

Notes of the Scrutiny and Overview Committee
Finance and Performance Working Group
18th February 2015

Present: Councillors: Leonard Crosbie (Chairman), John Bailey, John Chidlow, George Cockman, Brian Donnelly, Frances Haigh, Brian O'Connell, Stuart Ritchie, Diana van der Klugt

Apologies: Councillor Jim Rae

Also present: Councillors: Roger Arthur, Jonathan Chowen (Cabinet Member for Arts, Heritage & Leisure), Gordon Lindsay (Cabinet Member for Finance)

Officers: Sarah Gill, Complaints and Information Officer
Julie McKenzie, Performance Manager
Sue McMillan, Head of Finance
Mark Pritchard, Commissioning and Performance Manager

1. **TO APPROVE AS CORRECT THE RECORD OF THE FINANCE AND PERFORMANCE WORKING GROUP MEETING ON 3RD DECEMBER 2014**

The notes of the Finance and Performance Working Group meeting held on 3rd December 2014 were approved as a correct record of the meeting.

2. **TO RECEIVE ANY DECLARATIONS OF INTEREST**

There were no declarations of interest.

3. **ANNOUNCEMENTS FROM CHAIRMAN OR CHIEF EXECUTIVE**

There were no announcements.

4. **COMPLAINTS, COMPLIMENTS AND SUGGESTIONS – MONITORING AND LEARNING REPORT FOR THE PERIOD 1ST OCTOBER TO 31ST DECEMBER 2014**

The Working Group noted that a new IT module facilitated more accurate complaints recording by allowing departments to track how many complaints existed in 'real time' and per department. The system would produce more meaningful data which would be presented in future reports for the Working Group.

The Council, at its meeting on 25th February 2015, would receive a report that would recommend changes to the current complaints procedure to bring it into line with the latest Local Government Ombudsman guidance and with neighbouring authorities.

The definition of a complaint would be amended and the procedure would be streamlined from a three to a two stage process. Further, it was proposed to extend the timescale for investigating and responding to a complaint from ten working days to a maximum of twenty working days at each stage to allow for a thorough investigation and the preparation of a robust response.

The Working Group requested that the proposed change to the definition of a complaint should reinstate a reference to those who acted as the Council's agents.

The Complaints and Information Officer reported on the complaints and compliments notified to the Council for the period from 1st October to 31st December 2014. There had been 42 complaints and a further 11 complaints about the CenSus Revenues and Benefits Service and an additional 30 complaints about the CenSus Revenues and Benefits Service telephone system.

The Working Group received complaints data in relation to the Pavilions in the Park Leisure Centre in Horsham; there had been 25 complaints for the quarter. The Working Group requested, for future reports, that the reasons for the complaints be presented. Details about the complaints received by all the leisure centres in the District would be included in future reports. The Cabinet Member for Member for Arts, Heritage and Leisure commented on how it was a low level of complaints when compared to the level of public use. He expected complaints of significance would be reported to the Council by DC Leisure/Places for People. The Council should also be alerted to issues by the feedback from the advisory groups to the District's leisure centres.

Members suggested that relevant information from the leisure centre advisory groups and information about performance arising from the Service Level Agreement with DC Leisure/Places for People, should be reported to Cabinet Member who could share the information with the Working Group. The Cabinet Member for Arts, Heritage and Leisure agreed to ask for information about the performance of the contract with DC Leisure/Places for People. He agreed to report that to the Working Group and the leisure advisory groups along with a narrative to explain the benefits that the contract had delivered.

A total of 11 compliments had been received for the quarter. The Working Group noted that a higher level of compliments had previously been received because of feedback from the surveys once undertaken by Housing and by Environmental Services. The Working Group suggested that those departments be asked whether they would continue to conduct those surveys and if not, why not.

5. FINANCE AND PERFORMANCE, DISTRICT PLAN PRIORITIES AND KEY PROJECTS FOR QUARTER 3, 2014/15

The Working Group noted the report detailing finance and performance information for Quarter 3 in 2014/15.

