

Select Committee Agenda



Resources Select Committee Monday, 9th July, 2018

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 **Monday, 9th July, 2018**
at **7.30 pm** .

Derek Macnab
Acting Chief Executive

**Democratic Services
Officer**

Adrian Hendry, Democratic Services
email: democraticservices@eppingforestdc.gov.uk

Members:

Councillors A Patel (Chairman), P Stalker (Vice-Chairman), N Bedford, L Burrows, K Chana, D Dorrell, I Hadley, J Jennings, J Lea, A Mitchell, M Owen, C P Pond, B Vaz and J M Whitehouse

SUBSTITUTE NOMINATION DEADLINE:

6.30 pm

- 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 - 12)**

Minutes

To agree the notes of the meeting of the Select Committee held on 14 March 2018.

Matters Arising

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

4. DECLARATIONS OF INTEREST

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 13 - 18)

(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. PROVISIONAL CAPITAL OUTTURN 2017/18 (Pages 19 - 42)

To consider the attached report.

7. PROVISIONAL REVENUE OUTTURN 2017-18 (Pages 43 - 62)

To consider the attached report.

8. CORPORATE PLAN KEY ACTION PLAN 2017-18 QUARTER 4 OUTTURN (Pages 63 - 70)

To consider the attached report.

9. KEY PERFORMANCE INDICATORS 2017-18 - QUARTER 4 OUTTURN PERFORMANCE (Pages 71 - 78)

To consider the attached Report.

10. BUSINESS RATES AND FUNDING SERVICES (Pages 79 - 80)

To consider the attached report.

11. SICKNESS ABSENCES Q3 AND Q4 (Pages 81 - 88)

To consider the attached report.

12. TRANSFORMATION PROGRAMME - PROJECT DOSSIER - RESOURCES DIRECTORATE (Pages 89 - 96)

To consider the attached report.

13. TRANSFORMATION PROJECT - PROJECT INITIATION DOCUMENTS (Pages 97 - 152)

To consider the attached report.

14. TRANSFORMATION PROGRAMME - PROJECT CLOSURES (Pages 153 - 168)

To consider the attached report.

15. 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.

16. FUTURE MEETINGS

To note the future meetings of this Committee. They are:

16th October 2018;
04th December;
12th February 2019 and
02nd April

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**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF RESOURCES SELECT COMMITTEE
HELD ON WEDNESDAY, 14 MARCH 2018
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.30 - 9.34 PM**

Members Present: A Patel (Chairman), D Sunger (Vice-Chairman), D Dorrell, L Hughes, P Keska, J Lea, G Shiell, P Stalker and J M Whitehouse

Other members present: A Lion and G Mohindra

Apologies for Absence: R Bassett (Vice Chairman of the Council), N Bedford, J Jennings and A Mitchell

Officers Present P Maddock (Assistant Director (Accountancy)), D Bailey (Head of Transformation) and A Hendry (Senior Democratic Services Officer)

41. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

It was noted that Councillor L Hughes was substituting for Councillor R Bassett and that Councillor G Shiell was substituting for N Bedford.

42. NOTES OF PREVIOUS MEETING

Minutes

The notes of the meeting held on 19 December 2017 were agreed.

Matters Arising

1. Mr Maddock asked if there were any specific questions the Committee wanted to raise on Business rates appeals before a report was brought to a future meeting. None were forthcoming.

2. The Chairman thanked officers for the training session in January 2018 for members before the budget meeting of the Cabinet Finance Committee that proved very helpful and interesting.

43. DECLARATIONS OF INTEREST

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

44. TERMS OF REFERENCE AND WORK PROGRAMME

The Committee noted their terms of reference and work programme.

45. RESOURCES DIRECTORATE BUSINESS PLAN 2018-2019

Technology and Support Services Portfolio

Councillor Lion the Technology and Support Services Portfolio holder gave a short presentation of his portfolio's business plan for 2018/19.

The Committee noted that the central support functions of Facilities Management, ICT and the People Team supported the Council and underpinned the Corporate Plan and the drive to be fit for the 21st century. Their support was provided to all Council services and enabled both internal and external transformation and especially provided support for the front line services in the form of mobile working.

The accommodation strategy would still go ahead as the building still had to be changed and this would still happen in some guise. ICT had developed a strategic plan to enable home and remote working. They were also improving network flexibility and security and providing equipment to meet business needs such as laptops, tablets and smart phones.

Facilities Management were reviewing the buildings, car parks and building facilities and would also be reviewing and delivering the planned maintenance programme.

The Peoples Team had a number of key objectives, they were to establish a common operating model by 31 August 2018, complete a review of business support for implementation from 1 April 2019 and complete a review of pay and terms and conditions by 31 March 2019.

The council was also involved with the West Essex and Eastern Hertfordshire Digital Innovation Zone (DIZ). Epping Forest DC had agreed to coordinate a joint response as part of the DIZ programme. The aim of DIZ was to roll out superfast broadband to be one of the best connected places to live, work, study and do business. £7.5 million was made available by the government three years ago of which £84k was for EFDC investment.

Councillor Patel noted that IT underpinned the whole transformation programme. He went on ask for a staffing structure of the council so that members could see who did what. It would also be interesting to see it evolve and the changes made over the coming years. Councillor Lion said that he could get officers to produce a list and bring it to the next meeting.

Councillor Patel said that it had been helpful to have a presentation on this. Councillor Lion said that a presentation would also be going to the Overview and Scrutiny Committee.

Finance Portfolio

Councillor Mohindra the Finance Portfolio holder spoke to his business plan for 2018/19. He noted that the Resources Directorate was a mix of support and frontline services. The support came from accountancy that supported all council services. On the front line were benefits and revenues.

Accounts had to prepare the budget in a very tight timeline for mid-February adoption. He thanked members of the Committee for attending the joint budget meeting with the Cabinet Finance Committee.

He noted that we had one of the best accounts sections in Essex and that we had very good finances as a council.

The Benefits section was looking to improve processing times by 31 March 2019; they also provided assistance to claimants moving on to Universal Credit; they were presently rolling out the first stage of the scheme but he noted that the government

were now not charging ahead with the universal credit scheme and we were awaiting developments.

Further self service options for businesses and residents were being rolled out to improve customer experience and increase back office efficiency by 31 March 2019.

They were also looking to procure and implement a new Sundry Debts Scheme system by 31 December 2018.

His Portfolio continued to improve and he had no issues to report.

RESOLVED:

That the Resources Select Committee noted the Resource Directorates Business Plan for 2018-2019.

46. TRANSFORMATION PROGRAMME - PROJECT CLOSURES

The Head of Transformation, Mr D Bailey introduced the report on project closures from the Transformation Programme. It was noted that the Overview and Scrutiny Committee had requested that Project Closure reports from the Transformation Programme were submitted to the relevant Select Committee for their information.

There was one closure report to be considered that was the Corporate Online Booking System, this included an evaluation of the project and also included recommendations for improvement.

Councillor Lion noted that it was a detailed closure report but how could he to pick out the key elements? Mr Bailey said that they should look at the end dates, was it delivered on time and in budget. An explanation would be found in box 15 where areas for improvement and learning points were reported. The Overview and Scrutiny Committee would get all closure reports at their April meeting to see what could be learnt from them.

Councillor Jon Whitehouse noted that box 17 said that the project was delivered under budget but box 8 did not reconcile with this. Mr Bailey said that he would investigate.

Councillor Mohindra commented that this was good report containing good feedback. Mr Bailey said that a fundamental area to look at was learning from the projects.

Councillor Lion said that it needed a time and cost forecast and a note on how the figures were arrived at; they needed a more fundamental work out of the costs involved. Mr Bailey replied that any future projects would first go to the Transformation Board to be scrutinised before they started.

Councillor Lion asked if there were still parts of the council's business still to be looked at by the Transformation Board. He was told that they were largely there; they were only chasing up one or two areas.

Councillor Mohindra noted that some areas for accounting needed to be chased up. Mr Maddock responded that they would get valuations done on time this year. This had to be done every year as there was a lot of work involved which had to be done near the end of the year as possible.

Councillor Patel noted that box 8 also had two different end dates inserted. He was told that this was due to a delay in the system. Councillor Patel then asked how the benefits were quantified. Mr Bailey said that the benefits appeared in the corporate plan. These closure reports were not an outcome; there was still a need to measure how this improved the Council's services to its customers. This would be done at a 6 month review of the benefits achieved.

RESOLVED:

That the Committee noted and commented on the Transformation Programme – project closure report.

47. TRANSFORMATION PROGRAMME - PROJECT DOSSIER - RESOURCE DIRECTORATE

The Head of Transformation, Mr D Bailey introduced the report on the updated project dossier for the Transformation Programme for the Resources Directorate. He noted that the Overview and Scrutiny Committee had requested that the progress of projects and programmes within the Transformation Programme – known as the project dossier - be reported to regular meetings of the committee.

The Committee were asked to consider and review the list of active High and Medium complexity projects, known formally as the Project Dossier.

The Committee reviewed the projects for the Resources Directorate as listed in the report.

Project 171 – Corporate Business Support Team Review – had a due date of 30 March 2018, but only had 12% completed. It was noted that this was date was only for the discovery phase. It had now moved onto the initiation phase and had been extended to March 2019.

Project 043 – Mail, Correspondence and Document management – an update was asked for this. The Committee was told that it was due to close but the officer did not have the information at that time. He would find out and report back.

Councillor Patel noted that not all projects followed a liner timetable and asked if it would be possible to see the anticipated progress so that members could judge comparative progress, the Committee agreed that this would be a good idea. Mr Bailey said that he would investigate if this information could be provided.

Councillor Patel went on to say that the Committee could ask to look at any of the projects in depth and also if they provided value for money for the Council. The projects should establish what their benefits were from the start.

RESOLVED:

1. That the Committee reviewed and noted the updated project dossier for the Transformation Programme; and
2. That the Committee would like to see the anticipated progress for each project so that members could judge the comparative progress made.

48. CORPORATE PLAN KEY ACTION PLAN 2017/18 - QUARTER 3 PROGRESS

The Assistant Director Accountancy, Mr Maddock introduced the quarter 3 progress report on the Corporate Plan, Key Action Plan for 2017/18.

The Committee noted that 9 actions fell within the areas of responsibility of the Resources Select Committee. At the end of Q3:

- 7 (78%) of these actions had been 'Achieved' or were 'On-Target'
- 2 (22%) of these actions were 'Under Control'
- 0 (0%) of these actions were 'Pending'
- 0 (0%) of these actions were 'Behind Schedule'

Members went on to question the amber warning lights to Aim 1, Objective 1.b (12) *"to produce a plan to implement agreed recommendations from the Service Accommodation Review..."* And also Aim 1, Objective 1.c (6) *"to implement the recommendations of the reprographics service review..."* Officers informed members that these were on hold subject to consultations the council was having with Historic England about the future alterations of the building. These were difficult negotiations and any consent was likely to take up to a year. The project would take longer and cost more money, but it was possible to adapt the building to meet the council's needs and also keep Heritage England happy.

Councillor Dorrell commented that if officers knew that they were not going to hit a target date then they should class it as a red light and not an amber one.

RESOLVED:

That the Committee reviewed and commented on the third quarter (Q3) progress of the Corporate Plan Key Action Plan for 2017/18 in relation to its areas of responsibility.

49. KEY PERFORMANCE INDICATORS 2017/18 - QUARTER 3 PERFORMANCE

The Assistant Director Accountancy, Mr Maddock introduced the quarter 3 performance report on the Key Performance Indicators for 2017/18 within the Resources Select Committee's area of responsibility.

The Committee noted that six 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 Q3 for these six indicators was as follows:

- (a) 3 (50%) indicators achieved target;
- (b) 1 (17%) indicators did not achieve target,
- (c) 2 (33%) indicators performed within the agreed tolerance for the indicator;
- (d) 3 (50%) of indicators were currently anticipated to achieve year-end target and a further 2 (33%) were uncertain whether they would achieve year-end target.

RES001 – *how many working days did we lose due to sickness absence* – Councillor Patel noted that in the comments for this indicator it said that chances of meeting the target was vanishingly small. What did that mean? Mr Maddock said that he would get clarification on this.

RES002 – *what % of the invoice we received were paid within 30 days* – Councillor Patel noted that the council would hit the target for this quarter but noted that the indicator encouraged prompt payment of ‘undisputed invoices’. He asked why this was a KPI. Mr Maddock said that this was originally a mandatory KPI, it was now kept to monitor this from a management perspective, but would not stay as a formal KPI. He noted that local suppliers had a 20 day target and the council was not quite hitting that. One of the problems was the invoice system and officers were looking into that at present. Once solved it would speed up the process. The Committee will in future receive a six monthly report on this and not a quarterly KPI report.

ACTION: This would be put on the work programme for the new year.

RES003 – *what % of the district’s annual council tax was collected* – and

RES004 – *what % of the district’s annual business rates were collected* –

It was noted that both these indicators targets would be met but not until the new year.

RESOLVED:

That the Select Committee reviewed and noted the Q3 performance in relation to the key performance indicators within its areas of responsibility.

50. QUARTERLY FINANCIAL MONITORING REPORT - Q3

The Assistant Director Accountancy, Mr Maddock introduced the third quarterly financial monitoring report for 2017/18 covering the period from 1 April to 31 December 2017.

The Committee noted that:

- The salary underspend of £233,000 or 1.4% was slightly higher than last year;
- Development Control income at Month 9 was down on expectations;
- Building Control income was revised upwards from £450,000 to £530,000 and indicators suggested that this may now be exceeded as income was £28,000 higher;
- Public Hire licence income and other licensing were above expectations;
- Car parking income was on track with the revised estimates a Month 9;
- The shopping park was included as the first units were now due to pay rent. Income in 2017/18 will be around £200,000 lower than expected as some units were let later than expected;
- Local Land Charge income was £3,000 below expectations; and
- Expenditure and income relating to Bed and Breakfast placements has been on the increase.

With regard to revenue, Building Control income was going well though Development Control income was down currently. Other income streams were either slightly below or above expectations but not significantly and expenditure was below budget which was often the case at this stage in the year.

RESOLVED:

That the Committee noted the revenue and capital financial monitoring report for the third quarter of 2017/18.

51. CORPORATE PLAN 2018-2023 - PROGRESS REPORTING AND PERFORMANCE INDICATOR SET

The Head of Transformation, Mr D Bailey introduced the report on the Corporate Plan 2018 – 2023. The plan linked the key external drivers influencing the Council services with a set of corporate aims and objectives, grouped under three corporate ambitions of stronger communities; stronger places; and stronger council.

A Corporate Specification for each year (previously called the Key Action Plan) detailed how the Corporate Plan was being delivered through operational objectives, with these in turn linked to annual Service business plans.

The success of the new Corporate Plan will be assessed through the achievements of a set of benefits, focussed on what the Council achieved for customers. These benefits in turn were evidenced through a set of performance measures. The new format for reporting the Council's performance was also proposed.

Management Board, Leadership Team and Cabinet Members were involved in developing the draft Corporate Plan 2018-2023. The content of the Plan – including drivers, objectives and benefits – were the subject of consultation with customers, businesses, partners and staff.

The Corporate Plan 2018-2023 was adopted by Council in December 2017. It was agreed that the four Select Committees – Communities, Governance, Neighbourhoods and Resources – be consulted on the draft benefits maps. Final definitions for the new key benefits and performance indicator set will then be agreed by the Finance and Performance Management Cabinet Committee, in consultation with the Head of Transformation.

To minimise expenditure associated with its production, the new Corporate Plan will only be available as an electronic download via the Council's website or for customers to view as a hard copy at the Council's Civic Offices.

An annual Corporate Specification detailed how the Corporate Plan would be delivered through a set of operational objectives for that year. The Council had a number of Key Action Plans, so to avoid confusion the yearly action plan for the Corporate Plan would in future be referred to as the Corporate Specification. This name denoted that it specifies the operational objectives for a given year, which in turn are responded to through annual Service Business Plans.

The report presented various ways to show the performance measures and benefits including a benefits map on A3 paper, although feedback on this particular 'map' indicated that it was too busy and difficult to read. A simpler 'map' on A4 was also included which updated the way it used to be displayed and this was likely to be the way it would develop.

Mr Bailey would welcome feedback on the look of the new indicator sets. They will also go to the April Overview and Scrutiny Committee meeting and finally to the Finance and Performance Management Cabinet Committee meeting in June for agreement. The document will evolve as the year goes on and it was important to see how it impacted the council's customers.

Councillor Patel wondered how they quantified impact as in feedback from residents. Mr Bailey said that would come under customer satisfaction, measured in two ways. One was with an annual satisfaction survey and the other by how customers used the online services. Some measures were output measures and easily measured, others came from feedback from customers.

Councillor Jon Whitehouse wondered how accurate the figures were given as they tended to be within two decimal places, such as the indicator on commercial contracts.

Councillor Mohindra noted that the Council was looking to be self financing on business tenants; could the Committee look at the value added for contracts and for tenant value.

Councillor Patel noted that on the A3 benefits map under box 10 under corporate aims and objectives it said "Financial independence with low council tax". This phrase was very subjective? Mr Bailey replied that a full plan may have a fuller description for this.

Councillor Lion was suspicious of term "Under Control" as he did not know what it meant, was the indicator on target or not. Mr Bailey said that he would take that comment back, they really only needed the Red, Amber or Green indicators. Councillor Patel added that if it said 'under control' then it should have some explanatory comments with it. Councillor Dorrell said that if the indicator was Amber or Red then there should be some comments to explain the reasons behind the indicator.

Councillor Patel also noted that some of the definitions of the projects used were unclear and needed tidying up.

Councillor Patel noted that some of the indicators listed were old and some were new and asked if officers thought they were adequate. Mr Maddock replied that they tended to monitor most of these, something like Council Tax, which was not on the list, needed to be monitored anyway. Members could ask for any indicator to be added if they wanted to look at it.

RESOLVED:

That the Committee reviewed and commented on the proposed benefits and performance indicator set for 2018-2023 and on the Council's proposed format for reporting the performance of the indicator set and the progress of the Corporate Plan 2018-2023.

52. 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 meeting.

53. FUTURE MEETINGS

The Chairman noted that as the Committee had now gone through their work programme for the year, there was no need for the last meeting of the year due on 3 April to take place and therefore that was now cancelled.

RESOURCES SELECT COMMITTEES

TERMS OF REFERENCE 2018/19

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;
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, through 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.

Transformation Programme

12. Transformation Projects relevant to this Committee:
Details of relevant new transformation projects to be submitted to the relevant SC for scrutiny.
13. Transformation Projects closure and benefits reports:
That any Directorate appropriate project closure and benefits realisation reports to be submitted to this SC for information.

Chairman: Councillor ?

Resources Select Committee 2018/19 (Councillor A Patel)			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(1) Key Performance Indicators 2017/18 – Outturn Review	Outturn KPI Performance considered at the first meeting of each municipal year.	Outturn KPI performance report for 2017/18 to July 2018 meeting	09 July 2018; 16 October; 04 December; 12 February 2019 and 02 April
(2) To review the specific quarterly KPI 2018/19	Quarterly	Review of quarterly performance: Q1 in October 2018; Q2 in December 2018; Q3 in February 2019.	
(3) Corporate Plan Key Action Plan 2017/18 – Outturn review	First meeting of each municipal year	Outturn Key Action Plan 2017/18 performance to July 2018 meeting	
(4) Corporate Plan Key Action Plan 2018/19 – quarterly review	Quarterly	Review of quarterly performance: Q1 October 2018; Q2 December 2018; Q3 February 2019.	
(5) Detailed Portfolio Budgets	Portfolio budgets considered on an annual basis jointly with the Finance and Performance Management Cabinet Committee.	Annual Review of portfolio budgets to be considered at joint meeting with the F&PM Cabinet Committee in January of each year.	
(6) ICT Strategy –	Progress against ICT Strategy Considered on an annual basis.	October 2018	

(7) Fees and Charges 2019/20	Proposed fees and charges for 2019/20 – for October 2018 meeting.	Proposed fees and charges considered on an annual basis each October	
(8) Provisional Capital Outturn 2017/18	Provisional outturn for 2017/18 for July meeting.	Provisional Capital Outturn considered on an annual basis at first meeting in each municipal year	
(9) Provisional Revenue Outturn 2017/18	Provisional Outturn for 2017/18 for July 2018 meeting.	Provisional Revenue Outturn considered on an annual basis at first meeting in each year.	
(10) Sickness Absence Outturn	July 2018	To review the Sickness Outturn report for 2017 /18	
(11) Sickness Absence	Half-yearly progress report for 2018/19 to be considered at December meeting.	Detailed progress against achievement of sickness absence targets reviewed on a six-monthly basis	
(12) Medium Term Financial Strategy & Financial issues paper	October 2018	To receive the financial issues Paper and Medium term financial strategy including 4 year General Fund forecast.	
(13) Quarterly Financial Monitoring	Oct. 2018; Dec. 2018; & Apr. 2019	To receive quarterly financial monitoring Reports	
(14) Shared Services Working	If possible a verbal update to be given at December meeting.	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.	

(15) Business Rates	July 2018	To receive a report updating the Committee on Issues surrounding Business Rates.	
(16) General update on the General Fund CSB, DDF and ITS	December 2018	To receive an updating report on the CSB, DDF and ITS schemes.	
(17) Universal Credit	<i>April 2019</i>	Updating report on the Government's Universal Credit Scheme.	
(18) Resources Directorate Business Plan 2019/20	March 2019	Presentation by all relevant Portfolio Holders.	
(19) Transformation Projects relevant to this Committee	As Appropriate	Details of relevant new transformation projects to be submitted to the relevant SC for scrutiny.	
(20) Transformation Projects closure and benefits reports	As Appropriate	That any Directorate appropriate project closure and benefits realisation reports to be submitted to this SC for information.	
(21) Business Rates Retention Consultation Papers	TBC	Government consultation on Business Rate Retention expected in the Autumn	

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Report to the Resources Select Committee

Date of meeting: 9 July 2018



Portfolio: Finance

Subject: Provisional Capital Outturn 2017/18

Responsible Officer: Teresa Brown (01992 564604)

Democratic Services Officer: Adrian Hendry (01992 564246)

Recommendations/Decisions Required:

- (1) That the provisional outturn report for 2017/18 be noted;
- (2) That retrospective approval for the over and underspends in 2017/18 on certain capital schemes as identified in the report is noted;
- (3) That approval for the carry forward of unspent capital estimates into 2018/19 relating to schemes on which slippage has occurred is noted;
- (4) That approval of the funding proposals outlined in this report in respect of the capital programme in 2017/18 is noted;
- (5) That approval be given to enhance the 2018/19 HRA structural schemes budget by £653,000 via a combination of virements of £494,000 from other budgets in 2018/19 and £159,000 of savings generated in 2017/18;
- (6) That approval be given for other virements within the HRA capital programme totalling £372,000 to supplement the windows, doors and roofing budget and the disabled adaptations budget as detailed in the report;
- (7) That approval be given to bring forward a budget of £30,000 for an urgent planned maintenance project from 2020/21 to 2018/19.

Executive Summary:

This report sets out the Council's capital programme for 2017/18, in terms of expenditure and financing, and compares the provisional outturn figures with the revised estimates. The revised estimates, which were based on the Capital Programme, represent those adopted by the Council on the 22nd February 2018.

Appendix 1 summarises the Council's overall capital expenditure and funding for 2017/18. It shows the total amount of expenditure invested in Council-owned assets within the General fund, analysed over the directorates, and shows the sum invested in existing and new Housing Revenue Account (HRA) assets separately. Below this are the total sums advanced in the form of Capital Loans and the Revenue Expenditure Financed from Capital under Statute (REFCuS).

