

**MINUTES OF A MEETING OF THE
VALUE OVERVIEW & SCRUTINY COMMITTEE
Town Hall, Main Road, Romford
18 September 2014 (7.30 - 10.20 pm)**

Present:

Councillors Clarence Barrett (Chairman), Philippa Crowder (Vice-Chair), John Crowder, Steven Kelly, Barbara Matthews, Barry Mugglestone, Graham Williamson and +Carol Smith

Apologies for absence were received from Councillors Robby Misir and Councillor David Johnson.

+Substitute members: Councillor Carol Smith (for Robby Misir).

6 MINUTES

The minutes of the meetings held on 3 July and 20 August 2014 were agreed as correct records and signed by the Chairman.

7 LOCAL GOVERNMENT OMBUDSMAN'S ANNUAL LETTER

The Committee considered a report which included the Annual Letter from the Local Government Ombudsman (LGO).

The Annual Letter was the LGO's principle means of communicating a summary of its activity with every authority (361- not just local councils these days) across England and provided a break-down of complaints referred to her throughout the year.

During the debate Members questioned the accuracy of the letter as it appeared to show a different number of complaints than what had previously been shown in the Council's own Ombudsman activity report that had previously been considered by the Adjudication & Review Committee.

Members felt that the figures in the letter and report should be broken down further to show specific service areas where complaints had been made. It was also felt that it would be useful to benchmark complaint figures with those of other local authorities to show how Havering was performing.

Members agreed that a more detailed report should be prepared and then considered by the Adjudication & Review Committee which in turn would then be fed down to the Overview & Scrutiny Committees for their noting.

It was **RESOLVED** that the Committee noted the report, that a single letter of response be sent to the LGO about this year's letter and that the LGO statistics were published in an easier format, showing comparable figures of other local authorities, along with the in-house commentary on the Calendar Brief.

8 CORPORATE PERFORMANCE - QUARTER FOUR 2013/14 & ANNUAL REPORT 2013/14

The Committee considered two reports setting out the performance of the Council's Corporate Performance Indicators for Quarter 4 2013/14 and for the year 2013/14 as a whole.

The reports identified where the Council was performing well and not so well. Where the Council was not performing so well a corrective action box had been included in the report highlighting what action the Council was taking to address poor performance where appropriate.

The Council's Interim Corporate Policy & Community Manager gave Members an overview of the two reports.

During the debate members raised issues relating to several areas of the reports, included in these were:

CS1 - Percentage of Council Tax collected. Members wished to know what actions were being taken to collect the outstanding 2.86% that was not currently being collected.

CS7 - Percentage of Corporate Complaints completed within ten days. Members questioned as to why the performance was some way short of the target that had been set. In response officers advised that the figures included complaints that had been made against Homes and Housing who had recently re-integrated back within the Council which had led to some IT and logistics problems which if left out of the reporting would have seen the performance rise to a figure in line with the set target. Members asked that details of what actions were being taken to address the problem were being taken and asked that this information be reported back to the Committee at its next meeting. Members also felt it would be prudent for the Head of Service to be invited to the Committee's next meeting to explain the actions being taken to address the problems. Members agreed that there were some anomalies in the reporting system that allowed responses to Corporate Complaints to reset the clock as opposed to showing the total length of time the complaint had been in existence for.

Sickness Absence - Members agreed that the absence figures needed to be broken down into service clusters to show which Service Areas were performing poorly. Following a question from Members, officers confirmed that staff working for oneSource sickness absences were included in the figures as they still remained employees of Havering.

Officers advised that managers were taken an active role in the management of sickness absence which included working proactively with the Council's Occupational Health provider. Two Managing Attendance Clinics had taken place, in March and May of this year, which had addressed problems with long term absences and had led to a number of staff either retiring through ill health or returning to work.

Members were advised that the Council used The Bradford Factor which was a common human resource management tool as a means of measuring worker absenteeism. The theory was that short, frequent, and unplanned absences were more disruptive than longer absences. The Factor was developed as a way of highlighting the disproportionate level of disruption on an organisation's performance that could be caused by short-term absence compared to single instances of prolonged absence. The Factor was originally designed for use as part of the overall investigation and management of absenteeism.

In reply to a question from a Member, staff confirmed that Customer Services, StreetCare and Grounds Maintenance were Service Areas that suffered mainly from elevated levels of sickness absence.

Officers confirmed that "convenience sickness", where employees took days off either side of weekends, was carefully monitored and dealt with and that return to work interviews were carried out differently for short term regular absences compared to one off long term absences.

In reply to a question, officers confirmed that the target level set of ten days per employee was a corporate policy decision.

Members agreed that it would be useful to have sight of a copy of the Council's sickness policy at the next meeting and in the meantime be forwarded a link to the policy on the intranet.
<https://intranet.haverling.gov.uk/index.aspx?articleid=11622#att>

Officers confirmed that there had been a decrease in the figures for the first quarter of 2014/15 which led Members to question why the earlier figures were being considered so late in the year. Officers explained that the first quarter figures for 2014/15 had not yet been before Cabinet. The consensus between Members was that there perhaps needed to be a change in reporting protocol to allow the reports to be considered by the OSCs at an earlier opportunity.

