

**BUDGET AND
PERFORMANCE PANEL**

4.30 P.M.

25TH JULY 2006

PRESENT:- Councillors Keith Budden (Chairman), Jim Blakely, John Day, Mike Greenall, Tony Johnson, Stuart Langhorn and Roger Sherlock.

Apologies for Absence:-

Councillor John Whitelegg

Officers in attendance:-

Roger Muckle	Corporate Director (Finance and Performance)
Graham Cox	Head of Property Services (part)
Richard Tulej	Head of Corporate Strategy (part)
Lynne Armistead	Risk and Insurance Manager (part)
Andrew Clarke	Accountancy Services Manager (part)
David Hopwood	Parking and Administration Manager (part)
Suzanne Trippier	Senior Democratic Support Officer

10 MINUTES

The minutes of the meeting held on 13th June 2006 were signed by the Chairman as a true and accurate record.

11 RISK MANAGEMENT STRATEGY

The Risk and Insurance Manager presented an update report on the progress and developments with the Council's Risk Management Strategy and where risk management activities had contributed efficiencies within the Council to help meet the Gershon/MTFS targets. It was outlined that a 30% reduction in the trips and slips claims payments had been made due to regular inspections of Council owned land and documentation and evidence to defend trips and slips claims.

It was reported that the self funding option for insurance had been investigated but none of the options were economically viable but this would continue to be monitored and further reviewed later in the year. It was noted that further savings had been made by not renewing the professional negligence run off cover for Building Design and by renegotiating the Personal Accident policy. It was reported that the cover for Civic Regalia was investigated but it had been decided to maintain the insurance on an all risks basis and a review of the Council Housing sums had been undertaken which resulted in an overall reduction in the sum. Members asked a number of questions and noted the report.

Resolved:

That the report be noted.

12 DECRIMINALISED PARKING ENFORCEMENT

The Parking and Administration Manager introduced the report outlining the background to decriminalised parking enforcement. It was confirmed that the DPE Agency Agreement for Lancaster had been agreed but not signed due to the outstanding issue of on-street parking enforcement surpluses. A formal request had been submitted to the County Council requesting all surplus monies generated in Lancaster, including 50% intended for strategic issues, be reinvested in Lancaster. It was reported that a comparison of the financial position against the original model had highlighted a number of inaccurate assumptions and the negative impact that the operational arrangements were having. Members were advised on the forecasted estimates for 2006/07 against those of 2004/05 and 2005/06.

The Accountancy Services Manager advised that these issues were common across a number of authorities in Lancashire and the Lancaster Chief Finance Officers group was investigating the reasons for the deficits and potential solutions for getting into surplus and recovering previous years deficits. It was reported that this matter was also being considered by Lancashire County Council's Overview and Scrutiny Committee.

Members acknowledged the revenue being lost from client transfer of parking tickets between vehicles.

Members agreed that it would be helpful to have a briefing note of the issues arising from the Lancashire Chief Financial Officers group and Lancashire County Council's Overview and Scrutiny Committee and for a briefing session for all Members later in the year to co-incide with the 2 year review of the arrangements.

Resolved:

1. That the report be noted.
2. That Members receive a briefing note on the issues arising from the Lancashire Chief Financial Officers group and Lancashire County Council's Overview and Scrutiny Committee and a briefing session for all Members later in the year.

13 CORPORATE PROPERTY AND ENERGY STRATEGY REVIEW

(Councillor Greenall declared a personal interest in the following item as he was employed by the Power Station.)

The Head of Property Services presented a report outlining the Corporate Property Strategy. It was reported that Cabinet had earlier received a report on asset management and this report therefore highlighted the progress on each of the actions. Members noted that progress had been made with much of the work, but there still were areas where further work was required. Members asked a number of questions and noted the report.

Members noted that the Panel would receive a further update on progress in 6 months time and that this further review would outline how the strategies action plan had contributed efficiencies to the Gershon/MTFS savings targets.

Resolved:

1. That the report be noted.
2. That the next 6 monthly review report identifies how the strategy has contributed to the Council's Gershon/MTFS savings targets.

14 ANNUAL EFFICIENCY STATEMENT

Members received a report from the Accountancy Manager concerning the 2005/06 Backward Looking Annual Efficiency Statement and the 2006/07 Forward Looking Annual Efficiency Statement. In terms of the Backward Looking Annual Efficiency Statement, it was outlined that cumulative efficiency gains were approximately £1.2 million against the target of £960,000. The cashable and non-cashable savings included amongst other things a review of the Council Housing Repair and Maintenance section, a proactive approach to sickness absence management and improvements to the benefit claim process.

In terms of the Forward Looking Annual Efficiency Statement, it was outlined that the cumulative Gershon target was estimated at approximately £1.9 million but later reduced to £1,168,000. It was reported that the Council was aiming to achieve a cumulative efficiency saving of £1,198,000 against that.

Resolved:

That the Annual Efficiency Statements for 2005/06 and 2006/07 be noted.

**Councillor Budden left the meeting at this point,
and Councillor Day thereon took the position of Chair.**

15 NEW PERFORMANCE MANAGEMENT FRAMEWORK

The Head of Corporate Strategy provided a presentation on the new Performance Management Framework that was introduced in response to comments from the CPA Assessment in 2004. The new framework would enable standard, quarterly traffic light reporting, performance management information produced once in a standard format for all users, quarterly meetings of Performance Review Teams, all information being available to all Councillors on the intranet and the full implementation of Escendency by June 2007.

Members noted that there would also be a visit to InfoLab later in the year to receive a demonstration on Escendency and also a training programme available covering all aspects of the performance management framework, but in particular, on Project Management.

Resolved:

That the presentation be noted.

16 PERFORMANCE VARIANCE REPORT

The Head of Corporate Strategy presented a report outlining the statutory and local indicators where performance has worsened between years and in-year targets had not been met. Comments for each indicator had been included providing a reason for the variations and how the targets will be met within service business plans.

Resolved:

1. That the report be noted.
2. That the report be used as a base line reference document for considering the Council's performance in the coming year and where appropriate to inform the future work programme of the Panel.

Chairman

(The meeting ended at 6.40 p.m.)

**Any queries regarding these Minutes, please contact
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