Information on individual projects or programmes is given on Appendix 2 for the General Fund Capital Programme and Appendix 3 for the HRA Capital Programme, Capital Loans and Revenue Expenditure Financed from Capital under Statute. Overspends and underspends are shown in the third column of each appendix and these are identified as budget overspends, savings, carry forwards, brought forwards or virements on a project-by-project basis in columns four to seven. In some instances, other changes are recommended; these are identified in column eight and explanations are given in the report. The carry forwards and brought forwards represent changes in the timing and phasing of schemes and the movement of estimates between financial years rather than amendments to total scheme estimates.

An analysis of the funds used to finance the Council's capital expenditure in 2017/18 is also given in Appendix 1, detailing the use of government grants, private funding, capital receipts and direct revenue funding. The generation and use of capital receipts, Major Repairs Fund resources and the HRA Self-financing Reserve in 2017/18 are detailed in Appendix 4.

Reasons for Proposed Decision:

The funding approvals requested are intended to make best use of the Council's capital resources that are available to finance the Capital Programme.

Other Options for Action:

The Council's current policy is to use all HRA capital receipts from the sale of assets, other than Right to Buy Council House sales, to fund the Council's house building programme. However, Members have the option to use these capital receipts for other HRA or General Fund schemes if they choose. This option has been rejected to date because, unless HRA receipts are applied to affordable housing schemes, 50% of each receipt would be subject to pooling i.e. the council would have to pay 50% of these receipts to central government.

The Council retains an element of the right to buy receipts classified as 'allowable' debt. It has been agreed that 30% of the 'assumed debt' part of this element should be set aside to help finance the HRA housebuilding programme. The percentage applied to the housebuilding programme is seen as reasonable but could be amended.

Report:

Capital Expenditure

1. The Council's total investment on capital schemes and capital funded schemes in 2017/18 was £37,930,000 compared to a revised estimate of £40,124,000, representing an underspend of 5%. Appendix 1 summaries the position by directorate for the General Fund, and shows the overall outturn position for the HRA. It also summaries the capital loans and REFCuS schemes.
2. With regard to the General Fund projects, there was an overall overspend of £525,000 or 4%, details of which are shown in Appendix 2. The main variations are discussed below.

Resources

3. The Resources Directorate showed overall underspend of £156,000 for the 2017/18 financial year; this represents a 23% variance on the revised budget. The largest underspend within the directorate was the planned maintenance programme. Previously all planned maintenance schemes have been grouped within one category; however the decision was made to split the planned maintenance into three sections to give a better indication of performance; active planned maintenance, on-hold planned maintenance projects and works on industrial units.
4. The active planned maintenance section includes schemes that fall outside the scope of the accommodation review, but also includes essential improvements to the civic offices. The fencing works to satisfy the health and safety audit at Town Mead depot has been completed and works to the Waltham Abbey Museum roof and chimney stacks and trend services at the civic offices have progressed well within the year. However, the works planned to replace the windows at the North Weald airfield gatehouse and the replacement of fire alarm smoke and heat detectors at the civic offices have only been tendered for in 2017/18 and therefore are showing a large underspend in the section. A saving of £18,000 has been identified from the energy efficiency budget as other schemes have incorporated energy efficiency features within their designs. It is recommended that this saving is carried forward and moved into the on-hold projects section and used to increase the budgets where costs have risen since they were first bid. A further saving of £7,000 has been identified from the 2018/19 budgets as the resurfacing of the Roundhill's shopping yard was included within another scheme. It is recommended that this is taken as an actual saving in 2017/18 and that the remaining underspends of £145,000 relating to this category are carried forward into 2018/19.
5. The on-hold planned maintenance projects budget relates to works on the civic offices that have been placed on hold pending the outcome of the Accommodation Review. The full budget was carried forward to 2018/19 as part of the Capital Review in December 2017. Expenditure throughout the year was limited to minor design works amounting to £2,000; it is recommended that this sum is brought forward from the 2018/19 allocation to cover these costs.
6. There are some amendments requested for 2018/19. The electro-hydraulic lift installation budget (£77,000) and an allocation from the energy efficiency budget (£18,000) that was planned for 2018/19 has now been put on hold whilst works to Homefield House (£9,000), which was previously on-hold, is now expected to proceed in 2018/19, these requested movements are shown under the virement headings. Furthermore, it is recommended that £30,000 is brought forward into the 2018/19 financial year from the budget held in 2020/21 to upgrade the Janus security system to

Satian in order to comply with the new General Data Protection Regulations (GDPR); the existing system has also been declared unsupported by the manufacturer.

7. The works on industrial units include planned works from facilities management on the Council's investment property portfolio. There is a shared responsibility between the HRA and the General Fund for works on roofs and balconies for investment properties that have housing units above them. A budget of £25,000 is earmarked each year specifically for recharges received from the housing team; however this budget does not seem to be a realistic estimate of the costs that are recharged to the General Fund. In 2017/18 the recharges exceeded the budget by £13,000, whilst in 2018/19 a recharge of £65,000 is forecast. Retrospective approval is sought for the £13,000 overspend in 2017/18. In 2017/18 the Council received a grant for dilapidation works to unit 12-14 The Broadway and £21,000 was used to bring this unit to a useable standard. The expenditure is shown within the overspend column of Appendix 2 with the grant being shown in the "other" column. Planned works have progressed on the overlay of the felt roof at The Broadway, it is recommended that the £5,000 underspend from this scheme is carried forward into the new financial year.
8. The Accommodation Review has reached the detailed feasibility stage and a budget of £120,000 was allocated within the Capital Programme for a stage 2 study to complete an Outline Business Case (OBC); the contract was awarded to PwC after a formal tender process at a cost of £109,000. An underspend of £11,000 is reported in Appendix 2. A report has been prepared for Cabinet on the 14th June 2018 bidding for an additional allocation of £61,000 to update the OBC. The work is expected to cost £72,000, it is therefore requested that the £11,000 is carried forward into the new financial year.
9. The Technology Strategy was agreed at Cabinet on the 9th November 2017 as part of the Council's transformation process to ensure that themes emerging in the new Corporate Plan 2018-2023 are also reflected in the ICT strategy. A bid of £635,150 was approved for the 2018/19 financial year and a new category was created to show the progress of the strategy and general ICT projects separately and to provide meaningful management information. Some of the schemes within the general ICT category were immediately absorbed within the strategy implementation category.
10. The general ICT schemes have progressed very well in 2017/18 with the majority of the projects being completed on time and within the allocated budgets. The Northgate Aspire Mobile Working scheme is the only project within this category to slip into the 2018/19 financial year; whilst the IGEL replacement proceeded faster than was expected which resulted in £7,000 being spent ahead of target. It is recommended that £18,000 is carried forward to the 2018/19 budget and £7,000 is brought forward from 2018/19 for the respective schemes. A saving of £17,000 has also been identified within this category, with the majority of this sum due to the procurement of a new planning system not going ahead. However, it is recommended that this saving is transferred to cover some overspends and unexpected costs within the Strategy Implementation category, as detailed below.
11. The schemes that were absorbed into the strategy implementation category have also progressed well with several schemes including the replacement of the reverse proxy, the upgrade to the OHMS system and procurement of the Good Blackberry licencing. A
12. A few schemes slipped into the new financial year with a sum of £34,000 recommended to be carried forward into 2018/19. There were overspends to the pilot laptop replacement scheme and telephone extension scheme whilst the information at work upgrade was procured earlier than expected and also over budget. It is recommended

that £29,000 is brought forward in addition to the savings made in the general ICT category to cover these movements.

13. The works to scope and build the Human Resources system, including the Employee/Manager Self-Service, health and safety, recruitment and learning elements were rolled out at the beginning of the financial year. The current underspend that is showing on Appendix 2 is due to a re-classification of costs; therefore the saving of £15,000 on the Capital Programme is offset by increased revenue expenditure.
14. In summary, it is requested that members note a saving of £7,000; an overspend of £13,000; carry forwards of £213,000; and brought forward sums £45,000 and £30,000 from the 2018/19 and 2020/21 respectively.

Neighbourhoods

15. The Neighbourhoods Directorate is reporting an overall overspend of £753,000 within the 2017/18 financial year which represents a 6% increase on what was budgeted. This is primarily due to the good progress with the construction of the new Hillhouse Leisure Centre and the redevelopment of the Council's other leisure centres. Overall, expenditure is £1,267,000 ahead of what was estimated within the Capital Programmes as at 31 March 2018. Therefore, it is recommended that this sum is brought forward from the 2018/19 allocation is to cover these costs. Despite the good progress of works, there have been some financial challenges across the majority of the centres, particularly with regard to changes to the original specifications for additional works. It is likely that an increased capital allocation will be required and a report is being prepared listing all the financial implications.
16. A supplementary provision of £100,000 was made within the Council's Capital Programme in 2017/18 to undertake the necessary alteration works to accommodate the Pyrles Lane nursery and landscape service at the Town Mead depot at Waltham Abbey. A further £45,000 was allocated from Facilities Management, as part of the Capital Review, to undertake the remaining health and safety adaptations following the audit of the depot. The full budget was phased over 2017/18 (£15,000) and 2018/19 (£130,000). The consultancy and drawings for the alteration works at the depot were further advanced at the end of the year than anticipated with a total of £38,000 spent in 2017/18. Therefore, it is recommended that £23,000 is brought forward from the 2018/19 budget to allow for this.
17. Glyn Hopkin Ltd (GHL) operates a motor car dealership located on the corner of Brooker Road/Cartersfield Road in Waltham Abbey. GHL expressed a desire to surrender their existing lease and obtain a new lease for the whole area of their premises which would permit full motor dealership use. With the acceptance of the new lease the rent of the premises has increased with 5-yearly upward-only rent reviews. A supplementary budget was agreed in the latest Capital Review to cover costs of £52,000 relating to legal fees and stamp duty fees and the actual costs were in line with this budget.
18. The budget for the Epping Forest Shopping Park is split between the costs of constructing the shopping park and the costs of undertaking the Section 278 highways

works, which is a REFCuS item shown in Appendix 3. At the end of the financial year, nine of the twelve units were trading with two of the vacant units continuing to be marketed and the remaining one in the hands of the solicitors. At the time writing, two extra units are now trading with one pending the signing of the lease. The outstanding

underspends from the construction costs amount to £459,000 at the end of the financial year. This includes estimated capital incentive payments to the three units unoccupied at the year end and also any additional costs from variations in the final account; it is therefore recommended that the full amount is carried forward into 2018/19, with the budgets to be re-assessed as part of the Capital Review.

19. The waste management equipment budget has been earmarked for waste and recycling bins provided to new properties around the district. Over the past three years, the capital spend on waste management equipment has been minimal; with 2017/18 showing no spend. It is recommended that this budget is taken as a saving and new bins are now financed through the revenue accounts.
20. The grounds maintenance plant and equipment budget is showing a £27,000 underspend which relates to the procurement of a truck but that was not delivered in 2017/18. This procurement is still expected to go ahead and therefore it is recommended that £29,000 is carried forward in 2018/19, having allowed for an additional £2,000, which was received from the sale of an old vehicle. It is usual practice to enhance this budget to allow for the sale proceeds of sold vehicles to be used towards financing new vehicles.
21. An additional bid of £13,000 was agreed in December 2017, as part of the Capital Review, due to unexpected failures to the main control unit and pumps at the old Bobbingworth Tip site. This budget was phased between 2017/18 and 2018/19. The works expected in 2017/18 have been completed and within the budget. There are no movements to be actioned.
22. There are now four car park schemes within this category. (1) The installation of new 4G pay and display machines in each of the Council's car parks was completed in the second quarter and showed a £2,000 underspend to the budget, it is requested that this saving is recycled within the car park schemes. (2) Although the Council has purchased the new pay and display machines for the car park in Oakwood Hill, there have been significant delays to this scheme due to land ownership disputes. Officers are now obtaining legal advice to resolve this matter and it is recommended that the underspend of £15,000 is carried forward and re-assessed once more definitive advice is received. The pay and display machines can be redeployed if this scheme becomes unviable. (3) After a change from the original specification of works, Members agreed to increase the budget for the installation of LED lighting around the Council's car parks. This increase was compensated from underspends and savings identified in other car parking schemes as part of the Capital Review in December 2017. A small underspend in year of £1,000 is requested to be carried forward into 2018/19 to continue the installations. (4) The consultancy team appointed to advise the Council on the demolition of garages and design of the Vere Road car park have identified potential additional costs to the scheme. During the survey and design phase, an additional nine parking bays outside the original specification, as well as a potential asbestos warnings with the demolition of the garages, have been highlighted and expected to increase the cost of the scheme. There is currently no reliable estimate of how much these additional works will cost, however a report will follow the procurement process if the costs exceed the current allocation. The demolition of the garages and other works will slip into the next financial year and therefore an underspend of £5,000 is also requested to be carried forward into 2018/19.
23. In summary, Members are requested to approve £28,000 of savings identified within the Neighbourhoods directorate, £511,000 of carry forwards and £1,290,000 of budgets brought forward from 2018/19 to cover accelerated progress of schemes.

Communities

24. The General Fund element to the Communities directorate includes CCTV installation schemes and recharges to the General Fund for the housing estate parking schemes. The directorate showed a £72,000 underspend within the 2017/18 financial year which represents a 45% variance on what was budgeted.
25. The CCTV installations are separated into three categories: systems relating to the CCTV strategy for installations around the district; CCTV installations specifically for Council owned car parks, both of which are shown within Appendix 2; and CCTV systems to HRA properties which are reported in Appendix 3.
26. During 2017/18, the majority of the general CCTV projects were completed on time and within budget as planned. These included the installation of systems at the old Bobbingworth Tip site, the civic offices and the Limes Farm Automatic Number Plate Reader (ANPR). The budget for CCTV is showing a £1,000 overspend due to two new rapid-deploy cameras being procured to replace the cameras which were stolen at the Hill House development site. The Council successfully recovered £3,000 from the insurance company and the balance of £2,000 is requested to be carried forward and recycled within the CCTV budgets.
27. The car park CCTV installation projects have also progressed well, notably in Derby Drive and Cornmill, which have both reached a satisfactory conclusion within budget. The installation of a CCTV system in Quaker Lane car park did not go ahead in 2017/18 as planned due to delays with preparatory work for LED lighting, however it is anticipated that these works will be complete by summer 2018 and therefore it is recommended that the unspent balance of £13,000, relating to these works, should be carried forward into 2018/19 to fund the project. A further £13,000 has been committed to two other car parks (High Beach, Smarts Lane) which are expected to be commissioned in 2018/19. Cabinet approved a supplementary estimate of £20,000 in December 2017 to complete the remaining car parks scheduled for works (The Drive & Queens Road). Therefore a total of £46,000 is requested to be carried forward into 2018/19.
28. The off-street parking schemes undertaken on Council-owned land is jointly funded between the HRA and General Fund. The Housing Assets team are currently assessing the viability of the housing estate parking schemes after the completion of Torrington Drive and Paley Gardens. It is recommended that the full underspend of £27,000 is carried forward into 2018/19 with the view to re-assess the budgets as part of the Capital Review process.
29. In summary Members are requested to approve the carry forward of £75,000 from the Communities directorate into the 2018/19 financial year to finance the completion of the schemes.

Housing Revenue Account (HRA)

30. Member's approved the change of policy from a modern home standard to decent home standard starting in the financial year 2017/18. Estimates from latest Capital Review show a transitional decrease in capital expenditure to the HRA Stock of £1.6million in 2017/18, £1.7 million in 2018/19, and £1.9 million in each of 2019/20, 2020/21, 2021/22 financial years. The revised approved HRA capital budget for 2017/18 totalled £23,114,000 split between housebuilding and other projects (£12,861,000) and housing assets (£10,253,000), but expenditure during the year totalled £20,455,000,

representing an underspend of £2,659,000 or 11.5%.

31. Appendix 3 shows how the actual costs compared to the revised budgets for each category within the HRA capital programme. It shows that the largest underspend of £1,902,000 relates to the Council's housebuilding programme; this was due to delays in several phases. In order to satisfy the planning conditions around ground contamination, trial excavations revealed contaminated ground at the Burton Road site (phase 2). The impact on the 2017/18 outturn was an underspend of £1,054,000 and a 23-week delay, putting the completion date back to 30th September 2018. It is requested this sum is carried forward into 2018/19 to coincide with the planned works.
32. Phase 3 is also showing an underspend of £496,000 with the Queens Road and Stewards Green sites showing the largest underspends. The development of 12 properties at Queens Road, Epping has been delayed pending an agreement with UK Power Network to divert power cables and reposition the electrical sub-station. Although commencement works have begun, there is no official start on site date agreed with the contractors; therefore the project is showing an underspend of £157,000 on the phased budget. Works at Stewards Green Road now are at an advanced stage, with works focusing on internal and external finishes. A six-week delay was reported at the last site meeting due to a dispute between the contractor and the architect which has led to a £126,000 underspend at the end of the financial year. Both of these sums are requested to be carried forward into the new financial year.
33. An allocation of £345,000 was included in the housebuilding programme to finance a pilot scheme to provide three modular units of temporary accommodation for six single vulnerable homeless people at Norway House, North Weald. Detailed designs of the works have been completed, however the planning permission for this site has delayed the works and a start on site date is expected within quarter two of 2018/19 with a further six to nine month construction period. Therefore, it is requested that the underspends showing on this project, amounting to £314,000 is carried forward into the 2018/19 financial year.
34. The final account figures for the conversion works at Marden Close and Faversham Hall were £15,000 lower than anticipated and agreed as part of the Capital Review in December; therefore the £15,000 is recommended to be taken as a saving within the project.
35. A number of schemes have been completed within the 2017/18 financial year. Although major setbacks were experienced with Phase 1 the Council has taken possession of all 23 properties in November 2017. The total anticipated outturn figure, including all construction costs, fees and site security costs is £6,404,000. There is a small underspend of £5,000 showing for this phase. Four properties at Bluemans End were handed over in March 2018 and is also showing a small underspend of £48,000 due to additional works required to provide permeable block paving; further soil contamination remediation, further asbestos removal and other remedial works. The one property at London Road was also completed in March 2018 and is showing a small underspend of £26,000 which relates to changes needed to ensure that the completed homes meet the required standard. All the above sums are requested to be carried forward.
36. Members are also requested to recommend further underspends of £172,000 which relate to all the outstanding schemes within Phase 3, 4, 5 & 6.
37. The Housing Revenue Account outturn table in Appendix 3 includes an additional column to show recommended virements of budgets to different categories within the housing assets budget. This will allow the budget holders to have the most accurate and

up-to-date information for their full year budget. Within the housing assets budgets a total of £196,000 has been identified as savings, however it is recommended that an amount of £159,000 is used to increase certain categories for the reasons detailed in the following paragraphs. This leaves a net saving of £37,000 if members approve the movements.

38. There are large underspends to the heating and rewiring; other planned maintenance; and kitchens and bathrooms categories primarily due to the effect of the policy change from modern to decent home standards. In addition to this the double glazing scheme faced major delays in the progression of works and the contract was not renewed. A combined saving of £340,000 has been identified across these categories.
39. It is recommended that the savings identified are used to increase funding for other categories that are facing higher than anticipated expenditure. These include the structural schemes category that is facing huge costs relating to the HRA stock being relatively old, with works to cracks in plaster and walls becoming a big issue. An increase of £653,000 is requested to create a budget that is in line with the 2017/18 actuals; although it is notoriously difficult to estimate the exact amount needed for structural schemes. The other virements identified to increase individual scheme budgets include: the door entry scheme budget, which is expected to drastically increase in 2018/19 after legislation was passed allowing the Council easier access to leaseholder properties to install more substantial fire doors as part of essential new safety measures in blocks of flats; and the disabled adaptation scheme budget, which is based on referrals from ECC Social Care occupational therapists.
40. With regard to the budget for new housing maintenance vehicles, it is usual practice to enhance this budget to allow for the sale proceeds of sold vehicles to be used towards financing new vehicles. After a housing repairs vehicle was stolen in 2017/18, the Council recovered £5,000 from the insurance company. It is recommended to use this sum to allow the housing repairs team to purchase a replacement vehicle. The parking review aspect to the Oakwood Hill depot extension proceeded quicker than predicted and therefore shows a £15,000 overspend on the phased budget; it is recommended that an allocation of the 2018/19 budget is brought forward to cover this overspend.
41. All other areas of expenditure experienced underspends to a greater or lesser extent and details of each category can be seen within Appendix 3. It is requested that Members recommend the virements and savings identified in Appendix 3 and carry forward £2,468,000 to carry out all outstanding planned works in 2018/19, with a view to identifying further savings as part of the Capital Review as appropriate.
42. Capital expenditure work on leaseholder properties is shown as a single credit figure within the HRA capital programme, actual costs are identified to the type of work they relate to once the works are complete. In order to negate the effect of these costs within each category, the appropriate adjustments are given in the "other" column.

Capital Loans

43. The only loans advanced in 2017/18 were those made to individuals to improve private housing stock. Actual loans were lower than expected however, the Council is committed to a waiting list of approved cases and therefore it is requested that this budget is carried forward and reviewed during the Capital Review to identify any possible savings.

Revenue Expenditure Financed from Capital under Statute (REFCuS)

44. The capital programme for revenue expenditure to be financed from capital resources is detailed on Appendix 3. The Section 278 road improvement works for the Epping Forest Shopping Park have been problematic with substantial delays attributable to changing requirements from Essex County Council (ECC) and numerous utility clashes on drainage routes. These variations have resulted in substantial additional costs and an extended contract period. The final contract sum has been agreed at £4,250,000 with £165,000 being recovered from ECC. The road improvement works were completed in December 2017, however we are currently holding the retention subject to a number of items outstanding and additional works required under the recent Stage 3 Road Safety Audit. There is a £14,000 overspend showing at the end of the financial year, for which retrospective approval is recommended.
45. Section 106 funding of £23,000 was passed to Epping Town Council relating to the St John's school site to commence the renovation of the Jack Silley pavilion. This had no impact on the Council's capital funds.

Expenditure Summary

46. Members are requested to recommend to Cabinet the approval of the budget overspends, savings, carry forwards and brought forwards referred to above on the schemes identified in Appendices 2 and 3. Overspends totaled £13,000 on the General Fund, £144,000 on the HRA, and £37,000 on REFCuS schemes. There were savings of £35,000 on the General Fund and £355,000 on the HRA. In terms of slippage, carry forwards are recommended for totals of £799,000, £2,468,000, £67,000 and £30,000 for the General Fund, HRA, loans and REFCuS respectively; and brought forwards are recommended for totals of £1,355,000 and £15,000 for the General Fund and HRA respectively. Other variations total £11,000 on the General Fund and £5,000 on the HRA which represent additional expenditure funded from external and direct revenue sources.

Funding

47. The funds available to finance the capital programme include Government grants, other public sector grants, private contributions to capital schemes, capital receipts and direct revenue funding from the General Fund and HRA. Initially any specific grants and private contributions made for particular projects are used to finance the appropriate projects, taking into account any restrictions with regard to usage and time scales. Other sources of capital finance, which carry restrictions, are also applied at the earliest opportunity in order to avoid losing potential funds. This includes the element of capital receipts generated from the sale of council houses, which is available solely for replacement affordable housing (often referred to as 1-4-1 receipts) and must be used within three years of receipt. As a consequence, the maximum sum allowable has been applied to the 2017/18 HRA house building programme.
48. Another element of capital receipts available for capital funding is known as 'attributable' or 'allowable' debt. The Council is free to use all, none or indeed a portion of this money to fund HRA expenditure. Cabinet made a decision to use part of this sum for the new housebuilding programme, based on 30% of the 'assumed' debt of Council dwellings, calculated when the new self-financing regime was introduced in April 2012. The sum calculated for 2017/18 is £104,000.
49. Appendix 1 identifies the sources of funding used to finance the 2017/18 capital programme and it compares the actual sums used with the amounts estimated in the

revised capital programme. In total, grants of £788,000 were used last year compared to an estimated sum of £666,000, representing an increase of £122,000. This resulted primarily from the increase in private funding made available by more section 106 monies having been received for funding the new housebuilding programme. Other private contributions utilised included: a section 106 sum of £23,000 relating to the St John's school site used by Epping Town Council to renovate the Jack Silley pavilion; a contribution of £30,000 was used to improve a retail unit in Loughton Broadway; and a contribution of £14,000 was applied to the Shopping Park.

