

LONDON BOROUGH OF BRENT

PERFORMANCE AND FINANCE SELECT COMMITTEE - 16TH JULY 2003

Report From The Director Of Policy And Regeneration And The Director Of Finance.

FOR ACTION

ALL WARDS

PROPOSALS FOR THE FUTURE WORK PROGRAMME OF THE PERFORMANCE AND FINANCE SELECT COMMITTEE.

1. Introduction

1.1 This short paper provides Members of the Performance and Finance Select committee with proposals for the future work programme of the Committee. It covers the following issues:-

- Role and working style of the Performance and Finance Select Committee.
- Items for the work programme.
- Relationship to other elements within the Scrutiny function.

2. Recommendations.

Members of the Performance and Finance Select Committee are recommended to:-

- 2.1 Agree the proposed methods of working detailed at paragraph 6.1.
- 2.2 Agree the proposals for the content of the work programme detailed at paragraph 6.4
- 2.3 Note the nature of the working arrangements proposed with the other elements within the Scrutiny function .

3. Legal Implications

3.1 There a no specific legal implications arising from this report.

4. Financial Implications

4.1 There are no direct financial implications arising from the report. However the role and purpose of the Performance and Finance Select Committee is to effectively scrutinise the way in which the Council delivers services and manages the resources available to it. In this role the Committees work programme is critical to evaluating the efficient use of financial resources and influencing improvement in performance standards of the organisation.

5. Staffing Implications

5.1 There are no staffing implications arising directly from this report.

6. Detailed Considerations

Role and working style of the Performance and Finance Select Committee.

6.1 The key role of the Performance and Finance Select Committee is to scrutinise the Council's delivery of services and corporate priorities and the efficiency with which it uses resources to achieve those objectives. In order to fulfil this role it will engage in a number of key activities:-

- Receiving regular monitoring reports on performance, financial management and implementation of improvement priorities.
- Receiving external audit and inspection reports and internal best value reviews.
- Questioning of Senior Members and Officers on the matters of financial and performance management.
- Calling expert witnesses for comment and advice.
- Commissioning time limited investigations on financial and performance matters of concern to the Committee.

6.2 While the Committee will be receiving considerable amounts of data to inform their scrutiny of the Council's financial and performance management, every effort will be made to use this data as a starting point to identify where more in-depth investigation is required. The monitoring information should be viewed as a guide to highlight where detailed scrutiny will add most value in improving the performance and management of local services.

6.3 In order to support to Committee in delivering this role the following items are proposed for inclusion in the work programme.

Annual Work Programme.

6.4 The following items will form the core of the Performance and Finance Select Committees annual work programme

Annual Audit Plan

6.5 Audit of the Council is carried out in two ways:

- Internal audit by the Council's own Audit and Investigations Department;
- External audit by the firm, PriceWaterhouseCoopers.

6.6 The Council must draw up an Annual Audit plan, which is basically an agreement between the Council and its external auditor on how the external audit of the Council will be carried out. Part of the Select Committee's role is to agree the plan and monitor the Council's progress in implementing it.

Internal Audit Reports

6.7 The Council's own Audit and Investigations Department carries out its own audit work during the year. Internal audit reports provide an invaluable insight into the functioning of all the services the Council provides. The auditors will make recommendations to Council officers about the way in which services can be managed more effectively.

6.8 The Performance and Finance Select Committee cannot obviously look at all internal audit reports. It is proposed that the Committee working out a system

with officers to select the most important reports. The Committee can then examine the recommendations and make sure that they are implemented.

Financial Monitoring

- 6.9 Regular reports on the financial position of the Council including the Executives Annual budget proposals.

Revenue and Benefits.

- 6.10 Regular reports on the performance of the Revenue and Benefits service. This will be supported by appearances of Capita to discuss performance issues when appropriate.