The forecast outturn for the year to 31st March 2015 was estimated to underspend the approved revenue budget by £250K. Actual spend to Quarter 3 on capital projects was £3.77M which was 30% of the annual budget. An underspend for the year of £4.375M was anticipated because some projects would slip to 2015/16 including Broadbridge Heath Leisure Centre, the Hop Oast depot development, and vehicle fleet replacement.

The key performance indicators showed that 19 (61%) were on target, 7 (23%) were close to target, and 5 (16%) were outside the target range. The indicators falling outside the corporate target were confirmation of council tax benefits relating to the speed of processing information on the changed circumstances of individual applicants, a drop in swimming attendances as a result of scheduled closure for repairs to the Pavilions in the Park, income from cess pit emptying, the determination of major planning applications, and staff turnover.

The Working Group noted that the positive performances included the rate of staff sickness which had fallen below 8 days, the lowest since Quarter 1 in 2013/14. The Performance Manager highlighted that short term sickness (under 11 days) was at an average of 1.6 days. An improved monitoring system for recording staff sickness was being introduced.

The Performance Manager informed Members that the list of key corporate Performance Indicators would be considered by service managers at the start of 2015/16; those indicators would be reported to the Working Group for review.

The Cabinet Member for Arts, Heritage and Leisure explained that the forecast £60K overspend at The Capitol was because of unavoidable overspends on overtime, electricity, equipment and tools and because of an underperformance, to date, on the cinema programme. The prediction of the popularity of a film and the public response to that film was a particular challenge to forecasting revenue for the Capitol. The attendance figures for The Capitol for Quarter 3 were well above target.

The Head of Finance explained that the forecast £38K overspend for Leisure Services comprised a loss of income of £32K from the leisure contract due to the delay in delivering the High Ropes installation at the Pavilions in the Park.

The Working Group welcomed the high attendance figures for Horsham Museum and the Visitor Information Centre. Members praised Jeremy Knight, Museum and Heritage Officer. The Chairman agreed to write to

thank him for his work and for organising a series of interesting exhibitions at the museum.

The Working Group noted that the office move to Parkside would soon commence in phased stages. Members suggested that an additional column be added to the Capital Budget Monitoring spreadsheet to provide information about the expected date for completion of capital projects.

The Working Group noted, in relation to Business Transformation, the performance indicator which detailed the number of e-form and web-based payments. Members suggested that its title should be altered to be 'Online transactions' and requested a check be made to see whether that figure included online parking payments.

In relation to Economic Development, the Chairman requested a note to be added to future reports giving an outline business case/projected revenues for any proposed developments; also to explain the reason for any large increase in the gross income of existing assets/projects.

In relation to Development Management, the Chairman reported that the Director of Planning, Economic Development and Property had assured the Business Improvement Working Group that the recent drop to 63% for the determination of major planning applications was being monitored and would soon be back on target. The decrease had been due to efforts to clear long-standing applications. The Chairman of the Business Improvement Working Group queried the targets for processing minor and other planning applications and suggested higher targets. He reported that the Development Management Improvement Plan was progressing but performance might be affected because of a number of planning officer vacancies. The Working Group noted that the income from planning fees and also local Land Charges were well above target. The Business Improvement Working Group would receive data about the financial impact of the overturn of decisions on planning appeals and the total costs involved; the Working Group requested a copy of that information.

The Commissioning and Performance Manager reported that Internal Audit had arranged risk workshops for all departments to enable them to convert their risk registers to a new corporate model. Each department was responsible for its own risk register which would be reviewed on a quarterly basis.

In relation to CenSus ICT, the Working Group noted that at the mid-point of the financial year the operational spend was £102K above budget but that the forecast overspend for the year was £4K. Members were told that that the overspend mainly related to agency costs for temporary staff who had worked on specific projects.

The Working Group noted that the performance of CenSus Revenues and Benefits in processing new housing benefit and Council Tax Benefit claims and any changes of circumstances were at the limit of or

above the set targets. Additional resources had been added to the team to improve the processing times.