50. The generation of capital receipts was £2,533,000 higher in 2017/18 than had been anticipated, as shown in Appendix 4. This was mostly due to more council houses being sold than expected. A total of 42 properties were sold in 2017/18 compared to 46 in 2016/17. Consequently the total 1-4-1 capital receipts retained for replacement homes was £1,908,000 higher than anticipated. In addition to this, the Council received further capitals receipts after the budgets were prepared, the largest of which was the repayment of a loan to Brentwood Borough Council. As a result of the higher level of capital receipts, more funds were available to finance the capital programme than anticipated and the unused HRA capital receipts were used to partially fund the new shopping park by way of an internal loan. This meant that the year-end balance on the Capital Receipts Reserve was maintained at zero as at 31 March 2018.
51. External borrowing has been avoided in 2017/18, partly by means of the internal borrowing of HRA capital receipts by the General Fund referred to above, and partly by utilising other General Fund reserves of £13,239,000. The latter is shown as unfunded capital expenditure in Appendix 1. However, the Council will need to borrow externally in 2018/19 to be able to fund its General Fund capital programme.
52. With regard to the use of direct revenue funding, the HRA contribution of £6,171,000 was higher than the revised budget by £991,000. The use of funds from the Major
53. Repairs Reserve was £922,000 lower as a result. However, there was a reduction in the Major Repairs Allowance transfer, which resulted an overall reduction in the in the Major Repairs balance to £11,693,000 as at 31 March 2018. On the other hand, no funds had to be withdrawn from the HRA Self-financing Reserve, so maintaining the balance at £12,720,000.

Resource Implications:

The 2017/18 Provisional Capital Outturn totalled £14,163,000 for General Fund assets, which represents an overall overspend of £525,000 on the revised budget. This comprises of overspends of £13,000; savings of £50,000; slippage of £799,000; brought forwards of £1,335,000; and other overspends of £26,000 funded from revenue and external sources.

The 2017/18 HRA Provisional Capital Outturn was £20,455,000, which represents an overall underspend of £2,659,000 on the revised budget. This includes overspends of £144,000; savings of £355,000; slippage of £2,468,000; brought forwards of £15,000; and other overspends of £5,000 funded from the sale of a vehicle.

Provisional Outturn figures on Capital Loans totalled £83,000, which represents an underspend of £67,000, all of which is slippage.

Revenue Expenditure Charged to Capital under Statute (REFCuS) totalled £3,229,000. This represents an overall budget overspend of £7,000 including overspends of £37,000; and slippage of £30,000.

Legal and Governance Implications:

The Council's capital accounts have been prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA)'s Code of Practice on Local Authority Accounting in the United Kingdom 2011.

Safer, Cleaner and Greener Implications:

The Council's Capital Strategy works to incorporate safer, greener and cleaner design concepts within all capital schemes. The capital programme also supports sustainable initiatives such as the new food and recycling system which was supported by the provision of new vehicles and equipment.

Consultation Undertaken:

Progress on the capital programme is monitored regularly by the Resources Select Committee and the Finance and Performance Management Cabinet Committee. Service Directors and spending control officers are also consulted throughout the year. In addition, consultation is undertaken with the Tenants and Leaseholders Federation and the Director of Communities on the HRA programme.

Background Papers:

The capital programme approved at Cabinet in February 2018 and working papers filed for External Audit purposes.

Equality Impact Assessment

1. Under s.149 of the Equality Act 2010, when making decisions, Epping District Council must have regard to the Public Sector Equality Duty, ie have due regard to:
 - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
 - advancing equality of opportunity between people who share a protected characteristic and those who do not,
 - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
 - age
 - disability
 - gender
 - gender reassignment
 - marriage/civil partnership
 - pregnancy/maternity
 - race
 - religion/belief
 - sexual orientation.
3. In addition to the above protected characteristics you should consider the cross-cutting elements of the proposed policy, namely the social, economic and environmental impact (including rurality) as part of this assessment. These cross-cutting elements are not a characteristic protected by law but are regarded as good practice to include.
4. The Equality Impact Assessment (EqIA) document should be used as a tool to test and analyse the nature and impact of either what we do or are planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. Use the questions in this document to record your findings. This should include the nature and extent of the impact on those likely to be affected by the proposed policy or change.
6. Where this EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. All **Cabinet, Council, and Portfolio Holder reports must be accompanied by an EqIA**. An EqIA should also be completed/reviewed at key stages of projects.
8. To assist you in completing this report, please ensure you read the guidance notes in the Equality Analysis Toolkit and refer to the following Factsheets:
 - Factsheet 1: Equality Profile of the Epping Forest District
 - Factsheet 2: Sources of information about equality protected characteristics
 - Factsheet 3: Glossary of equality related terms
 - Factsheet 4: Common misunderstandings about the Equality Duty
 - Factsheet 5: Frequently asked questions
 - Factsheet 6: Reporting equality analysis to a committee or other decision making body

Section 1: Identifying details

Your function, service area and team: **Finance**

If you are submitting this EqlA on behalf of another function, service area or team, specify the originating function, service area or team: **N/A**

Title of policy or decision: Provisional Capital Outturn 2017/18

Officer completing the EqlA: **Tel: 01992 564604 Email:tbrown@eppingforestdc.gov.uk**

Date of completing the assessment: **7th June 2018**

Section 2: Policy to be analysed

2.1 Is this a new policy (or decision) or a change to an existing policy, practice or project? **No**

2.2 Describe the main aims, objectives and purpose of the policy (or decision):

This report represents a financial summary of the projects within the Capital Outturn for 2017/18

What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?

It aims to provide financial information on the Council's capital investments for noting and to make recommendations to Council to approve amendments as necessary.

2.3 Does or will the policy or decision affect:

- service users
- employees
- the wider community or groups of people, particularly where there are areas of known inequalities?

No

Will the policy or decision influence how organisations operate?

No

2.4 Will the policy or decision involve substantial changes in resources?

The financial impacts are given in detail within the report.

2.5 Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?

The report summarises decisions previously approved

Section 3: Evidence/data about the user population and consultation¹

As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, eg service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).

3.1	What does the information tell you about those groups identified? N/A – this report focuses on financial provision. Any equalities impact assessment for individual projects or programmes is detailed on the respective reports.
3.2	Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision? N/A – see above.
3.3	If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary: N/A – see above.

Section 4: Impact of policy or decision

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	Neutral. Any impacts on different age groups have been taken into account when the individual schemes were originally approved. As this report does not represent a formative stage in the approval of capital projects, it does not have any impact.	Low
Disability	Neutral for the reasons given above.	Low
Gender	Neutral for the reasons given above.	Low
Gender reassignment	Neutral for the reasons given above.	Low
Marriage/civil partnership	Neutral for the reasons given above.	Low
Pregnancy/maternity	Neutral for the reasons given above.	Low
Race	Neutral for the reasons given above.	Low
Religion/belief	Neutral for the reasons given above.	Low
Sexual orientation	Neutral for the reasons given above.	Low

Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqlA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No X	
		Yes	If ' YES ', use the action plan at Section 6 to describe the adverse impacts and what mitigating actions you could put in place.

Section 6: Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.

Section 7: Sign off

**I confirm that this initial analysis has been completed appropriately.
(A typed signature is sufficient.)**

Signature of Head of Service: Peter Maddock

Date: 8th June 2018

Signature of person completing the EqlA: Teresa Brown

Date: 8th June 2018

Advice

Keep your director informed of all equality & diversity issues. We recommend that you forward a copy of every EqlA you undertake to the director responsible for the service area. Retain a copy of this EqlA for your records. If this EqlA relates to a continuing project, ensure this document is kept under review and updated, eg after a consultation has been undertaken.

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**CAPITAL PROGRAMME
2017/18 (PROVISIONAL)**

Appendix 1

	2017/18		
	Revised	Actual	(Under) / Overspends
	£000	£000	£000
EXPENDITURE			
Communities Capital	159	87	-72
Neighbourhoods Capital	12,805	13,558	753
Resources Capital	674	518	-156
General Fund Capital	13,638	14,163	525
 Total HRA	23,114	20,455	-2,659
 Total Capital Programme	36,752	34,618	-2,134
 Total Capital Loans	150	83	-67
Total Revenue Expenditure Financed from Capital Under Statute	3,222	3,229	7
 TOTAL CAPITAL FUNDED PROGRAMME	40,124	37,930	-2,194
 FUNDING			
Central Government Grant	75	74	-1
Private Funding	591	714	123
Total Grants	666	788	122
 General Fund	16,385	13,239	-3,146
Total Borrowing/Unfunded Expenditure	16,385	13,239	-3,146
 General Fund	554	4,108	3,554
HRA	4,787	4,242	-545
Total Capital Receipts	5,341	8,350	3,009
 Direct GF Revenue Funding	62	47	-15
Direct HRA Revenue Funding	5,180	6,171	991
HRA Major Repairs Reserve	10,257	9,335	-922
HRA Self-Financing Reserve	2,233	0	-2,233
Total Revenue Contributions	17,732	15,553	-2,179
 TOTAL FUNDING	40,124	37,930	-2,194

**GENERAL FUND CAPITAL PROGRAMME
2017/18 (PRVISIONAL)**

Appendix 2

Communities

	2017/18			2017/18				2018/19
	Revised	Actual	(Under) / Overspends	(Savings) / Overspends	Carry Forwards	Brought Forward	Other	Virements
	£000	£000	£000	£000	£000	£000	£000	£000
CCTV Systems	45	46	1		-2		3	
Carpark CCTV Systems	74	28	-46		-46			
Housing Estate Parking	40	13	-27		-27			
Total	159	87	-72	0	-75	0	3	

Neighbourhoods

	2017/18			2017/18				2018/19
	Revised	Actual	(Under) / Overspends	(Savings) / Overspends	Carry Forwards	Brought Forward	Other	Virements
	£000	£000	£000	£000	£000	£000	£000	£000
Town Mead Depot	15	38	23			23		
Leisure Centres	5,519	6,786	1,267			1,267		
Glyn Hopkin Expansion	1,042	1,042	0					
EFDC Shopping Park	6,079	5,620	-459		-459			
Waste Management Equipment	28	0	-28	-28				
Grounds Maintenance Vehicles	46	19	-27		-29		2	
Flood Allieviation Scheme	5	5	0					
Car Park Schemes	71	48	-23		-23			
Total	12,805	13,558	753	-28	-511	1,290	2	

Resources

	2017/18			2017/18				2018/19
	Revised	Actual	(Under) / Overspends	(Savings) / Overspends	Carry Forwards	Brought Forward	Other	Virements
	£000	£000	£000	£000	£000	£000	£000	£000
Transformation Projects	120	109	-11		-11			
Active Planned Maint. Projects	190	45	-145	-7	-145	7		-86
On-hold Planned Maint. Projects	0	2	2			2		86
Works on Industrial Units	30	59	29	13	-5		21	
ICT General Schemes	157	146	-11		-18	7		-17
ICT Strategy Implementation	157	152	-5		-34	29		17
HR / Payroll System	20	5	-15	-15				
Total	674	518	-156	-9	-213	45	21	0

Total General Fund Programme	13,638	14,163	525	-37	-799	1,335	26	0
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HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME 2017/18 ACTUAL (PROVISIONAL)

Housing Revenue Account	2017/18			2017/18				2018/19
	Revised	Actual	(Under) / Overspends	(Savings) / Overspends	Carry Forwards	Brought Forward	Other	Virements
	£000	£000	£000	£000	£000	£000	£000	£000
Housing Developments	12,782	10,880	-1,902		-1,902			
Housing Conversions	74	59	-15	-15				
Heating and Rewiring	2,887	2,535	-352		-274		-78	-95
Windows, Doors and Roofing	2,194	1,923	-271		-63		-208	335
Other Planned Maintenance	186	58	-128	-128				-111
Kitchen & Bathrooms	2,380	2,168	-212	-212				-549
Garages & Environment Works	336	210	-126		-126			-65
Structural Schemes	1,573	1,523	-50		-47		-3	653
Disabled Adaptations	450	594	144	144				37
Other Repairs & Maintenance	235	232	-3		-3			
Service Enhancements	154	98	-56		-45		-11	-46
Replacement Housing Vehicles	158	155	-3		-8		5	
Oakwood Hill Depot Extension	5	20	15			15		
Work on HRA Leasehold Flats	-300	0	300				300	
Total HRA Programme	23,114	20,455	-2,659	-211	-2,468	15	5	159

CAPITAL LOANS 2017/18 ACTUAL (PROVISIONAL)

Capital Loans	2017/18			2017/18				2018/19
	Revised	Actual	(Under) / Overspends	(Savings) / Overspends	Carry Forwards	Brought Forward	Other	Virements
	£000	£000	£000	£000	£000	£000	£000	£000
Private Sector Housing Loans	150	83	67		-67			
Total Capital Loans	150	83	67	0	-67	0	0	0

REVENUE EXPENDITURE FINANCED FROM CAPITAL UNDER STATUTE 2017/18 ACTUAL (PROVISIONAL)

REFCuS	2017/18			2017/18				2018/19
	Revised	Actual	(Under) / Overspends	(Savings) / Overspends	Carry Forwards	Brought Forward	Other	Virements
	£000	£000	£000	£000	£000	£000	£000	£000
Sec. 278 Works, Shopping Park	3,192	3,206	14	14				
Parking & Traffic Schemes	30	0	-30		-30			
Jack Silley Pavilion	0	23	23	23				
Total REFCuS	3,222	3,229	7	37	-30	0	0	0

CAPITAL RECEIPTS 2017/18 ACTUAL (PROVISIONAL)

	2017/18		
	Revised	Actual	(Under) / Overspends
	£000	£000	£000
Receipts Generation			
Housing Revenue Account	5,571	7,680	2,109
General Fund	823	1,247	424
Total Receipts	6,394	8,927	2,533

Receipts Analysis

Usable Receipts	1,683	2,745	1,062
Available for Replacement Homes	3,697	5,605	1,908
Payment to Govt Pool	1,014	577	-437
Total Receipts	6,394	8,927	2,533

Usable Capital Receipts Balance

Opening Balance	0	0	0
Usable Receipt Arising	5,341	8,350	3,009
Use of Other Capital Receipts	-5,341	-8,350	-3,009
Closing Balance	0	0	0

MAJOR REPAIRS RESERVE 2017/18 ACTUAL (PROVISIONAL)

	2017/18		
	Revised	Actual	(Under) / Overspends
	£000	£000	£000
Opening Balance	12,704	12,704	0
Major Repairs Allowance	9,746	8,324	-1,422
Use of Major Repairs Reserve	-10,257	-9,335	922
Closing Balance	12,193	11,693	-500

HRA SELF FINANCING RESERVE 2017/18 ACTUAL (PROVISIONAL)

	2017/18		
	Revised	Actual	(Under) / Overspends
	£000	£000	£000
Opening Balance	12,720	12,720	0
Contributions from HRA	0	0	0
Use of Self Financing Reserve	-2,233	0	2,233
Closing Balance	10,487	12,720	2,233

Report to the Resources Select Committee

Date of meeting: 9 July 2018

Portfolio: Finance

Subject: Provisional Revenue Outturn 2017/18

Responsible Officer: Peter Maddock (01992 564602)

Democratic Services Officer: Adrian Hendry (01992 564246)



Recommendations/Decisions Required:

- (1) That the provisional 2017/18 revenue out-turn for the General Fund and Housing Revenue Account (HRA) be noted;**
- (2) That as detailed in Appendix E, the carry forward of £1,470,000 District Development Fund (DDF) and £23,000 Invest to Save Reserve (ITS) expenditure be noted.**

Executive Summary

This report provides an overall summary of the revenue outturn for the financial year 2017/18. The General Fund saw £487,000 being added to the opening balance compared to using £473,000 which was predicted in the revised estimate. Total net expenditure on the General Fund was £12,766,000, some £343,000 lower than the original estimate and £830,000 lower than the revised estimate, after allowing for a £1,000,000 transfer to the DDF. Expenditure from the DDF and ITS was £2,409,000 less than estimated.

The position on the Housing Revenue Account was £12,000 worse than anticipated.

Reasons for proposed decision:

To note the provisional revenue outturn.

Other options for action:

No other options proposed.

General Fund

1. The table below summarises the revenue outturn for the General Fund and the consequential movement in balances for 2017/18.

General Fund	Original Estimate £000 A	Revised Estimate £000 B	Actual Expend £000 C	Variance from Original £000 C-A	Variance from Revised £000 C-B
Net Expenditure after Adjustments (CSB)	13,109	13,596	12,766	(343)	(830)
Government Grants and Local Taxation	13,009	13,123	13,253	(244)	(130)
(Contribution to)/from Balances	100	473	(487)	(587)	(960)
Opening Balances – 1/4/17	(6,207)	(6,207)	(6,207)	-	-
(Contribution to)/from Balances	100	473	(487)	(587)	(960)
Closing Balances – 31/3/18	(6,107)	(5,734)	(6,694)	(587)	(960)

Net expenditure for 2017/18 totalled £12,766,000, which was £343,000 (2.7%) below the original estimate agreed in February 2017 and £830,000 (6.2%) below the revised estimate compiled in December 2017. The variance on the revised position is almost entirely due to a change in accounting treatment relating to the rent free periods on the shopping park.

2. The funding position is less easy to establish since the part retention of business rates. Whilst like Council Tax the precept is set in advance, there are a number of grants provided to authorities under section 31 of the 2003 Local Government Act to offset costs as a result of the various business rate reliefs given. There is no way of knowing in advance how much this might amount to in any given year. Actual funding was up by £130,000 when compared to the revised position. Having said that this is not the full story as movements between the Collection Fund (where Council Tax and Business Rates are accounted for) and the General Fund are governed by specific regulations. For example the amount counted as income to the General Fund for 2017/18 is based on an estimate made a year and a half ago and a lot has changed since then.
3. The Collection Fund is an account that holds income relating to this Authority as well as the major preceptors. These are Essex County Council, the Police and Fire Authorities. These authorities notify this Council of their funding requirement from the collection fund and as a result a precept is paid to this Councils General Fund and the major preceptors. To ensure a degree of certainty these figures are fixed in advance of the start of the financial year. Any reductions in income, for example successful appeals on Business Rates assessments, do not affect the General Fund in the year that they occur, rather they affect future years when the Collection Fund deficit that is created has to be made up by both the General Fund and Major Preceptors.
4. There was an in year surplus on the business rates collection fund of £1,115,000 which has moved the fund into an overall surplus of £1,028,000. There is still a significant amount set aside for Business Rate appeals and a re-assessment of the level of the provision required was carried out during the final accounts process. To calculate this has required an

assessment of the likelihood or otherwise of outstanding appeals being successful. Needless to say there is a significant degree of uncertainty surrounding this process and the value put on the provision for appeals is an estimate based on the most up to date information available at this time.

5. The medium term financial strategy had estimated that the Council's portion of the deficit on the business rates collection fund would be £542,000 and on the council tax collection fund there would be a surplus of £192,000. In the event the business rates collection fund showed a surplus at the end of March 2018 of £411,000 and the Council Tax collection fund showed a surplus of £119,000 which will be paid into the General Fund in future years. The combined net position is £880,000 better than was anticipated. An analysis of the changes between Continuing Services Budget (on-going expenditure and Income (CSB)) and District Development Fund (One-off Expenditure and income (DDF)) expenditure illustrates where the main variances in revenue expenditure have occurred.

General Fund	Original Estimate £000 A	Revised Estimate £000 B	Actual Expend £000 C	Variance from Original £000 C-A	Variance from Revised £000 C-B
Opening CSB	13,567	13,277	13,529	(38)	252
In Year Growth	595	792	555	(40)	(237)
In Year Savings	(1,053)	(1,473)	(2,318)	(1,265)	(845)
Total Continuing Services Budget	13,109	12,596	11,766	(1,343)	(830)
Transfer to DDF	0	1,000	1,000	1,000	0
Total	13,109	13,596	12,766	(343)	(830)
DDF/ITS – Expenditure	2,932	3,818	2,758	(174)	(1,060)
DDF/ITS – One Off Savings	(832)	(1,395)	(2,691)	(1,859)	(1,296)
Total DDF/ITS	2,100	2,423	67	(2,033)	(2,356)
Total Net Expenditure	15,209	16,019	12,833	(2,376)	(3,186)

Continuing Services Budget

6. CSB expenditure was £343,000 below the original estimate and £830,000 lower than the revised. The variances have arisen on both the opening CSB which was £252,000 above the revised estimate, and the in-year figures which were £1,082,000 lower than the revised estimate.
7. Unlike most recent years, when measured against the original budget, salaries were overspent by £99,000. Actual salary spending for the authority in total, including agency costs, was some £23,440,000 compared against an original estimate of £23,340,000. When comparing to the revised estimate there was an underspend of £301,000, most of which related to the General Fund, although some salary costs are DDF and this showed a small underspend.
8. The actual opening CSB was £38,000 below the original and £252,000 above the revised position. The main overspend relates to Housing Benefits expenditure but this was offset

partially by the underspend on salaries.

9. The in year CSB movements were rather different to the revised estimate, with the actual CSB in year reduction of £1,763,000 being £1,082,000 lower than the revised estimate. The largest individual item was a change in accounting treatment for the rental income from the shopping park to that assumed in the revised estimate. In effect income relating to the whole period of the leases has been spread over the whole period rather than just the time when income is actually received. The effect is that additional CSB income originally included in later periods has been accounted for in 2017/18 and there will be no change to the overall position once all tenants are paying. The other two more significant items were a reduction in expected savings from the leisure contract of £106,000 due to some additional maintenance and TUPE related costs and offsetting this, additional interest income of £148,000 as cash balances available for investing did not reduce as quickly as expected. Full details of items within the CSB growth/savings figures can be found at appendix A.
10. A transfer to the DDF of £1,000,000 was included in the Medium Term Financial strategy and revised budget as there will be significant one off expenditure over the next couple of years as the people strategy is implemented.

District Development Fund

11. Net DDF expenditure was £968,000 which was £922,000 below the original estimate and £1,333,000 below the revised estimate. There are requests for carry forwards totalling £1,470,000 and therefore the variation actually equates to a £137,000 net over spend on the DDF items undertaken. These one-off projects are akin to capital, in that there is regular slippage and carry forward of budgetary provision. Therefore the only reasonable variance analysis that can be done is against the revised position. Details are shown in Appendix B.
12. As spending is £1,542,000 below the revised estimate but carry forwards of £1,301,000 have been requested, a net underspend of £241,000 is shown in Appendix B.
13. The DDF increased between the Original and Revised position by £411,000, overall this was more significant than the previous year and as always there were some large swings on both income and expenditure. On the Income side additions relating to the technical agreement with major preceptors (£285,000) and various benefit related grants (£111,000). Offsetting this was an amount included for the People Strategy costs (£300,000), reduced Development Control income (£205,000), amounts brought forward from 2016/17 and additional resources provided for the Local Plan (£199,000), and an amount brought forward relating to the Garden Town project of £178,000. As always there were a significant number of other more minor items of both additions and reductions to the programme totalling £75,000. Full details are also shown at appendix B.
14. The £1,333,000 difference against the revised estimate arose largely in the neighbourhoods directorate with an underspend of £971,000 showing. The main two items relate to £272,000 slippage on Local Plan expenditure and £527,000 relating to additional income and slippage on the Garden Town project. Other significant underspends were, Revenues Staffing (£84,000), Building Maintenance (£83,000), unused Flexible Homeless Grant (£83,000) and Smart Places funding (£70,000). There are again a number of less significant other variations that are highlighted in Appendix B.
15. Carry forwards of £1,470,000 have been requested, with the largest request being £1,037,000 from the Neighbourhoods Directorate. The two largest amounts have already been mentioned above, being the £527,000 for the Garden Town and the £272,000 for the Local Plan. The directorate with the second highest carry forward is Resources, with a total of £219,000 again the two major items being mentioned above. Less significant carry

forwards were also seen in the Communities Directorate (£110,000), Governance Directorate (£75,000) and the Office of Chief Executive (£29,000).

16. Appendix C shows the overall position on the DDF with the balance as at 31 March 2018 being £4,220,000, actually a small increase on the previous year. However with the expected spend in 2018/19 particularly relating to the people strategy, there will be nothing left unallocated in the DDF going forward so any further DDF requirements will need to be met via a transfer from the General Fund. Appendix E lists the DDF items requested for carry forward.

Invest to Save Reserve

17. Spending from the Invest to Save fund was £99,000, some £23,000 below the revised estimate of £122,000. However, carry forwards of £23,000 have been requested, including £13,000 for new car park set up costs. At the end of 2017/18 the fund had a balance of £307,000. Taking the funds already allocated in 2018/19 and the intention to use the remainder for transformation projects, the fund is expected to be exhausted by the end of 2018/19. The detail is shown in Appendix D and items for carry forward in Appendix E.

Housing Revenue Account

18. The table below summarises the revenue outturn for the Housing Revenue Account.

Housing Revenue Account	Original Estimate £000 A	Revised Estimate £000 B	Actual Expend £000 C	Variance from Original £000 C-A	Variance from Revised £000 C-B
Revenue Expenditure	28,293	26,339	27,683	(610)	1,344
Depreciation	16,026	9,786	8,517	(7,509)	(1,269)
Total Expenditure	44,319	36,125	36,200	(8,119)	75
Gross Dwelling Rents	31,813	31,537	31,511	302	26
Other Rents, Charges and Depreciation Reversals	10,832	3,024	3,113	7,719	(89)
Total Income	42,645	34,561	34,624	8,021	(63)
Deficit/(Surplus) for Year	1,674	1,564	1,576	98	12
Opening Balance – 1/4/17	(3,853)	(3,853)	(3,853)	-	-
Deficit/(Surplus) for year	1,674	1,564	1,576	98	12
Closing Balance – 31/3/18	(2,179)	(2,289)	(2,277)	98	12

A deficit within the HRA of £1,674,000 and of £1,564,000 were expected within its original and revised revenue budgets respectively; the actual outturn was a deficit of £1,576,000. There is therefore a difference of only £12,000 between the revised estimate and the actual.

19. The major change between the Original and Revised estimates was due to the cessation of the transitional measures regarding depreciation brought in when the Housing Subsidy system was ended. For five years the effect of charging depreciation directly to the HRA balance could be mitigated by a compensatory accounting adjustment equivalent to the Major Repairs Allowance that exists prior to 2012. The effect of this was broadly neutral to the HRA, hence the variance in excess of £7,500,000 shown to both income and expenditure in the original estimate. As a result the depreciation charge had to be reassessed, not only because of this but also due to the return to the decent homes standard. The change in the depreciation charge was, as expected, quite significant but more importantly means that the charge reduces the HRA balance without affecting the viability of the HRA going forward. The variance between the actual and revised is due to a lower still depreciation charge, which has in turn enabled the Council to increase the Contribution to capital by a similar amount.
20. The HRA starts the new financial year in a slightly better position than expected at £2,280,000. There is still significant uncertainty facing the HRA going forward with continued 1% rent reductions and the potential high value void levy.

Consultation undertaken:

This report has previously been considered by the Finance and Performance Management Committee on 21st June any comments or updates from that meeting will be reported verbally.

Resource implications:

The General Fund was underspent by £960,000 meaning £487,000 was added to balances as opposed to £473,000 being taken from balances as was predicted in the revised estimate.

The deficit on the HRA was marginally higher than expected and the balance has now fallen to £2,280,000 as at 31 March 2018.

Legal and Governance Implications:

Reporting on the financial outturn for the previous financial year is recognised as a key element of the Council's Governance Framework.

Safer, Cleaner, Greener Implications:

The Council's revenue budgets contain spending related to the Safer, Cleaner, Greener initiative.

Background Papers:

Final Accounts working papers held in Accountancy.

Impact Assessments:Risk Management

This report is a key part in managing the financial risks faced by the Council.

Equality Impact Assessment

1. Under s.149 of the Equality Act 2010, when making decisions, Epping District Council must have regard to the Public Sector Equality Duty, ie have due regard to:
 - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
 - advancing equality of opportunity between people who share a protected characteristic and those who do not,
 - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
 - age
 - disability
 - gender
 - gender reassignment
 - marriage/civil partnership
 - pregnancy/maternity
 - race
 - religion/belief
 - sexual orientation.
3. In addition to the above protected characteristics you should consider the cross-cutting elements of the proposed policy, namely the social, economic and environmental impact (including rurality) as part of this assessment. These cross-cutting elements are not a characteristic protected by law but are regarded as good practice to include.
4. The Equality Impact Assessment (EqIA) document should be used as a tool to test and analyse the nature and impact of either what we do or are planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. Use the questions in this document to record your findings. This should include the nature and extent of the impact on those likely to be affected by the proposed policy or change.
6. Where this EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. All **Cabinet, Council, and Portfolio Holder reports must be accompanied by an EqIA**. An EqIA should also be completed/reviewed at key stages of projects.
8. To assist you in completing this report, please ensure you read the guidance notes in the Equality Analysis Toolkit and refer to the following Factsheets:
 - Factsheet 1: Equality Profile of the Epping Forest District
 - Factsheet 2: Sources of information about equality protected characteristics
 - Factsheet 3: Glossary of equality related terms
 - Factsheet 4: Common misunderstandings about the Equality Duty
 - Factsheet 5: Frequently asked questions
 - Factsheet 6: Reporting equality analysis to a committee or other decision making body

Section 1: Identifying details

Your function, service area and team: **Finance**

If you are submitting this EqlA on behalf of another function, service area or team, specify the originating function, service area or team: **N/A**

Title of policy or decision: **Provisional Revenue Outturn 2017/18**

Officer completing the EqlA: **Tel: 01992 564602**
Email: pmaddock@eppingforestdc.gov.uk

Date of completing the assessment: **8th June 2018**

Section 2: Policy to be analysed

2.1	Is this a new policy (or decision) or a change to an existing policy, practice or project? No
2.2	Describe the main aims, objectives and purpose of the policy (or decision): This report represents a financial summary of the projects within the Revenue Outturn for 2017/18 What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)? It aims to provide financial information on the Revenue Outturn for noting and to make recommendations to Council.
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none"> • service users • employees • the wider community or groups of people, particularly where there are areas of known inequalities? No Will the policy or decision influence how organisations operate? No
2.4	Will the policy or decision involve substantial changes in resources? The financial impacts are given in detail within the report.
2.5	Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes? The report summarises decisions previously approved.

Section 3: Evidence/data about the user population and consultation¹

As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, eg service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).

3.1	What does the information tell you about those groups identified? N/A – this report focuses on financial provision. Any equalities impact assessment for individual projects or programmes is detailed on the respective reports.
3.2	Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision? N/A – see above.
3.3	If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary: N/A – see above.

Section 4: Impact of policy or decision

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	Neutral. Any impacts on different age groups have been taken into account when the individual schemes were originally approved. As this report does not represent a formative stage in the approval of capital projects, it does not have any impact.	Low
Disability	Neutral for the reasons given above.	Low
Gender	Neutral for the reasons given above.	Low
Gender reassignment	Neutral for the reasons given above.	Low
Marriage/civil partnership	Neutral for the reasons given above.	Low
Pregnancy/maternity	Neutral for the reasons given above.	Low
Race	Neutral for the reasons given above.	Low
Religion/belief	Neutral for the reasons given above.	Low
Sexual orientation	Neutral for the reasons given above.	Low

Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqIA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No X	
		Yes	If 'YES', use the action plan at Section 6 to describe the adverse impacts and what mitigating actions you could put in place.

Section 6: Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.

Section 7: Sign off

**I confirm that this initial analysis has been completed appropriately.
(A typed signature is sufficient.)**

Signature of Head of Service: Derek MacNab

Date: 8th June 2018

Signature of person completing the EqlA: Peter Maddock

Date: 8th June 2018

Advice

Keep your director informed of all equality & diversity issues. We recommend that you forward a copy of every EqlA you undertake to the director responsible for the service area. Retain a copy of this EqlA for your records. If this EqlA relates to a continuing project, ensure this document is kept under review and updated, eg after a consultation has been undertaken.

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service		Original 2017/18 £000's	Probable 2017/18 £000's	Actual 2017/18 £000's	Variance from Revised £000's
Chief Executive						-
	Total Chief Executive		0	0	0	0
Communitites	Homelessness Advice	Additional post	30			-
	Homelessness Advice	Homelessness Reviews/Rough Sleepers	12			-
	Total Communitites		42	0	0	0
Governance	Building Control	Fees & Charges		50	50	-
	Building Control	Ring Fenced Account		(50)	(50)	-
	Corporate Fraud Investigation	Corporate Fraud Team	8	8	8	-
	Development Control	Pre Application Consultation Fees		(10)	(10)	-
	Development Control Group	Trainee Planning Officers		20	16	(4)
	Development Management	Additional Temporary Staffing - Systems Technical Officer		14	14	-
	Development Management	Planning Validation Officer		15	15	-
	Governance Admin	Training	5	5	5	-
	Internal Audit	Shared Service (GF element)		(9)	(12)	(3)
	Legal Services	Reduction Re Fees & Charges		5		(5)
	Members Allowances	Increase in Basic Allowances	7	7	7	-
	Planning Appeals	Reduction Re Fees & Charges		8	8	-
	Total Governance		20	63	51	(12)
Neighbourhoods	Land and Property	Brooker Road	(107)	(157)	(157)	-
	Land and Property	Epping Forest Shopping Park	(490)	(213)	(1,292)	(1,079)
	Land and Property	Rental Income - Shops	(45)	(54)	(54)	-
	Leisure Management	Savings from New Contract	(250)	(744)	(638)	106
	North Weald Airfield	Additional rental income		(35)	(35)	-
	Off Street Parking	New Chargeable Parking Spaces (ITS)	(11)	(12)	(12)	-
	Off Street Parking	Additional Staffing	32	19	18	(1)
	Off Street Parking	Lea Valley Management Fee (ITS)	(2)		-	-
	Off Street Parking	Vere Road Pay & Display (ITS)	(5)	(3)	(3)	-
	Waste Management	Trade Waste		(7)	-	7
	Total Neighbourhoods		(958)	(1,262)	(2,173)	(911)

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate Resources	Service		Original 2017/18 £000's	Probable 2017/18 £000's	Actual 2017/18 £000's	Variance from Revised £000's
	Car Leasing	Car Leasing (excluding HRA)	(25)	(25)	(25)	-
	Cashiers	Electronic Payments		9	6	(3)
	Cashiers	Reduction Re Income		5	4	(1)
	Civic Offices	Non-Domestic Rates	68	67	67	-
	Civic Offices	Cleaning contract	14	20	19	(1)
	Council Tax Collection	Court Costs		(60)		60
	Housing Benefits Administration	Admin Reductions	42	42	42	-
	Housing Benefits	Non Hra Rent Rebates	25	26	33	7
	Housing Benefits	Postage		(7)	(7)	-
	Human Resources	Apprenticeship Levy (Net)	69	75	77	2
	Human Resources	Apprentices	60	75		(75)
	ICT	Printer Migration	(13)	(9)	(9)	-
	NNDR Collection	Professional Fees		(5)	(5)	-
	Procurement	Essex Procurement Hub		5	5	-
	Sundry Non Distributable Costs	Reduction Re Rents - Chigwell Golf Club		10	10	-
	Resources	Savings	(9)	(9)	(9)	-
Total Resources			223	219	208	(11)
Other Items	Investment Interest	Reduction due to use of balances	93	177	29	(148)
	New Homes Bonus		122	122	122	-
Total CSB			(458)	(681)	(1,763)	(1,082)
Overspends/Income not achieved						246
Underspends/ Income Overachievement						(1,328)
Net Underspend						(1,082)

DISTRICT DEVELOPMENT FUND

Directorate	Description	2017/18						2018/19		2019/20	2020/21
		Original	Probable	Actual	Difference	C/Fwd	over/(under)	Estimate	Adjusted	Estimate	Estimate
		£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Chief Executive	Chief Executive Policy Group	90	88	88	-	-	-	50	50		
	Transformation	100					-				
	Transformation	80	87	58	(29)	29	-		29		
	Transformation Staffing							107	107		
Total Chief Executive		270	175	146	(29)	29	0	157	186	0	0
Communitites	Homelessness	20	30	15	(15)	15	-	10	25		
	Homelessness			(64)	(64)	64	-		64		
	Homelessness						-	50	50	50	34
	Homelessness			(45)	(45)	-	-	(41)	(41)	(48)	
	Homelessness			(9)	(9)	9	-		9		
	Homelessness			(8)	(8)	8	-		8		
	Homelessness			(2)	(2)	2	-		2		
	Private Sector Housing	1	1	1	-	-	-				
	Safer Communities	20	23	23	-	-	-	23	23	2	
	Safer Communities		25	13	(12)	12	-		12		
	Safer Communities						-	215	215	215	215
	Youth Council		8	8	-	-	-	8	8		
	Grant - Citizens Advice Bureau	4	4	4	-	-	-	4	4		
Total Communities		45	46	(64)	(110)	110	0	269	379	219	249
Governance	Building Control		(30)	(44)	(14)		(14)		-		
	Building Control		20	34	14		14		-		
	Conservation Policy		(4)	(4)	-		-		-		
	Corporate Fraud Investigation		(14)	(8)	6		6	(27)	(27)		
	Development Control	(175)	30	23	(7)		(7)		-		
	Development Control	(13)	(6)	(12)	(6)		(6)	(5)	(5)		
	Development Control				-		-	278	278	278	
	Development Control				-		-	(40)	(40)	(100)	
	Development Control Group	23	10	10	-		-		-		
	Development Control Group	45	15	15	-		-		-		
	Development Control Group		87	76	(11)	11	-		17		
	Development Management	13	13	13	-		-		17		
	Development Management	28	14	14	-		-		-		
	Development Management	26	15	15	-		-		-		
	Development Management	113	116	87	(29)	29	-	113	142		
	Development Management		5		(5)	5	-	5	10		
	Elections	(41)	(77)	(72)	5		5	139	139		
	Electoral Registration	37	22	13	(9)	9	-	36	45	34	31
	Electoral Registration		(21)	(21)	-		-	(18)	(18)		
	Enforcement / Trees & Lanscape		25	20	(5)	5	-		5		
	Legal Services	10	12	12	-		-		-		
	Local Land Charges		7	7	-		-	14	14		
	Local Land Charges		23	16	(7)	7	-		7		
	Local Land Charges		(9)	(8)	1		1		-		
	Planning Appeals	41	15	6	(9)	9	-	32	41	21	
Total Governance		107	268	192	(76)	75	(1)	544	619	233	31

DISTRICT DEVELOPMENT FUND

Directorate	Description	2017/18						2018/19		2019/20	2020/21
		Original	Probable	Actual	Difference	C/Fwd	over/(under)	Estimate	Adjusted	Estimate	Estimate
		£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Neighbourhood	Contaminated Land & Water Quality	79			-		-	72	72	50	
	Flood defence		16	16	-		-				
	Countrycare	4	4	4	-		-	4	4		
	Economic Development	8	8	0	(8)	8	-		8		
	Economic Development	52	18	5	(13)	13	-	60	73		
	Economic Development		100	13	(87)	87	-		87		
	Economic Development		(52)	(35)	17		17		-		
	Asset Rationalisation	61	61	61	-		-				
	Forward Planning	1,028	1,227	955	(272)	272	-	946	1,218	400	
	Forward Planning			(100)	(100)	100	-		100		
	Forward Planning		15	(2)	(17)	17	-		17		
	Forward Planning		6	0	(6)		(6)		-		
	Forward Planning		178	(349)	(527)	527	-	432	959	55	
	Forward Planning		32	(22)	(54)	54	-	21	75		
	Forward Planning	3	2	7	5		5		-		
	Highways General Fund		50	50	-		-		-		
	Land and Property		(35)	(25)	10		10		-		
	Land and Property		160	172	12		12	81	81		
	Land and Property			(24)	(24)		(24)		-		
	Leisure Management	65			-		-		-	(266)	(444)
	Off street parking	20	5	5	-		-		-		
	Off street parking		20	20	-		-		-		
	North Weald Airfield		5	5	-		-		-		
	North Weald Airfield		(33)	(55)	(22)		(22)		-		
	Parks & Grounds	10		1	1	(1)	-	10	9		
	Parks & Grounds		2	2	-		-	3	3		
	Parks & Grounds		(5)	(5)	-		-		-		
	Parks & Grounds		10	0	(10)	10	-	20	30	20	
	Parks & Grounds			(7)	(7)	7	-		7		
	Parks & Grounds	15	7	7	-		-	8	8		
	Waste Management		6	6	-		-		-		
	Waste Management	218	156	138	(18)	18	-	85	103		
	Waste Management		(20)	(20)	-		-		-		
	Waste Management			75	75	(75)	-	150	75		
	Waste Management	(104)	(104)	(30)	74		74		-		
Total Neighbourhoods		1,459	1,839	868	(971)	1,037	66	1,892	2,929	259	(444)
Resources	Building Maintenance - Non HRA	104	124	41	(83)	38	(45)	215	253	160	123
	Cashiers		12	12	-		-		-		
	Cashiers		15	20	5	(5)	-		(5)		
	Council Tax Collection	(57)	(47)	(47)	-		-	(47)	(47)		
	Council Tax Collection		9	11	2	(2)	-	9	7		
	Finance Miscellaneous		300	268	(32)	32	-	1,040	1,072		
	Housing Benefits Administration	(71)	(80)	(80)	-		-	(80)	(80)		
	Housing Benefits Administration		19	11	(8)	8	-	27	35	5	5
	Housing Benefits Administration	20			-		-		-	20	
	Housing Benefits Administration		(111)	(120)	(9)	9	-		9		
	Housing Benefits Administration		11	11	-		-		-		
	Housing Benefits Administration		(11)	(10)	1	1	-		-		
	Housing Benefits	58	40	40	-		-	56	56	56	13
	Housing Benefits		69	50	(19)	19	-	44	63		
	Human Resources			(36)	(36)	36	-		36		
	ICT				-		-	133	133	24	24
	NNDR Collection		(28)	(33)	(5)		(5)		-		
	Revenues	207	171	87	(84)	84	-	177	261		
	Revenues		7	7	-		-		-		
	Sundry Non Distributable Costs	9	2	1	(1)		(1)	5	5	5	
	Sundry Non Distributable Costs		24	26	2		2	17	17		
Total Resources		270	526	259	(267)	219	(48)	1,596	1,815	270	165
Total Service Specific District Development Fund		2,151	2,854	1,401	(1,453)	1,470	17	4,458	5,928	981	1
Other Items	Transitional Grant	(53)	(53)	(53)	-		-		-		
	New Homes Bonus		(7)	(7)	-		-		-		
	Council Tax Collection	(200)	(485)	(365)	120		120	(400)	(400)	(400)	(400)
	Pensions	(8)	(8)	(8)	-		-		-		
Total District Development Fund		1,890	2,301	968	(1,333)	1,470	137	4,058	5,528	581	(399)

DISTRICT DEVELOPMENT FUND

Service	2017/18 Original £000	2017/18 Probable £000	2017/18 Actual £000	Over/(Under) spend £000	Carry Forward £000	2018/19 Original £000	2018/19 Updated £000
Chief Executive	270	175	146	0	29	157	186
Communtites	45	46	(64)	0	110	269	379
Governance	107	268	192	(1)	75	544	619
Neighbourhoods	1,459	1,839	868	66	1,037	1,892	2,929
Resources	270	526	259	(48)	219	1,596	1,815
Total DDF Expenditure	2,151	2,854	1,401	17	1,470	4,458	5,928
Funding Analysis							
Transfer to DDF							
Transfer to/(from) General Fund	2,151	2,854	1,401			4,458	5,928
Total DDF Funding	2,151	2,854	1,401			4,458	5,928
DDF Earmarked Reserve							
Balance B/F	4,188	4,188	4,188			2,887	4,220
Capital Expenditure Charged to Revenue							0
Tranistional Grant	(53)	(53)	(53)			0	0
Deficit Payments	(8)	(8)	(8)			0	0
New Homes Bonus		(7)	(7)			0	0
Technical Agreement	(200)	(485)	(365)			(400)	(400)
Transfer Out	2,151	1,854	401			3,158	4,628
Balance C/F	2,298	2,887	4,220		0	129	(8)

INVEST TO SAVE

			2017/18						2018/19			
			Original	Probable	Actual	Difference	C/Fwd	over/ (under)spend	Estimate	Adjusted	Estimate	Estimate
			£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Chief Executive	Transformation	Behavioural Insights project	Revenue		5	1	(4)	4	0	21	25	
				0	5	1	(4)	4	0	21	25	0
Communities	Homelessness Museum Resilience	Rental Loans Scheme Contribution	Revenue	30	30	30	0		0	30	30	
			Revenue		20	20	0		0		0	
				30	50	50	0	0	0	30	30	0
Neighbourhoods	Car Parking	Replacement LED lighting	Capital	70	32	31	(1)	1	0	100	101	
	Car Parking	New Car Parks	Capital	40	20	7	(13)	13	0	20	33	
	Car Parking	Lea Valley pay & display	Capital	15			0		0		0	
	Car Parking	Vere Road Pay & Display	Capital	51	10	5	(5)	5	0	41	46	
	Car Parking	Vere Road Pay & Display	Revenue	4	4	4	0		0		0	
	North Weald Airfield	Extension to Vehicle Compound	Capital						0	12	12	
				180	66	47	(19)	19	0	173	192	0
Resources	ICT	Ariel Camera System	Revenue		1	1	0		0		0	
				0	1	1	0	0	0	0	0	0
				210	122	99	(23)	23	0	224	247	0

DISTRICT DEVELOPMENT FUND 2017/18 - 2018/19

Directorate	Description	C/Fwd £000's	Year of Approval	Comments
Chief Executive	Transformation Prototype Fund	29	2016/17	
		29		
Communities	Legal Challenges	15	2017/18	Contingency Budget reviewed annually
	Flexible Homelessness Grant	64	2017/18	Unspent Grant money
	Homelessness Data Grant	9	2017/18	Unspent Grant money
	Flexible Homelessness Grant : Incentives for Genesis	8	2017/18	Unspent Grant money
	Flexible Homelessness Grant :Zinc Arts	2	2017/18	Unspent Grant money
	Security Costs	12	2017/18	
		110		
Governance	Development Control Agency Staff	11	2017/18	
	Document Scanning	29	2017/18	
	Casual Staff Re Scanning / Indexing Building Control Files	5	2017/18	
	Individual Registration Costs	9	2017/18	
	Trees and Landscape Agency Staff	5	2017/18	
	Local Land Charges Agency Staff	7	2017/18	
	Contingency for Appeals	9	2017/18	Contingency Budget reviewed annually
		75		
Neighbourhoods	Economic Development Strategy	8	2015/16	
	Town Centres Support	13	2015/16	
	Smart Places	87	2015/16	
	Local Plan	272	2017/18	Budget reviewed quarterly
	Strategic Implementation Team	100	2017/18	
	Brownfield Register	17	2016/17	
	Garden Town	527	2017/18	Additional funding received toward year end
	Community Housing	54	2017/18	Additional funding received toward year end
	Open Spaces - Tree Planting	(1)	2016/17	
	Roding Valley Development - Woodland Planting	10	2016/17	
	Roding Valley Dev. - Demolition of Building Roding Lane	7	2017/18	
	DCLG recycling reward scheme	18	2016/17	Unspent Grant money
	Reduction in recycling income	(75)	2017/18	
		1,037		
Resources	Planned Building Maintenance Programme	38	2017/18	
	Waltham Abbey Kiosk Replacement & Licence fees	(5)	2016/17	
	Local Council Tax New Burdens Expenditure - E-Services	(2)	2016/17	
	Implementation of People Strategy	32	2016/17	
	Benefits Specific Grants - Data Matching	8	2015/16	Unspent Grant money
	Benefits Specific Grants	9	2016/17	Unspent Grant money
	Benefits Specific Grants - Agency Staff / Equipment New	19	2017/18	Unspent Grant money
	People Team additional resources	36	2017/18	
	Temporary Additional Staffing	84	2016/17	
		219		
Total		1,470		
INVEST TO SAVE RESERVE 2017/18 - 2018/19				
Chief Executive	Behavioural Insights project	4	2017/18	
Neighbourhoods	Replacement LED lighting	1	2016/17	
	New Car Parks	13	2017/18	
	Vere Road Pay & Display	5	2017/18	
		19		
Grand Total		23		

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SCRUTINY



Epping Forest District Council

Report to: Resources Select Committee

Date of meeting: 09 July 2018

Portfolio: Leader (Councillor C. Whitbread)

Subject: Corporate Plan Key Action Plan 2017/18 – Quarter 4 (Outturn) position

Officer contact for further information: Monika Chwiedz (01992 564042)

Democratic Services Officer: Adrian Hendry (01992 564246)

Recommendations/Decisions Required:

- (1) That the Committee review the outturn position of the Corporate Plan Key Action Plan for 2017/18 in relation to its areas of responsibility; and
- (2) That the Committee identifies any actions arising from the Corporate Plan Key Action Plan for 2017/18 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 2017/18 was adopted by Council at its meeting on 27 September 2016. Progress in relation to individual actions and deliverables is reviewed by the Cabinet and the Overview and Scrutiny Committee on a quarterly and outturn 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

outturn progress against the Key Action Plan for 2017/18 for actions most appropriately considered by the Resources Select Committee at the end of the year (31 March 2018).

