

## Select Committee Agenda



### **Resources Select Committee Tuesday, 7th February, 2017**

You are invited to attend the next meeting of **Resources Select Committee**, which will be held at:

**Committee Room 1, Civic Offices, High Street, Epping  
on Tuesday, 7th February, 2017  
at 7.30 pm .**

**Glen Chipp  
Chief Executive**

**Democratic Services  
Officer**

A Hendry, Directorate of Governance  
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#### **Members:**

Councillors S Kane (Chairman), A Patel (Vice-Chairman), N Bedford, A Boyce, D Dorrell, R Gadsby, R Jennings, P Keska, A Mitchell, C Roberts, D Roberts, H Whitbread and J M Whitehouse

**SUBSTITUTE NOMINATION DEADLINE:**

**6.30pm**

- 1. APOLOGIES FOR ABSENCE**
- 2. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)**

(Director of Governance) To report the appointment of any substitute members for the meeting.

- 3. NOTES OF PREVIOUS MEETING (Pages 5 - 16)**

#### **Minutes**

To agree the notes of the meeting of the Select Committee held on 6<sup>th</sup> December 2016.

#### **Matters Arising**

To consider any matters arising from the minutes of the last meeting.

**4. DECLARATIONS OF INTEREST**

(Director of Governance). To declare interests in any items on the agenda.

In considering whether to declare a pecuniary or a non-pecuniary interest under the Code of Conduct, Overview & Scrutiny members are asked pay particular attention to paragraph 9 of the Code in addition to the more familiar requirements.

This requires the declaration of a non-pecuniary interest in any matter before an OS Committee which relates to a decision of or action by another Committee or Sub Committee of the Council, a Joint Committee or Joint Sub Committee in which the Council is involved and of which the Councillor is also a member.

Paragraph 9 does not refer to Cabinet decisions or attendance at an OS meeting purely for the purpose of answering questions or providing information on such a matter.

**5. TERMS OF REFERENCE AND WORK PROGRAMME (Pages 17 - 22)**

(Chairman/Lead Officer) the Overview and Scrutiny Committee has agreed the Terms of Reference of the Committee. This is attached along with an ongoing work programme. Members are invited at each meeting to review both documents.

**6. INSURANCE CLAIMS STATISTICS (Pages 23 - 26)**

(Director of Resources) to consider the attached report.

**7. BENEFITS FRAUD AND COMPLIANCE UPDATE (Pages 27 - 30)**

(Director of Resources) to consider the attached report.

**8. KEY PERFORMANCE INDICATORS 2016/17 - QUARTER 3 PERFORMANCE (Pages 31 - 48)**

(Director of Governance) to consider the attached report.

**9. CORPORATE PLAN KEY ACTION PLAN 2016/17 - QUARTER 3 PROGRESS (Pages 49 - 58)**

(Director of Governance) to consider the attached report.

**10. COST OF MEMBER AND CORPORATE SERVICES (Pages 59 - 62)**

(Director of Resources) to consider the attached report.

**11. REPORTS TO BE MADE TO THE NEXT MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE**

To consider which reports are ready to be submitted to the Overview and Scrutiny Committee at its next meeting.

**12. FUTURE MEETINGS**

To note the date of the scheduled future meeting: 28<sup>th</sup> March 2017

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**EPPING FOREST DISTRICT COUNCIL  
NOTES OF A MEETING OF RESOURCES SELECT COMMITTEE  
HELD ON TUESDAY, 6 DECEMBER 2016  
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING  
AT 7.35 - 9.11 PM**

**Members Present:** S Kane (Chairman), A Patel (Vice-Chairman), R Jennings, A Mitchell, M Sartin, H Whitbread and J M Whitehouse

**Other members present:**

**Apologies for Absence:** N Bedford, A Boyce, D Dorrell, P Keska and C Roberts

**Officers Present** P Maddock (Assistant Director (Accountancy)), P Maginnis (Assistant Director Human Resources) and A Hendry (Senior Democratic Services Officer)

**27. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)**

It was noted that that Councillor M Sartin was substituting for Councillor A Boyce.

**28. NOTES OF PREVIOUS MEETING**

**Minutes**

The notes of the meeting held on 10 October 2016 were agreed as a correct record.

**Matters Arising**

1. Mr Maddock updated the meeting on the time it took to action new benefit claims, a query raised at the last meeting. He noted that a new claimant was sent a list of required information that was needed to process their claim, but sometimes they did not always provide all the information asked for and were then given a month to provide any missing bits. Hence the delays noted in the system. The statistics given were an average of our turnaround times.

He also noted that there were discretionary charges for people on Housing benefits. However, there were issues around data protection and the ability to cross check names of people on Housing Benefits for other benefits. Officers are seeking ways around this dilemma.

2. Mr Maddock reported back on the quarterly financial monitoring report on Development Control when members noted that Development Control had higher applications than normal and asked if this extra money could be put towards clearing the backlog that had been built up. He noted that a report had gone up to the Cabinet regarding the use of extra money to help Development Control catch up.

**29. DECLARATIONS OF INTEREST**

There were no declarations of interest made pursuant to the Member's Code of Conduct.

**30. TERMS OF REFERENCE AND WORK PROGRAMME****Terms of Reference**

The Committee noted their Terms of Reference.

**Work Programme**

The Committee noted that item 14 on their work programme "review of risk management arrangements" had been moved to their February 2017 meeting.

Councillor Patel asked for a presentation on the Customer Transformation Programme. Mr Maddock noted that this had been slated to go to the main Overview and Scrutiny Committee as it was more of an overarching topic that covered the whole of the Council.

**31. KEY PERFORMANCE INDICATORS 2016/17 QUARTERLY REVIEW**

Mr Maddock introduced the report on the quarter 2 performance of the Key Performance Indicators for 2016/17. The report included the performance results for the end of quarter 2 in respect of the KPIs falling within the Resources Select Committee's area of responsibility for 2016/17.

The overall position for all thirty-seven KPIs at the end of the Quarter 2 was as follows:

- (a) 28 (76%) indicators achieved target;
- (b) 9 (24%) indicators did not achieve target, although
- (c) 2 (22%) of these indicators performed within the agreed tolerance for the indicator.
- (d) 31(84%) of indicators are currently anticipated to achieve year-end target and a further 4 (11%) are uncertain whether they would achieve year-end target.

**Resources Select Committee indicators** – nine of the Key Performance Indicators fell within the Resources Select Committee's areas of responsibility. The overall position with regard to the achievement of target performance at Q2 for these nine indicators was as follows:

- (a) 6 (67%) indicators achieved target;
- (b) 3 (33%) indicators did not achieve target, however 2 (22%) indicators performed within the agreed tolerance for the indicator;
- (d) 8 (89%) of indicators are currently anticipated to achieve year-end target and a further 1 (11%) is uncertain whether it will be achieve year-end target.

The Committee noted that RES006 – *on average how many days did it take us to process notices of a change in benefit claimant's circumstances* – was the only

indicator in the red. Councillor Kane noted that the target figures had been changed from 10 to 6 and had now failed to meet that target. Mr Maddock replied that traditionally this indicator had a good third and fourth quarter when the figures resolve themselves for the year. It will achieve its target by the end of the fourth quarter.

Councillor Kane asked if the target for each quarter should be adjusted to make them more realistic. Mr Maddock said that the reduction to 6 was probably an attempt to do just this.

**RES001** – *How many working days did we lose due to sickness absences* – Councillor Patel asked what had changed to enable us to meet the target this year. Ms Maginnis said that HR had put in a lot of work with managers and now had an automated system of reporting to line managers if their staff had hit their maximum target absence date.

**RES009** – *are customer needs being met by the Corporate Website being available* – Councillor Kane asked if the current problems with the Modern.Gov system had been rectified. The Senior Democratic Services Officer informed the Committee that just that afternoon most of the system had come back and working and officers were in the process of updating the database with agendas and minutes that had not been published recently and checking that everything was working properly.

Councillor Sartin said that this indicator ‘inferred’ the satisfaction of customers; was there no better way to measure this other than inferring. Councillor Kane said this could be inferred by lack of complaints.

**RESOLVED:**

That the Quarter 2 performance indicator for the Key Performance Indicators that fell within it area of responsibility be noted.

**32. CORPORATE PLAN KEY ACTION PLAN 2016/17 - QUARTERLY PROGRESS**

The Assistant Director, Accountancy, Mr Maddock introduced the report on the Quarter 2 progress of the Corporate Plan Key Action Plan 2016/17. This was a key strategic planning document, setting out its priorities over the five year period from 2015/16 to 2019/20. These corporate aims were supported by Key Objectives, which provided a clear statement of the Council’s overall intentions for these five years.

The meeting noted that under Aim (i), (2) *progress preparations for delivering savings* – should be *for 2017/18* and not as indicated *for 2016/17*.

There were 49 actions in total for which progress updates for Q2 were as follows:

- 29 (59%) of these actions have been ‘Achieved’ or were ‘On Target’
- 14 (29%) of these actions were ‘Under Control’
- 2 (4%) were ‘Behind Schedule’
- 4 (8%) were ‘Pending’

13 actions fell within the areas of responsibility of the Resources Select Committee. At the end of Q2:

- 8 (62%) of these actions had been 'Achieved' or were 'On-Target'
- 4 (31%) of these actions were 'Under Control'
- 1 (8%) of these actions were 'Pending'
- 0 (0%) of these actions were 'Behind Schedule'

The Committee reviewed the Quarter 2 progress against the Key Action Plan for 2016/17 that fell within their area of responsibility.

Councillor Roberts said as a general observation that there was not enough information given under the progress heading for any action going wrong in time for any action to be taken to remedy the situation. Councillor Kane noted that there had been some discussions on revised target dates, but he was unsure how to completely rectify this problem. Mr Maddock said that he would raise it as a concern.

Councillor Sartin asked about Aim (i)(c), (10) '*evaluate possibility of shared service as part of Debt working Party*' – as it was past the target date, should it not be classed as red and not orange. She then noted that as it was for the end of quarter 2 (end of September). Mr Maddock said that there should be a revised target date for this and another meeting on this subject was coming up soon to discuss this.

Councillor Kane added that there needed to be some explanations for the "Under Control" items to show a way forward, with some extra explanation. Mr Maddock said that he would take these comments back.

Councillor Kane asked for more details on Aim (ii) (1) '*Continue with the Council's apprenticeship scheme for the district's young people, providing sustainable employment opportunities*'. Ms Magginis, Assistant Director Human Resources, replied that the graduate programme was run by the Local Government Association. The Council partook in this scheme every other year. They had interviewed 4 candidates this year and would like to appoint 2 of them, but it turned out that they would like to work for the larger authorities and on the bigger schemes. Our selling point was that they would be working with senior managers and the Management Board. They would have a senior sponsor to see them through their time here. It did not happen for us this year.

As for apprentices, we need to have a certain percentage of apprentices on our payroll to contribute to an apprentice levy to the government to pay for the whole scheme. Councillor Patel asked if we would get funds if we did not meet the target. Ms Maginnis replied that they had not been told directly, but the Government would take the money we spent on the levy if it was not used.

Councillor H Whitbread asked how wide was the graduate scheme and how far did the Council trawl for new graduates? She was told that at present the Apprentice Corporate Scheme was for school leavers 16 to 18 year olds. The higher level apprentices tend to be more expensive for us and we were looking at this at present. Councillor Whitbread asked if we could work jointly with the County Council or Harlow Council and spread the costs. Ms Maginnis noted that we had a high rate of drop outs because of travel difficulties. It may be different for our higher apprentices as they were older and may have their own transport.

Councillor Jennings noted that he was a member of the LGA who had a meeting recently to discuss this. Local government was not that appealing at present, the Civil service was more attractive and the LGA were looking to address this for the future.



Councillor Sartin asked if it was possible to have a short article on apprentices and graduates to go into the Members Bulletin. Councillor Kane agreed that this was a good idea and then asked if as ward Councillors they could do something to help. He was told that officers regularly attend Epping Forest College Career Festival where our apprentices lead on this and talk to the students and roll out the publicity for this scheme.

Councillor Patel asked if we have asked the current graduate intake to complete a questionnaire to find out what they wanted and what they liked about us. Ms Maginnis replied that Mr Nicholas was our one and only graduate so far as we had not recruited anyone this year. He has given us some feedback on his time here and was very positive about our programme.

Councillor Kane added that we needed a clear idea of what we could do to attract graduates and apprentices here.

Councillor Jennings asked what they did when they had finished their time here. Ms Maginnis said that we liked to keep them here and continue working with us under our "grow your own" scheme after they finished their formal time here. They were valuable assets.

**RESOLVED:**

That the Committee reviewed and identified any actions arising from the Quarter two progress of the Corporate Plan Key Action Plan for 2016/17 that fell within its area of responsibility.

**33. SICKNESS ABSENCE 2016/17**

The Assistant Director, Human Resources, Ms Maginnis introduced the half yearly report on the Council's absence figures for Quarters 1 and 2 for 2016/17. It included absences figures by Directorate, the number of employees who had met the trigger levels and those who had more than 4 weeks absence and the reasons for the absence.

The Council's target for sickness absence under RES001 for 2016/2017 was an average of 7.5 days per employee. The current outturn figure for the two quarters was an average of 2.98 days, which was below the target of 3.64 days.

Currently, under the Council's Managing Absence Policy there were trigger levels for initiating management action in cases of excessive sickness absence. These were:

- (i) during any 'rolling' twelve-month period an employee has had 5 or more separate occasions of absence; or
- (ii) during any 'rolling' twelve-month period an employee has had at least 8 working days of any combination of un/self certificated, or medically certificated absences.

It was noted that during Q1, 4.9% of employees met the trigger levels or above, 14.5% had sickness absence but did not meet the triggers and 80.6% had no absence. During Q2, 4.5% of employees met the trigger levels or above, 10.8% had sickness absence but did not meet the trigger levels and 84.7% had no absence. They noted that the number of long term cases had been reduced and half of them had returned to work.

Councillor Jennings asked how we compared to similar authorities. Ms Maginnis said that we were about the same as Braintree and we were one of the better authorities. Councillor Jennings asked if HR spoke to authorities who were good at managing absences. Ms Maginnis said that they did not as they were all at about the same level.

Councillor Patel asked if staff got paid when they were off sick. He was told that they did, as it was part of a national agreement. Councillor Patel added that some organisations gave benefits directly to their staff. Ms Maginnis said that was something like an insurance scheme, but to do this would involve negotiations with the unions and pulling out of the national agreements.

Councillor Patel asked about stress and long term sickness. Ms Maginnis said that this had reduced significantly recently. There were times when certain types of illnesses went up spontaneously and we tended to get these blips. Presently it was musculoskeletal problems.

