in use, which could be partly attributed to its convenient location. Cathy Tyson stated that information on Council staff members with disabilities who were amongst the 5% top earners could be provided, whilst the Council was required to provide more opportunities for those from ethnic and religious minorities at this level.

Peter Stachniewski advised that because of the overspend in Adult Social Care in 2007/2008 and the associated financial difficulties with the PCT, that this area presented the biggest challenge this year to the Council keeping within budget. Measures were in place to ensure robust monitoring of the budget, whilst resolution of outstanding issues with the PCT was expected to help facilitate better monitoring of the budget.

The Chair commented on the need to improve performance with regard to the level of graffiti encountered. Members agreed to his suggestion that the issue of graffiti be focused upon in a report to the next meeting, including providing details of how the problem was being tackled, what were the obstacles to removing or preventing graffiti and information on collaboration with any partner organisations on this matter.

10. **Brent Local Area Agreement Report 2007/2008**

Karin McDougall (Local Area Agreement Coordinator, Policy and Regeneration) introduced the report, advising Members that the Local Area Agreement (LAA) for 2006 to 2009 had 1 year to run, with the last year carrying into the LAA for 2008 to 2011. The new LAA would contain 22 priorities for improvement based on the New National Indicator Set, 12 stretch targets for 2008/2009 only, and 4 local priorities. She confirmed that 11 of the 19 stretch target indicators for

2007/2008 had been met, 6 were yet to be reported and 2 had not been met. It was anticipated that the Council could receive up to £8.5 million in Performance Reward Grant and the news that PCT was to resume its Smoking Cessation programme would help the Council claim at least a proportion of the grant available for this stretch target.

In reply to a query from the Chair concerning Volunteering targets, Karin McDougall advised Members that from 2007 the Council had obtained permission to count all new volunteers in 1 grouping. This would assist in reaching the non-socially excluded group target, and providing at least 100 of the final figure of volunteers were from socially excluded groups, this would assist the Council to reach its combined total target of 500 volunteers and therefore aim to be eligible for the full amount of Performance Reward Grant for this stretch target.

RESOLVED:-

- (i) that good and poor performance against the stretch targets for 2007/2008 be noted;
- (ii) that the final targets against the stretch targets, which must be achieved to obtain performance reward grant, be noted; and
- (iii) that the Select Committee continues to monitor progress during 2008/2009 and to manage performance against any priorities which are underperforming against any targets.

11. Performance and Finance Select Committee Work Programme

Members agreed to discuss the Work Programme at the next meeting of the Select Committee.

12. Items Requested onto the Overview and Scrutiny Agenda

None.

13. Recommendations from the Executive to be considered by the Performance and Finance Select Committee

None.

14. Date of Next Meeting

It was noted that the next meeting was scheduled for Tuesday, 4th November 2008 at 7.30 pm.

15. Any Other Urgent Business

None.

The meeting ended at 9.45 pm

A DUNN
Chair