Best Value Reviews

- 6.11 Between six and eight Best Value Reviews are carried out each year. Although the full reviews are fairly large documents, the Select Committee will concentrate on the recommendations made and the agreed Action Plans. The results from Best Value inspections of reviews will also be reported to the Committee. Every six months the Select Committee will also receive the updates on Best Value Reviews and the implementation of the recommendations arising as a means of monitoring improvement and calling management to account.

Performance Indicators

- 6.12 The Council collects a number of sets of performance data; Best Value PI's required by the Office of the Deputy Prime Minister, data required by specific government departments (DfES, DfH) and locally defined PI's based on Corporate priorities.
- 6.13 On a quarterly basis the Committee will receive the top 25 PI's Digest. This document is a selection of the PIs, both national and local which represents the key improvement priorities of the Council. For the first part of this year, the Committee will be shown the quarterly performance digest. The new Top 25 Digest will supersede this for data relating to the period April 2003 onwards. This information will be provided in such a way as to highlight the areas where performance is poor or unsatisfactory, so that the Select Committee can focus in those areas
- 6.14 On an annual basis using the set of national Best Value performance indicators a comparative analysis of Brent Councils performance against other London boroughs will be produced and presented to the Committee.

Brent Council's Best Value Performance Plan

- 6.15 The Council is required to produce an annual Performance Plan. The plan provides details of the Councils past performance, its priorities for improvement and in particular sets out performance targets for the next three years. The Plan is monitored by the Audit Commission and is a critical document for assessing the long term achievement of performance improvement.
- 6.16 The Committee will be invited to comment on both the improvement priorities in the Performance Plan and the achievement of those commitments over time.

The Corporate Strategy 2002-06 Action Plan

- 6.17 The Corporate Strategy 2002-06 provides the Council's strategy framework for the planning of resources and delivery of local services. Every six months the Committee will receive the Corporate Strategy 2002-06 Action Plan progress

report. This document details the implementation of the various Corporate Strategy initiatives and the outcomes achieved to date.

The Comprehensive Performance Assessment Action Plan.

- 6.18 Following the outcome of the Comprehensive Performance Assessment the Council was required to produce an action plan detailing how it would implement the CPA improvement priorities. This plan identifies six improvement priorities and is monitored by the Audit Commission. The future CPA reassessment of the Council will take into account our success in implementing the improvement plan. The Committee will receive this document on a six monthly basis in line with the production of up-date to the Audit Commission.

Time-limited investigations.

- 6.19 In addition to scrutinising and questioning both officers and Members with regard to the above items, the Committee will have the capacity to commission time-limited investigations into matters of concern highlighted by the top-level monitoring information. These investigations will incorporate officers from Brent Financial Services, Policy and Regeneration Unit and the relevant service area as appropriate. Service areas will be expected to support these investigation activities with the production of accurate and comprehensive information or reports on the performance and management of resources. When necessary attend meetings of the Performance and Finance Select Committee to answer Members questions.

Relationship to other elements within the Scrutiny function.

- 6.20 Given the wide-ranging, cross council remit of the Performance and Finance Select committee it is important to maintain a co-ordinated approach to the work programme and particularly the commissioning of time limited activities. This has particular relevance to the work of the three service based scrutiny panels who will be undertaking their own investigations. This co-ordination will be achieved at both a Member and officer level through the following mechanisms:-

- The Management Board – the Chair of the Performance and Finance Committee will sit on the Scrutiny Management Board, which will oversee the work programme of the various Scrutiny elements.
- Officers responsible for supporting the service based scrutiny panels and the Performance and Finance Select Committee will meet on a regular basis to discuss and co-ordinate work programmes to ensure clarity and reduce duplication.

7. **Background Information**

Anyone wishing to inspect the papers related to this report can contact Cathy Wellstead, Corporate Policy Manager, Policy and Regeneration Unit, London Borough of Brent, Brent Town Hall, Forty Lane, Wembley, Middlesex. HA9 9HD.

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