Councillor Sartin asked if these figures included our waste contractors or our leisure contractors. Ms Maginnis said that it did not, it was just the 650 direct employees of the Council.

Councillor H Whitbread asked if we had access to our contractor's sickness data. Ms Maginnis said that we did not but could ask to see it if need be.

**RESOLVED:**

That the Committee noted and commented upon the report for sickness absences for quarters one and two of 2016/17.

**34. INVEST TO SAVE UPDATE**

The Assistant Director Accountancy, Mr Maddock, introduced the report on the Council scheme, 'Invest to Save'.

The meeting noted that in setting the budget for 2015/16 Council decided that, as the balance on the General Fund Reserve exceeded the minimum requirement and further savings were required, £0.5 million should be transferred from the General Fund Reserve into an Invest to Save earmarked reserve. This was subsequently topped up with an additional £154,000 during the current year. It was intended that this earmarked reserve would be used to finance schemes that would reduce the Continuing Services Budget (CSB) in future years.

Prior to the approval of the 2016/17 budget by Council in February 2016 a total of six schemes had been approved for Invest to Save funding and £309,000 of the fund balance of £500,000 had been allocated. A further three allocations were made by the March and April Cabinet meetings, which included the accommodation review and work on the future funding and structure of the museums service, these reduced the balance of unallocated funds to £92,000. As the fund had proved useful in generating savings schemes, Members agreed a top up of £154,000 in closing the 2015/16 accounts.

The most recent business cases were considered by the FPM Cabinet Committee in June and approval was given for some capital works at North Weald Airfield to

extend a vehicle compound. A structural survey of the current main reception area and a programme management system for prototype activities were also approved.

Councillor Sartin commented that this was a useful report and explained the 'Invest to Save' scheme. She asked if a short explanatory note could be put in the Members Bulletin explaining the scheme. Mr Maddock said that this could be done.

Councillor Kane said he would also like clearer information on how much was invested and how much was saved. For instance the commentary on the change to car park lighting to LED was a bit misleading. Mr Maddock replied that the savings on this scheme would come in the longer term.

Councillor Patel asked about the accommodation review update. Mr Maddock said that the next phase was now going ahead and a report would be going to Members before Christmas to be discussed in the new calendar year. Councillor Patel asked how much was likely to be saved. Mr Maddock replied that there were various options outlined and the coming report would flesh out the numbers better. All options would provide some savings, some more than others.

Councillor Jennings asked if this scheme would be expanded in the next few years. Mr Maddock said that they were looking to expand this scheme further in the future.

Councillor Kane commented that this was a useful report to have. Mr Maddock added that the Cabinet Finance Committee would have a detailed look at this at their budget meeting in January.

**RESOLVED:**

That the update on the various schemes funded through Invest to Save be noted.

**35. DRAFT GENERAL FUND CSB, DDF AND ITS LISTS AND SAVINGS UPDATE**

Mr Maddock introduced the report on the draft for the general fund CSB, DDF and ITS lists and the Savings Update. The report provided the first draft of the Continuing Services Budget (CSB), District Development Fund (DDF) and Invest to Save (ITS) Schedules for 2017/18.

The meeting noted that the Financial Issues Paper was considered by this Committee at its meeting in October. The report highlighted a number of financial uncertainties and risks facing the Authority including the reductions in Central government funding, Retention of Business Rates, Welfare reform and the Leisure Management Contract Renewal.

The Medium Term Financial Strategy (MTFS), which forms part of the Financial Issues Paper, identified that savings of around £500,000 were required over the forecast period. The savings required in 2017/18 were identified at £250,000 after savings of £464,000 already identified had been taken into account. It was noted though that there was more uncertainty than usual and little had changed since then.

Since July the Council has accepted the Governments 4 year funding agreement as set out last December. There was still a further, more detailed consultation outstanding regarding Business rates retention and the Leisure Management Contract process was progressing with a report to Cabinet due in December. The

lists currently showed net CSB savings of £730,000 in 2017/18, this though still assumed a saving of £250,000 from the new leisure management contract which was somewhat prudent as the final savings were expected to be higher. However there were two other items, the Local Plan and the Waste Management Contract that were expected to require additional resources, albeit these would be a mixture of DDF and CSB.

The total CSB expenditure in 2015/16 was £2.9 million higher than the Original budget, but this was entirely down to the decision to fund Capital Expenditure of £3 million from the General Fund balance. This decision was made because of the significant General Fund balance held by the Council and the comments made by Central Government around 'excessive' balances held by local authorities. There were as ever salary savings due to vacancies and this trend had continued into 2016/17.

Of the one off items the biggest was the Local Plan to be completed in 2018, and this would be at a cost of £1.2 million over the original budget.

There were a number of areas where further work was required before figures to be included within the budget could be finalised. Clearly the emphasis in this budget cycle will again need to be on CSB savings rather than growth but there were some areas where growth was inevitable. The figures generally need to be viewed in the context of this being quite early in the budget preparation process and will clearly need to be revisited over the next two months or so as the budget came together.

This report will be updated and will go to the next Finance and Performance Management Cabinet Committee in January 2017.

Councillor Sartin asked about the take up of the Rental Loans Scheme. Mr Maddock said that they had struggled to get people for this scheme. A report on this would be going to the next Communities Select Committee meeting on ways to make this scheme better and to suggest some amendments.

**RESOLVED:**

That the Committee noted the first draft of the Continuing Services Budget (CSB), District Development Fund (DDF) and Invest to Save (ITS) schedules.

### **36. QUARTERLY FINANCIAL MONITORING**

The Assistant Director Accountancy, Mr Maddock, introduced the report on the revenue and capital financial monitoring for the second quarter of 2016/17, covering the period from 1 April to 30 September 2016. Salaries monitoring data was presented as it represented a large proportion of the authorities expenditure and was an area where historically large under spends had been seen.

The Committee noted that:

- The salaries schedule showed an underspend of £338,000 or 3%. At the half year stage last year the underspend was 2.7%;
- Resources were showing the largest underspend of £121,000, relating to Revenues and Housing Benefits;
- Neighbourhoods was showing an underspend of £117,000 relating mainly to Forward Planning and Grounds Maintenance and the £83,000 on Communities is related to the Housing Works Unit.

- The investment interest is lower than the budget due to lower interest rates but this wasn't entirely unexpected;
- Development Control income at Month 6 was continuing the recent upward trend. Fees and charges were £151,000 higher than the budget to date and pre-application charges are £15,000 higher;
- Building Control income was £56,000 higher than the budgeted figure at the end of the second quarter. Also the ring-fenced account was expected to show an improved position on that budgeted;
- There was a lot of scanning work required to Building Control files and it was proposed to use some of the accumulated surplus to finance this work over the next few years;
- Although Public Hire licence income and other licensing were above expectations, the Public Hire figures shown include £25,000 relating to future years so in reality income relating to 2016/17 was £4,000 down;
- Income from MOT's carried out by Fleet Operations was £27,000 below expectations;
- Car Parking income was £3,000 above the estimate as at month 6;
- Local Land Charge income was £3,000 below expectations. There have been fewer searches undertaken in recent months so the position will need to be monitored over the next few months;
- Expenditure and income relating to Bed and Breakfast placements was on the increase. Most were eligible for Housing Benefit and although some will be reimbursed by the Department for Work and Pensions it was only around 50%, leaving a similar amount to be funded from the General Fund; and
- The Housing Repairs Fund showed an underspend of £420,000.

### Business Rates

- This was the fourth year of operation for the Business Rates Retention Scheme whereby a proportion of rates collected are retained by the Council;
- For 2016/17 the funding retained by the authority after allowing for the Collection Fund deficit from 2015/16 was £3,435,000. This exceeded the government baseline of £3,050,000 by some £385,000. The actual position for 2016/17 will not be determined until May 2017;
- Cash collection was important as the Council was required to make payments to the Government and other authorities based on their share of the rating list. These payments are fixed and have to be made even if no money is collected; and
- At the end of September the total collected was £18,978,332 and payments out were £17,273,492, meaning the Council was holding £1,704,840 of cash and so the Council's overall cash position was benefitting from the effective collection of non-domestic rates.

Councillor Patel asked about salaries and agency costs; did we have one agency that we used and who would call them in? He was told that the directorates concerned organised their own cover. There was no overarching contract. The agency used depended on the skills that were needed. This was not done centrally through Human Resources (HR).

Councillor Patel asked if this was about policy and getting the best price. Mr Maddock replied that we had to negotiate for the best prices. Councillor Patel then asked at what point were agency staff called in. He was told that would be when no suitable internal candidate could be found, agency staff would be put in place until suitable staff could be recruited.

Councillor Kane asked if HR had an overview of all directorates and their agency staff. He was told that they did not, but costs were monitored and Audit did look at agency staff. Councillor Patel asked if this report could go onto our work programme. This was agreed by the Committee and should go to their March 2017 meeting.

**RESOLVED:**

- (1) That the Committee noted the revenue and capital financial monitoring report for the second quarter of 2016/17; and
- (2) That the Committee receive a future report on agency staff and their costs, by Directorate.

**37. REVIEW AND USAGE OF SECTION 106 MONIES**

The Chairman noted that this report had been to the District Development Management Committee and to the Governance Select Committee.

Mr Maddock took the Committee through the report on the review and usage of Section 106 monies. The report provided information on the Section 106 process and monitoring arrangements. These monies could be provided for a variety of different purposes and would be based upon requirements identified as part of the planning process. The types of project can range from education, highways, leisure, health and affordable housing provision.

They noted that if a developer was developing land for housing purposes there was a requirement in most cases, where there was a development of 15 or more properties, to provide 40% affordable housing on site. Sometimes however this is not viable and the Council would accept a financial contribution to provide affordable housing in the area. Prior to the house building programme this money was used by the General Fund and passed to housing associations, however this money was currently being used by the HRA.

The Section 106 agreements themselves could vary; most have financial requirements but some had non-financial requirements. Sometimes at the developers behest a repayment clause would be included where the money had to be spent for the agreed purpose within a specific timescale. If this timescale was not met the money becomes repayable and the provider would be entitled to apply for the money to be returned to them. As an example on occasions funding has been provided for highways works and the County Council has struggled to spend the money as no clear project was identified during the planning approval process.

An officer group monitors Section 106 agreements on a quarterly basis, monitoring progress on all agreements ensuring that funds were applied to the appropriate projects and spent within the agreed timescale. There have been 113 Section 106 agreements entered into since 2001 and whilst the early ones had been concluded there were still a significant number that had obligations outstanding and some went back a number of years.

As at 31<sup>st</sup> March 2016 the Council held £363,000 in various section 106 contributions; this was a considerable reduction on the previous year as all affordable housing monies including those provided during 2015/16 were spent on the Council's house building programme in that year. The amount was made up of £248,000

related to leisure initiatives and the remaining £115,000 was due and subsequently paid to NHS England or parish council's.

It was possible that Section 106 agreements would be replaced by the Community Infrastructure Levy or CIL, This was being evaluated as part the Local Plan process by a consultant who was doing the groundwork to assess whether or not we should put a CIL in place, however we will not be able to do this until the Local Plan had been adopted, currently expected by the end of 2018.

The next report was scheduled for the summer of 2017 and would cover the financial year 2016/17. The meeting asked that this report also came to this committee.

Councillor Whitehouse said the issue was if we were practical enough to ask for this money and was there no document we could point to that had scales of payments for suitable developments.

Councillor Kane noted that money had been provided for Highway work but had not always been spent. Members, as ward councillors need to draw up a list of areas where this money could be used.

Councillor Patel said that Parish Councillors needed information on how to ask for S106 money and needed more guidance and communication with them. Councillor Kane said that this was a chicken and egg situation. Parish and Ward councillors needed to develop a hit list on what was needed and make this available to Development Control.

**RESOLVED:**

That the current position on section 106 funding and any further opportunities be noted.

**38. REPORTS TO BE MADE TO THE NEXT MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE**

The Committee noted that a general update would be going to the next O&S Committee.

**39. FUTURE MEETINGS**

The dates of the upcoming meetings were noted.

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## RESOURCES SELECT COMMITTEES

### TERMS OF REFERENCE 2016/17

**Title:** Resources Select Committee

**Status:** Select Committee

1. To undertake overview and scrutiny, utilising appropriate methods and techniques, of services and functions of the Resources Directorate, excluding those matters within remit of the Audit and Governance Committee, the Standards Committee or the Constitution Working Group;
2. To consider any matter referred to the Select Committee by the Overview and Scrutiny Committee;
3. To undertake quarterly performance monitoring in relation to the services and functions of the Resources Directorate, though review of progress against adopted key performance indicators and other appropriate measures;
4. To identify any matters within the services and functions of the Resources Directorate requiring in-depth scrutiny, for referral to the Overview and Scrutiny Committee;
5. To establish working groups as necessary to undertake any activity within these terms of reference;
6. To respond to applicable consultations as appropriate;

#### **Finance**

7. To consider the draft directorate budgets for each year, and to evaluate and rank proposals for enhancing or reducing services where necessary, whilst ensuring consistency between policy objectives and financial demands;
8. To review key areas of income and expenditure for each directorate on a quarterly basis throughout the year;

#### **Information and Communications Technology**

9. To monitor and review progress on the implementation of all major ICT systems;

#### **Value For Money**

10. To consider the Council's comparative value for money 'performance', and to recommend as required to the Finance and Performance Management Cabinet Committee, in respect of areas where further detailed investigation may be required;

**Human Resources**

11. To monitor and review areas of concern or significance that comes under Human Resources.

**Chairman: Cllr S Kane**

## Resources Select Committee (Chairman – Cllr S Kane)

### 2016/17

Item	Report Deadline/ Priority	Progress / Comments	Programme of Meetings
(1) Key Performance Indicators 2015/16 – outturn review	Outturn KPI performance considered at the first meeting of each municipal year.	Outturn KPI performance report for 2015/16 - went to July 2016 meeting	12 July 2016; 10 October; 06 December;
(2) To review the specific quarterly KPI's for 2016/17	Quarterly.	Review of quarterly performance: <b>Q1 in October 2016 - completed;</b> <b>Q2 in December '16 - completed;</b> Q3 in Feb. '17	07 February 2017; 28 March
(3) Corporate Plan Key Action Plan 2015/16 – Outturn review	First meeting of each municipal year	Outturn Key Action Plan 2015/16 performance went to July 2016 meeting	
(4) Corporate Plan Key Action Plan 2016/17 – quarterly review	Quarterly	Review of quarterly performance: <b>Q1 October 2016 - completed;</b> <b>Q2 December 2016 - completed;</b> Q3 February 2017.	
(5) Detailed Portfolio Budgets	Portfolio budgets considered on an annual basis jointly with the Finance & Performance Management Cabinet Committee.	Annual review of portfolio budgets to be considered at joint meeting with the F&P M Cabinet Committee in January of each year.	