Members also suggested that it may be prudent in the future to scrutinise how the targets were set and not just accept that the targets were being met.

It was agreed that two Topic Groups be established to look at the following subjects:

Collection of Council Tax and NNDR (Debt Recovery)

Sickness Absence Monitoring

Councillors Crowder (Philippa), Crowder (John), Kelly and Williamson agreed to form the Debt Recovery Topic Group membership.

Councillors Barrett and Mugglestone agreed to form the Sickness absence Monitoring Topic Group and asked that an invitation be sent to Councillor Misir to ask if he would be interested in being the third member of the group.

Members **reviewed** and **noted** the contents of both reports.

9 **FINANCIAL REPORTING AND MONITORING**

Members received a presentation from the Council's Operational Manager of Internal Shared Services on the Council's reserves provision.

Along with the presentation Members were given two reports.

The first report dealt with budget monitoring for period 3 of 2014/15

The report showed that the forecast revenue outturn was currently projected at an overspend balance of £2.0m for the General Fund and a breakeven position for the oneSource directorate.

Risk assessed budgets were based on last year's assessment and those considered high risk would be reported on in future months. A full review of budgets would be undertaken on a quarterly basis.

The Dedicated Schools Budget, Public Health, Collection Fund and the Housing Revenue Account were all ring-fenced and any year end variance would remain with them.

The second report detailed Earmarked and General Reserves as they stood at 31 March 2014.

Members were advised that Earmarked Reserves were amounts earmarked to fund known items of anticipated expenditure for which the liability was not chargeable to the current year's accounts.

General Reserves were amounts set aside for unforeseen circumstances not covered by existing budgets or earmarked reserves. These were usually risk assessed to ensure the level of provision was appropriate to the level of the perceived risk and uncertainty.

Members noted that the schools balances had to be shown even though the Council was only holding the funds.

Members questioned as to why a reserve fund was hold for the renewal of library books when it had previously been agreed that the funding for

renewal of books was to be funded from a Capital budget. It was agreed that the question be raised at the next meeting of the Audit Committee.

Members also agreed to raise the issue of Section 106 funding with officers to ascertain how the monies were spent and on what projects.

Members **noted** the reports and asked that more detailed reports be brought before the Committee that drilled down on the exact nature of the reserves and how they were spent.

10 **EXCLUSION OF THE PUBLIC**

Following the completion of normal business, the committee decided to exclude the public for the remainder of the meeting on the grounds that it was likely that, in view of the nature of the business to be transacted or the nature of the proceedings, if members of the public were present during those items there would be disclosure to them of exempt information within the meaning of paragraph 9 of Schedule 12A to the Local Government Act 1972. It was decided to exclude the public on those grounds, the Committee **RESOLVED** accordingly on the motion of the Chairman.

11 **CORPORATE PERFORMANCE INDICATORS (VALUE)**

The report before members detailed a graphical illustration of trends over 2012/13 and 2013/14 for the Council's corporate performance indicators that related to the Value Goal in the Corporate Plan.

At the Committee meeting on 28 November 2013, Members received the Quarter 1 and Quarter 2 Corporate Performance Reports, which had been to Cabinet in September and November 2013. Those reports provided a snapshot of performance in time. Members asked if more detail could be provided for the Value corporate performance indicators, in the form of actual numbers, trend and benchmarking data. The appendix to the report contained such information.

All benchmarking data had been sourced from London Authority Performance Solution (LAPS) data. Facilitated by London Councils, the LAPS project aimed to share, compare and analyse local performance data collected by London Boroughs on a quarterly basis. This data was provided on a voluntarily basis, with a proviso that the data was made available for internal use only and was not published. To ensure the benchmarking data was as meaningful as possible, Havering's statistical nearest neighbour according to the Office for National Statistics (Bexley) and the Council's geographical nearest neighbours (Redbridge, Barking & Dagenham and Newham) had been highlighted.

The latest benchmarking data for Quarter 4 2013/14 had been used, except for the Council Tax and NNDR collection rates where Q3 2013/14 was the latest comparative data (as it was always a quarter behind).

It was important to note that since the abolition of the National Indicator Set in 2010, most performance indicators were collected on a local basis and therefore methodologies may have differed slightly.

During the debate Members questioned as to why Havering's Council Tax collection rates were significantly higher than the London Borough of Newham's yet in NNDR the positions were reversed. Officers advised that since the creation of oneSource both authorities were learning from one another regarding how to improve their collection rates and in picking up best practice procedures.

Members also questioned why the level of performance had dropped within the ISS10 indicator. The indicator showed the percentage of suppliers that were paid within thirty days of receipt of invoice by the Council. Officers undertook to arrange for an answer to be provided at the next meeting.

Members **noted** the report.

Chairman