In relation to staff turnover, it was noted that the quarterly target of 2.5% had been exceeded and was 3.16% for Quarter 3. The Head of Finance explained that a staff turnover of 10% per annum was considered to be an appropriate level. For the year to date the turnover of staff at Horsham District Council was 13%.

The forecast for the Corporate Finance department was for an underspend for the year of £201K. The Head of Finance explained that was because no borrowing was planned for the financial year and VAT readjustments had netted the Council an additional £40K of unbudgeted income.

The Chairman requested, in relation to the Legal and Democratic Services performance data, that future reports include details of that department's work on S106 agreements, the number received for each quarter and the number that had been completed.

The Working Group requested an update of the options for the Broadbridge Heath Leisure Centre for its meeting on 18th June 2015 as part of the performance data for Community Services.

Customer Services performance data included details of the Corporate Contact Centre which had gone live in June 2014 and which handled calls for Waste Services and the Council's Switchboard. It had achieved an average 97% of contacts answered within 20 seconds against a target of at least 80% to be answered. Overflow calls from The Capitol were also now being handled by the Contact Centre, and calls from Parking Services would also be handled by it in the near future. The Chairman welcomed the extent of the Council's activities now covered by the Contact Centre.

The Working Group requested that the Strategic Housing Manager be asked to provide further commentary in the report overview about the numbers of households on the housing waiting list and in B&B accommodation.

In relation to Parking Services, it was noted that the report should state that tickets were up by 17% on the Quarter 3 target. Future reports would separate season ticket sale data from daily ticket sale data. It was clarified that the overspend on the installation of the new parking equipment was £45K. The Chairman requested an analysis at the year end of the parking enforcement data which detailed enforcement hours, the number of Penalty Charge Notices issued, and the percentage of PCNs that were cancelled; an explanation as to why cancellations were made was also requested.

The Working Group noted the salaries monitoring schedule for each service department, for April to December 2014. The total for salaries paid for that period was below the budgeted amount. Members

commented that overtime payments were above budget, and the amounts for casual and temporary staff were also above budget.

The Working Group noted the key income monitoring schedule as at 31st December 2014 which showed income of £7.37M which exceeded the forecast income.

The Working Group noted the Tracked Projects List summary report; no projects were coded red.

The Working Group noted the District Plan Priorities report for Quarter 3 which showed all tasks as completed or on track.

6. **PLANNING ENFORCEMENT PERFORMANCE REPORT FOR QUARTER 3, 2014/15**

The Working Group noted the planning enforcement cases report for Quarter 3 in 2014/15 as compared to previous quarters.

7. **PERFORMANCE GRAPHS FOR DEVELOPMENT MANAGEMENT AS AT THE END OF QUARTER 3, 2014/15**

The Working Group noted the report which showed the performance of Development Management up to the end of Quarter 3, 2014/15. The Working Group complimented the planning team on its excellent report.

8. **INITIAL REVIEW (FINANCE / BUDGET) OF THE COUNCIL'S KEY AREAS OF ACTIVITIES**

The Chairman reported that the sub-groups reviewing the finance/budget of the Council's key areas of activities in relation to Parking Services and Operational Services had arranged visits to those departments. The sub-group review of planning services would be achieved by receiving details from the Business Improvement Working Group's review of Development Management.

9. **MEMBER OVERVIEW OF THE COUNCIL'S USE OF THE REGULATION OF INVESTIGATORY POWERS ACT 2000**

The Working Group noted that the Council had not used the powers under the Regulation of Investigatory Powers Act 2000 in the past quarter.

10. **CENSUS JOINT COMMITTEE**

The Working Group noted the minutes of the CenSus Joint Committee meeting held on 12th December 2014 and the CenSus Budget for 2015/16 which had been approved at that meeting.

The meeting ended at 8.53 p.m. having commenced at 5.30 p.m.

CHAIRMAN