(6) ICT Strategy – Progress & Call Handling	Progress against ICT Strategy considered on an annual basis.	Progress report on call/response handling. Also to receive a report on options following introduction of new telephony system.  <i>Last update in October 2016 on telephone monitoring statistics.</i>
(7) Fees and Charges 2017/18	Proposed fees and charges for 2017/18 - for October 2016 meeting.	Proposed fees and charges considered on an annual basis each October.
(8) Provisional Capital Outturn 2015/16	Provisional outturn for 2015/16 for July meeting.	Provisional Capital Outturn considered on an annual basis at first meeting in each municipal year.
(9) Provisional Revenue Outturn 2015/16	Provisional outturn for 2015/16 for July 2016 meeting.	Provisional Revenue Outturn considered on an annual basis at first meeting in each municipal year.
(10) Sickness Absence Outturn	July 2016	To review the Sickness Outturn report for 2015 - 16 – went to July 16 meeting
(11) Sickness Absence	Half-yearly progress reports for 2016/17 to be considered at December and July meetings.	Detailed progress against achievement of sickness absence targets reviewed on a six-monthly basis.  <b><i>Last report received at December 2016 meeting.</i></b>
(12) Medium Term Financial Strategy & Financial issues paper	October 2016	To receive the Financial Issues Paper and Medium Term Financial Strategy including 4 year General Fund forecast

(13) Quarterly Financial Monitoring	<b>Oct 2016- completed; Dec.2016 - completed; &amp; February 2017</b>	To receive quarterly financial monitoring reports
(14) Review of Risk management arrangements	March 2017	Item from the O&S Co-ordinating Group. To review the trends in claims experience.
(15) Review of Section 106 monies and monitoring report	Dec 2016	Item from the O&S Co-ordinating Group. Section 106 agreements attempt to alleviate significant impacts on the local area and reach an agreement with the developer to mitigate the costs of additional infrastructure. The Community Infrastructure Levy (CIL) looks at the wider area infrastructure and tries to gain funding for its implementation. The two funding streams cannot fund the same infrastructure
(16) Cost of member and corporate activities	February 2017	Item from the O&S Co-ordinating group. To review requests for meetings\reports and examine the cost implications.
(17) Shared Services Working	TBA	To review any shared services working being carried out by EFDC. HR currently working with Colchester and Braintree Councils on a shared HR payroll system.  <i>Last update at the December 2015 meeting.</i>
(18) Housing Benefit Fraud & Compliance	February 2017	Received a report in Feb. 2016 on the fraud team's work.

(19) Invest to Save	December 2016	Received report updating the Committee on the Council's Invest to Save scheme.
(20) General update on the General Fund CSB, DDF and ITS	December 2016	Received an updating report on the CSB, DDF and ITS scheme.
(21) Review of Agency Staff and their cost by Directorate	March 2017	To review the Audit report.



### Report to Resources Select Committee

**Date of meeting: 7 February 2017**

**Subject: Insurance claims statistics**

**Officer contact for further information: Edward Higgins**

**Committee Secretary: Adrian Hendry**

#### Recommendations/Decisions Required:

**To note the insurance claims statistics.**

#### Report:

1. The report advises the type of insurance cover, excess, number of claims and value for the last five insurance years. The insurance year for Epping Forest District Council runs from 30 June to 29 June the following year. The statistics provided are for 2011/12 to 2015/16.
2. All the statistics presented are for insurance claims which directly affect the Council, these statistics do not include policies that are recharged, such as leasehold flats, commercial properties or leased cars.
3. The Council's insurance cover is provided by Zurich Municipal.

#### Insurance cover and claims statistics

4. Fleet vehicles – The Council operates a fleet of vehicles which includes vans, 4X4, tractors and ride on mowers. The number of vehicles advised to the insurer at the last insurance renewal was seventy three. The policy has Comprehensive cover, with an excess of £500.00. Table one shows claims statistics for Fleet Vehicles.

Year	Declared vehicles	Number of claims	Value of claims £
2011/12	72	12	6,317
2012/13	75	17	35,197
2013/14	69	19	16,338
2014/15	72	19	48,889
2015/16	77	24	39,489

5. General Property – General Properties are non-residential buildings, these include the Civic Offices, leisure centres, museum, depots and community halls. At the last renewal there were twenty eight General Properties with a rebuild value of £64m. Excesses range from £100 for Storm, Flood and Escape of Water, and rise to £2,500 for Subsidence.

Year	Number of claims	Value of claims £
2011/12	4	1,532
2012/13	2	52,033
2013/14	4	10,293
2014/15	4	4,739
2015/16	0	0

6. The spike in the value of claims for 2012/13 in Table 2 reflects the value of the Civic Offices Escape of Water claim.
7. Housing Property – The Council’s Housing stock currently has a rebuild valuation of over £890m. Insurance cover differs from General Properties with the most significant difference being no Subsidence cover. A £1,000 excess applies to all claims.

Year	Number of claims	Value of claims £
2011/12	6	188,051
2012/13	5	2,498
2013/14	4	14,628
2014/15	9	76,018
2015/16	6	189,243

8. Of the six claims in 2015/16 in Table 3, two claims are for extensive fire damage. Both these claims are expected to result in individual settlements of over £75,000. One claim in 2011/12 had a total claim value of £166,500.
9. Liability claims – in the last five years the Council has received the following types of liability claims; Employers’; Public; and Officials Indemnity (financial loss).
10. There was one Employers’ Liability claim in 2012/13 and a further two claims within 2015/16. The 2015/16 claims are ongoing. The Council has a zero excess for Employers’ Liability claims. Due to the sensitivity of the information, potential settlements will not be included in this report.
11. Public Liability (PL) claims can relate to property damage and personal injury. Depending of the complexity of the claims the timescale to reach a resolution can be years. Table 4 shows the claims statistics for PL claims. Repudiation is the closure of a claim without any financial settlement being made. The value column includes any reserve that the insurer is holding for any claims that remain open, so the value may alter. PL claims can be submitted many years after an alleged incident, therefore the information in Table 4 may not be the final outcome.

Year	Claims	Open	Closed	Repudiated	Value £
2011/12	43	1	42	20	36,832
2012/13	34	1	33	20	73,263
2013/14	51	2	49	40	74,941
2014/15	31	4	27	17	32,941
2015/16	30	13	17	11	61,300

12. In April 2013 the Ministry of Justice (MOJ) Reforms introduced a new way for both Public Liability and Employers’ Liability to be handled. These reforms require a claimant’s solicitor to contact the insurer directly rather than submit through the Council. This resulted in claimant’s solicitors erroneously directing claims to District Councils rather than to the highway authority (County Council). The spike in erroneous claims can be seen in year 2013/14 in Table 4.

13. Table 5 shows the types of Public Liability claims that have been received.

Year	Slip/ Trip	Personal Injury	Subsidence	Property damage	Water leak	Grass cutting	Other	Total
2011/12	7	4	4	11	8	8	1	43
2012/13	11	1	2	7	4	8	1	34
2013/14	27	2	2	10	2	8	0	51



2014/15	9	4	3	9	4	2	0	31
2015/16	10	0	6	9	4	0	1	30

14. Miscellaneous/All Risk claims - The Council insures a number of higher risk items that are either permanently fixed outside or moveable within an All Risk policy. These items include car parking machines, CCTV equipment, Museum exhibit, the Civic Regalia and the Gate Guardian at North Weald Airfield. Table 5 shows a summary of the claims. The excess varies, but is generally £100.00 per claim.

Year	Item	Value of claim £
2011/12	Museum exhibit	5,147
2013/14	Car parking machine	1,429
2015/16	Car parking machine	2,885

**Reason for decision:**

This report is to advise Members of the insurance claims statistics.

**Options considered and rejected:**

Report only

**Consultation undertaken:**

Claim data received from the Council's insurer, Zurich Municipal.

**Resource implications:**

No additional resource requirement.

Budget provision: None

Personnel: None

Land: None

Community Plan/BVPP reference: None

Relevant statutory powers: None

Background papers: None

Environmental/Human Rights Act/Crime and Disorder Act Implications: None

Key Decision reference: (if required) Not required

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## **Report to the Resources Select Committee**



**Date of meeting: 7 February 2017**

# SCRUTINY

**Subject: Benefits Fraud and Compliance Update**

Officer contact for further information: Janet Twinn (01992) 564215



Committee Secretary: Adrian Hendry (01992) 564246

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### **Recommendations/Decisions Required:**

**That the Committee notes the report on Benefits Fraud and Compliance**

### **Executive Summary:**

1. This report is to update Members on the work that is being undertaken to combat both Housing Benefit and Local Council Tax Support fraud and compliance.
2. Housing Benefit fraud investigation ceased to be the responsibility of the Council from 1 October 2015. The existing Investigation Officers at that time were transferred to the Single Fraud Investigation Service, part of the Department for Work and Pensions. The Council however, still remains responsible for the verification and checking of Housing Benefit applications. Local Council Tax Support is the Council's own scheme and therefore the Council remains responsible for Local Council Tax Support fraud and compliance.

### **Reason for decision:**

To update Members on the current position relating to Housing Benefit and Local Council Tax Support fraud and the work that the Benefits Compliance team have been carrying out.

### **Options considered and rejected:**

That Members are not informed of the fraud and compliance work being carried out in relation to Housing Benefit and Local Council Tax Support.

### **Report:**

1. The Authority had known for some time that Housing Benefit investigation work was going to be transferred to the Department for Work and Pensions (DWP) from 1 October 2015 and had therefore restructured both the Benefits Service and the Internal Audit service to manage benefit compliance work and Local Council Tax Support fraud and compliance. A compliance team was set up in the Benefits Division to carry out reviews of both Housing Benefit and Local Council Tax Support applications and a Corporate Fraud team was set up as part of the Internal Audit Service.

### **2. Single Fraud Investigation Service**

The Department for Work and Pensions advised of the procedure to be followed to refer claims to the Single Fraud Investigation Service (SFIS). Where there is a suspicion of Housing Benefit fraud, the Benefits Division makes an on-line referral to SFIS and a team within the DWP assesses the referral and decides whether it is worthy of being passed to an investigating officer, who could be based anywhere in the country. If they do not consider that it should be passed to SFIS, they decide whether the referral should be passed to their own

compliance team who will phone the claimant and ask some questions or, they could decide not to pursue the referral at all. If they decide to investigate, the investigating officer will contact the Authority and request that we send them all the documents associated with the claim. Unfortunately, the Authority is not advised which action is to be taken and, of the 37 cases that have been referred to SFIS since October 2015, there has been no further contact from SFIS. The only contact that we have had from SFIS in relation to requests for information and the reassessment of entitlement, are cases where the investigation has been instigated by SFIS.

3. When the Investigation Officers were transferred to SFIS, three of the Council's former staff were transferred to the DWP office in Harlow and one was transferred to Basildon. Any cases that those officers were investigating before the transfer, were transferred with them and these investigations have since been finalised. The staff that were transferred to the DWP office in Harlow, joined two former investigation staff from Harlow and the intention was that the team would investigate any cases in the Harlow and Epping Forest areas. The existing Investigation officers in the DWP covering that area, were all moved to the DWP's compliance team located elsewhere. Unfortunately, of that team of five that were transferred, there is currently only one officer left in the Harlow office, which may be a contributing factor as to why the referrals that are being made appear not to be investigated.

#### **4. Benefit Compliance Team**

The Benefits Division had anticipated that there would be difficulties with the service provided by SFIS and had restructured to ensure that the compliance team carried out more visits and interviews as well as some of the initial and in-claim checks that the Investigation Officers had previously carried out. This has proven to be very successful and has resulted in many decreases in benefit entitlement and withdrawals of claims where a claimant had either not advised of a change in their circumstances or had not declared information when they initially claimed.

5. The Compliance team reviews both Housing Benefit and Local Council Tax Support applications, either by asking for a review form to be completed, or by visiting or telephoning claimants and checking whether any of their circumstances have changed. The team is very proactive in visiting claimants and they will check that a claimant is actually resident, the household composition, and also relationships between occupants of the property. They also visit every claim where there is a tenant renting a room from a resident landlord as frequently the landlord and tenant are in a relationship or they are close relatives and therefore ineligible for Housing Benefit. Several claims have been withdrawn during visits when it is obvious that the circumstances are not what were originally presented to the Authority. The team works closely with the Council Tax section and will advise of any cases where they have identified that a council tax discount should be removed. They also work closely with the Benefit Overpayment Officers and have succeeded on several occasions in facilitating a quick repayment of an overpayment where they have identified an unreported change which has resulted in an overpayment.

6. The Compliance team are also undertaking enquiries into any data-matching mismatches notified to us by the Housing Benefit Matching Service, or any claims referred to us by HMRC where they have identified mismatches though their Real Time Information (RTI) system which gathers earnings information. Currently, there are mandatory RTI's which we have to action, but there are also optional RTI's where there is no obligation on the Authority to investigate. However, the Compliance team is looking at both mandatory and optional RTI's and recalculating entitlement as necessary. The HMRC intend to expand the RTI system and the Compliance team will then have on-line access to RTI information when required, instead of only being able to obtain information when the HMRC send a mismatch file. When this is available, it will help speed up benefit processing times in general as earnings details will be readily available to Assessment Officers.

7. In addition to checking new claims and ongoing entitlement, the Compliance team also

undertakes some welfare visits where the claimant may require assistance with claiming, or a check may be required to see if someone is exempt from the Removal of the Spare Room Subsidy where there is a disabled child or an overnight carer. If a concern is raised about any safeguarding issues, these are reported to the Corporate Safeguarding team. The team also make referrals to the DWP when they identify that a person may be entitled to other state benefits such as Personal Independence Payments, Attendance Allowance, Pension Credit etc.

8. Councils can impose a civil penalty when a claimant has not notified a change in their circumstances within a certain time period, or when they have not told us at all about a change. In a report to Cabinet on 5 November 2015, Members agreed that civil penalties should be introduced. The Benefit Compliance Manager has been imposing a penalty when it has been considered appropriate and since April 2016, 32 penalties have been created, raising £1,840 in income to the Authority.

9. Currently there are five officers in the compliance team. Details of the number of in-year checks that they have done between October 2016 and December 2016 are shown below.

	In-year checks	Decrease in Benefit	Increase in Benefit	No change
October 2016	241	141	15	85
November 2016	147	71	24	78
December 2016	144	81	16	47

In addition to the in-year checks during this period, the Compliance team have dealt with 40 visit referrals which resulted in the claims being withdrawn in 25% of cases.