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 2017/18 is populated with actions or deliverables designed to secure progress against each of the Key Objectives during 2017/18. 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 and are therefore subject to change and development to ensure that the actions remain relevant and appropriate, and to identify opportunities to secure further progress or improvement.
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. Quarter 4 (outturn) progress against the individual actions of the 2017/18 Key Action Plan, is as below: In reporting outturn progress, the following 'status' indicators have been applied to the individual actions:

Achieved (Green) - specific deliverables or actions were 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; or

Under Control (Amber) – expected to achieve target in the next 6 months; or

Behind Schedule (Red) - specific deliverables or actions were not completed or achieved in accordance with in-year targets.

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.

There are 50 actions in the Key Action Plan 2017/18. At the end of the year:

• Achieved or On Target:	28 (56%)
• Under Control:	15 (30%)
• Behind Schedule:	6 (12%)
• Pending:	<u>1 (2%)</u>
Total	50 (100%)

Nine (9) actions fall within the areas of responsibility of the Resources Select Committee. At the end of the year:

- 4 (44.5%) of these actions have been 'Achieved' or are 'On-Target'
 - 4 (44.5%) of these actions are 'Under Control'
 - 1 (11%) of these actions are 'Behind Schedule'
5. The Committee is requested to review the outturn position of the Corporate Plan Key Action Plan for 2017/18 as set out in Appendix A of this report, and identify any actions that require more in-depth scrutiny or further progress reports.
6. This report was also considered by the Cabinet on 14 June 2018 and the Overview and Scrutiny Committee on 4 June 2018.

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 1. 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

Objective 1.b. To continue to review and develop the Council's own assets and landholdings for appropriate uses, in order to maximise revenue streams and capital receipts, and to deliver the following key projects:

- The Epping Forest Shopping Park, Loughton
- Council Housebuilding Programme
- St John's Redevelopment Scheme, Epping
- North Weald Airfield

Action	Lead Directorate	Target Date		Status	Progress notes
<div style="writing-mode: vertical-rl; transform: rotate(180deg); position: absolute; left: -40px; top: 50px;">Page 67</div> 12. Produce a plan to implement agreed recommendations from the Service Accommodation Review, to optimise the use of the Council premises	Resources/ Transformation Programme Board	31-Mar-2018		Under Control	Q4 - Progress report due for consideration of June Cabinet seeking approval for additional work to be commissioned by PWC/Blissett Adams to evaluate impact and alternative options as a result of English Heritage listing.
					Q3 - Cabinet report delayed due to involvement of Historic England (HE) and subsequent grade 2 listing. Discussions will be needed with HE to establish what changes to the buildings are still possible.
					Q2 - Work progressing well and on target to report to December Cabinet.
					Q1 - On target. Following a competitive procurement exercise PricewaterhouseCoopers have been commissioned to provide support for Phase 2 of the Accommodation Review. The review is scheduled to report to Cabinet in time for consideration for the 2018/19 budget.
13. Deliver the 2017/18 works from the Facilities Management Programme	Resources	31-Mar-2018		Under Control	Q4 - Management Board have agreed further revisions to programme in light of the accommodation review.
					Q3 – October Cabinet approved revised programme which is on target.
					Report scheduled for October Cabinet to explain changes to the programme whilst the accommodation review completes.
					Q1 - Behind target. Several schemes have been put on hold pending the outcome of the Accommodation Review. A revised schedule of works will be presented to Cabinet in the autumn.

Objective 1.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 Directorate	Target Date	.	Status	Progress notes
5. Provide payroll service jointly with Braintree and Colchester Councils and sign up at least one more partner authority or one other authority to buy in our service, to deliver savings Page 68	Resources	31-Mar-2018		Behind Schedule	Q4 - Date changed to 1 April 2019 - Initial proposals will be submitted to the Governance Board in Sept 2018. Agreement and implementation will happen from Sept 18 to 1 April 19.
					From 1 April 2018 EFDC contributes to a shared payroll post who will propose a shared service structure for consideration by the Authority leads in Sept 2018. Likely shared service to start May 2019 (following end of year processes).
					Q3 – Good progress continues to be made on the implementation. There is a Governance Board meeting with the other authorities in January which will discuss shared service opportunities.
					Q2 - On target. Work continues on the implementation of other modules, such as car mileage. No success yet on gaining additional partner authority, although there has been some initial interest from more than one party.
					Q1 - The joint working on the payroll service and further development of additional modules continues to go well. Initial discussions have been held with one potential partner but this seems unlikely to proceed at the moment.
6. Implement the recommendations of the Reprographics Service Review, to make savings and improvements to print services	Resources	31-Mar-2018		Under Control	Q4 - Only 1 item outstanding which has not been achieved due to ICT capacity. Further report to be submitted to TPB recommending project closure and for a new project to begin.
					Likely that this project will close and a new project established to determine future of service.
					Q3 – Potential partner authorities have been slow to respond but progress on internal process improvements has been good.
					Q2 - On target. Internal processes have been amended. Looking at joint procurement of paper and discussions continue on the possibility of a shared service.
					Q1 - The review continues to make good progress and shared service opportunities are being discussed with two other authorities.



Aim 2. To ensure that the Council has a sound and approved Local Plan and commences its subsequent delivery**Objective 2.b. To increase opportunities for sustainable economic development within the District, in order to increase local employment opportunities for residents**

Action	Lead Directorate	Target Date	.	Status	Progress notes
2. Provide sustainable employment opportunities for the district's young people through development of the Council's apprenticeship scheme	Resources	31-Mar-2018	✓	Achieved	Q3 – The apprentices are making good progress in their work placements. Q2 - On target. A full cohort of apprentices have been recruited and their training has commenced. Q1 - Recruitment processes are underway for the new cohort of apprentices.

Aim 3. 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**Objective 3.a. To have efficient arrangements in place to enable customers to easily contact the Council, in a variety of convenient ways, and in most cases have their service needs met effectively on first contact**

Action	Lead Directorate	Target Date	.	Status	Progress notes
2. Produce a plan to implement the Workforce Development Strategy, to establish a new common operating model	Resources	31-Mar-2018	●	Under Control	Q4 - A report to establish two Strategic Directors has been considered by Cabinet and the member Appointment/Redundancy Panel; a report is to be considered by Council on 24 April. Cabinet will receive a report on 14 June to consider the structure of the organisation from the next layer down. Q3 – December Cabinet approved funding for the re-structure and a timeline has been established to deal with the changes necessary at Leadership Team level. Q2 - On target. Cabinet have approved the Programme Definition Document and work has commenced with the LGA. Q1 - A Programme Definition Document has been written and meetings are scheduled in July to share this with Portfolio Holders and the Leadership Team.
4. Deliver customer self-service account facilities for residents and businesses so they can receive their bills electronically	Resources	30-Sep-2017	✓	Achieved	Q3 – As per Q2, system is in place and functioning. Q2 - System in place and functioning. Q1 - The system has been set up and tested and will now be publicised to encourage take up.

Objective 3.b. To utilize 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

Action	Lead Directorate	Target Date	.	Status	Progress notes
2. Implement the ICT Strategy to support the Transformation Programme, including mobile and flexible working	Resources	31-Mar-2018		On Target	Q4 - Owing to delays in the Accommodation Strategy a number of Technology Strategy projects have been reprioritized, and some work delayed, whilst other projects have been commenced early. During Q4 the focus has been on ensuring that all essential pre-requisite projects have been commenced (or completed as required). This has largely been achieved, and outstanding work will not impact on the speed of delivery in 2018/19.
					Q3 – November Cabinet approved the new strategy covering 2018 to 2023, which includes year 0 projects for completion prior to 31 March 2018. It is anticipated that all year 0 projects will be delivered on time.
					Q2 - On target. Good progress continues on the existing strategy and the new strategy will be presented to Members during Q3.
					Q1 - Good progress has been made on both the implementation of the current strategy and the development of the new strategy.
3. Implement use of mobile phone text messages to remind customers when their payment is due	Resources	30-Sep-2017		Achieved	Q3 – System now live and has been effective in triggering payments which have reduced the number of reminder letters.
					Q2 - Go-live date changed to 30/10. Other Capita work impacted on testing. Tech services creating area for GIM documents for on-line requests for service.
					Q1 - Testing is progressing well and the target date should be achieved.



SCRUTINY



Epping Forest District Council

Report to: Resources Select Committee

Date of meeting: 09 July 2018

Portfolio: Finance (Councillor G. Mohindra)

Subject: Key Performance Indicators 2017/18 - Quarter 4 (Outturn) Performance

Officer contact for further information: M. Chwiedz (01992 562076)

Democratic Services Officer: A. Hendry (01992 564246)

Recommendations/Decisions Required:

that the Select Committee reviews performance against the Key Performance Indicators within its areas of responsibility for 2017/18.

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-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 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.

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 Q4 (outturn) performance summary in respect of each of the KPIs falling within the Resources Select Committee's areas of responsibility for 2017/18, is attached as Appendix A to this report together with details of the specific twelve-month performance for each indicator.

Key Performance Indicators 2017/18 – Quarter 4 Performance

4. **All indicators** - The overall position for all 32 KPIs at the end of the year was as follows:
 - (a) 21 (66%) indicators achieved the cumulative end of year target;
 - (b) 11 (34%) indicators did not achieve target; although
 - (c) 5 (16 %) of these KPIs performed within the agreed tolerance for the indicator.
5. **Resources Select Committee indicators** – Six (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 the end of the year for these indicators, was as follows:
 - (a) 2 (33.3%) indicators achieved target;
 - (b) 2 (33.3%) indicators did not achieve target; and
 - (c) 2 (33.3%) indicators performed within its tolerated amber margin.
6. The 'amber' performance status used in KPI reports 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 March 2017.
7. The Select Committee is requested to review performance at the end of the year in relation to the KPIs for 2017/18 within its areas of responsibility.

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.

Key Performance Indicators 2017/18 – Quarter 4 Performance Report

Appendix A

Quarterly Indicators		Q1 2017/18			Q2 2017/18			Q3 2017/18			Q4 2017/18			Is year-end target likely to be achieved?
		Target	Value	Status	Target	Value	Status	Target	Value	Status	Target	Value	Status	
RES001	How many working days did we lose due to sickness absence?	1.62	1.71		3.22	4.07		5.43	6.27		7.25	8.82		No
RES002	What percentage of the invoices we received were paid within 30 days?	97%	96%		97%	96%		97%	97%		97%	96%		No
RES003	What percentage of the district's annual Council Tax was collected?	27.55%	27.64%		52.54%	52.52%		77.84%	77.74%		97.8%	97.82%		Yes
RES004	What percentage of the district's annual business rates was collected?	28.84%	29.25%		53.28%	53.97%		78.06%	78.19%		97.8%	97.7%		No
RES005	On average, how many days did it take us to process new benefit claims?	21	22.31		21	21.82		21	21.1		21	21.61		No
RES006	On average, how many days did it take us to process notices of a change in a benefit claimant's circumstances?	9	7.55		9	7.44		9	7.35		6	4.55		Yes

Key Performance Indicators 2017/18 Quarter 4 Performance

Report Author: Monika Chwiedz (Senior Project Improvement Officer)

Reflecting on our performance:

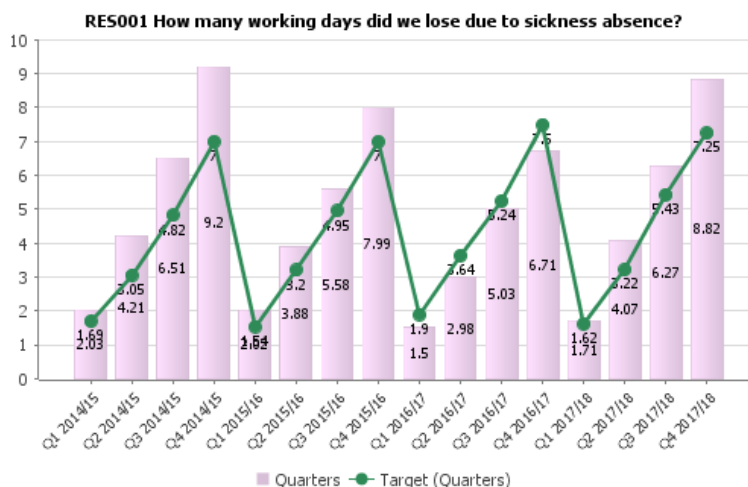
There are 32 KPIs for this year

21 (66%) achieved target and 6 (19%) missed target and 5 (15%) performed within their amber tolerance.

Six (6) of the Key Performance Indicators fall within the Resources Directorate

RES001 How many working days did we lose due to sickness absence?

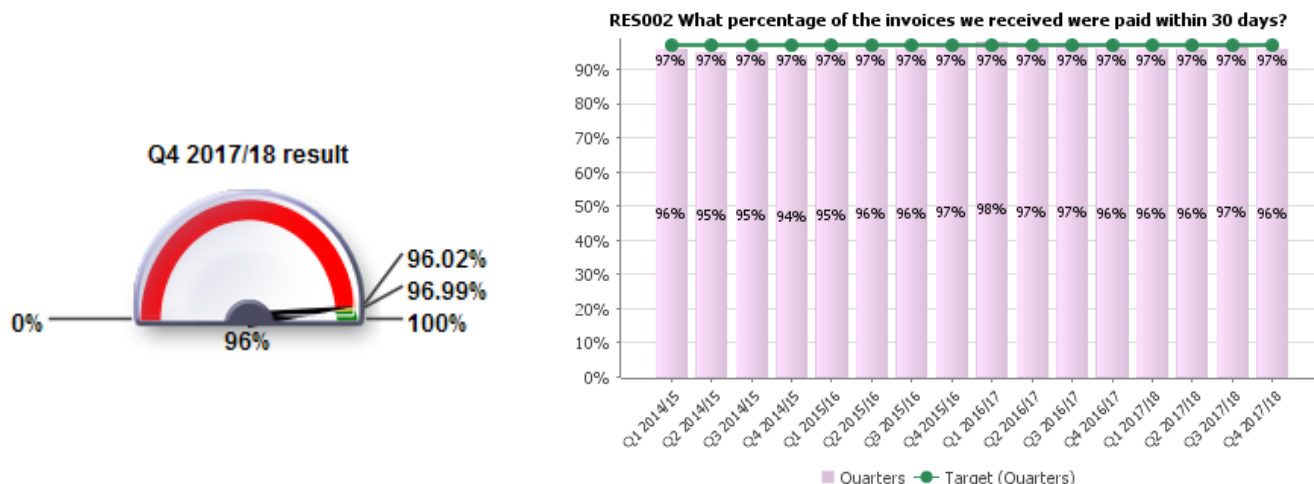
This indicator monitors the level of staff sickness absence across the authority, and supports the implementation of the Council's Managing Absence Policy. Quarterly targets and performance details for this indicator represent the cumulative total for the year to date.



Comment on current performance : Due to this being the first FY the new iTrent Database has been used and the changes between it and the old SAGE Database, both report output and details in all the fields (bringing online and also compromises to achieve commonality between partner Councils) the figures reflect some elements of a new norm in reporting. The existing targets were set based on the old reporting methods – Additionally there have been significant changes and planned changes within EFDC's organisation/workforce. Short term sickness increased in Q3 and Q4. Because of some changes to how reporting is done as various iTrent modules are brought online it will be necessary to make further changes in how the RES001 figure is calculated in the next FY.

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

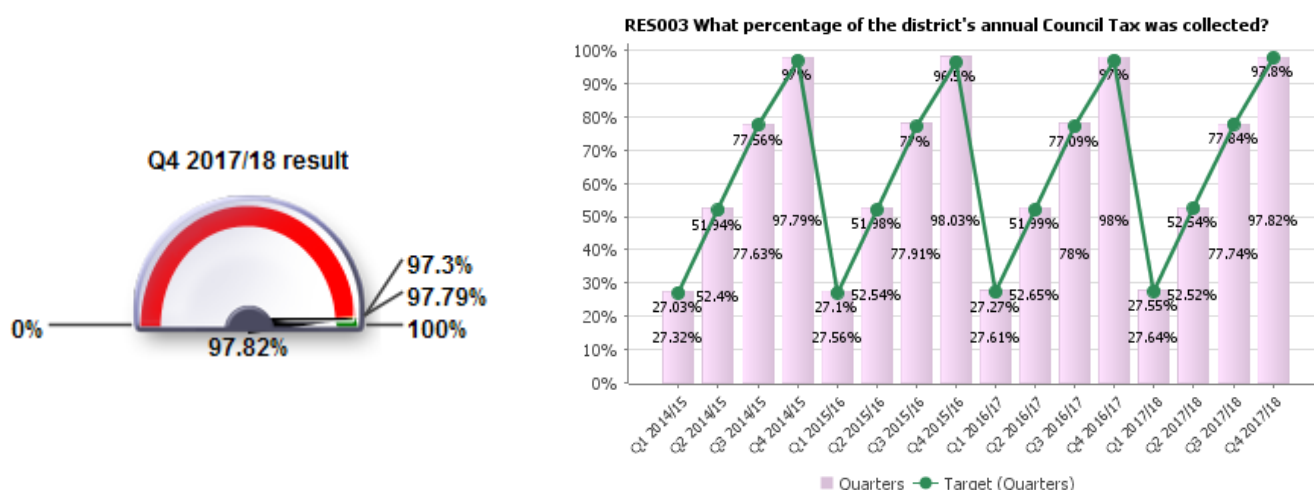
This indicator encourages the prompt payment of undisputed invoices for commercial goods and services.



Comment on current performance: Performance is now below target. Percentage of neighbourhoods invoices paid within 30 days has now dropped to only 94%, therefore averaging the council on a whole at only 96%. Peter Maddock to Liaise with relevant people.

RES003 What percentage of the district's annual Council Tax was collected?

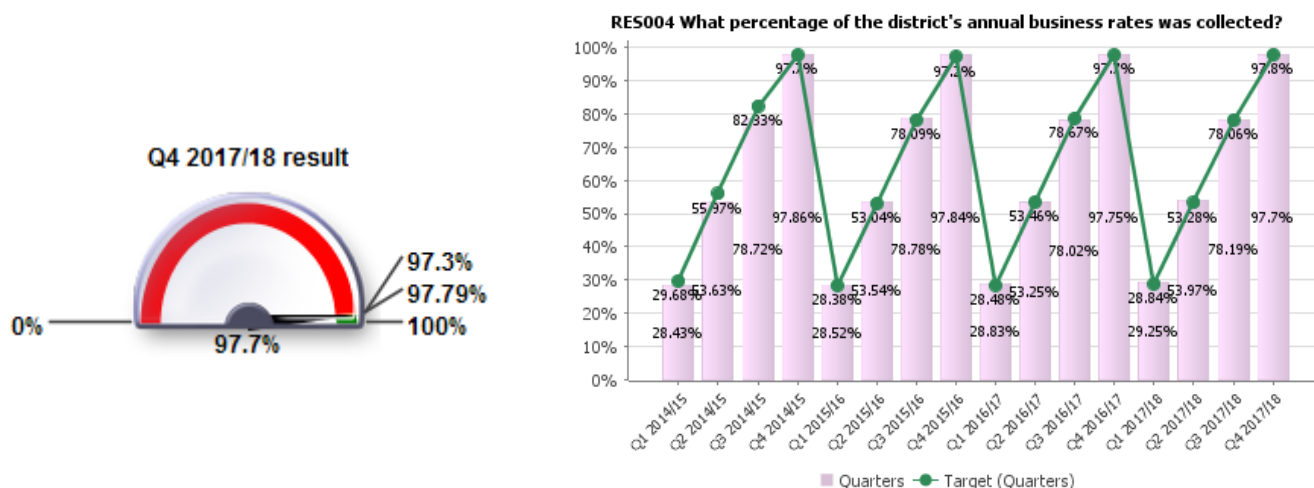
This indicator monitors the rate of collection of Council Tax. Quarterly targets and performance details for this indicator represent the cumulative total for the year to date.



Comment on current performance: The in-year collection rate target was achieved with 97.82%.

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

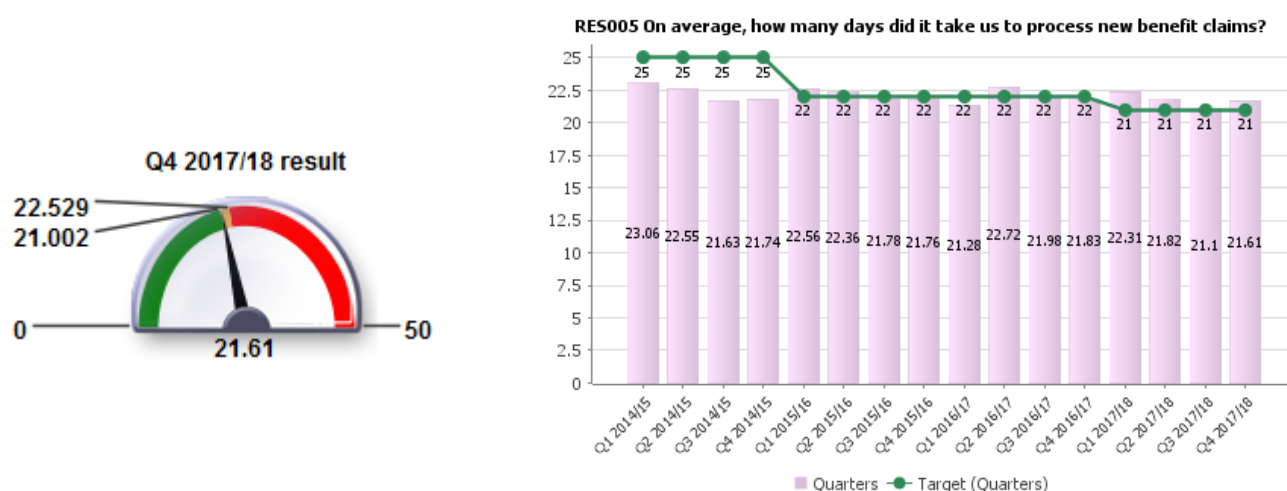
This indicator monitors the rate of collection of National Non-Domestic rates. Quarterly targets and performance details for this indicator represent the cumulative total for the year to date.



Comment on current performance The collection rate achieved is just 0.1% below target which represents around £35,000 out of a total collectable debit of £35m. Of course the in-year collection target for 2017-18 debts does not represent the overall collection position as arrears from previous years must be collected to maintain a healthy collection fund. The arrears collection for previous years rose from £740,000 in 2016/17 to £865,000 in 2017/18, an increase of 17%.

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

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

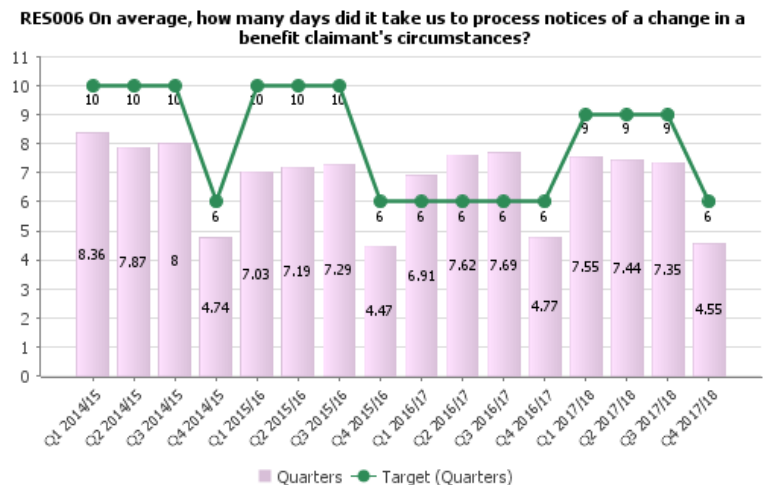
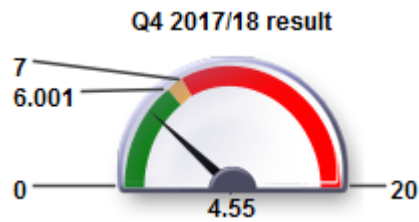


Comment on current performance The target was changed from 22 days to 21 days for 2017/18 which has resulted in the target not being achieved this year. Although quarter 4 performance was disappointing at 23.05 days, the annual performance of 21.61 was an improvement on the 2016/17 performance.



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

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



Comment on current performance: Target has been met and performance has improved on the 2016/17 performance

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Report to Resources Select Committee

Date of meeting: 9th July 2018

Portfolio: Finance

Subject: Business Rates and funding services

Officer contact for further information: Rob Pavey
Democratic Services Officer: Adrian Hendy

(01992 564211)
(01992 564246)



Recommendations/Decisions Required:

To note the contents of the report.

Report:

1. The amount of Business Rates collected and how this translates into the funding of local services is not always transparent for Business Rate payers. This report seeks to clarify the position and provide the information to Members so that enquiries by local businesses can be answered in what can be seen by the layperson as a confusing process. Ratepayers not unreasonably may wish to know how the rates they pay is spent.
2. The Council itself does not have control over the amount of rates payable as the rateable value is set by the Valuation Office Agency (HMRC) and the multiplier used to calculate the bill is set by central government. For 2017/18 the Council collected around £36m in Business Rates. Ratepayers paid that money to Epping Forest District Council but there can be a misconception by businesses retains this money to spend but the Council retains less than 10% of this income to fund local services. The following paragraph reminds Members of how the £36m collected is re-distributed and leaves this Council with its share.
3. The first aspect to understand is that 50% of the rates collected is transferred to central government whilst 50% is retained as what is termed the 'local share'. The 'local share' is split with 40% belonging to Epping Forest DC, Essex CC receives 9% and Essex Fire Authority 1%. So in cash terms this means that of the £36m collected, this authority retained around £14m. However the 40% EFDC share is further reduced by the 'tariff' applied of over £10m as the Government has set a business rates income baseline of a little over £3.1m as this is the governments assessment on how much EFDC actually needs.
4. There is one further adjustment to be made as this authority belongs to a Business Rates pool with other Essex authorities which means it receives more of the increases in Business Rates income than not being part of a pool. The actual retained income increased to £3.7m for 2017/18. Therefore it can be seen that the final retained income is only around 10% of the Business Rates collected.
5. It is understandable that businesses may see a disconnect, in the absence of this explanation, of the amount that they pay in rates to this authority and the services they may receive. But the amount businesses pay will not directly relate to the services they receive in any case as the Business Rates income is just one component of the Council's financial settlement with central government for the overall expenditure on services along with Council Tax and other grants.

6. The Council is aware that businesses, particularly small businesses, see Business Rates as a significant cost to them. This has been recognised by central government and it has strengthened many rate reliefs to small businesses in recent years. The Council has 4,250 Business Rate payers and many of these are small businesses. In recent years the Government had doubled the amount on a temporary basis the amount of Small Business Rates Relief (SBRR) granted. The Government has legislated for this to be made permanent. Some 1,841 small businesses pay the lower Small Business multiplier whilst a further 1,664 receive SBRR amounting to £4.7m.

7. The 2017 Business Rates Revaluation affected different types of businesses in varying degrees. As is usual there was a transitional relief scheme put in place to phase in those with larger increases or gains from the revaluation. The scheme brought in was heavily biased towards those with rateable values under £100,000 at the expense of larger businesses. In addition, the government provided funding for local authorities to devise schemes for businesses with a rateable value under £100,000 and had seen an increase in their rates bills for 2017/18. The Council received just under £300,000 for its own scheme and this was implemented in 2017/18 with around 500 businesses benefiting from the scheme.

8. The Council has a statutory duty to collect Business Rates and must act diligently in doing so. Officers will however seek to help struggling businesses within the parameters of this duty by ensuring that they are receiving all reliefs eligible to them and making payment arrangements to manage their debt.

9. This is the first of a series of reports that will be brought to the Resources Select Committee in the future. The Government is expected to issue a series of consultation papers in the coming months ahead of local rates retention moving from 50% to 75%. It is hoped that the release dates and response deadlines to these consultation papers will coincide with future meetings.

Resource Implications:

None

Legal and Governance Implications:

None

Safer, Cleaner and Greener Implications:

None

Consultation Undertaken:

None...

Background Papers: None

Risk Management:

Report to the Resources Select Committee

Date of meeting: 9 July 2018

Subject: Sickness Absence

Officer contact for further information: Paula Maginnis (01992564536)

Committee Secretary: Adrian Hendry (01992564246)

Recommendations/Decisions Required:

That the Committee notes the report on sickness absence.

Executive Summary

This report provides information on the Council's absence figures for Q3 and Q4, 2017/2018; it includes absence figures by Directorate, the number of employees who have met the trigger level, those who have more than 4 weeks absence and the reasons for absence.

The Council's target for sickness absence under RES001 for 2017/2018 is an average of 7.25 days per employee. The current outturn figure for the two quarters is an average of 4.74 days, which is above the target of 3.22 days.

During Q3, 6.3% of employees met the trigger levels or above, 28.2% had sickness absence but did not meet the triggers and 65.5% had no absence. During Q4, 7.2 % of employees met the trigger levels or above, 29.3 % had sickness absence but did not meet the trigger levels and 63.5 % had no absence.

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

- (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.

Reasons for Proposed Decision

To enable members to discuss the Council's absence figures and suggest proposals to improve them.

Other Options for Action

For future reports the Committee may wish to include other information or receive fewer or no report to future meetings.

Report:

Introduction

1. The latest figures published by the Chartered Institute of Personnel and Development (CIPD) for 2016 show that the average number of days taken as sickness absence across all sectors is 6.3 days (2 days less than 2015). In public services the figure is 8.5 days and 5.2 days in private sector services. In local government the figure is an average of 9.9 days.

Currently, the Council is performing reasonably against the national figures, even though the Council's outturn figure for 2017/18 has increased compared to last year.

2. Under the Council's Managing Absence Policy there are trigger levels for initiating management action in cases of excessive sickness absence. These are:
 - (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.
3. In addition to the above a manager should consider referring an employee to Occupational Health when an employee has been absent from work for at least one month if there is no estimate when they will be fit to return, or if this is unlikely to be within a reasonable period.

Quarterly Figures 2013/2014 – 2017/2018

4. The KPI target for sickness absence has been reduced to 7.25 days for 2017/18. The Council has met the target for Q3 and is above in Q4 (by 0.72 days).
5. Table 1 below shows the absence figures for each quarter since 2013/2014.

	Q1	Q2	Q3	Q4	Outturn	Target
2017/2018	1.27	2.12	2.20	2.54	8.13	7.25
2016/2017	1.5	1.48	2.06	1.67	6.71	7.5
2015/2016	2.02	1.86	1.69	2.42	7.99	7
2014/2015	2.03	2.18	2.30	2.69	9.20	7
2013/2014	1.69	1.36	1.78	2.18	7.01	7.25

Table 1

Directorate Figures 2017/2018

6. Table 2 shows the average number of days lost per employee in each Directorate. The Q3 target of 2.21 days was exceeded by 3 of the Directorates and in Q4 all exceeded the target of 1.82 days.

Directorate	Ave FTE	Average Number of Days Absence 2017/2018				Total Ave No of Days 2017/18
		Q1	Q2	Q3	Q4	
Communities	224.6	1.6	3	2.43	2.73	9.76
Governance	93.4	1.9	1.65	2.53	2.17	8.25
Neighbourhoods	145.1	0.68	0.75	0.9	2.61	4.94
Resources	147.57	0.78	2.05	2.18	2.15	7.16
Chief Executive				2.34	2.31	4.65

Table 2

Long Term Absence 2013/2014 – 2017/2018

7. For this purpose long term absence has been defined as 4 weeks or over. During the year there were the following number of employees on long term absence:

	Q1	Q2	Q3	Q4	Total Average*
2017/2018	12	20	18	18	17
2016/2017	8	8	10	10	10.75
2015/2016	12	14	7	17	12.5
2014/2015	15	16	21	19	17.75
2013/2014	10	8	11	8	9.25

Table 3

(*This figure has been used as there could be the same employee in more than one quarter)

8. There has been a significant increase in the number of long term absence in 2017/2018 compared to last year. This is in terms of both the number of days lost and the number of employees. The reasons for long term absences during 2017/2018 are set out in table 4.

Reason for long term absence	No of employees Q1	No of employees Q2	No of employees Q3	No of employees Q4
Non work related stress	0	1	1	1
Work related stress	1	3	3	1
Depression/anxiety	1	3	2	2
Cancer	2	4	4	4
Other musculoskeletal	3	3	3	3
Heart, circulatory	2	2	1	1
Back	1	2	1	1
Gastro	0	1	0	0
Neurological	0	1	1	0
Ear, Nose & Throat	1	0	0	0
Eye	1	0		0
Genitourinary/menstrual problems etc	0	0	1	2
Chest		0	1	1
Cold	0	0		2

Table 4

9. The number of long term cases due to Cancer has remained the same during Q2 – Q4 and represents 21% of the number of staff with long term absence. This percentage figure is the same for Mental Health issues. The number of employees with musculoskeletal problems has also been consistently across all 4 quarters.
10. All of the long term sickness employees, in Q3 had one continuous period of absence. In Q4, 16 employees had one continuous period of absence, 1 employee had three occasions and 1 had four occasions. Table 5 provides further detail on the outcome of individual long term cases.

2017/18 Quarter	Resigned	Return to work	Warning	Dismissed	Redundancy	Still Absent	Ill-Health Retirement	Phased Return/Redeploy
Q1	1	5	0	0	0	5	0	1

Q2	2	10	0	0	0	8	0	0
Q3	2	4	0	0	0	12	0	0
Q4	2	11	0	0	0	5	0	0

Table 5

11. Of those who recorded absence, the breakdown of days lost to long term absence, those who met the trigger level and those below the trigger level are as follows;

Quarter	Long Term	Met Trigger	Under Trigger
Q1	5.6%	7.8%	86.6%
Q2	9.3%	6.9%	83.8%
Q3	7.8%	10.4%	81.8%
Q4	7%	12.7%	80.3%

Table 6

12. Further to the discussions at the last Resources Select Committee further analysis of long term absences including age, years' service and grade has been provided. Overall in Q3, 28% of staff with service less than 5 years the same as employees with 26 years +, 44% where in the age bracket 46-55 and 61% where at grades 4 – 6. In Q4, 56% of long term absence is taken by employees with 5 years' service or less, they would more likely be in the age bracket 46–55 at 33% and in the grade range of 4 -6 at 61%. It should be noted that there are more staff situated at both the age and grade ranges.

Reasons for Absence

13. Appendix 1 shows the reasons for absence, including the number of days lost and number of employees for each reason in each quarter.
14. As a summary, compared to Q3 and Q4 of 2016/2017 there has been an;
- Increase in mental health reasons of 32% (an increase also occurred in the comparison of Q1 and Q2 of the same years)
 - Increase in other musculoskeletal of 12% (an increase also occurred in the comparison of Q1 and Q2 of the same years)
 - Increase of incidents of cancer of 79% (an increase also occurred in the comparison of Q1 and Q2 of the same years)
 - Increase incidents of gastro illnesses of 40%

Numbers of Absent Staff

15. Table 7 shows that there were relatively consistent numbers of staff who had no absence and those that had absence during Q3/Q4. Over two thirds of staff had no absence which has been quite consistent over a number of years, however, the actual number of employees not recording sickness absence has reduced in this current period compared to the same quarters last year.

Quarter (Based on 670 headcount)	Staff with no absence	Staff with 7 days or less	Staff with 8 days or more
1 – 2017/2018	67.8% (454)	27.9% (187)	4.3% (29)
2 – 2017/2018	67.8% (454)	27% (181)	5.2% (35)
3 - 2017/2018	65.5 (439)	28.2% (189)	6.3% (42)
4 - 2017/2018	63.5% (426)	29.3% (196)	7.2% (48)
Quarter (Based on 670 headcount)	Staff with no absence	Staff with 7 days or less	Staff with 8 days or more

1 – 2016/2017	75.4% (505)	19.8% (133)	4.8% (32)
2 – 2016/2017	73.7% (494)	22.2% (149)	4.1% (27)
3 – 2016/2017	64% (429)	33.4% (224)	2.6% (17)
4 – 2016/2017	65% (437)	30% (202)	5% (31)

Table 7

Conclusion

16. The Council was 0.72 days over its target of 7.25 during 2017/2018. Q1 performance was reasonable but the rest of the year quarterly targets were met or exceeded. There were increases in infections compared with the other in year quarters and incidents of gastro illnesses increased by 40% compared with last year.
17. Further analysis of long term cases in Q3 and Q4 showed that the age and grade brackets that employee the greater number of employees have the most incidents of sickness absence (see para 12). Interestingly, employees with less than 5 years Council service seem to have long term absence. This information will be taken forward into the Pay and Benefit Review.

Resource implications:

N/A

Legal and Governance Implications

N/A

Safer, Cleaner and Greener Implications

N/A

Consultation Undertaken

N/A

Background Papers

N/A

Risk Management

Failure to manage sickness absence results in loss productivity and if it is significantly high could adversely affect the reputation of the authority and service delivery.

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Reasons for Absence

2017 – 2018 Q1 to Q4

Appendix 1

	Stomach, liver, kidney, digestion; include diarrhoea, vomiting and other gastro illnesses	Other musculo-skeletal problems; includes neck, legs or feet and arms or hands. Also include joint problems such as arthritis.	Infections, including viral infections such as influenza, cold, cough and throat infections	Work related stress	Depression, anxiety, mental health and fatigue. Includes mental illnesses such as anxiety and nervous debility/disorder (does not include stress)	Heart, blood pressure, circulation	Cancer, including all types of cancer and related treatments	Neurological; headaches and migraines	Back problems	Eye, ear, nose and mouth, dental; sinusitis	Genitourinary; menstrual problems	Non Work related stress	Chest, respiratory; including asthma, bronchitis, hay fever and chest infections	Pregnancy Related	Endocrine conditions i.e. diabetes, thyroid conditions	RTA
Number of Days																
Q1	112.8	249.6	84.9	59	33.6	106	88	18.6	87	113	27.7	29	31	3	2	0
Q2	182	323.6	143.9	96	96	91	177	81.2	90.6	79	7.5	48.35	0	1	8.5	0
Q3	139.1	252.4	252.9	95.6	73.06	70	197.8	57.9	112.9	17	56.9	65	51	7.5	7	0
Q4	92.9	195	511	42.5	147	81	192.5	26.9	74.8	28	45	74	54	0	5	0
Number of Employees																
Q1	52	28	40	4	4	3	2	9	12	10	8	4	7	2	1	0
Q2	69	38	55	3	6	4	4	16	13	20	7	8	0	1	2	0
Q3	67	24	104	4	7	2	4	20	7	6	8	3	9	1	1	0
Q4	41	17	133	3	10	3	5	17	12	7	7	5	9	0	2	0
Av No of Days per Employee																
Q1	2.2	9	2.1	14.8	8.4	35.3	44	2.1	7.3	11.3	3.5	7.3	4.4	1.5	2	0
Q2	2.6	8.5	2.6	32	16	22.8	44.3	5.1	7	4	1.1	6	0	1	4.3	0
Q3	2.1	10.5	2.43	23.9	10.4	35	49.5	2.9	16.1	2.83	7.1	21.7	5.7	7.5	7	0
Q4	2.3	11.5	3.8	14.1	14.7	27	38.5	1.6	6.2	4	6.4	14.8	6	0	2.5	0

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Report to Resources Select Committee

Date of meeting: 9 July 2018



Portfolio: Leader of the Council

Subject: Transformation Programme – Project Dossier –
Resources Directorate

Officer contact for further information: David Bailey, Head of Transformation
(01992 564105)

Democratic Services Officer: A Hendry, Democratic Services (01992 564180)

Recommendations/Decisions Required:

That the Committee reviews the updated Project Dossier for the Transformation Programme – Resources Directorate.

Reason for decision:

The Overview and Scrutiny Committee requested the progress of projects and programmes within the Transformation Programme – known as the Project Dossier – be reported to regular meetings of the Committee for review.

Options considered and rejected:

None.

Report:

Introduction:

1. The Corporate Plan provides a framework to demonstrate how the work of the Council fits together at a strategic level. It provides a focus to establish a set of corporate priorities, describing how the organisation will deliver positive change.

2. An annual Corporate Specification details how the Corporate Plan will be delivered through a set of operational objectives for that year. Operational objectives can concern Business As Usual (BAU) or business transformation.

3. Business transformation is delivered through change projects and programmes. A project is a temporary activity to create something unique – a thing, a service or a product – that:

- Leads to change;
- Has a defined start and end;
- Has limited resources;
- Has specific objectives; and
- Enables benefits to be realised.

5. Here is a simple example which illustrates the difference between Business As Usual and business transformation.

If you build a car in your garage – it's a project. Whereas if you are a car manufacturer, building hundreds of cars a day, it's a production line and simply business as usual, i.e. it isn't unique. However, parts of a larger process can be considered projects, e.g. designing the car. So by their very nature, the delivery of any change involves project management.

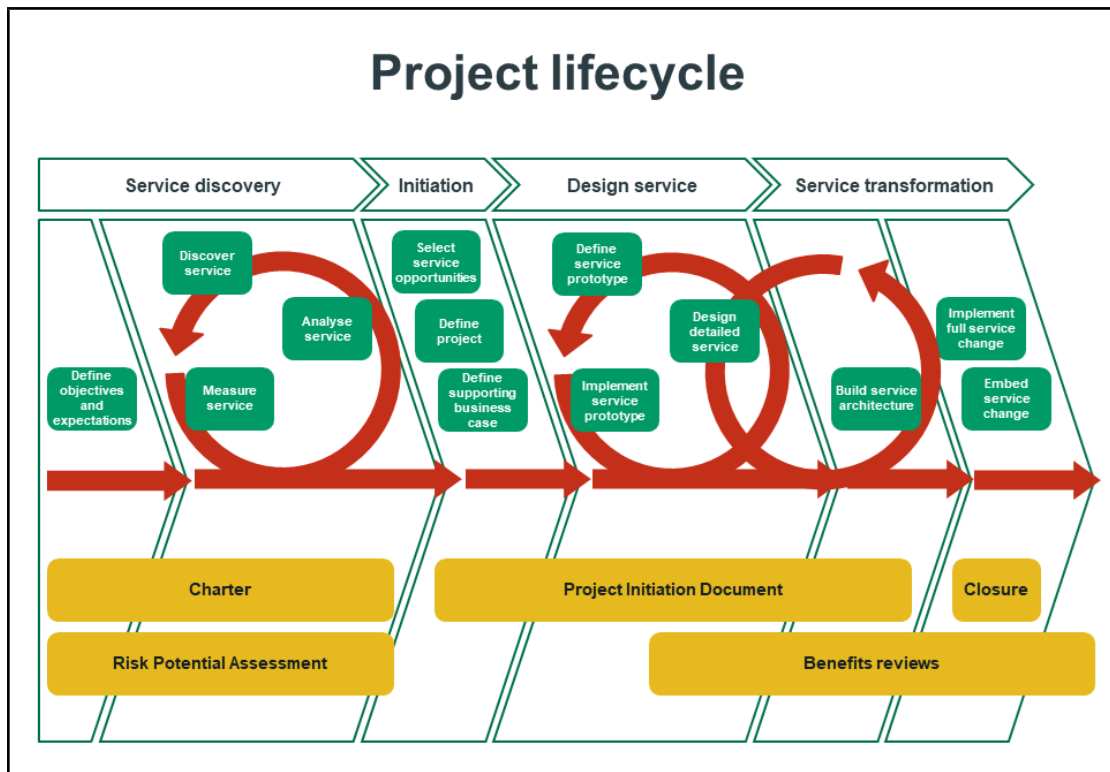
6. The Council established its Transformation Programme in early 2016, grouping change projects from the Corporate Plan into four workstreams:

- Customer Experience;
- Business Culture;
- Resources, Accommodation and Technology; and
- Major Projects.

7. A corporate methodology for managing projects was established in June 2016. All projects are registered with the Programme Management Office (PMO), overseen by the Head of Transformation. Projects are managed differently, depending on an assessment of their scale or complexity. This assessment is completed using the Risk Potential Assessment tool (RPA).

<i>RPA</i>	<i>Qualities</i>	<i>Project management</i>	<i>Processes</i>	<i>PMO support</i>
High	Transformative project – requires authority wide co-ordination	Overseen by the Transformation Programme Board	Charter, initiation document and evaluation are required and approved by TPB. Other documents may be required	PMO actively engaged in supporting the project
Medium	Project management best practice	Managed within a single directorate	Charter, PID and evaluation are required and logged with PMO	Support provided by PMO
Low	Minimal need for project management	Managed within a single service area	Charter, PID and evaluation are encouraged	Support available from PMO on request

8. High and Medium complexity projects follow a project life cycle (see diagram below).



Project Dossier:

9. The Committee are asked to consider and review the list of active High and Medium complexity projects, known formally as the Project Dossier. This is given in the Appendix. The information, structured by Workstream, includes:

- Workstream;
- Project reference number and title;
- Current project lifecycle stage, i.e.
 - Discovery (chartered),
 - Initiation (Project Initiation Document, PID / Programme Definition Document, PDD),
 - Prototype (design service),
 - Implementation (transformation),
 - Closure;
- Risk Potential Assessment (RPA), i.e.
 - Medium or
 - High complexity;
- Start and due dates;
- RAG = Current project status as Red, Amber, Green (RAG);
- Select Committee for scrutiny, i.e.
 - O&S – Overview & Scrutiny,
 - CSC – Communities,
 - GSC – Governance,
 - NSC – Neighbourhoods,
 - RSC – Resources,
- Level of completion (as percentage); and
- Project Sponsor and Project Manager.

Resource Implications:

None.

Legal and Governance Implications:

There are no governance implications from this report.

Safer, Cleaner and Greener Implications:

There are no Safer, Cleaner or Greener implications.

Consultation Undertaken:

No formal consultation was undertaken in the preparation of this report.

Background Papers:

Regular Transformation Programme Highlight Reports to the Cabinet.

Risk Management:

There are no Risk Management implications.

Equality:

There are no Equality Impact implications.

Appendix - Project Dossier Resources Directorate

Key:

Current project lifecycle stage, i.e. Discovery (chartered), Initiation (Project Initiation Document, PID / Programme Definition Document, PDD), Prototype (design service), Implementation (transformation), Closure.


Risk Potential Assessment (RPA), i.e. Medium or High complexity.

RAG = Current project status as Red, Amber, Green (RAG).





Select Committee for scrutiny, i.e. O&S – Overview & Scrutiny, CSC – Communities, GSC – Governance, NSC – Neighbourhoods, RSC – Resources.






Generated on: 25 June 2018

Workstream 1 Customer Experience




Code & Title	Stage	RPA	Start date	Due date	RAG	Progress	Scrutiny	Manager	Latest note
P181 EFDC Community Safety Hub	Prototype	High	28-Feb-2018	30-Jun-2021		41%	RSC	Safer Communities Manager (CSC01)	





Workstream 2 Business Culture

Code & Title	Stage	RPA	Start date	Due date	RAG	Progress	Scrutiny	Manager	Latest note
P050 Reprographics Service Review	Closure	High	15-Jun-2016	01-Jul-2018		99%	RSC	Assistant Director - Human Resources (RHR01)	Action plan currently being reviewed / extended as agreed by Transformation Programme Board.
P106 People Strategy Programme	Implement	High	22-Apr-2016	31-Mar-2020		55%	RSC	Assistant Director - Human Resources (RHR01)	
P170 Establish a Common Operating Model	Prototype	High	03-Jul-2017	31-Mar-2019		100%	RSC	Assistant Director - Human Resources (RHR01)	Action plan currently being reviewed / extended.
P171 Corporate Business Support Team Review	Implement	High	30-Aug-2017	31-Mar-2019		50%	RSC	Business Support Manager	

Code & Title	Stage	RPA	Start date	Due date	RAG	Progress	Scrutiny	Manager	Latest note
P172 Corporate ICT Team Review	Initiation	High	01-Aug-2017	20-Jul-2018		50%	RSC	Assistant Director - ICT & FM	Due date extended to 20 July 2018 by TPB to allow for completion of current actions and presentation of timeline.
P176 Pay and Benefits Review	Initiation	High	07-Feb-2018	31-Oct-2019		16%	RSC	Assistant Director - Human Resources (RHR01)	Action plan reviews and timeline extended by four months by Transformation Programme Board.
P177 Recruitment and Retention Review	Implement	High	07-Feb-2018	31-Jul-2018		93%	RSC	Human Resources Manager (RHR03)	This work will be followed by a second project to deliver the strategy.
P178 Mandatory Leadership and Management Development	Initiation	High	07-Feb-2018	31-Mar-2020		18%	RSC	Learning & Development Manager (RHR02)	
P179 Developing a Skilled Workforce	Initiation	High	07-Feb-2018	31-Mar-2020		18%	RSC	Learning & Development Manager (RHR02)	

Workstream 3 Resources, Accommodation and Technology

Code & Title	Stage	RPA	Start date	Due date	RAG	Progress	Scrutiny	Manager	Latest note
P014 HR Payroll IT System	Implement	High	04-Mar-2016	29-Jun-2018		94%	RSC	Human Resources Manager (RHR03)	Action plan currently being reviewed / extended.
P160 Service Accommodation Programme	Implement	High	22-Feb-2016	31-Mar-2023		75%	RSC	Head of Transformation	
P002 Service Accommodation Review	Implement	High	22-Feb-2016	31-Oct-2018		79%	RSC	Head of Transformation	

<i>Code & Title</i>	<i>Stage</i>	<i>RPA</i>	<i>Start date</i>	<i>Due date</i>	<i>RAG</i>	<i>Progress</i>	<i>Scrutiny</i>	<i>Manager</i>	<i>Latest note</i>
P161 Civic Office Refurbishment	Hold	High		31-Mar-2023		0%	RSC	Head of Transformation	
P039 Out-of-Hours Power Management Systems	Hold	Low	03-May-2017	31-Jul-2018		46%	RSC	ICT Program Manager	
P110 Free up Computer Suite 1	Hold		01-Dec-2015	30-Mar-2018		90%	RSC	ICT Program Manager	Project 'hold' to be reviewed.
P121 Corporate GIS Replacement	Hold		01-Jun-2013	31-May-2017		100%	RSC	Senior Business Analyst (RIG01)	Project 'hold' to be reviewed.

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Report to Resources Select Committee



Date of meeting: 9 July 2018

SCRUTINY



Portfolio: Leader of the Council

Subject: Transformation Programme – Project Initiation Documents

Officer contact for further information: David Bailey, Head of Transformation
(01992 564105)

Democratic Services Officer: Stephen Tautz, Democratic Services Manager
(01992 564180)

Recommendations/Decisions Required:

(1) That the attached Project Initiation Document(s) from the Transformation Programme be noted.

Reason for decision:

The Overview and Scrutiny Committee requested that Project Initiation Document(s) from the Transformation Programme are submitted to the relevant select committee for their information, or in the case of those being managed by the Chief Executive to the Overview and Scrutiny Committee.

Options considered and rejected:

None.

Report

Introduction:

1. The Corporate Plan provides a framework to demonstrate how the work of the Council fits together at a strategic level. It provides a focus to establish a set of corporate priorities, describing how the organisation will deliver positive change.

2. An annual Corporate Specification details how the Corporate Plan will be delivered through a set of operational objectives for that year. Operational objectives can concern Business As Usual (BAU) or business transformation.

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- Has limited resources;
- Has specific objectives; and
- Enables benefits to be realised.

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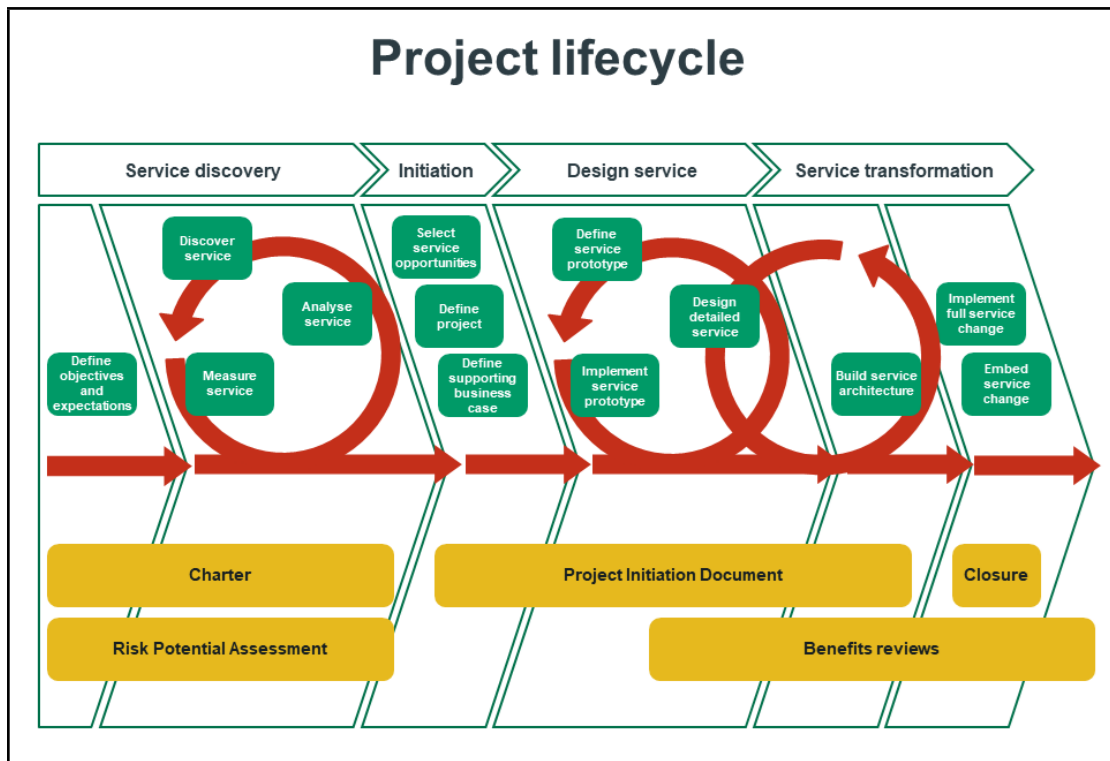
6. The Council established its Transformation Programme in early 2016, grouping change projects from the Corporate Plan into four workstreams:

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<i>RPA</i>	<i>Qualities</i>	<i>Project management</i>	<i>Processes</i>	<i>PMO support</i>
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Low	Minimal need for project management	Managed within a single service area	Charter, PID and evaluation are encouraged	Support available from PMO on request

8. High and Medium complexity projects follow a project life cycle (see diagram below).



Project Initiation Documents (PIDs):

9. At the end of the discovery phase, project managers and sponsors prepare a plan to deliver the project known as a Project Initiation Document or PID. The approval of Medium and High complexity projects by the Programme Management Office and Transformation Programme Board gives the project the mandate to move into the service design and service transformation phases. This process is facilitated by the link officer assigned to the project from the Transformation Programme Management Office.

10. To complete the PID, project teams have to select the preferred opportunity to deliver the change outputs and benefits previously agreed in the project charter. The business case for the project also has to be completed, alongside a risk register, communications plan, budget, and time line for the project.

11. The design phase enables the project team to design and prototype new ways of working before building, implementing and embedding the full service architecture in the service transformation phase.

12. The Committee are asked to consider the Project Initiations Document(s) attached to this Report.

Resource Implications:

None.

Legal and Governance Implications:

There are no governance implications from this report.

Safer, Cleaner and Greener Implications:

There are no Safer, Cleaner or Greener implications.

Consultation Undertaken:

No formal consultation was undertaken in the preparation of this report.

Background Papers:

Regular Transformation Programme Highlight Reports to the Cabinet.

Risk Management:

There are no Risk Management implications.

Equality:

There are no Equality Impact implications.

Appendix - Project Initiation Documents Resources Directorate

Key:

Risk Potential Assessment (RPA), i.e. Medium or High complexity.

Select Committee for scrutiny, i.e. O&S – Overview & Scrutiny, CSC – Communities, GSC – Governance, NSC – Neighbourhoods, RSC – Resources.

Generated on: 25 June 2018

<i>Workstream</i>	<i>Project</i>	<i>RPA</i>	<i>Scrutiny</i>	<i>Sponsor</i>	<i>Manager</i>
Workstream 2 Business Culture	P171 Corporate Business Support Team Review	High	RSC	Paula Maginnis, Assistant Director - Human Resources (RHR01)	Christine Ferrigi, Business Support Manager
Workstream 2 Business Culture	P176 Pay and Benefits Review	High	RSC	Derek Macnab, Acting Chief Executive	Paula Maginnis, Assistant Director - Human Resources (RHR01)
Workstream 2 Business Culture	P177 Recruitment and Retention Review	High	RSC	Paula Maginnis, Assistant Director - Human Resources (RHR01)	Wendy Stump, Human Resources Manager (RHR03)
Workstream 2 Business Culture	P178 Mandatory Leadership and Management Development	High	RSC	Paula Maginnis, Assistant Director - Human Resources (RHR01)	Julie Dixon, Learning & Development Manager (RHR02)
Workstream 2 Business Culture	P179 Developing a Skilled Workforce	High	RSC	Paula Maginnis, Assistant Director - Human Resources (RHR01)	Julie Dixon, Learning & Development Manager (RHR02)

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Project Initiation Document (PID)*Project number*

P171

<i>Project</i>	Corporate Business Support Team
<i>Manager</i>	Christine Ferrigi, Business Support Manager
<i>Sponsor</i>	Paula Maginnis, Assistant Director – People Team and Business Support
<i>Corporate Plan 2018</i>	Aim 3.1 Implement People Strategy Programme Year Two Aim 3.4.2 Implementing New Ways of Working

Project purpose

<i>Definition</i>	<p>To complete a review of the Council's various Business Support functions to build a centralised, high performing, Corporate Business Support Team as per the COM, using the outcome of the DMA assessment for a new structure.</p> <p>Carrying out a Business Support review and building a Corporate Business Support Team will create an agile, resilient workforce as well as increase performance and productivity. The review will reduce operating costs by streamlining processes, developing best practices, removing duplication of work and removing ineffective tasks that do not add value to the organisation.</p> <p>This project will support various other programmes and strategies. The Service Accommodation Programme (P160) by maximising space as well as enabling various methods of working, the People Strategy Programme (P106) and Customer Service Programme (P001) by having the right volume of people and tasks in the right places and the Technology Strategy (TBC) by observing and reporting improvements to ICT Management, then working alongside ICT to implement change.</p>
<i>Mandate</i>	Project Charter agreed by Transformation Programme Board.
<i>Background information and impact assessment</i>	<p>The organisation currently has a Directorate and Service structure, where business support is inconsistently duplicated in various places, this is inherently ineffective and inefficient, including the layers of management required to manage the work of such a model.</p> <p>As the People Strategy Programme will remove the Directorate structure and the Customer Service Programme seeks to bring all customer contact together, it is logical to centralise the Business Support function and to review the Business Support processes to ensure they are fit for our customers and the future.</p>
<i>Approach</i>	<p>The Business Support Manager will work alongside the lead of the Customer Service Programme and Managers around the business to review where tasks sit under the Common Operating Model.</p> <p>Once reviewed, those areas that are confirmed as Business Support will gradually be withdrawn Directorate by Directorate to the Corporate Business Support Team.</p> <p>The Business Support Manager will use internal resource, (current Admin staff across the organisation and the Project Improvement Officer) to map</p>

current processes, identify improvements and implement best practices that are fit for our customers, services provided and the future operating model.

Due to the high volume of processes to be mapped they will prioritised by identifying risk, quick wins and duplicated tasks first. The improvements made will either save time, reduce cost, remove duplication, reduce handovers or reduce risk.

As processes are reviewed, improvements are found and 'to be' processes are written, areas where training and upskilling are required will be identified and an inclusive training and development programme that fits in alongside business as usual will be put in place.

The next step will be to use time studies, existing data and staff participation to look at current performance and ensure we have the correct volume of staff V workload. This will enable SMART targets, set appropriate standards of performance, improve the ability to monitor performance and aid us when agreeing Service Level Agreements. This will also give staff a clear sense of direction and consistency.

Time studies will also assist in reviewing the Business Support structure, staff hours and patterns of work to ensure they fit the current and future organisation needs.

During the review a checklist (Appendix 1) of areas to review within each team will be used, to ensure consistency throughout the review.

We will work with ICT to develop and deliver the digitalisation of processes, by making sure arrangements are in place for the ongoing development and maintenance of systems to meet operational and customer demands as well as ensure we are getting the maximum out of systems already in place.

The capacity of Team Managers and Business Support staff will be kept under constant review as they will be running business as usual throughout the periods of change.

Once all Business Support is withdrawn from Directorates and under the Corporate Business Support Team, the management and team structure will be reviewed.

Business case

The function of Business Support is inconsistent throughout the Council. There are numerous areas of Business Support within each Directorate; many tasks are duplicated, following different processes.

There are areas where workloads do not match FTE, there is either too much work V FTE and there is a backlog of work or not enough work V FTE and staff are not as productive as they could be.

There are also areas where one member of staff knows how to complete certain tasks, which leaves the organisation at risk if that individual is not in the office. Resilience will be required going forward.

Business Support staff currently spend time on tasks that are outdated and do not add value to the business, stopping these tasks will save time to work on important tasks for our customers.

Some processes are high risk due to the amount of room for human error, which causes complaints and concern for staff involved in the processes. Human error cannot be fully removed, but it can be minimised by updating ICT and reviewing processes so that minimal handovers and staff are involved in a process.

Following an initial assessment there are more efficient ways of providing business support to the organisation. Many more tasks can be automated in a consistent way, therefore increasing productivity across the Council.

Once reviewed there may be tasks that can shift to the Business Support Team to free up the time of Technical staff to improve their productivity, performance and customer lead times.

Reviewing and introducing regularly measured SLA's will increase individuals performance and ensure we are maximising productivity as well as improving internal and external customer satisfaction.

Reviewing processes and finding best practices will provide staff with one version of facts to work to, that we all agree on. This gives staff a clear sense of direction and support to make the best decisions.

Working together as one team and breaking down internal barriers will give us the opportunity to create a flexible, agile and resilient workforce within a challenging environment where staff feel valued and supported, with the customer at the heart of everything we do.

In scope

All administrative and clerical functions and tasks undertaken within the five directorates (i.e. including the Office of the Chief Executive).

- General administration and clerical functions, including satellite office administrative tasks.
- Word Processing team
- Executive Assistants
- Document and information management, scanning, filing and retrieval.
- Purchase Orders and invoice processing
- Post
- Booking resources eg. meeting rooms
- Contract management eg. stationery
- Phone bills and re-charging
- Petty cash

Links to other plans, dependencies and constraints

- People Strategy Programme (P106)
COM restructure and DMA structure
- Customer Service Programme (P001)
- Service Accommodation Programme (P160)
- Technology Strategy – particularly Northgate Assure and Achieve Service.
- Back Scanning Projects
- iTrent full roll out

<i>Out of scope</i>	<p>Professional and technical duties.</p> <ul style="list-style-type: none"> • Customer service • Accommodation • Shared services [P108] • Reprographics Review [P050] but may be in-scope subject to review • Accountancy and finance, including debt recovery • Democratic services • Electoral services • Licensing services • Car parking services • ICT and FM services • Online bookings (within customer service) • Recruitment and Training administration – subject to the capabilities of iTrent
<i>Assumptions</i>	<p>It is likely that once processes are streamlined, best practices are found and SMART targets are put in place, staff performance and customer service will improve.</p> <p>It is also likely that there will be additional capacity within teams, which means that permanent staff members are able to efficiently manage workloads and staff currently on FTC may not have their contracts renewed once they expire.</p> <p>Staff within the Business Support Team that retire, leave EFDC or move to different areas of the organisation may not be replaced as we will look to work smarter before recruiting.</p> <p>Challenging work, with flexible working should attract a diverse group of staff.</p>

	<i>Benefit</i>	<i>Measure</i>
<i>Business benefits</i>	Improved, efficient and effective processes	<p>Best practices in place.</p> <p>Risks minimised, time saved, costs reduced, duplication removed, handovers reduced and risk reduced.</p> <p>Baselines for the above will be identified throughout project, team by team.</p>
	Improved team and individual performance	<p>On or above target for KPI's and SLA's.</p> <p>Lead times for task completion decrease.</p> <p>Baselines for the above will be identified throughout project, team by team.</p>
	Increased resilience of workforce	<p>All staff completed training and upskilling programme and have taken on new areas of work.</p>

Epping Forest District Council

Improved stakeholder service	SLA's already in place are reviewed and targets are hit. Areas without SLA's in place have SLA's agreed, put in place and targets are hit. Feedback from stakeholder satisfaction surveys.
Reduced operating costs	Reduction of overall operation costs. Reductions TBC towards the end of the project.
Improved flexible workforce	There are currently 35 JD's, this will decrease by 65%.

Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	Yes, change to policy.
Describe the main aims, objectives and purpose of the policy (or decision)	See Business Case above.
What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?	See Business Case above.
Does or will the policy or decision affect: <ul style="list-style-type: none"> • service users • employees • the wider community or groups of people, particularly where there are areas of known inequalities? 	Initial assessment identifies eighty two staff as being in roles that fall into scope of the Business Support review. The list and figures are subject to change throughout the review, meaning the equality impact will continually be reviewed.
Will the policy or decision influence how organisations operate?	Yes – see Business Case above.
Will the policy or decision involve substantial changes in resources?	Existing resources will be reallocated accordingly. Some savings are likely to be achieved.
Is this policy or decision associated with any of the Council's other policies and how, if	

applicable, does the proposed policy support corporate outcomes?	Yes, see links above.			
What does the information tell you about those groups identified?	Table below has detailed information around the groups impacted.			
	Characteristic	Group	Number	Percentage
	Gender	Female	71	87
		Male	11	13
	Age	16 – 24	13	16
		25 – 34	9	11
		35 – 44	5	6
		45 – 54	23	28
		55 – 64	23	28
		65+	5	6
		Unknown	4	5
	Nationality	British	15	18
		English	10	12
		Unknown	57	70
	Ethnic origin	White - English/Welsh/Scottish/Northern Irish/British	57	70
White other		1	1	
Black/Black British/African		1	1	
Mixed - Any other Mixed/Multiple background		1	1	
Unknown		22	27	
Religion	Christian	36	44	
	Any other	1	1	
	No religion	4	5	
	Do not wish to disclose	18	22	
	Unknown	23	28	
Considered disabled	Yes	6	7	
	No	66	81	
	Unknown	10	12	
Sexual orientation	Heterosexual	38	47	
	Gay	1	1	
	Do not wish to disclose	20	24	
	Unknown	23	28	
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and	Initial briefings have taken place with the existing Business Support staff, the next briefing is scheduled. See project Communication Strategy below.			

how have their views influenced your decision?	
If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	See project Communication Strategy below.

Use this section to assess any potential impact on equality groups based on what you now know.		
Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	The review will involve a range of staff across the authority regardless of characteristic. The impact will not be known until the results of the review are known and the associated decisions are taken to implement any recommendations.	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No x	See comment above
	Yes <input type="checkbox"/>	If 'YES', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.

Action plan to address and monitor adverse impacts		
What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.

N/A at this stage		
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Project team

<i>Role</i>	<i>Name</i>	<i>Responsibilities</i>
Assistant Director – People Team & Business Support	Paula Maginnis	Project Sponsor
Head of Business Transformation	David Bailey	Programme Lead
Business Support Manager	Christine Ferrigi	Project Manager
Business Support Directorate Team Managers/Team Leaders/Deputies	TBC	Ad hoc involvement in tasks such as process mapping
Project Improvement Officer	TBC	Project Support

Project plan

Key deliverables, milestones and acceptance criteria

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
Meet with all Directors and Asst Directors to discuss Business Support Review	January 2018	January 2018	Christine Ferrigi	Meetings have taken place
Create review checklist (Appendix 1)	January 2018	January 2018	Christine Ferrigi	Checklist in place
Meet with appropriate Neighbourhood Managers and Team Leaders to discuss Business Support Review and in scope roles	23 rd January 2018	5 th March 2018	Christine Ferrigi	Meetings have taken place, in scope roles confirmed
Meet with appropriate Resources Managers and Team Leaders to discuss Business Support Review and in scope roles	January 2018	February 2018	Christine Ferrigi	Meetings have taken place, in scope roles confirmed
Review current Neighbourhood business support tasks	February 2018	February 2018	Christine Ferrigi	Tasks reviewed, added to matrix and prioritised for process mapping
Withdraw Neighbourhood Support Teams from Directorate to Corporate Business Support Team	28 th February 2018	31 st March 2018	Christine Ferrigi	There are two separate Business Support teams, this will be a gradual move

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<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
Review current Resources business support tasks	1 st March 2018	1 st March 2018	Christine Ferrigi	Tasks reviewed, added to matrix and prioritised for process mapping
TPB to agree PID	7 th March 2018	7 th March 2018	Christine Ferrigi	PID agreed
Staff briefing for those on Business Support Review in scope list	9 th March 2018	9 th March 2018	Christine Ferrigi & Paula Maginnis	Briefing taken place. Staff impacted by BS review have an understanding of why/how/when
Current Neighbourhood support processes mapped	12 th March 2018	30 th April 2018	Christine Ferrigi/Team Manager/Staff	Processes mapped
Current Resources support processes mapped	12 th March 2018	30 th April 2018	Christine Ferrigi/Team Manager/Staff	Processes mapped
Current Neighbourhood processes reviewed and 'to be' best practices and processes agreed	12 th March 2018	30 th April 2018	Christine Ferrigi/Team Manager/Staff	Best practises found. New processes mapped
Current Resources processes reviewed and 'to be' best practices and processes agreed	12 th March 2018	30 th April 2018	Christine Ferrigi/Team Manager/Staff	Best practises found. New processes mapped.
Training/upskilling needs identified and training schedule put in place	12 th March 2018	30 th April 2018	Christine Ferrigi/Team Manager	Training schedule in place
Withdraw Resources Support Teams from Directorate to Corporate Business Support Team	14 th March 2018	14 th March 2018	Christine Ferrigi	There are two separate Business Support teams, this will be a gradual move
Review learning points before continuing to next Directorate	31 st March 2018	31 st March 2018	Christine Ferrigi	Steps in place to avoid repeating things that did not go so well first time round
Meet with appropriate Governance Managers and Team Leaders to discuss Business Support Review and in scope roles	April 2018	April 2018	Christine Ferrigi	Meetings have taken place, in scope roles confirmed

Epping Forest District Council

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
Review Governance business support tasks	April 2018	April 2018	Christine Ferrigi	Tasks reviewed, added to matrix and prioritised for process mapping
Withdraw Governance Support Team from Directorate to Business Support Team	May 2018	May 2018	Christine Ferrigi	There are several Business Support teams, this will be a gradual move
Current Governance support processes mapped	May 2018	31 st July 2018	Christine Ferrigi/Team Manager/Staff	Process mapped
Current Governance support processes reviewed and 'to be' best practices and processes found	May 2018	31 st July 2018	Christine Ferrigi/Team Manager/Staff	Best practises found. New processes mapped
Training/upskilling needs identified and training schedule put in place	May 2018	31 st July 2018	Christine Ferrigi/Team Manager	Training schedule in place
Review learning points before continuing to next Directorate	27 th June 2018	27 th June 2018	Christine Ferrigi	Steps in place to avoid repeating things that did not go so well first time round
Meet with appropriate Communities Managers and Team Leaders to discuss Business Support Review and in scope roles	16 th July 2018	31 st July 2018	Christine Ferrigi	Meetings have taken place, in scope roles confirmed
Review Communities business support tasks	16 th July 2018	31 st July 2018	Christine Ferrigi	Tasks reviewed, added to matrix and prioritised for process mapping
Withdraw Communities Support Teams from Directorate to Business Support Team	August 2018	Sept 2018	Christine Ferrigi	There are several Business Support teams, this will be a gradual move
Current Communities support processes mapped	August 2018	Oct 2018	Christine Ferrigi/Team Manager/Staff	Processes mapped
Current Communities support processes reviewed and to be best practices and processes found	August 2018	Oct 2018	Christine Ferrigi/Team Manager/Staff	Best practises found. New processes mapped
Training/upskilling needs identified and training schedule put in place	August 2018	Oct 2018	Christine Ferrigi/Team Manager	Training schedule in place

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<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
Corporate Business Support Team Structure reviewed and designed to ensure it is fit for purpose/future as per COM and DMA.	28 th Sept 2018	31 st Oct 2018	Christine Ferrigi	Agreed by Management Board
Corporate Business Support Team Structure implemented	1 st Nov 2018	1 st Nov 2018	Christine Ferrigi	Structure in place
SLA's reviewed or created	December 2018	December 2018	Christine Ferrigi	Desired standards of service reached
Create internal Stakeholder engagement plan	December 2018	December 2018	Christine Ferrigi	Internal surveys, meetings, teleconferences. Issues addressed, improvements made as necessary
Complete any outstanding Project actions before closure preparations	Jan 2019	14 th March 2019	Christine Ferrigi	All Project objectives and expected outcomes complete
Reflect on successes and learning points for Project closure	25 th March 2019	29 th March 2019	Christine Ferrigi	Demonstrate improvements and learning points, report to TPB to agree closure
Corporate Business Support Team running at a business as usual state	29 th March 2019	29 th March 2019	Christine Ferrigi	Business Support Review changes completed, TPB agree project closure

Headline plan to be provided by Pentana

Budget plan

<i>Period</i>	<i>2018-19</i>	<i>2019/20</i>	<i>Comments</i>
<i>Revenue</i>			Can be met within existing resources.
<i>Capital</i>			
<i>Savings</i>	xxxx	xxxx	Efficiency savings to be confirmed towards the end of the project.
<i>Totals</i>			

Communication management strategy

<i>Stakeholder</i>	<i>Needs</i>	<i>Communications</i>
Staff	Information Consultation	District Lines/Staff Briefings Email/letters/documents
Leadership Team	Information Consultation	Meetings/Presentations Email/letters/documents
Management Board	Decisions	Meetings/Presentations
Members	Decisions	Meetings/Presentations
Trade Unions	Information Consultation	Meetings/Presentations Email/letters/documents
Internal stakeholders	Information Consultation	Meetings/Presentations Email/letters/documents
Project Manager for Customer Service Programme	Information Consultation	Meetings/Presentations Email/letters/documents

Risk log

<i>Description</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Score</i>	<i>Control measures</i>
Change not accepted by Employees impacted by review, due to engagement. Employees may continue to work to previous processes.	B High	3 Minor	B3 High	Ref to Comms plan above. Employees will be involved in tasks throughout the Project lifecycle, such as Process Mapping. Line Managers will ensure new processes are followed.
Capacity of the Project Team.	D Low	1 Major	D1 Low	Keep capacity under constant review and ask for additional resources if required.
Business Support service level decreases during periods of change.	D Low	2 Moderate	D2 Low	Keep capacity and service levels under constant review.
Programme delayed.	D Low	1 Major	D1 Low	Communicate constraints with Project Sponsor/Programme Lead/TPB.
Loss of key staff from Project Team.	D Low	2 Moderate	D2 Low	Have all notes, documents and decisions etc. accessible for others.
Recruitment and retention issues during interim period.	D Low	2 Moderate	D2 Low	Be transparent with existing staff and applicants.

Project approval

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager			1.0
Project Sponsor			1.0

Version control

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>
V1.0	02/03/2018	Christine Ferrigi	

Distribution

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>

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Appendix 1 - Checklist

	Review	Completed
Individual Staff	<p>Name</p> <p>Hours worked</p> <p>% of FTE</p> <p>Contract type</p> <p>If FTC, when does contract expire?</p> <p>On flexi time?</p> <p>Grade/range</p> <p>Location based</p> <p>Skills, inside and outside of current role.</p>	
Team	<p>Any open vacancies?</p> <p>Who are Team's stakeholders/customers? Internal & external.</p> <p>What current KPI's and SLA's are in place?</p> <p>How are they measured?</p> <p>What is current performance for those KPI's and SLA's?</p> <p>What Comms do Team use? Team mailbox/telephone hunt group etc.</p> <p>Are Team paperless? In prep for Accommodation review and in line with DPA/GDPR.</p> <p>Any current Projects in place alongside BAU? Such as back scanning?</p> <p>Any service contracts in place? When do they expire?</p> <p>General Team challenges.</p>	
Tasks/Processes	<p>Is task a one off or duplicated across Directorates?</p> <p>How many people know how to complete this task?</p> <p>Is there a process mapped?</p> <p>What is the purpose of this task? What value does this task add to the organisation?</p> <p>Volume – weekly/monthly/annually.</p> <p>Average time to complete task.</p> <p>How many handovers involved in process and how do they happen? Electronically? By paper?</p> <p>How many IT systems used throughout process? Are they supported by IT? Eg. excel sheets.</p> <p>How often is data duplicated throughout process?</p> <p>Is process high risk?</p> <p>Do we need an IT system consultant to visit to advise of more that a system can offer?</p> <p>Can IT software complete this task or improve the process?</p> <p>Can task be outsourced? Cost V Benefit.</p> <p>Can the customer complete the task? Or part of it?</p>	

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Review of JE, Pay, Terms & Conditions and Benefits
In-Scope

Pay	T&Cs	Benefits	Job Evaluation	Policies
Salary <ul style="list-style-type: none">GradesPayInner fringe allowanceLiving wage	Sickness Absence entitlements	Salary Sacrifice <ul style="list-style-type: none">CarsChildcareBikes	Maintenance Policy	Flexible Working Policies
	Annual Leave entitlements		Maintenance Procedure	Banked Holiday Scheme
		Flexi time Scheme	Christmas - Civic Office Closure	Evaluation documents
Overtime <ul style="list-style-type: none">Remuneration for days/grades/rates	Pay Protection	Use of mast money	Scheme conventions	Settlement Agreements
Enhanced rates <ul style="list-style-type: none">NightworkWeekendsShiftsEvening meeting allowancesStandby/call out	National Agreements/Pay Awards/Collective Bargaining	Simply Health	JE Scheme	Time off for Medical Issues
	Maternity Leave	Employee Assisted Programme (not in place)		Disability Leave (not in place)
	Adoption Leave	Benefits Portal (not in place)		Career Breaks/Sabbaticals (not in place)
Additional Payments <ul style="list-style-type: none">HonourariumActing upCar/motorbike/bike allowancesSubsistenceLong service awardsStandby/Call out/Social MediaOut of pocket expensesTelephone AllowancesHomeworkingHistorical paymentsMarket supplements	Shared Parental Leave	Other H&WB benefits		Carer leave (not in place)
	Bank Holiday entitlements	Professional Body Fees		Buying/Selling Annual Leave (not in place)
	Working time – weekly hours			
	Redundancy Payments			
Pay model <ul style="list-style-type: none">Scp/spot/incremental progression				

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Project Initiation Document (PID)*Project number*

P176

Project

People Strategy
Pay and Benefits Review

Manager

Paula Maginnis, Assistant Director – Human Resources

Sponsor

Glen Chipp – Chief Executive

Corporate Plan 2015-20

Aim 3b Modernising Council Operations

Project purpose*Definition*

Carry out a fundamental review of the Council's pay, Job Evaluation (JE) Scheme, terms & conditions and benefit arrangements to achieve the ambitions of the People Strategy and ensure the Council is able to attract and retain skilled individuals to deliver its services and strategic aims.

Mandate

Transformation Programme Board agreed the programme of projects in the People Strategy of which this is one.

Background information and impact assessment

To enable the Council take forward a challenging agenda it needs to ensure our pay, JE Scheme, terms & conditions and benefit arrangements will attract, engage and retain a suitable workforce.

The review will look at the current pay, pay structures, collective agreements, terms and conditions, benefits and job evaluation arrangements

Approach

A small team of EFDC staff will form a Negotiation Board to discuss proposals with the Trade Unions.

An external consultant has been engaged through VineHR to provide advice and support.

Transformation Programme Board will provide direction and proposals will be agreed by Cabinet and Council as necessary.

The aim is to reach a Joint/Collective Agreement with the Trade Unions. If this is not possible a dismissal and re-engagement process will be required. Legal advice may be required at this stage to ensure the process is fair, lawful and minimises any potential constructive dismissal claims.

Capacity of the Project Team and HR will be kept under review.

Business case

This is one of the Projects set out in the People Strategy which aims to assist the Council meet future challenging financial targets. In order for the Council to retain and attract a workforce that can achieve this pay, grading and terms and conditions need to be competitive in the relevant job markets.

Streamlining and reviewing payments could potentially reduce operating costs.

JE arrangements are bureaucratic, time consuming and employee driven. It is proposed that the review will bring balance to the arrangements by

Epping Forest District Council

	becoming organisation driven and where expertise is valued as much as management responsibilities. In addition officer and trade union time spent re-evaluating roles or evaluating new roles is reduced.
<i>In scope</i>	See Appendix 1
<i>Links to other plans, dependencies and constraints</i>	<ul style="list-style-type: none"> Recruitment and Retention Strategy Common Operating model – restructure of management tiers and the organisation
<i>Out of scope</i>	<p>A limited number of items are out of scope which will give the Negotiation Board and Trade Unions complete flexibility to decide at appropriate stages which items can be determined at a later stage.</p> <ul style="list-style-type: none"> Pensions Member Allowances Car Parking Off Payroll Payments (IR35) Professional Education Scheme Returning Officer Fees
<i>Assumptions</i>	<p>Our pay, grading and terms and conditions will be significantly different to current arrangements</p> <p>The Council could move away from national bargaining mechanisms meaning that pay and conditions can become locally relevant, focussed and affordable.</p> <p>Confidential negotiations will be a feature of the project which may at times mean little or no information can be communicated to staff.</p>

	<i>Benefit</i>	<i>Measure</i>
<i>Business benefits</i>	Reduced operating costs	Reduction of overall operation costs
	Reduction in the number of job evaluations	Reduction of 50%

Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	The scope of the project is likely to result in changes to pay, terms & conditions and the way we evaluate roles, but until proposals are made the equality impact is not known.
Describe the main aims, objectives and purpose of the policy (or decision)	Ensuring our pay, grading, terms & conditions and benefits attract and retain the right workforce. In addition, the aim is for our Job evaluation scheme to be less bureaucratic and driven by the requirements of the organisation.
What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?	As above
Does or will the policy or decision affect: <ul style="list-style-type: none"> service users employees the wider community or groups of people, particularly where there are areas of known inequalities? 	Employees. The aim of the review is to better reward staff resulting in a well-motivated workforce. This will have a beneficial impact on service users and our communities.
Will the policy or decision influence how	Yes

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organisations operate?																																	
Will the policy or decision involve substantial changes in resources?	It is likely to have an impact on financial resources																																
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?	It is a project within the programme of work in the People Strategy. It will support the work identified to implement the Common Operating Model, also the Recruitment & Retention Strategy and the Medium Term Financial aims.																																
What does the information tell you about those groups identified?	<p>Early indications are that the organisation has mean and median hourly pay gap figures showing female staff earn 16% less per hour than males. Looking at the table below, 53% of employees in the upper or upper middle quartiles are male whereas 65% of employees in the lower middle or lower quartiles are female.</p> <p>GENDER PAY GAP QUARTILE FIGURES</p> <table><tr><th>Quartile</th><th>Gender</th><th>No of Employees</th><th>% in Quartile</th></tr><tr><td rowspan="2">Upper</td><td>Male</td><td>92</td><td>58.6</td></tr><tr><td>Female</td><td>65</td><td>41.4</td></tr><tr><td rowspan="2">Upper Middle</td><td>Male</td><td>73</td><td>47</td></tr><tr><td>Female</td><td>83</td><td>53</td></tr><tr><td rowspan="2">Lower Middle</td><td>Male</td><td>53</td><td>34</td></tr><tr><td>Female</td><td>103</td><td>66</td></tr><tr><td rowspan="2">Lower</td><td>Male</td><td>55</td><td>35</td></tr><tr><td>Female</td><td>101</td><td>65</td></tr></table> <p>Males make up 43.7% of the workforce, females 56.3%.</p> <p>Currently there is an issue with Business Object reports which means information for the other characteristics is not available at this time. However this will be fixed in due course and the information will be provided to the Project Team.</p> <p>The review will impact pay, grading, terms & conditions and JE across the organisation affecting current NJC employees. Once the proposals are known an assessment can be carried out.</p>	Quartile	Gender	No of Employees	% in Quartile	Upper	Male	92	58.6	Female	65	41.4	Upper Middle	Male	73	47	Female	83	53	Lower Middle	Male	53	34	Female	103	66	Lower	Male	55	35	Female	101	65
Quartile	Gender	No of Employees	% in Quartile																														
Upper	Male	92	58.6																														
	Female	65	41.4																														
Upper Middle	Male	73	47																														
	Female	83	53																														
Lower Middle	Male	53	34																														
	Female	103	66																														
Lower	Male	55	35																														
	Female	101	65																														
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	Not at this stage. Formal negotiation/ consultation will be carried out with the Trade Unions once proposals are developed.																																
If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	As above																																

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	The review will involve our current pay, grading, terms & conditions and benefits across the authority regardless of characteristic. The impact will not be known until the results of the review are known and the associated decisions are taken to implement any recommendations.	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No x	See comment above
	Yes <input type="checkbox"/>	If 'YES', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.

Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
N/A at this stage		

Project team

Role	Name	Responsibilities
Chief Executive	Glen Chipp	Project Sponsor
Assistant Director - HR	Paula Maginnis	Programme Lead
Assistant Director - HR	Paula Maginnis	Project Manager
Head of Transformation	David Bailey	Transformation Lead
Executive Assistant	Mary Syme	Project Support
Service Accountant	Graham Keoghoe	Financial information & support

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<i>Role</i>	<i>Name</i>	<i>Responsibilities</i>
PR	Tom Carne or Sarah Kits	Provide timely communications and advice
External Specialist Consultancy	VineHR Associate – Stephen Houghton	Specialist advice and support

Project plan

Key deliverables, milestones and acceptance criteria

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
TPB to agree PID	February 2018		Paula Maginnis	PID agreed
Initial meeting with consultant	February 2018		Paula Maginnis	Meeting arranged and takes place
Scope current arrangements against proposals with costings.	March 2018	April 2018	Paula Maginnis	Document completed
Produce Communication Plan	March 2018	April 2018	Tom Carne	Plan agreed
Joint MB/Cabinet presentation	19 April 2018		Paula Maginnis	Initial proposals presented to Cabinet, achieving general agreement.
TPB to agree Phase 1 and initiate Phase 2	May 2018	May 2018	Paula Maginnis	TPB agrees the proposals to take forward to the Negotiation Board
Consultation/negotiation with TUs	May 2018	October 2018	Paula Maginnis	Proposals discussed with the Trade Unions
Start to agree a Joint/Collective Agreement or consider if a dismissal and re-engagement process is required	September 2018		Paula Maginnis	Draft the Joint/Collective Agreement. If required propose timeline/action plan to achieve process
Joint MB/Cabinet presentation	18 October 2018		Paula Maginnis	Final draft proposals presented to Cabinet achieving general agreement.
TPB to agree Phase 2 and initiate Phase 3	November 2018		Paula Maginnis	TPB agrees final proposals
Reflect potential cost/saving information into budget reports		Nov 2018	John Bell	Information provided to members
Consultation with staff – 30 days	7 January 2019	6 February 2019	Paula Maginnis	Consultation completed

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Key deliverable	Start date	End date	Lead officer	Acceptance criteria
Final member agreement	Mid-Feb 2019	Mid-March 2019	Paula Maginnis	Members agree new pay, grading, terms & conditions and benefit arrangements
Implementation	1 April 2019		Paula Maginnis	All relevant staff placed on new arrangements
Benefit Review	1 Oct 2019	31 Oct 2019	Paula Maginnis	Review completed and reported to TPB

Headline plan

	2018/2019																			
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
Scope current arrangements against proposals with costings	▷	▷	▷	▶																
Produce Communication Plan			▷	▶																
TPB to agree Phase 1 and initiate Phase 2					▶															
Consultation/ negotiation with TUs					▷	▷	▷	▷	▷	▶										
TPB to agree Phase 2 and initiate Phase 3											▶									
Reflect potential cost/saving information into budget reports											▶									
Consultation with staff – 30 days													▶							
Final member agreement															▶					
Implementation																▶				
Benefit Review																				▶

Key: ▷ = activity period, ▶ = completion / key deadline

Budget plan

Period	2018-19	2019/20	Comments
Revenue	5000		Consultancy
Capital			
Savings	TBC	TBC	Efficiency savings to be confirmed
Totals			

Communication management strategy

<i>Stakeholder</i>	<i>Needs</i>	<i>Communications</i>
Staff	Information Consultation	District Lines/Staff Briefings Email/letters/documents
Leadership Team	Information Consultation	Meetings/Presentations Email/letters/documents
Management Board	Decisions	Meetings/Presentations
Members	Decisions	Meetings/Presentations
Trade Unions	Information Consultation	Meetings/documents Email/letters/documents Joint Agreement

Risk log

<i>Description</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Score</i>	<i>Control measures</i>
Trade Unions do not agree to Joint Agreement and dismissal & re-engagement process required	Medium	Major	Medium	Plan for process to ensure there is enough time to implement.
Capacity of the Project Team	High	Major	High	Keep capacity under constant review ask for additional resources if required
Capacity of the HR Team	High	Major	High	Keep capacity under constant review ask for additional resources if required
Loss of key staff from Project Team	Low	Major	Low	Have all notes, papers, and decisions etc accessible for others. Consider substitute members/understudies for the Project.
Recruitment and retention issues	Medium	Moderate	Medium	Be transparent with existing staff and applicants

Project approval

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager			1.0
Project Sponsor			1.0

Version control

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>

Distribution

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>

Project Initiation Document (PID)*Project number*

P179

<i>Project</i>	Mandatory Leadership and Management Development
<i>Manager</i>	Julie Dixon, Learning and Development Manager, HR
<i>Sponsor</i>	Paula Maginnis, Assistant Director, Human Resources
<i>Corporate Plan 2015-20</i>	Aim 3b Modernising Council Operations

Project purpose

<i>Definition</i>	Launch a new 'Essential Skills' management and leadership development programme for all levels of manager, post implementation of new structure recommended for LGA report.
<i>Mandate</i>	People Strategy Programme Definition Document (PDD) agreed by Transformation Board and Cabinet. An outline of this project is contained within the PDD.
<i>Background information and impact assessment</i>	<p>The Local Government Association (LGA) has provided a proposal to undertake a structural review of our management structure using the Decision Making Accountability (DMA) tool.</p> <p>The review looked at management structures and decision making across the organisation and identified areas of compression or ineffective decision making arrangements.</p> <p>The Council is also implementing the Common Operating Model, to support the breaking down of internal boundaries and more effective delivery of services to our residents.</p> <p>Once a new structure has been agreed a new 'essential skills' development programme will need to be in place to ensure all managers are continually developed to fulfil the new roles, levels of accountability and new ways of working.</p> <p>The Council will need to build organisational resilience and develop new skills and commercial acumen in order to be effective.</p>
<i>Approach</i>	<ul style="list-style-type: none"> ▪ Link to the recent LGA DMA Report (and in particular the changes to delegation of authority) ▪ Benchmarking of other organisation's management development programmes will take place including Aylesbury Vale DC, London Boroughs and Essex authorities ▪ Research via reports such as 'The 21st Century Public Servant' by the Public Service Academy/ Economic & Social Research Council. Also 'The Local State We're In' report by PWC' ▪ Visit to Thurrock Council who have mapped their Leadership Development competencies to 'The 21st Century Public Servant' report.
<i>Business case</i>	The People Strategy will assist the Council to reduce spending and increase income generation to keep Council Tax low and protect front line services. The Council has made the decision to reduce its building

	<p>footprint which will see staff working flexibly and the requirement to work in an uncertain environment whilst continuing to provide excellent customer services.</p> <p>The organisation will require an accountable and flexible management structure to meet these requirements.</p> <p>Managers/ Leaders will require new skills and behaviours to fulfil these changing roles within this new structure. Our current management training and development will not deliver this.</p>
<i>In scope</i>	<p>All management/ leadership training and development for new Management Roles (DMA Levels) including professional qualifications, such as Institute of Leadership & Development, in house courses, external training, masterclasses, seminars and e learning.</p> <p>Also new Management apprenticeships under new Government Apprenticeship Levy.</p>
<i>Links to other plans, dependencies and constraints</i>	<ul style="list-style-type: none"> ▪ Common Operating Model for the organisation ▪ LGA/DMA Report ▪ Skills audit ▪ Review of Job Evaluation Scheme ▪ Review of Pay model ▪ Current Mandatory training plan ▪ Professional Education Scheme ▪ Service Accommodation Review (P002)
<i>Out of scope</i>	<p>Non-management training is covered by a separate PID.</p>
<i>Assumptions</i>	<ul style="list-style-type: none"> • The programme will be supporting a major shift in culture which will be driven from the DMA, and in particular the changes to delegation of authority at the various tiers. • That training for all management roles will be mandatory (termed as 'Essential Skills'). • The preferred option is affordable using financial resources already in place through the corporate training budget and Apprenticeship Levy budget. • