

**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF RESOURCES SELECT COMMITTEE
HELD ON TUESDAY, 17 OCTOBER 2017
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.30 - 9.48 PM**

Members Present:	A Patel (Vice-Chairman, in the Chair), R Bassett (Vice Chairman of the Council), N Bedford, D Dorrell, L Hughes, J Jennings, J Lea, A Mitchell, D Sunger, C Roberts, D Roberts and J M Whitehouse
Other members present:	S Kane and G Mohindra
Apologies for Absence:	R Gadsby and P Keska
Officers Present	P Maddock (Assistant Director (Accountancy)), J Twinn (Assistant Director (Benefits)), D Newton (Assistant Director (ICT and Facilities Management)), S Bacon (ICT Operations Manager) and A Hendry (Senior Democratic Services Officer)

15. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

It was noted that Councillor L Hughes was substituting for Councillor P Keska.

16. VICE CHAIRMAN FOR THE MEETING.

In the absence of a Vice Chairman, Councillor Sunger was appointed Vice Chairman for the duration of the meeting.

17. NOTES OF PREVIOUS MEETING

Minutes

The notes of the meeting held on 13 July 2017 were agreed.

Matters Arising

Minute item 2(a) referred to having members trained on the new MFDs. Mr Newton reported back that ICT were looking into the alternatives for this. They were actively considering setting up a stand alone PC and printer in the Members room for members to use. It would not be connected to the Councils' network. They would also be looking into any security concerns that this may raise and also if it was possible for the PC to time out a session if not used for some time.

18. DECLARATIONS OF INTEREST

There were no declarations of interest made pursuant to the Members Code of Conduct.

19. TERMS OF REFERENCE AND WORK PROGRAMME

Terms of Reference

The Committee noted their terms of reference.

Work Programme

The Committee noted their work programme and that:

- Item 6 - ICT Strategy and progress on Call Handling should now be broken down into two parts as call handling now came under the Customer Call Centre, who would report back in March 2018. ICT updates would be given by D Newton.
- Item 11 – Sickness Absence – a report on this had been received at the July 2017 meeting.
- Item 15 – Shared services working – it was noted that this was now up and running.

20. UNIVERSAL CREDIT

The Assistant Director Benefits, Janet Twinn, introduced the informative report on the Governments Universal Credit Scheme. This was to inform all members on the rollout of Universal Credit and the impact it would have on the work of the Council.

Universal Credit would replace the following benefits that people now received: Jobseekers Allowance, Employment and Support Allowance, Income Support, Working Tax Credit, Child Tax Credit and Housing Benefit. A single payment would be made on a monthly basis to cover both living expenses and housing costs.

Universal Credit was not paid for the first week of the claim. The payment was made monthly in arrears and was designed to replicate the budgeting required by people who receive a monthly wage. The claimant was then responsible for paying their full rent to their landlord. This was a change for council tenants as Housing Benefit was paid directly to the rent account and not to the tenant.

Up until 20 September 2017, in Epping Forest District, Universal Credit had been restricted to new claims from single people who were job seekers. However, this was changing as 'full service' was rolled-out throughout the country from July 2017. In the future, couples, families with children and people with disabilities who were of working age, would also be directed to claim Universal Credit. This meant that they could no longer claim Housing Benefit and they can only get help with their rent through Universal Credit, although there were some exceptions.

The exceptions to the move to Universal Credit were as follows:

- People who have more than 2 children
- People who live in exempt and specified accommodation, i.e. accommodation where support is provided by the landlord to tenants who are vulnerable in some way, e.g. physical disabilities, mental health issues or drug/alcohol addictions.

People falling into these categories would still claim Housing Benefit.

It was important to note that currently the move to Universal Credit did not apply to people of state pension age and it affected only new claims. Everybody currently receiving Housing Benefit would keep receiving Housing Benefit for the next few years, unless they had a break in their claim. The Government currently anticipated that the existing working age Housing Benefit claimants would move to Universal Credit by 2022, but this date had already been put back many times.

The Council still remained responsible for Local Council Tax Support, and therefore people would have to claim Universal Credit from the DWP for help to pay their rent, and at the same time make an application to the Council for help to pay their council tax.

There were delays in getting claims out and there was a wait of 6 weeks or longer for payment which put the claimants in rent and Council Tax arrears. People on long term benefits usually had difficulties in budgeting on a monthly basis; the council provided support and help for them.

Officers had communication problems with DWP staff and the Universal Credit Centres, they found it hard to find someone to speak to and resolve problems.

It was known that Landlords on the whole were not taking on persons on Universal Credit and this in turn was resulting in more homelessness and more people in Bed and Breakfast accommodation. It was hoped that the B&B costs would be moved out of Universal Credit, but there was no sign of this happening as yet.

Because of the monthly payments going directly to the claimants, and their resulting difficulties in budgeting, there was an increase in rent and council tax arrears and it may be that the council would need to consider different ways to collect council tax.

Councillor Bedford asked if we informed people how to get aid while they waited for their money. Ms Twinn said that they had not put anything in position as yet but were looking at what they could do. Councillor Bedford asked if there were such things as emergency grants or could we refer them to foodbanks. He was told that the council had food vouchers that they could give out. The DWP used to give emergency funds and would give advances on Universal Credit if asked, but people were not being told this. Councillor Bedford then asked if people were being triaged to sift out the vulnerable. He was told that that was for the DWP to do.

Councillor Sunger asked if there was any provision to pay directly to the landlords. He was told that once they were eight weeks in arrears then the landlords could ask for 'Alternative Payment Arrangements'. Officers tried to be proactive and inform the landlords that this facility existed.

Councillor Jon Whitehouse noted that there were various payments and asked when officers offered advanced payments or for Discretionary Housing Payments (DHP)? Ms Twinn said that they could not pay DHPs on the first week of the claim as they were not eligible for Housing Benefits for the first week. Councillor Whitehouse asked if they could use the DHP to pay arrears. He was told that they could but not for the first week.

Councillor Bedford asked if the council carried out Local Authorities check for private housing. Ms Twinn said that she would ask the Housing Options people.

Councillor Bassett noted that we provided assistance to the local CAB. Did we maintain any liaison with them? Ms Twinn replied that we did have liaison meetings with them. Councillor Mohindra wondered if we needed to ask the CAB if they needed more help from us.

Councillor Whitehouse wondered if we had briefed or lobbied our local MPs on the problems we were facing with Universal Credit. Officers were not sure that any authority in Essex had done this but there would be a debate in Parliament on 18 October about postponing the roll out of Universal Credit.

Councillor Patel asked about our relationship with the Job Centres. He was told that officers did have meetings and contact with them, but noted that they were under DWP control and so towed their 'official' line.

Councillor Patel asked if we could publicise our Personal Budgeting Support to people in receipt of Universal Credit.

The Committee thanked Ms Twinn for her informative report and for bringing the problems around Universal Credit to their attention.

RESOLVED:

That the report on Universal Credit be noted.

21. QUARTERLY FINANCIAL MONITORING REPORT - QUARTER 1

The Assistant Director Accountancy, P Maddock, introduced the report on comparison between the original estimates for the period ended 10 June and the actual expenditure or income as applicable.

The meeting noted that:

- The salaries schedule showed an underspend of £144,000 or 2.5%. At the first quarter last year the underspend was 3.6%;
- Resources was showing the largest underspend of £92,000, this relates mainly to Revenues and Housing Benefits;
- Communities showed an underspend of £37,000 relating to Communities Policy as the Assistant Director – Private Sector Housing post became vacant during the period, and Housing Management;
- The investment interest was broadly on target with the budget. Interest rates were now only a little over 0.1% and money was primarily being held short term because of the significant capital commitments coming up;
- Development Control income at Month 3 was down on expectations;
- Fees and charges were £49,000 lower than the budget to date and pre-application charges were £7,000 higher than expected;
- Building Control income was £33,000 higher than the budgeted figure at the end of the first quarter. The ring-fenced account had assumed a deficit of £129,000 for this year due to the amount of scanning work required, however based on income levels to date this looked likely to be better than expected;
- Income from MOT's carried out by Fleet Operations was in line with expectations;
- Car Parking income appears broadly on target with expectations at month 3;
- Local Land Charge income was £3,000 above expectations;
- Expenditure and income relating to Bed and Breakfast placements was on the increase;

- Growth of £28,000 was allowed for in 2016/17 with a further £12,000 in 2017/18. The 2016/17 actual was nearer the 2017/18 original position than the revised 2016/17 and there were no signs of expenditure levels abating. Some new initiatives were being pursued in an effort to stem the increase and additional government funding in the form of Flexible Homeless Grant was being used to fund programmes such as the Zinc Arts Scheme in Ongar;
- The waste and leisure management contracts showed some underspend due to timing. The latter particularly, as payments didn't commence until July;
- The Housing Repairs Fund showed an underspend of £62,000. There were underspends showing on both Planned Maintenance and Responsive work;
- Income from Building Control and probably Car Parking look likely to exceed the budget; and
- The Shopping park was now open for business with only one or two units still to be let.

Councillor Patel wanted to know why the Chief Executive's budget had doubled. He was told that was because more staff had moved into his purview.

Councillor Patel also wondered why the disabled facilities grant was underspent. He was told that this went in peaks and troughs over the year; there was no specific reason for this.

Mr Maddock noted that this was the sixth year of operation for the Business Rates Retention Scheme whereby a proportion of rates collected were retained by the Council. There were proposals that all Business Rates be retained within the local government sector though this actually happening was unlikely before the year 2020/21.

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 were fixed and have to be made even if no money was collected.

Councillor Bassett asked if the appeals lodged against the business rates were near to, or had been completed. Mr Maddock said that none had, they were dragging on for a long time. There were a few hundred on that list now. Councillor Bedford wondered if we could speed up the appeals process but was told that we had no control over this; however, they were chased up. Councillor Mohindra noted that we did have a contingency fund of about £2million for this.

Councillor Patel said that he would like the business rate appeals to go on the work programme and have a report come back to the committee. He would like to know how many came back in our favour and how many we lost. Councillor Bedford asked if it was worth investing in putting a dedicated officer in place to speed up this process, under the invest to save scheme. This could be put up the relevant Portfolio Holder or Cabinet.

RESOLVED:

- 1) That the Committee noted the revenue and capital financial monitoring report for the first quarter of 2017/18; and
- 2) That a report on Business Rate appeals be brought to a future meeting.

22. FINANCIAL ISSUES PAPER

The Assistant Director Accountancy, P Maddock, introduced the report on the financial issues paper. The report had previously been to the Finance and Performance Management Cabinet Committee. It provided a framework for the Budget 2018/19 and updated Members on a number of financial issues that would affect this Authority in the short to medium term.

In broad terms the following represented the greatest areas of current financial uncertainty and risk to the Authority

- Central Government Funding
- Business Rates Retention
- Welfare Reform
- New Homes Bonus
- Development Opportunities
- Transformation
- Waste and Leisure Contracts
- Miscellaneous, including recession and pay awards

The report went on to outline in general terms the state of the Council's finances and the problems (potential or otherwise) facing it. The report touched on the recent elections and what Brexit might mean for us. It outlined the state of the General Fund, detailing the CSB, and the DDF. It updated members on the Medium Term Financial Strategy, the current position on Central Government funding, and the existing position on business rate retention scheme. The report also noted that the reduction in New Homes Bonus for 2017/18 was far greater than had been anticipated and outlined the upcoming development opportunities in the district.

It was noted that the Invest to Save fund was still looking for ideas as it still had some money left. If members had anything they would like to can put it forward for consideration.

Councillor Bassett asked where would the funds from the Shopping Park go to and was informed that it would go into the General Fund.

Councillor Bassett then asked when would we see the long term savings from the Transformation Programme coming through. He was told that the people strategy would be starting up now. Officers were now looking to 2018/19 for any savings to come through.

Councillor Whitehouse said that no money had come back from the Invest to Save projects; where was this money? Mr Maddock replied that the savings would eventually go back into the CSB.

Councillor Bedford asked if officers could find out what happened to the other authorities who accepted the DCLG settlement. Mr Maddock said that they would look into this.

RESOLVED:

That the Financial Issues Paper was noted by the Committee.

23. DRAFT TECHNOLOGY STRATEGY 2018 - 2023

The Assistant Director ICT, Dave Newton and the ICT Operations Manager, Stephen Bacon gave a joint presentation on the draft Technology Strategy for 2018-2023. The strategy was due to be presented to the Cabinet on 9th November.

They outlined the following overall Vision and Purpose:

Their vision was for a great place where people enjoy living, working, learning and leisure.

Their purpose was to work together to serve the community.

Within the Corporate Plan 2018-2023 were the following objectives, the latter of which was most relevant to ICT and as such was shown in detail:

- Stronger communities
- Stronger place –
- Stronger Council – A culture of innovation,
- Enhancing skills and flexibility of our workforce
- Improving performance through innovation and new technology
- Efficient use of our financial resources, buildings and assets
- Working with commercial partners to add value for our customers

They were preparing for April next year when Transformation starts and part of this was that they were losing their training room and would be using the Council Chamber instead. They were also preparing for a possible decamp from this building. The Condor building had spare capacity and could be used to house more staff. The Airfield and Hemnal Street on the other hand may prove problematic. Councillor S Kane added that they would need to make sure that the staff would have homeworking capabilities as some people would need this initially. Mr Bacon noted that the laptop security prevents this at present, but they were looking at different ways that could enable this. To support this they would be asking the Cabinet to purchase 550 new laptops for everyone. They were also looking at the internet set up and working closely with BT.

Councillor Dorrell asked if encouraging officers in buying their own devices had been considered. Mr Newton said that there had been a lot of resistance to this, and it posed a lot of technical difficulties, such as connectivity, having different laptops connecting to our network. It was more sensible to go with the same device for each person. All the laptops will be encrypted.

Councillor Mohindra asked if there would be provision for Councillors to connect to the EFDC site. Mr Bacon said they could already do this with mobile devices that have been set up by IT.

Mr Bacon continued that the council was now looking at accommodation for the new staff structure, they were presently looking at the capabilities of the ICT team.

He noted that more intensive use will be made of the new building at the Civic Office complex. Outside of office accommodation, ICT were proposing the following changes to their accommodation requirements:

- Low cost Multipurpose refit of Council Chamber to allow easier use for Training, including ICT Training.

- Release of current ICT Training Room to provide capacity for other uses.
- Migration to cloud based servers to release server room accommodation.

It was also observed that ICT security would be a challenge; there would be a full scale review of the security set up starting in January ready for April.

Councillor Patel asked how often was homeworking work backed up. He was told that the homeworkers would be connected to the council's network and so it would be automatically backed up. If a standalone device was used then we would ask them to back it up whenever they could. Councillor Patel wondered if this could be written into the officer's contract.

Councillor Bassett asked if they have someone to do penetration testing. He was told that they already carried out this type of testing. Councillor Bassett then asked if the council had various back up and disaster scenarios and was told that they were looking into this. Councillor Mohindra commented that everything we spent money on should be future proofed.

Councillor Kane asked if there would be any printing provision made for remote workers. He was told no, there wouldn't be.

Councillor Sunger had it confirmed to him that all the laptops would be maintained and insured.

ICT support would be improved, there would be return to base support, the helpdesk would be open from 8am to 6pm as people would be working outside the normal 9 to 5 hours, their working hours would be spread over the day.

Officers would be able to work from any EFDC office. This building and satellite offices would be made as resilient as possible which would include power back up. They would also be updating the wireless system as the old one was now seven years old.

The Council will be moving to office 365, which was more flexible than windows. Councillor Whitehouse asked that as this would come from a small supplier, what would happen if it went wrong. Mr Bacon said that they were looking to get the best value systems that they could and were also looking at alternative systems and their costs. They were looking to the long term strategy for 5 to 7 years to enable the payoff for this change.

Mr Bacon continued that they were also looking for a data platform based on integration, sharing and transparency. They were looking to link the council's systems together to enable staff to easily access and analyse the data that we held across our service areas.

Councillor Mohindra asked if we could commercialise the data that we held. He was told that it could be done but there were no plans as yet to do this.

It was noted that EFDC staff would be able to use Skype for business calls and meetings; have virtual meetings and use a type of business facebook. The flexible working hardware would be ready for next year. ICT was there to enable staff to deliver services to customers, to do this better.

Councillor Bedford agreed that the customer was the most important person; would there be video conferencing calls enabled for customers to speak to specialist staff. He was told that that they could put it in satellite offices.

Councillor Whitehouse asked about the new data protection act (GDPR) coming in. he was told that this was being looked at by the Council's Data Protection Board.

Councillor Hughes noted that the proposed customer access was great, but what about the people with no computer. Mr Bacon said that they would still have the old channels of communication available for them to use.

Councillor Bedford noted that laptops have about a five year lifespan. Could you look at phasing in the purchase of the new laptops say a percentage bought every two years. He was told that this new way of working had to be done all at once as it was all happening at the same time.

The meeting wanted to inform all members via the Council Bulletin that this strategy would be going to the next Cabinet meeting on 9th November.

RESOLVED:

- 1) That the draft Technology Strategy for 2018 to 2023 be noted; and
- 2) That members be reminded via the Council Bulletin that it would be going to the Cabinet meeting on 9th November 2017 for agreement.

24. CORPORATE PLAN KEY ACTION PLAN 2017/18 - QUARTER 1 PROGRESS

The Assistant Director Accountancy introduced the quarter 1 progress on the Corporate Plan, Key Action Plan for 2017/18. This report presented progress against the Key Action Plan for 2017/18 for actions most appropriately to be considered by the Resources Select Committee.

Progress against the Key Action Plan was reviewed on a quarterly basis to ensure the timely identification and implementation of appropriate further initiatives or corrective action where necessary.

There were 50 actions in total for which progress updates for Q1 were as follows:

• Achieved or On-Target:	46 (92%)
• Under Control:	0 (0%)
• Behind Schedule:	3 (4%)
• Pending:	<u>1 (4%)</u>
Total	50 (100%)

9 actions fell within the areas of responsibility of the Resources Select Committee. At the end of Q1:

- 8 (89%) of these actions had been 'Achieved' or were 'On-Target'
- 0 (0%) of these actions are 'Under Control'
- 0 (0%) of these actions are 'Pending'
- 1 (11%) of these actions are 'Behind Schedule'

RESOLVED:

- (1) That the Committee noted the first quarter (Q1) progress of the Corporate Plan Key Action Plan for 2017/18 in relation to its areas of responsibility; and
- (2) That the Committee identified no actions arising from the Corporate Plan.

25. KEY PERFORMANCE INDICATORS 2017/18 - QUARTER 1 PERFORMANCE

The Assistant Director Accountancy introduced the quarter 1 performance of the key performance indicators. The Committee noted that a range of thirty-two (32) Key Performance Indicators (KPIs) for 2017/18 was adopted by the Finance and Performance Management Cabinet Committee in March 2017. 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 was 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 were the focus of the key objectives.

The overall position for all 32 KPIs at the end of the Quarter 1, was as follows:

- (a) 27 (84%) indicators achieved first quarter target;
- (b) 5 (16%) indicators did not achieve first quarter target, although 1 (3%) of KPIs performed within the agreed tolerance for the indicator; and,

Resources Select Committee indicators – 6 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 Q1 for these six (6) indicators, was as follows:

- (a) 4 (66%) indicators achieved target;
- (b) 1 (17%) indicator did not achieve target, however this indicator performed within the agreed tolerance for the indicator
- (c) 1 (17%) indicator performed within its tolerated amber margin.
- (d) 4 (67%) of indicators are currently anticipated to achieve year-end target.

The two indicators that were not achieving their target was RES002 and RES005.

RES002 - *what % of the invoices we received were paid within 30 days* – we were over this target by just 1% and were in position to achieve the target by the end of the year. Officers were being asked to pass the invoices through the system more quickly.

RES005 – *on average, how many days did it take us to process new benefit claims* – this would meet its target by the end of the year.

RESOLVED:

That the Select Committee reviewed the Q1 performance in relation to the key performance indicators within its areas of responsibility.

26. FEES AND CHARGES 2018/19

The Assistant Director Accountancy, P Maddock, introduced the report on fees and charges that Council levies and what scope, if any, there was to increase particular changes.

The Medium Term Financial Strategy had identified the need to find savings of £700,000 over the four year period with £300,000 falling in 2018/19. The Revenue Support funding had already been set for 2018/19 at £193,000, thereafter it was to be phased out with the Council having to fund all its General Fund services from the Council Tax, Retained Business Rates and Fees and Charges. If these resources were not sufficient the General Fund balance would need to make up the difference.

Councillor Bedford noted that the report said that Consumer Prices Index was close to 3% - however the words 'close to' should now be removed so the sentence read: "Inflation has been on the increase recently and Consumer Prices Index (CPI) is now ~~close to~~ 3% and it is proposed to use this as a guide in setting increases."

Councillor Sunger asked that the words "rogue letting agents" be inserted in paragraph 12 so that it read:

"The Housing and Planning Act 2016 has introduced a range of measures to supplement existing powers available to councils designed to crack down on the criminal element in the private rented sector, the so called 'rogue landlords' *and rogue letting agents.*"

It was also noted that under paragraph 29 the date 'with effect from' should have read 13th January 2018 and not 1st April 2018.

Councillor Patel asked on what basis did we set our charges. Mr Maddock replied that officers assessed how much it cost to provide a service and set the charges appropriately to that. It should be noted that for some services we did not have discretion over as these were set by the government.

Councillor Whitehouse asked if it was sensible to increase the bulk waste charge as there was so much more flytipping now. Would this only encourage more flytipping? Mr Maddock said that he would speak to Biffa and ask if we could take flytipping into consideration.

Councillor Lea would also like the concession for pensioners to be reinstated.

The meeting agreed that they would not like to see the bulky household waste charges go up and would like to see the concession for pensioners reinstated.

RESOLVED:

That the Committee considered the proposals for the level of fees and charges for 2018/19 and made the following recommendations:

- That they would not like to see the bulky household waste charges increased; and
- That they would like to see concessions for pensioners reinstated.

27. 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.

28. FUTURE MEETING

The Committee noted their future meeting dates.