10. The DWP has a Fraud and Error Reduction Incentive Scheme (FERIS) in which targets are set for Local Authorities to decrease Housing Benefit entitlement. The DWP measures performance quarterly and if the targets are exceeded, an incentive payment is made to the Authority. It has been found by the majority of Authority's that the targets are difficult to meet but the Compliance team did manage to exceed the target earlier this year which resulted in a payment of £11,678 to the Authority.

#### **11. Corporate Fraud Team**

The Corporate Fraud team are responsible for any investigation of Local Council Tax Support fraud which could lead to a prosecution. However, in view of the relatively small sums involved, a prosecution is not generally undertaken due to the high costs that are incurred in bringing a prosecution. The Benefit Compliance team therefore carry out enquiries themselves and do not refer many cases to the Corporate Fraud team. However, the Corporate Fraud Team did successfully carry out a prosecution for Local Council Tax Support fraud earlier in the year where the claimant had an undeclared second property.

12. The Benefit Compliance Manager does work quite closely with the Corporate Fraud team and, although the Compliance team undertake many checks themselves that previously the Benefit Investigation Officers carried out, it is only the Corporate Fraud Team that are able to carry out financial checks. The Corporate Fraud team therefore carry out the financial checks when requested. The Corporate Fraud Manager has also agreed to present training on Interview Techniques and Statement Taking which will help the Compliance Officers to improve their skills.

**Consultation undertaken:**

None

**Resource implications:**

Budget provision: Income from FERIS reduces the budgeted cost of the service

Personnel: Within existing budgets

Land: None

Community Plan/BVPP reference: N/A

Relevant statutory powers: N/A

Background papers: Cabinet Report 5 November 2015

Environmental/Human Rights Act/Crime and Disorder Act Implications: None identified

Key Decision reference: (if required)



### **Report to: Resources Select Committee**

**Date of meeting: 7 February 2017**

**Portfolio: Finance (Councillor G. Mohindra)**

**Subject: Key Performance Indicators 2016/17 - Quarter 3 Performance**

**Officer contact for further information: Barbara Copson (01992 564042)**

**Democratic Services Officer: Adrian Hendry (01992 564246)**

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#### **Recommendations/Decisions Required:**

**That the Select Committee reviews Q3 performance in relation to the key performance indicators within its areas of responsibility.**

#### **Executive Summary:**

The Local Government Act 1999 requires that the Council make arrangements to secure continuous improvement in the way in which its functions and services are exercised, having regard to a combination of economy, efficiency and effectiveness.

As part of the duty to secure continuous improvement, a range of Key Performance Indicators (KPI) relevant to the Council's services and key objectives, are adopted each year by the Finance and Performance Management Cabinet Committee. Performance against the KPIs is monitored on a quarterly basis by Management Board and overview and scrutiny to drive improvement in performance and ensure corrective action is taken where necessary.

#### **Reasons for Proposed Decision:**

The KPIs provide an opportunity for the Council to focus attention on how specific areas for improvement will be addressed, and how opportunities will be exploited and better outcomes delivered. It is important that relevant performance management processes are in place to review and monitor performance against the key performance indicators to ensure their continued achievability and relevance, and to identify proposals for appropriate corrective action in areas of slippage or under performance.

#### **Other Options for Action:**

No other options are appropriate in this respect. Failure to monitor and review KPI performance and to consider corrective action where necessary could have negative implications for judgements made about the Council's progress, and might mean that opportunities for improvement are lost.

#### **Report:**

1. A range of thirty-seven (37) Key Performance Indicators (KPIs) for 2016/17 was adopted by the Finance and Performance Management Cabinet Committee in March 2016. The KPIs are important to the improvement of the Council's services and the

achievement of its key objectives, and comprise a combination of some former statutory indicators and locally determined performance measures. The aim of the KPIs is to direct improvement effort towards services and the national priorities and local challenges arising from the social, economic and environmental context of the district, that are the focus of the key objectives.

2. Progress in respect of each of the KPIs is reviewed by the relevant Portfolio Holder, Management Board, and overview and scrutiny at the conclusion of each quarter. This report provides an overview of all KPIs and includes in detail those indicators which fall within the areas of responsibility of the Resources Select Committee
3. A headline end of Q3 performance summary in respect of the KPIs falling within the Resources Select Committee's areas of responsibility for 2016/17, together with a detailed performance report for each of these indicators, is attached at Appendix 1 to this report. Attached at Appendix 2 are the Improvement plans for the indicators which failed to reach target for the quarter.

### **Key Performance Indicators 2016/17 - Quarter 3 Performance**

4. The overall position for **all** thirty-seven (37) KPIs at the end of the Quarter 3, was as follows:
  - (a) 26 (70%) indicators achieved third quarter target;
  - (b) 11 (30%) indicators did not achieve third quarter target, although 4 (11%) of KPIs performed within the agreed tolerance for the indicator; and,
  - (c) 31 (84%) indicators are currently anticipated to achieve the cumulative year-end target, and a further 3 (8%) are uncertain whether they will achieve the cumulative year-end target.
5. **Resources Select Committee indicators** – nine (9) of the Key Performance Indicators fall within the Resources Select Committee's areas of responsibility. The overall position with regard to the achievement of target performance at Q3 for these nine (9) indicators, was as follows:
  - (a) 7 (78%) indicators achieved target;
  - (b) 2 (22%) indicators did not achieve target,
  - (c) 0 (0%) indicators performed within the agreed tolerance for the indicator;
  - (d) 8 (89%) of indicators are currently anticipated to achieve year-end target and a further 1 (11%) is uncertain whether it will be achieve year-end target.
6. The 'amber' performance status used in the KPI report identifies indicators that have missed the agreed target for the quarter, but where performance is within an agreed tolerance or range. The KPI tolerances were agreed by Management Board when targets for the KPIs were set in February 2016.
7. The Select Committee is requested to review Q3 performance for the KPIs within its areas of responsibility. The full set of KPIs was also considered by Management Board on 25 January 2017 and will be considered by the Finance and Performance Management Cabinet Committee on 30 March 2017.

**Resource Implications:** none for this report

**Legal and Governance Implications:** none for this report; however performance management of key activities is important to the achievement of value for money.



**Safer, Cleaner, Greener Implications:** none for this report

**Consultation Undertaken:** Relevant Select Committees and the Finance and Performance Management Cabinet Committee.




























**Background Papers:** KPI submissions are held by the Performance Improvement Unit.

**Impact Assessments:**

***Risk Management:*** none for this report

***Equality:*** none for this report.

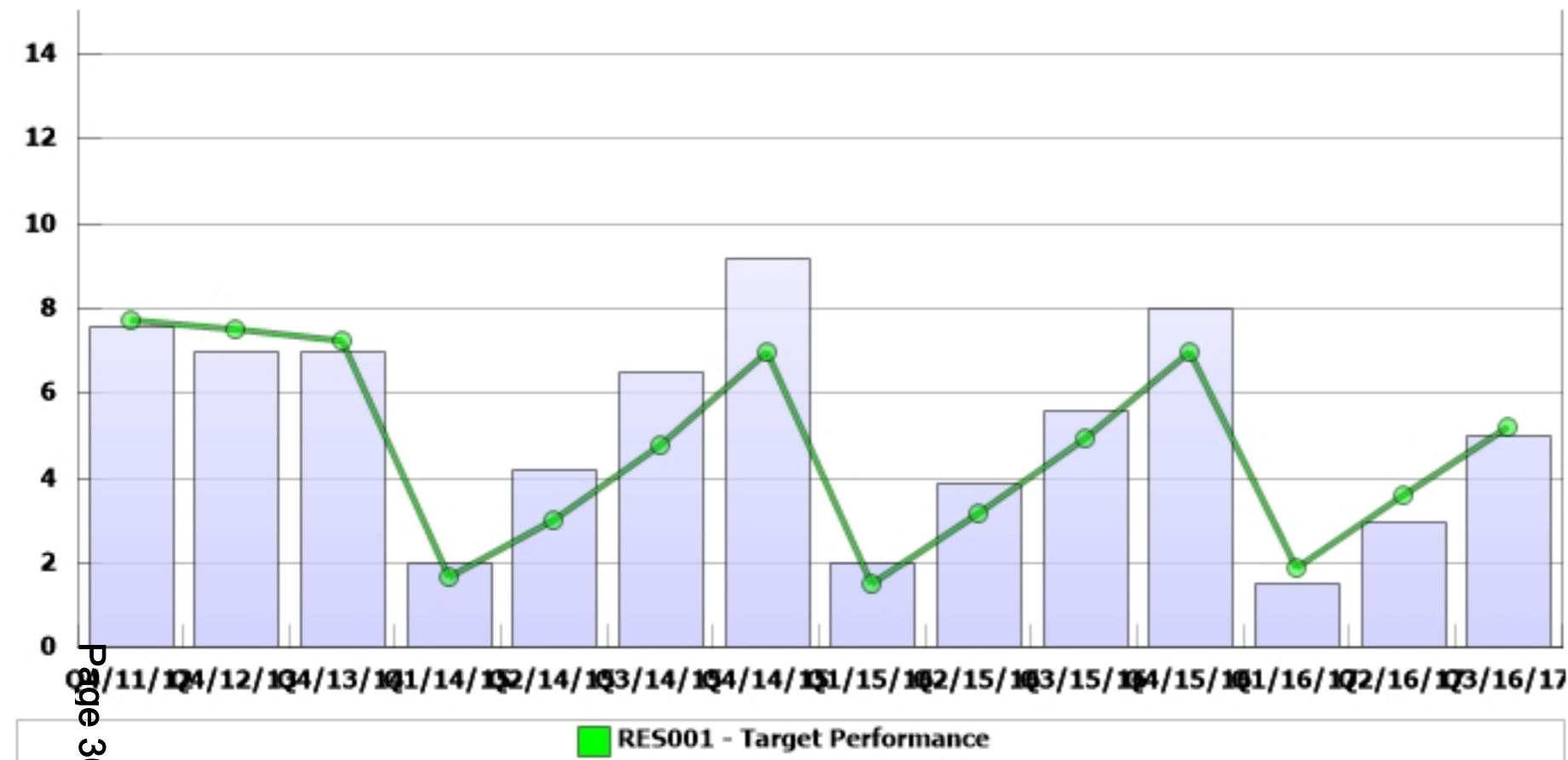
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Quarterly Indicators		Quarter 1		Quarter 2		Quarter 3		Quarter 4		Is year-end target likely to be achieved?		
		Tgt	Actual	Tgt	Actual	Tgt	Actual	Tgt	Actual			
<b>Resources</b>												
RES001	(Sickness absence) (days)	1.90	1.50		3.64	2.98		5.24	5.03		7.50	Uncertain
RES002	(Invoice payments) (%)	97%	98%		97%	97%		97%	97%		97%	Yes
RES003	(Council Tax collection) (%)	27.27%	27.61%		51.99%	52.65%		77.09%	78.00%		97.00%	Yes
RES004	(NNDR Collection) (%)	28.48%	28.83%		53.46%	53.25%		78.67%	78.02%		97.70%	Yes
RES005	(New benefit claims) (days)	22.00	21.28		22.00	22.72		22.00	21.98		22.00	Yes
RES006	(Benefits changes) (days)	6.00	6.91		6.00	7.62		6.00	7.69		6.00	Yes
RES009	(Website Availability) (%)	99.60%	99.82%		99.60%	99.89%		99.60%	99.73%		99.60%	Yes
RES010	(Website Broken Links) (%)	95.00%	99.89%		95.00%	100.00%		95.00%	100.00%		95.00%	Yes
RES011	(Website Navigation) (%)	79.90%	80.51%		79.90%	80.42%		79.90%	80.34%		79.90%	Yes

**Additional Information:** This indicator monitors the level of staff sickness absence across the authority, and supports the implementation of the Council's Managing Absence Policy. Quarterly targets and performance details for this indicator represent the cumulative total for the year to date.

For enquiries regarding this indicator contact the Performance Improvement Unit by email on performance@eppingforestdc.gov.uk or by telephone on 01992 564042.

Current and previous quarters performance



Quarter	Target	Actual	Status
Q3/16/17	5.24	5.03	✓
Q2/16/17	3.64	2.98	✓
Q1/16/17	1.90	1.50	✓
Q4/15/16	7.00	7.99	✗
Q3/15/16	4.95	5.58	✗

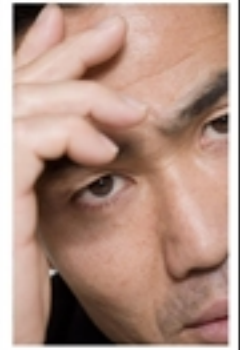
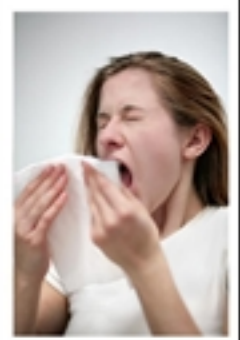
Annual 2016/17 - 7.50 days  
 Target: 2015/16 - 7.00 days

Indicator of good performance:  
 A lower number of days is good

↓ is the direction of improvement

Is it likely that the target will be met at the end of the year?

Uncertain



Comment on current performance (including context):

(Q3 2016/17)  
 Q1, Q2 and Q3 outturn figures are below target and are an improvement on the same quarters in 2015/2016. There has been an improvement of an average of 0.55 days between FY 2015/16 and FY 2016/17.

Figures are within target to date and if all else remains equal on the face of it look set to remain so - However caution suggests it may still be uncertain the target will be met as both Q3 and Q4 have historically shown an increase in the number of days taken as sickness absence and this may yet prevent the target being met.

Corrective action proposed (if required):

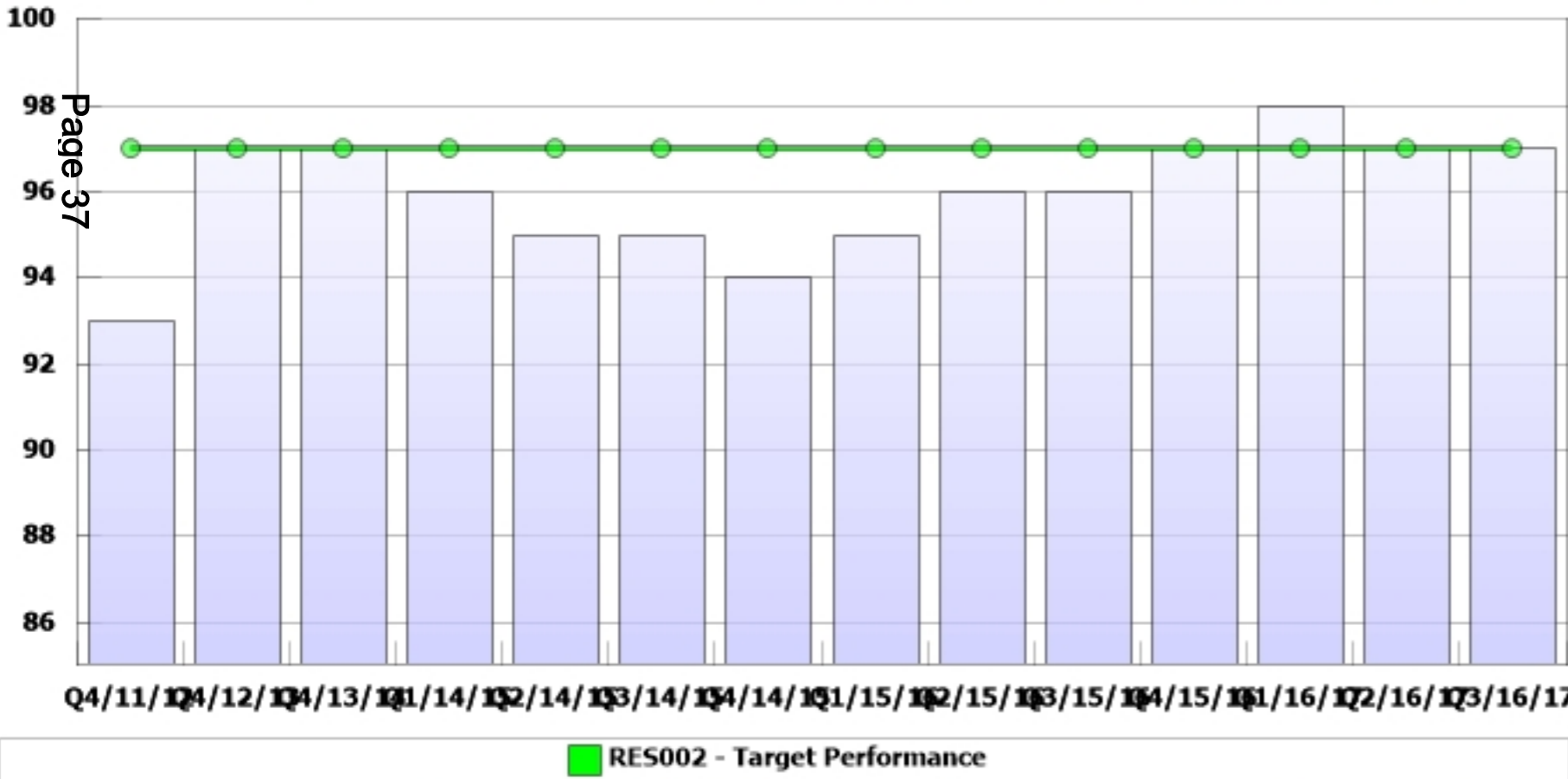
(Q3 2016/17) - No corrective action required at this stage.

# RES002 What percentage of the invoices we received were paid within 30 days?

Additional Information: This indicator encourages the prompt payment of undisputed invoices for commercial goods and services

For enquiries regarding this indicator contact the Performance Improvement Unit by email on performance@eppingforestdc.gov.uk or by telephone on 01992 564042.

## Current and previous quarters performance



Quarter	Target	Actual	Status
Q3/16/17	97%	97%	✓
Q2/16/17	97%	97%	✓
Q1/16/17	97%	98%	✓
Q4/15/16	97%	97%	✓
Q3/15/16	97%	96%	✗

Annual Target: 2016/17 - 97.0%  
 Target: 2015/16 - 97.0%

Indicator of good performance:  
 A higher percentage is good

↑ is the direction of improvement

Is it likely that the target will be met at the end of the year?

Yes

### Comment on current performance (including context):

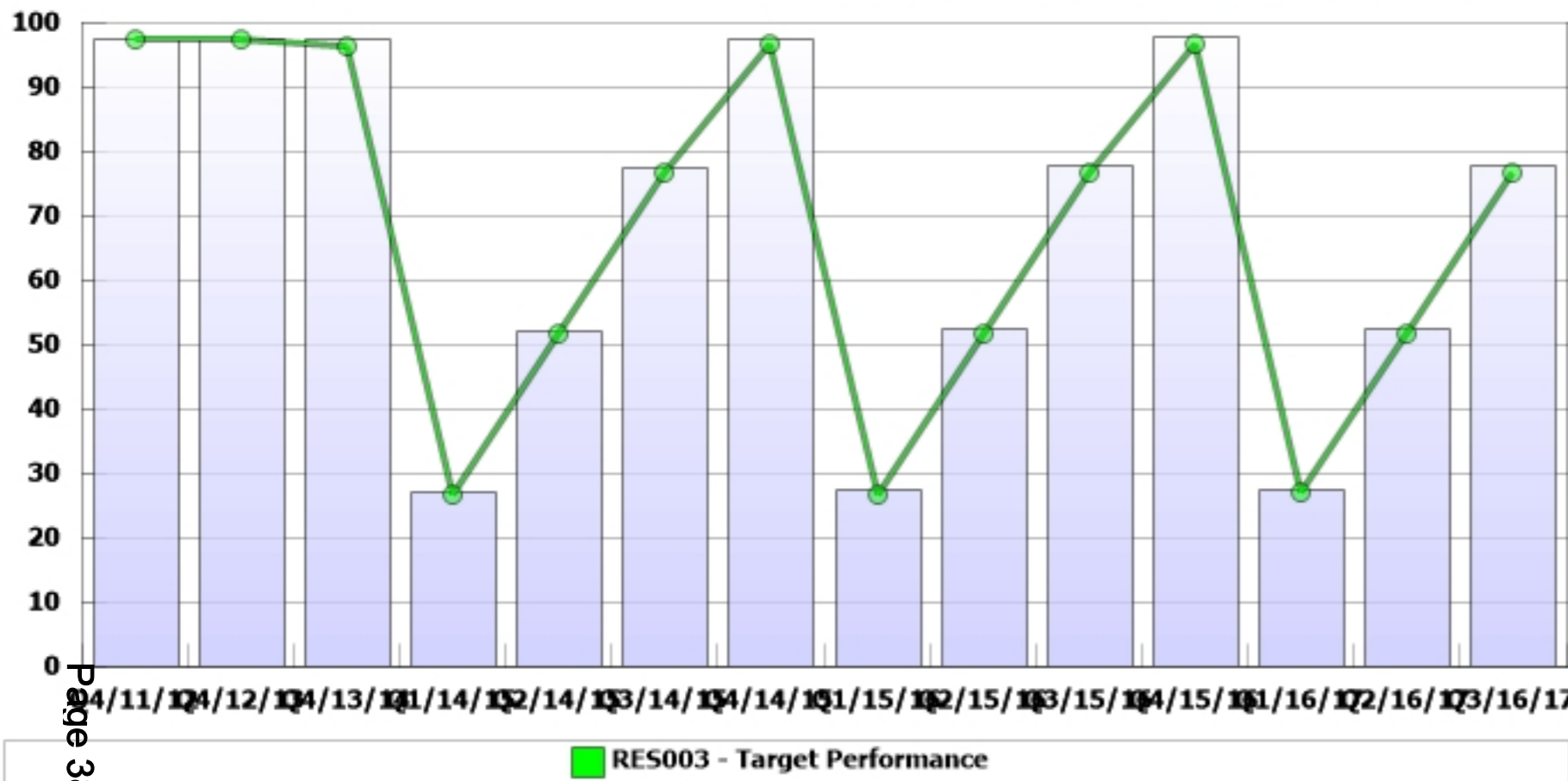
(Q3 2016/17) - Good performance in Quarter 3 met the target and in line with quarter 2. In December Governance achieved 100%, Communities and Resources 99%. 84% of Local suppliers were paid within 20 days a 3% improvement on quarter2.

### Corrective action proposed (if required):

**Additional Information:** This indicator monitors the rate of collection of Council Tax. Quarterly targets and performance details for this indicator represent the cumulative total for the year to date.

For enquiries regarding this indicator contact the Performance Improvement Unit by email on performance@eppingforestdc.gov.uk or by telephone on 01992 564042.

**Current and previous quarters performance**



Quarter	Target	Actual
Q3/16/17	77.09%	78.00%
Q2/16/17	51.99%	52.65%
Q1/16/17	27.27%	27.61%
Q4/15/16	96.50%	98.03%
Q3/15/16	77.00%	77.91%



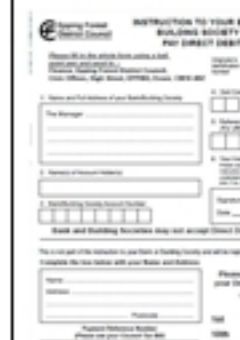
**Annual Target:** 2016/17 - 97.10%  
2015/16 - 97.00%

Indicator of good performance:  
A higher percentage is good

↑ is the direction of improvement

Is it likely that the target will be met at the end of the year?

Yes



**Comment on current performance (including context):**

(Q3 2016/17) - the performance is 0.09% up on the same stage last year

**Corrective action proposed (if required):**

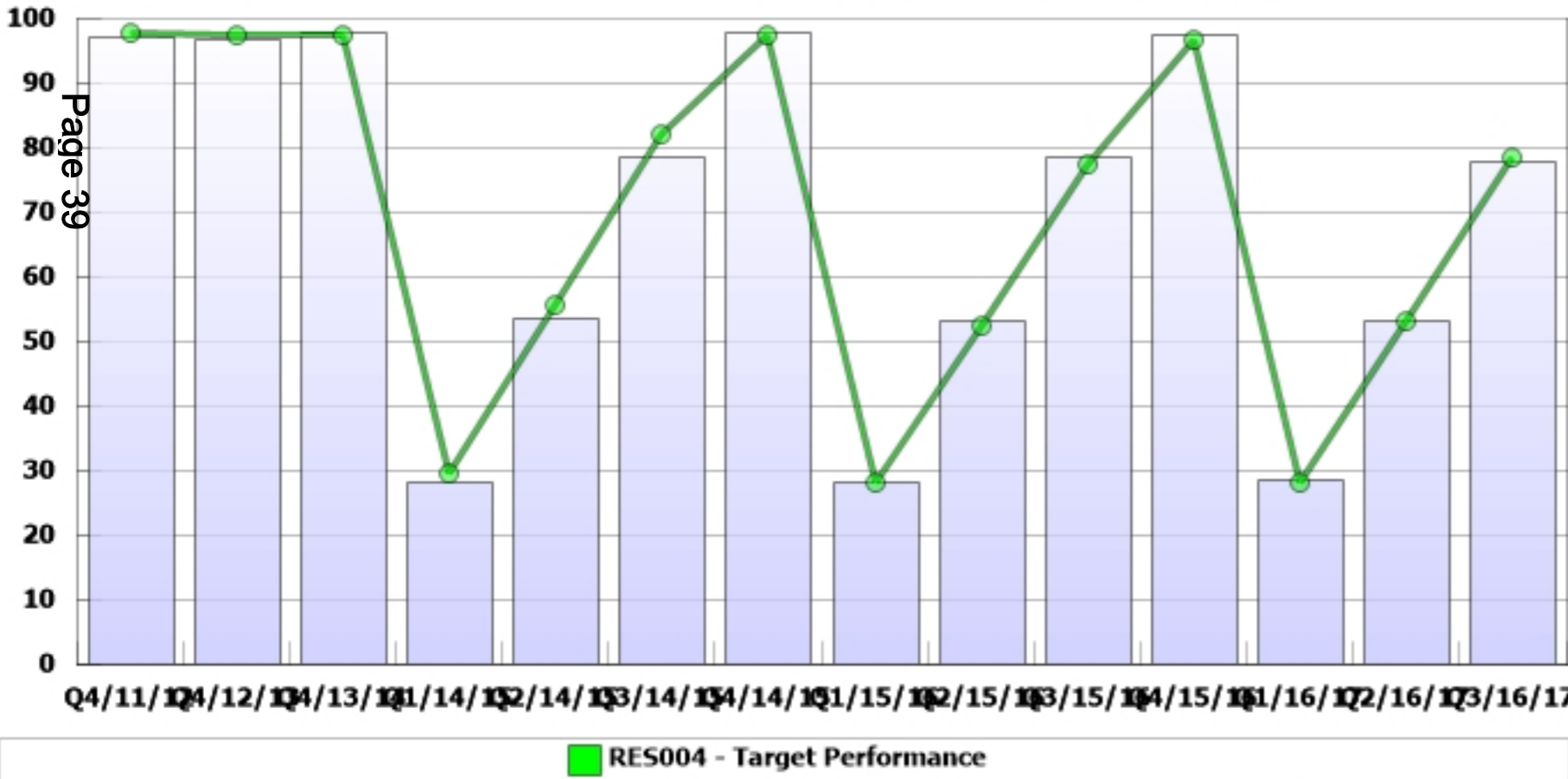
(Q3 2016/17) - the Council Tax team has a debt recovery timetable in place to collect any outstanding debt

**RES004 What percentage of the district's annual business rates was collected?**

**Additional Information:** This indicator monitors the rate of collection of National Non-Domestic rates. Quarterly targets and performance details for this indicator represent the cumulative total for the year to date.

For enquiries regarding this indicator contact the Performance Improvement Unit by email on performance@eppingforestdc.gov.uk or by telephone on 01992 564042.

**Current and previous quarters performance**



Quarter	Target	Actual	Status
Q3/16/17	78.67%	78.02%	✗
Q2/16/17	53.46%	53.25%	✗
Q1/16/17	28.48%	28.83%	✓
Q4/15/16	97.20%	97.84%	✓
Q3/15/16	78.09%	78.78%	✓

**Annual Target:** 2016/17 - 97.80%  
2015/16 - 97.70%

**Indicator of good performance:**  
A higher percentage is good

↑ is the direction of improvement

**Is it likely that the target will be met at the end of the year?**  
 Yes

**Comment on current performance (including context):**

(Q3 2016/17) - the performance is 0.7% down on the same stage last year. This has been identified as largely due to the change in the NHS rating assessments across the district moving from a 10 month to 12 month annual payment profile. This will therefore delay payment of a proportion of the debt to February and March. There is also a relatively large ratepayer which is currently unpaid but is a national company and there is a high degree of confidence it will be paid.

**Corrective action proposed (if required):**

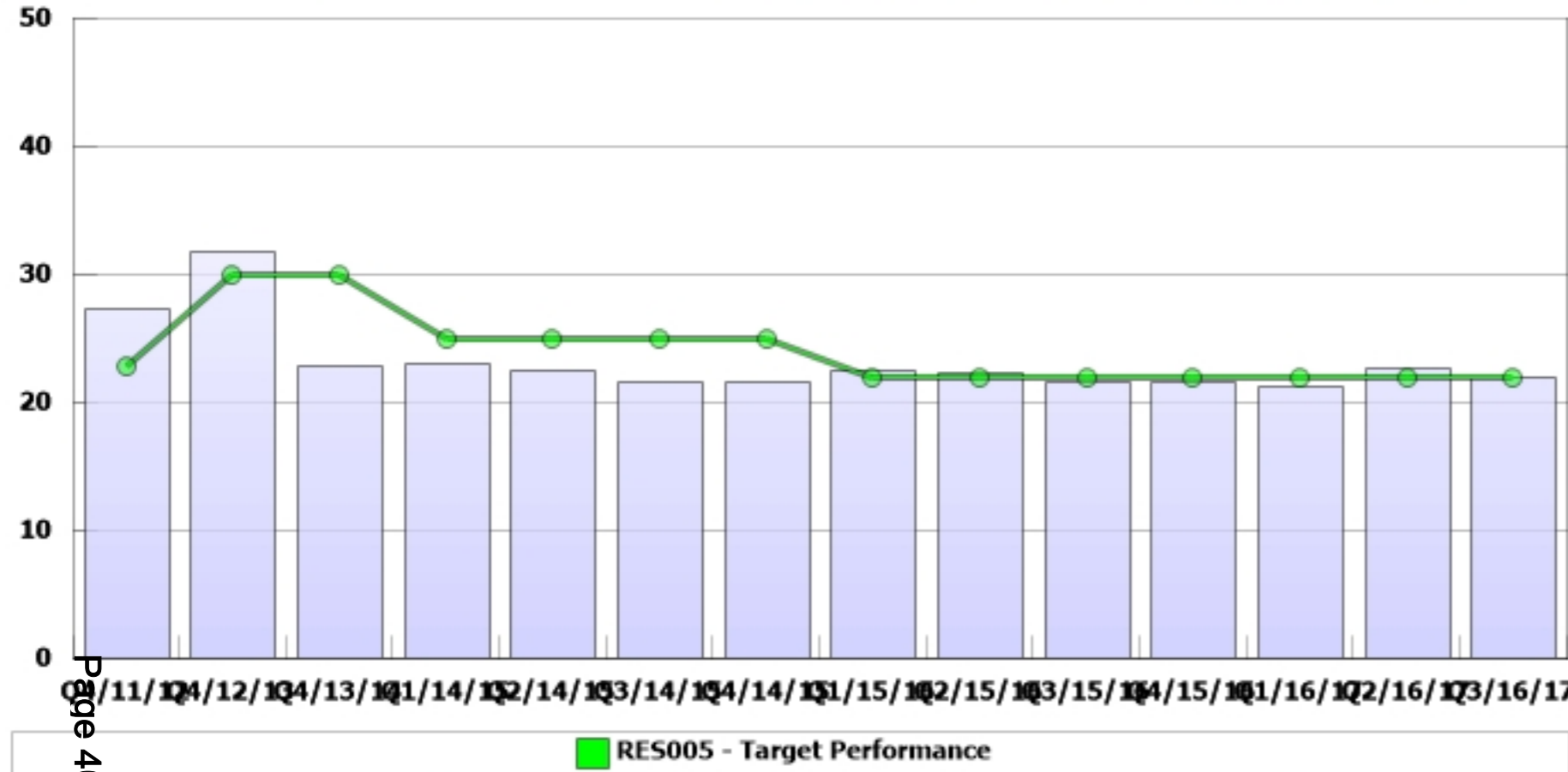
(Q3 2016/17) - the Business Rates team has a debt recovery timetable in place to collect any outstanding debts.

**RES005 On average, how many days did it take us to process new benefit claims?**

**Additional Information:** This indicator monitors the administration of Housing and Council Tax Benefit. Targets and performance are measured in days.

For enquiries regarding this indicator contact the Performance Improvement Unit by email on performance@eppingforestdc.gov.uk or by telephone on 01992 564042.

**Current and previous quarters performance**



Quarter	Target	Actual	Status
Q3/16/17	22.00	21.98	✓
Q2/16/17	22.00	22.72	✗
Q1/16/17	22.00	21.28	✓
Q4/15/16	22.00	21.76	✓
Q3/15/16	22.00	21.78	✓

Annual Target: 2016/17 - 22.00 days  
 Target: 2015/16 - 22.00 days  
 Indicator of good performance: A lower number of days is good

Is it likely that the target will be met at the end of the year?  
 Yes

↓ is the direction of improvement

**Comment on current performance (including context):**

(Q3 2016/17) - On Target for 2016/2017

**Corrective action proposed (if required):**

(Q3 2016/17) - Performance is continually monitored and adjustments on processes will be made as appropriate.

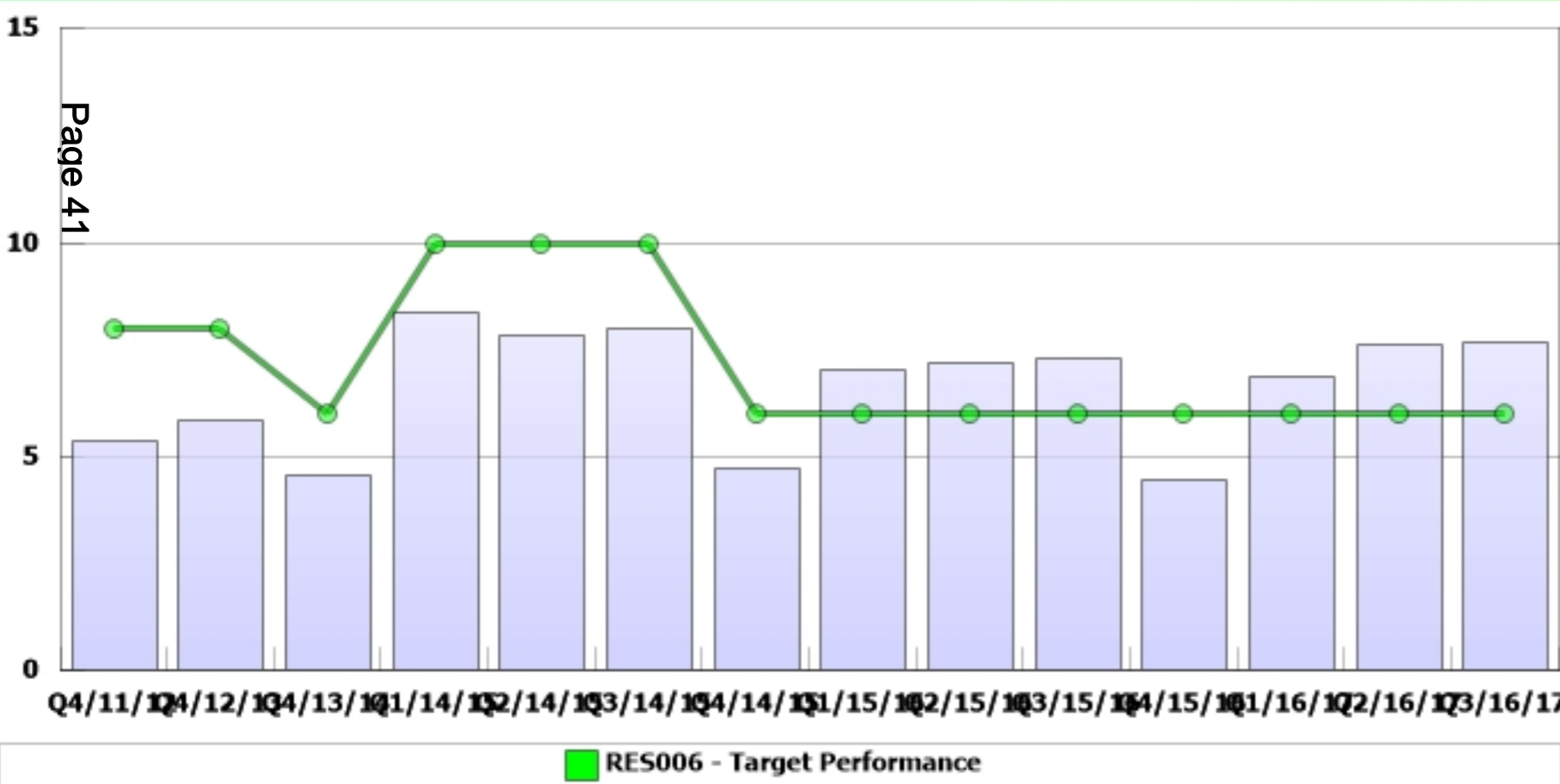


**RES006 On average, how many days did it take us to process notices of a change in a benefit claimant's circumstances?**

**Additional Information:** This indicator monitors the administration of Housing and Council Tax Benefit. Targets and performance are measured in days.

For enquiries regarding this indicator contact the Performance Improvement Unit by email on performance@eppingforestdc.gov.uk or by telephone on 01992 564042.

**Current and previous quarters performance**



Quarter	Target	Actual	Status
Q3/16/17	6.00	7.69	✗
Q2/16/17	6.00	7.62	✗
Q1/16/17	6.00	6.91	✗
Q4/15/16	6.00	4.47	✓
Q3/15/16	10.00	7.29	✓

Annual 2016/17 - 6.00 days  
 Target: 2015/16 - 6.00 days

Indicator of good performance:  
 A lower number of days is good

↓ is the direction of improvement

Is it likely that the target will be met at the end of the year?

Yes

**Comment on current performance (including context):**

(Q3 2016/17) - On Target for 2016/2017 as quarter 4 is likely to bring the total back within target.

**Corrective action proposed (if required):**

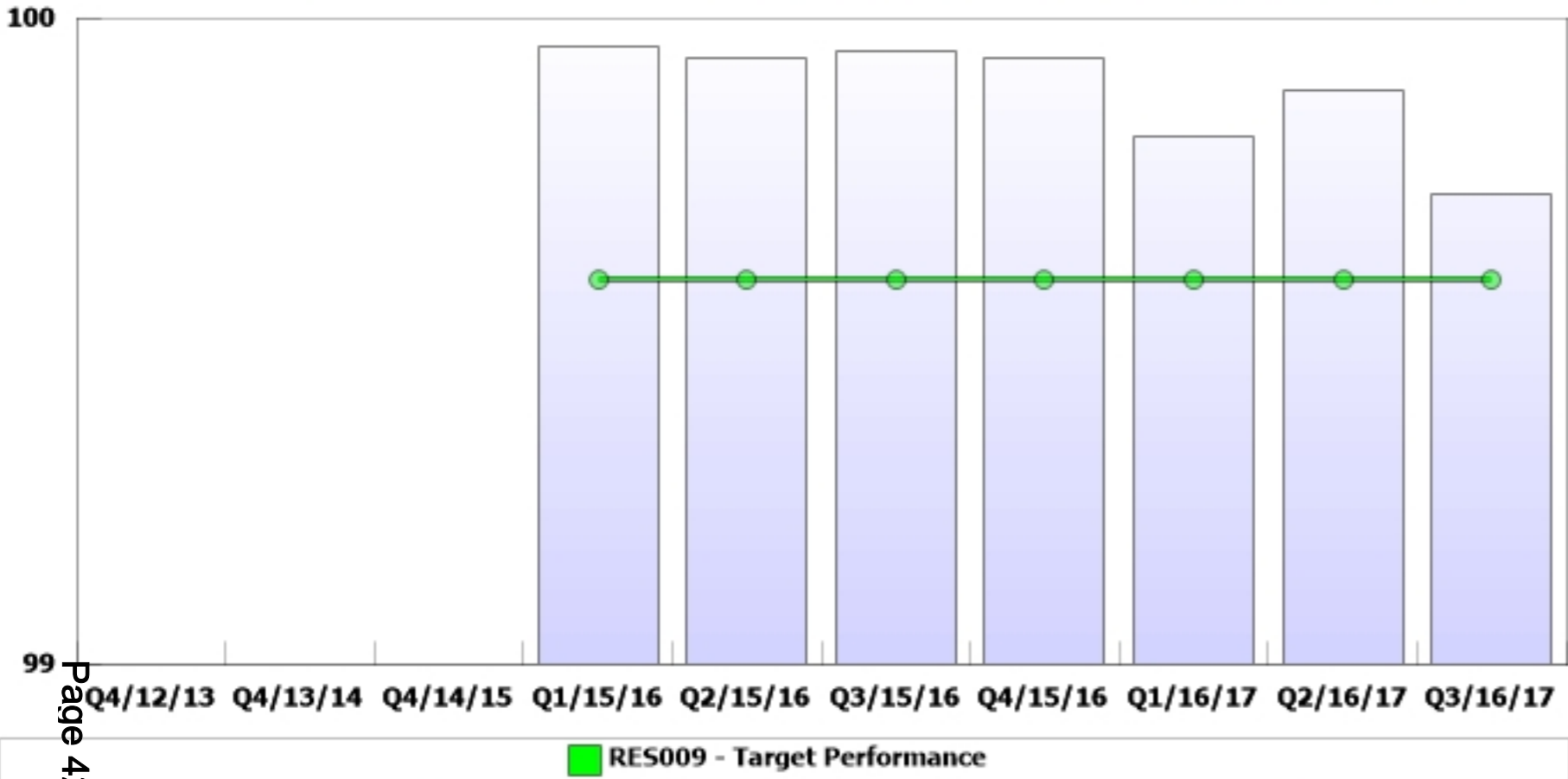
(Q3 2016/17) - Performance is continually monitored and adjustments on processes will be made as appropriate, we are confident that the yearly target will be met.

**RES009 Are customer needs being met by the Corporate Websites being available?**

**Additional Information:** This measures aspects of website functionality which affect user experience. The amount of time the main sites (Joomla; Word Press; Planning Explorer; Info @t Work Public Access; and Modern.gov) are available impacts on the provision of Council information and together with RES010 and RES011, provides technical information against which customer satisfaction can be inferred.

For enquiries regarding this indicator contact the Performance Improvement Unit by email on performance@eppingforestdc.gov.uk or by telephone on 01992 564042.

**Current and previous quarters performance**



Quarter	Target	Actual	Direction of Improvement
Q3/16/17	99.60%	99.73%	↑
Q2/16/17	99.60%	99.89%	↑
Q1/16/17	99.60%	99.82%	↑
Q4/15/16	99.60%	99.94%	↑
Q3/15/16	99.60%	99.95%	↑

Annual Target: 2016/17 - 99.60%  
 Target: 2015/16 - 99.60%

Indicator of good performance:  
 A higher number is good

↑ is the direction of improvement

Is it likely that the target will be met at the end of the year?

Yes

**Comment on current performance (including context):**

(Q3 2016/17) - the target for website availability (uptime) is 99.60% - the actual uptime is 99.73%.

**Corrective action proposed (if required):**

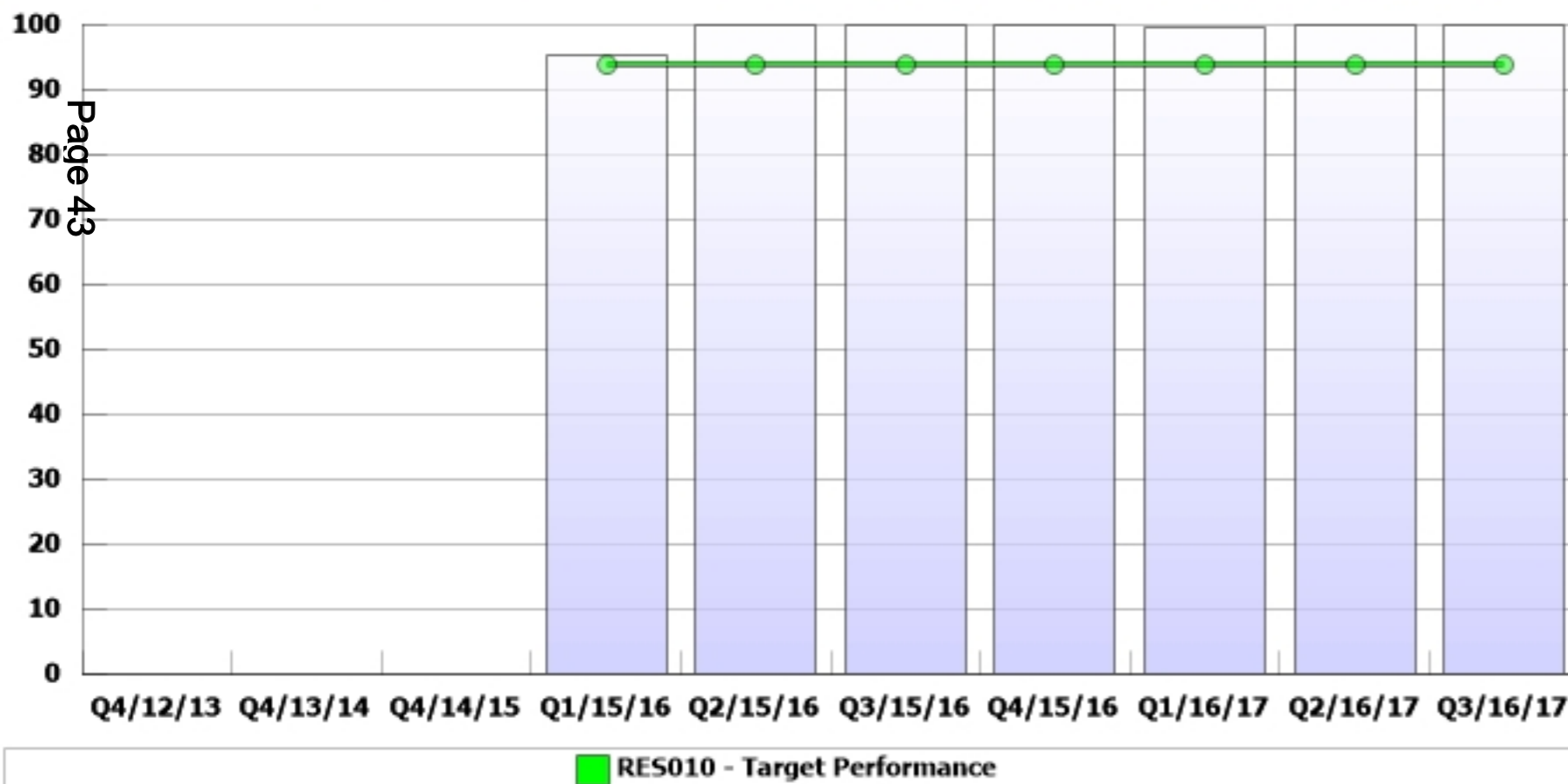
None.

## RES010 Are customer needs being met by the main Corporate Websites not having broken links?

**Additional Information:** This indicator measures aspects of website functionality which will affect user experience. The absence of broken links on the main website (Joomla) impacts on the successful provision of Council information and a positive website user experience. Together with RES009 and RES011, this indicator provides technical information against which customer satisfaction can be inferred.

For enquiries regarding this indicator contact the Performance Improvement Unit by email on [performance@eppingforestdc.gov.uk](mailto:performance@eppingforestdc.gov.uk) or by telephone on 01992 564042.

### Current and previous quarters performance



Quarter	Target	Actual
Q3/16/17	95.00%	100.00%
Q2/16/17	95.00%	100.00%
Q1/16/17	95.00%	99.89%
Q4/15/16	94.10%	100.00%
Q3/15/16	94.10%	100.00%

Annual Target: 2016/17 - 95.00%  
2015/16 - 94.10%

Indicator of good performance:  
A higher number is good

↑ is the direction of improvement

Is it likely that the target will be met at the end of the year?

Yes

### Comment on current performance (including context):

(Q3 2016/17) - target is 95%. Actual is 100%, there were no broken links on 892 pages on main website.

### Corrective action proposed (if required):

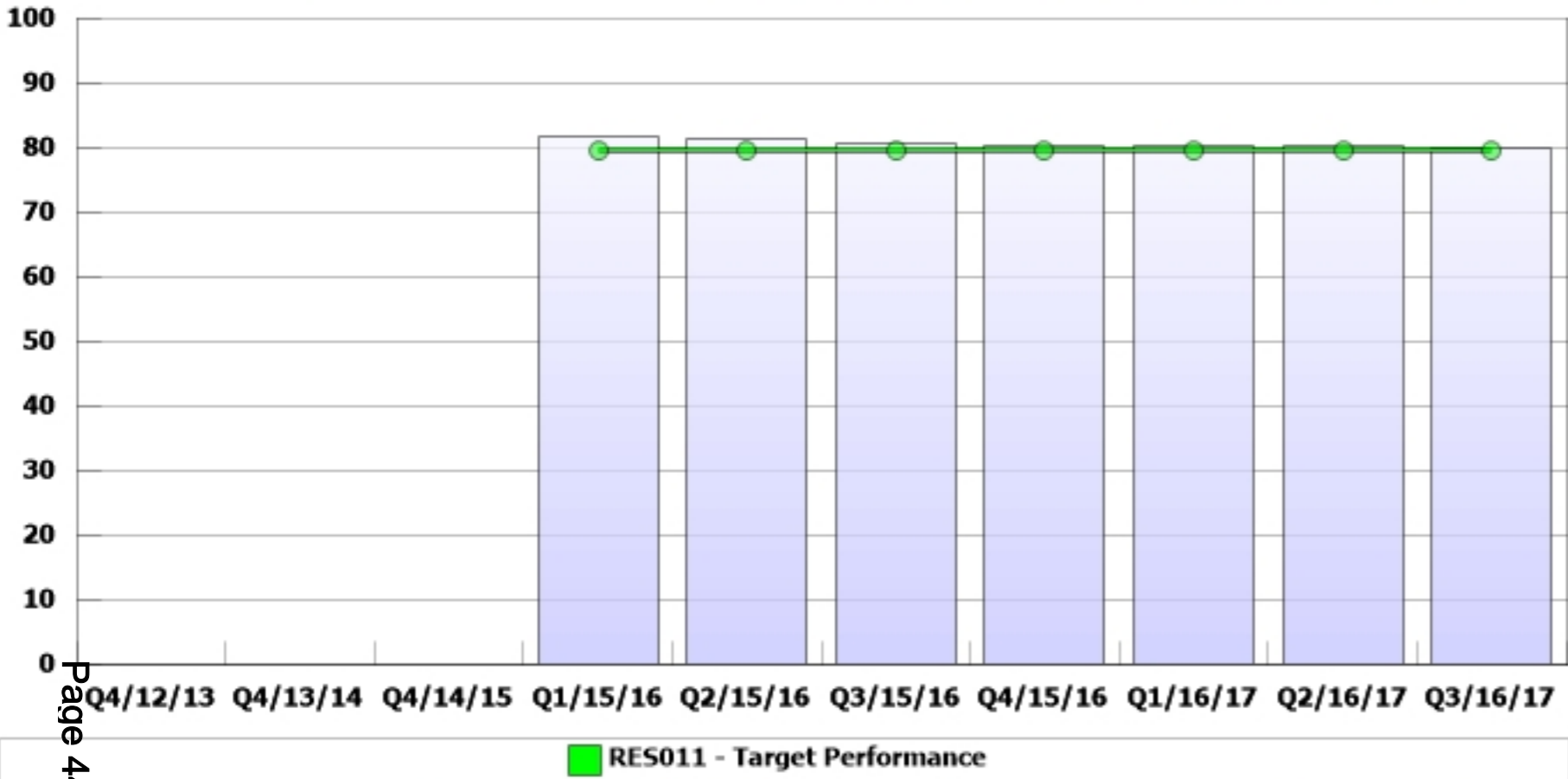
None.

**RES011 Are customer needs being met by the main Corporate Website having effective navigation?**

**Additional Information:** This indicator measures aspects of website functionality which will affect user experience. The ease of navigation impacts on the successful provision of Council information and a positive website user experience. Together with RES009 and RES010, this indicator provides technical information against which customer satisfaction can be inferred.

For enquiries regarding this indicator contact the Performance Improvement Unit by email on performance@eppingforestdc.gov.uk or by telephone on 01992 564042.

**Current and previous quarters performance**



Quarter	Target	Actual	Status
Q3/16/17	79.90%	80.34%	✓
Q2/16/17	79.90%	80.42%	✓
Q1/16/17	79.90%	80.51%	✓
Q4/15/16	79.90%	80.66%	✓
Q3/15/16	79.90%	81.04%	✓

Annual Target: 2016/17 - 79.90%  
2015/16 - 79.90%

Indicator of good performance:  
A higher number is good

↑ is the direction of improvement

Is it likely that the target will be met at the end of the year?

Yes

**Comment on current performance (including context):**

(Q3 2016/17) - target of 79.90% actual 80.34%.

**Corrective action proposed (if required):**

None.

**RES04 What percentage of the district's annual business rates was collected?**

Outturn			Target
2013/14	2014/15	2015/16	2016/17
98.09%	97.86%	97.84%	97.80%

**Responsible Officer**

**Bob Palmer**  
**Director of Resources**

Improvement Action	Target Dates	Key Measures / Milestones
Migration of FAQ calls for Business Rates into the Customer Service Team to allow specialist staff in the back-office to concentrate on complex accounts	30/06/16	Reduction in calls taken by back-office
Re-tender of Enforcement Agents contract	01/09/16	Appointment of supplier(s)
Implementation of on-line authentication for businesses to view their accounts and check balances and to have the provision for e-billing	Annual Billing 2017	Go-live

**Please detail any budget or resource implications of the improvement actions you have listed overleaf. Please quantify any additional resources which will be required to implement the improvements and detail how the additional resources will be allocated.**

All costs contained with existing contract terms

**Please describe any contextual factors, internal or external, which may impact upon the ability to deliver the improvements listed.**

Much of the work is based around IT solutions and will depend on agreed resources being in place with suppliers, both internally and externally

**RES06 On average, how many days did it take us to process notices of a change in a benefit claimant's circumstances?**

<b>Outturn</b>			<b>Target</b>
<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
<b>4.58 days</b>	<b>4.74 days</b>	<b>4.47 days</b>	<b>6.00 days</b>

**Responsible Officer**

**Bob Palmer**

**Director of Resources**

Improvement Action	Target Dates	Key Measures / Milestones
Regular review of procedures to reduce delays and unnecessary requests for information.	July and October 2016 and January 2017	Weekly monitoring and KPI performance reported on a quarterly basis
Regular review of training requirements	July and October 2016 and January 2017	Weekly monitoring and KPI performance reported on a quarterly basis
Recruitment of experienced staff to vacant posts.	June/July 2016 and as vacancies arise	Weekly monitoring and KPI performance reported on a quarterly basis

**Please detail any budget or resource implications of the improvement actions you have listed overleaf. Please quantify any additional resources which will be required to implement the improvements and detail how the additional resources will be allocated.**

**Please describe any contextual factors, internal or external, which may impact upon the ability to deliver the improvements listed.**

If experienced staff cannot be recruited, the vacant posts will impact on performance.

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**Report to: Resources Select Committee**

**Date of meeting: 7 February 2017**

**Portfolio: Leader (Councillor C. Whitbread)**

**Subject: Corporate Plan Key Action Plan 2016/17 – Quarter 3 progress**

**Officer contact for further information: Barbara Copson (01992 564042)**

**Democratic Services Officer: Adrian Hendry (01992 564246)**

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### **Recommendations/Decisions Required:**

- (1) That the Committee review the third quarter (Q3) progress of the Corporate Plan Key Action Plan for 2016/17 in relation to its areas of responsibility; and
- (2) That the Committee identifies any actions arising from the Corporate Plan Key Action Plan for 2016/17 Q3 within its areas of responsibility, which require in-depth scrutiny or further report on current progress.

### **Executive Summary:**

The Corporate Plan is the Council's key strategic planning document, setting out its priorities over the five-year period from 2015/16 to 2019/20. The priorities or Corporate Aims are supported by Key Objectives, which provide a clear statement of the Council's overall intentions for these five years.

The Key Objectives are delivered by an annual action plan, with each year building upon the progress against the achievement of the Key Objectives for previous years. The annual action plans contain a range of actions designed to achieve specific outcomes and are working documents are therefore subject to change and development to ensure the actions remain relevant and appropriate, and to identify opportunities to secure further progress or improvement.

The Corporate Plan Key Action Plan for 2016/17 was agreed by the Cabinet in March 2016. Progress in relation to all actions and deliverables is reviewed by the Cabinet, the Overview and Scrutiny Committee, and the appropriate Select Committee, on a quarterly basis.

### **Reasons for Proposed Decision:**

It is important that relevant performance management processes are in place to review progress against the key objectives, to ensure their continued achievability and relevance, and to identify proposals for appropriate corrective action in areas of slippage or under-performance.

Some actions have cross directorate responsibility. Where this is the case the most appropriate Select Committee is requested to consider the action. This report presents

progress against the Key Action Plan for 2016/17 for actions most appropriately considered by the Resources Select Committee.

### Other Options for Action:

Actions with cross directorate responsibility could be considered by an alternative Select Committees, or not considered by the Select Committees.

### Report:

1. The Corporate Plan 2015-2020 is the Council's highest level strategic document. It sets the strategic direction for the authority for the five year lifetime of the Plan. It focuses on a number of key areas that the Council needs to focus on during that time and helps to prioritise resources to provide quality services and value for money. These key areas are known as the Corporate Aims and are supported by a set of Key Objectives which represent the Council's high-level initiatives and over-arching goals to achieve the Corporate Aims. The Key Objectives are in turn, delivered via an annual Key Action Plan.
2. The Key Action Plan 2016/17 is populated with actions or deliverables designed to secure progress against each of the Key Objectives during 2016/17. During the subsequent years in the lifetime of the Key Objectives, annual action plans will be developed which build on progress achieved during preceding years.
3. The annual action plans are working documents are subject to change and development to ensure that the actions remain relevant and appropriate, and to identify opportunities to secure further progress or improvement. The Leader of Council, in consultation with the Chief Executive, is authorised to agree any further changes to Key Action Plans, following their approval by the Council.
4. Progress against the Key Action Plan is reviewed on a quarterly basis to ensure the timely identification and implementation of appropriate further initiatives or corrective action where necessary. Q 3 progress against the individual actions of the 2016/17 Key Action Plan, is as below: In reporting progress, the following 'status' indicators have been applied to the to individual actions:

**Achieved (Green)** - specific deliverables or actions have been completed or achieved in accordance with in-year targets;

**On-Target (Green)** - specific deliverables or actions will be completed or achieved in accordance with in-year targets;

**Under Control (Amber)** - specific deliverables or actions have not been completed or achieved in accordance with in-year targets, but completion/achievement will be secured by a revised target date (specified) or by year-end;

**Behind Schedule (Red)** - specific deliverables or actions have not been completed or achieved in accordance with in-year targets and completion/achievement may not be secured by year-end; and

**Pending (Grey)** - specific deliverables or actions cannot currently be fully completed or achieved, as they rely on the prior completion of other actions or are dependent on external factors outside the Council's control.

5. There are 49 actions **in total** for which progress updates for Q3 are as follows:

• Achieved or On-Target:	26 (53%)
• Under Control:	13 (27%)
• Behind Schedule:	4 (8%)
• Pending:	6 (12%)
Total	49 (100%)

13 actions fall within the areas of responsibility of the Resources Select Committee. At the end of Q3:

- 8 (62%) of these actions have been 'Achieved' or are 'On-Target'
  - 2 (15%) of these actions are 'Under Control'
  - 1 (8%) of these actions are 'Pending'
  - 2 (15%) of these actions are 'Behind Schedule'
6. The Committee is requested to review the Q3 progress against Key Action Plan for 2016/17 as set out in Appendix 1 of this report, and identify any actions that require more in-depth scrutiny or further progress reports.
7. This report will also be considered by the Cabinet on 9 March 2017 and will be considered by the Overview and Scrutiny Committee on 28 February 2017.

**Resource Implications:** None for this report.

**Legal and Governance Implications:** None for this report. Performance monitoring contributes to the delivery of value for money.

**Safer, Cleaner, Greener Implications:** None for this report.

**Consultation Undertaken:** The performance information set out in this report has been submitted by each responsible service director.

**Background Papers:** Relevant documentation is held by responsible service directors.

**Impact Assessments:**

**Risk Management:** None for this report.

**Equality:** None for this report.

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**Aim (i) To ensure that the Council has appropriate resources, on an ongoing basis, to fund its statutory duties and appropriate discretionary services whilst continuing to keep Council Tax low.**

Key Objective (i)(a) To ensure that the Council's Medium Term Financial Strategy plans to meet the Council's financial and service requirements for any forward five year period, whilst minimising any reliance on Government funding.

Action	Lead Directorates	Target Date	Status	Progress
1) Deliver identified savings	Management Board	31-Mar-17	On Target	Q1 (2016/17) Printer Migration Project is being implemented. Transformation work-stream is reviewing further opportunities. Reports due in the autumn.
				Q2 (2016/17) Transformation savings of £107,260 of which £70,960 are General Fund and £36,300 HRA.
				Q3 (2016/17) - Transformation savings of £107,260 of which £70,960 are General Fund and £36,300 HRA
2) Progress preparations for delivering savings for 2016/17	Management Board	31-Mar-17	On Target	Q1 (2016/17) Not yet due - will be progressed as part of the 2017/18 budget process.
				Q2 (2016/17) Not yet due - will be progressed as part of the 2017/18 budget process.
				Q3 (2016/17) - Not yet due - will be progressed as part of the 2017/18 budget process.
3) Develop additional business cases	Management Board	30-Sep-16	Under Control	Q1 (2016/17) Printer Migration Project is being implemented. Transformation work-stream is reviewing further opportunities. Reports due in the autumn. Q2 (2016/17) Savings identified for 2016/17 total £107,260, of which £70,960 are general fund and £36,300 are HRA. Savings identified for 2017/18 total £40,500, of which £34,800 are general fund and £5,700 are HRA.

4) Presentation of the Financial Issues Paper and MTFFS update	Resources	31-Jul-16	Achieved	<p>Further savings ideas to be considered by the Cabinet for 2017/18 are estimated to range from £480,900 to £533,200. Of this £451,300 to £502,800 are general fund and £29,600 to £30,400 are HRA.</p> <p>Q3 (2016/17) Savings identified for 2016/17 total £107,260, of which £70,960 are general fund and £36,300 are HRA. Savings identified for 2017/18 total £40,500, of which £34,800 are general fund and £5,700 are HRA.</p> <p>Further savings ideas to be considered by the Cabinet for 2017/18 are estimated to range from £480,900 to £533,200. Of this £451,300 to £502,800 are general fund and £29,600 to £30,400 are HRA.</p> <p>Q1 (2016/17) The Financial Issues Paper will be presented to the Finance &amp; Performance Management Cabinet Committee on 14 July.</p> <p>Q2 (2016/17) The Financial Issues Paper was presented to the Finance and Performance Management Cabinet Committee on 14 July and the recommendations have now been agreed by Cabinet.</p> <p>(Q3 2016/17) As Q2.</p>
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Key Objective (i)(c) To explore appropriate opportunities to make savings and increase income through the shared delivery of services with other organisations, where such arrangements would provide improved and/or more cost effective outcomes.

Action	Lead Directorates	Target Date	Status	Progress
8) Explore the possible expansion of the insurance service provided to Uttlesford. District Council.	Resources	30-Sep-16	Achieved	<p>(Q1 2016/17) - The possibility of expanding the insurance service has been explored with both Uttlesford and other Essex districts but unfortunately all those contacted are not interested in changing their arrangements at this time.</p> <p>(Q2 &amp; Q3 2016/17) As per Q1.</p>
9) Implement an integrated	Resources	31-Mar-17	On Target	(Q1 2016/17) - Implementation underway with Braintree & Colchester councils,

HR/Payroll IT system jointly with at least one other authority.

with these sites going live first. The target for Epping to go live with the new system is December 2016.

(Q2 2016/17) – The implementation is proceeding in line with the timetable and the system is still expected to go live in December 2016.

(Q3 2016/17) Payroll for December produced successfully on the new system. Work continues to fully implement the system and make features like self-service available.

10) Evaluate possibility of shared service as part of Debt Resources Working Party.

30-Sep-16

Behind Schedule

(Q1 2016/17) - The Working Party continues to meet and reports back to Management Board on potential improvements and alterations to the processes of debt recovery.

(Q2 & Q3 2016/17) As per Q1

11) Provide HR/payroll services to at least one other authority

Resources

31-Mar-17

Pending

(Q1 2016/17) - The primary focus is currently the implementation of the new system - see item 9 above.

(Q2 & Q3 2016/17) As per Q1 - the system needs to be in place before we can offer it to others.

12) Evaluate possibility of shared service as part of Scanning Working Party

Resources

30-Sep-16

Behind Schedule

(Q1 2016/17) - The Working Party has been established with a project charter and meetings have taken place as part of the discovery phase.

(Q2 2016/17) – The discovery phase is continuing and changes have already been made to make several processes more efficient.

(Q3 2016/17) As for Q2 above, although progress has been slower than had been anticipated.

13) Identify additional Council services that may benefit from a shared provision with other organisations

Board

31-Mar-17

On Target

(Q1 2016/17) Good progress made with audit. Opportunities being discussed with West Essex Chief Executives.

(Q2 2016/17) - Good progress made with audit. Opportunities being discussed



with West Essex Chief Executives.

(Q3 2016/17) - Workshop on joint working with Essex County Council scheduled for Leadership Team in February 2017.

**Aim (ii) To ensure that the Council has a sound and approved Local Plan and commences its subsequent delivery**

Key Objective (ii)(b) To increase opportunities for sustainable economic development within the District, in order to increase local employment opportunities for residents.

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Action	Lead Directorates	Target Date	Status	Progress
1) Continue with the Council's apprenticeship scheme for the district's young people, providing sustainable employment opportunities.	Resources	30-Sep-16	Under Control	<p>(Q1 2016/17) The cohort recruited in 2015 continues to make good progress with their apprenticeships. A full intake will occur again in 2017. For 2016 the focus is on the recruitment of a new graduate trainee.</p> <p>(Q2 2016/17) Despite several attempts we were unable to recruit a new graduate trainee. The current apprentices continue to make good progress and preparations are underway to expand the programme to meet the requirements of the Apprenticeship Levy from April 2017.</p> <p>(Q3 2016/17) - All but one of the current apprentices has now found jobs. Plans now in place to meet the requirements of the Apprenticeship Levy and to manage the larger intake of apprentices in 2017/18.</p>



**Aim (iii) To ensure that the Council adopts a modern approach to the delivery of its services and that they are efficient, effective and fit for purpose.**

Key Objective (iii)(b) To utilise modern technology to enable Council officers and members to work more effectively, in order to provide enhanced services to customers and make Council services and information easier to access.

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Action	Lead Directorates	Target Date	Status	Progress
4) Continue the implementation of the Council's ICT Strategy, with the completion of the following key projects	Resources	31-Mar-17	On Target	<p>(Q1 2016/17) Implementation continues and is on target. An update report was presented to the Resources Select Committee in April.</p> <p>(Q2 2016/17) Good progress continues to be made and the capital bid for 2017/18 will be presented to Cabinet on 12 October.</p> <p>(Q3 2016/17) Cabinet approved the capital bid for 2017/18 which will now be subject to approval as part of the budget process. Implementation of projects is in line with targets.</p>
5) Free up computer suite 1 for re-use as office accommodation.	Resources	31-Mar-17	On Target	<p>(Q1 2016/17) On hold pending the accommodation review and is awaiting works to fully decommission.</p> <p>(Q2 &amp; Q3 2016/17) The computer suite is free for alternative uses but will not be allocated or refurbished until the accommodation review has been completed</p>

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### **Report to the Resources Select Committee**

**Date of meeting: 7 February 2017**

**Subject: Cost of Member and Corporate Services**

**Officer contact for further information:** Peter Maddock – (01992 - 56 4602)

**Committee Secretary:** Adrian Hendry - (01992 - 56 4246)

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#### **Recommendations/Decisions Required:**

**That members note the report and comment as appropriate**

#### **Report:**

1. This report provides information on the Cost of Member and Corporate Services, how it is calculated and what is included and what is not included within the definition.
2. The Council accounts for the cost of the services it provides in two main accounts, the General Fund (GF) and the Housing Revenue Account (HRA). The latter is concerned with the Management and Maintenance of Council Dwellings and related assets the former with other remaining council services. The GF is funded primarily by the Council Tax and Business Rates, the HRA by Housing rents and other related charges.
3. There is a requirement for the Council to report to Central Government on estimated and actual expenditure on the cost of GF services. Whilst there are mandatory reporting headings such as Environmental Protection the Council has discretion to and indeed does break costs down further for management purposes. The two areas that this report is concerned with is Corporate Management which is made up of two cost centres and Member Activities which is made up of six cost centres. The former falls within the Office of the Chief Executive budgets and the Latter Governance.
4. Corporate Management sometimes referred to as Corporate Policy Making is the cost of managing the authority as a whole and includes the cost of the Chief Executive, management board meetings, production of the accounts, external audit, Cost of maintaining a corporate bank account and a number of other similar costs. There is a popular misconception that a service area that provides support to all areas of the Council is a charge to Corporate Management, this is not the case as the definition is rather more narrow than that and the costs of these functions should be apportioned out to all Council services.
5. Member activities are sometimes referred to as Democratic Representation and as the name suggests is concerned with the cost to the authority of having elected members. It includes Members Allowances, the holding of committee meetings and provision of agendas, the cost of attendance at external meetings where the member is representing the Council, officer advice to members and the provision of member admin services.
6. As regards the total cost of both of these services the HRA should bear a proportion of the cost as members and officers carrying out this work clearly make decisions that affect both the HRA and GF. This is assessed based on the amount of business that relates to the HRA for each cost centre and is currently around 25%. The table below shows the total costs and

the amount then charged to the HRA, for 2014/15 and 2015/16, and estimates for both 2016/17 and 2017/18.

	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's
Corporate Management	1,516	1,477	1,446	1,459
Member Activities	1,187	1,290	1,312	1,350
Total	2,703	2,767	2,758	2,809
Total charged to HRA	632	651	649	655

7. As regards Corporate Management a significant proportion of the cost relates to Officer time and as previously stated all of the cost of the Chief Executive. Also a proportion of the designated statutory officers, (Chief Finance Officer and Monitoring Officer) are charged here along with other officers who either deputise for these roles or are involved in the overall management of the Authority.

8. As regards Member Activities, much of the cost is of a fixed nature in that the costs are incurred regardless of the number of meetings held. A proportion relates to office space including the Council Chamber, Members Room and committee rooms. The majority of the Democratic Services team are also charged here along with support provided to members by other officers in the various directorates. The officer attendance allowance is not directly charged here but borne as a cost within the relevant directorate. But by virtue of the recharging system a proportion of the cost would end up here.

9. The additional cost of providing for an extra meeting is relatively insignificant when compared with the overall cost. However if the number of meeting were to be reduced or increased by a significant number this would have an effect as potentially fewer or more staff would be required to support meetings. Again though the cost of the Council Chamber would still exist and be relatively static if it was used once a month or indeed every day.

10. In summary the costs of Corporate Management and Member Activities are quite significant and based on the 2017/18 original estimate represent 12% of the General Fund 'Net Cost of Service' of £17.959 million. However in common with a number of other services there is a significant fixed element to the costs which would only vary when large scale changes are made.

**Reason for decision:**

The report looks at the cost of Corporate Management and Member Activities and seeks member comments and observations on this.

**Options considered and rejected:**

Report for noting and comment

**Consultation undertaken:**

Consultation with spending officers during budget process

**Resource implications:**

Budget provision: Existing  
 Personnel: Existing  
 Land: N/A

Community Plan/BVPP reference:  
 Relevant statutory powers:

Background papers:  
Environmental/Human Rights Act/Crime and Disorder Act Implications:  
Key Decision reference: (if required)

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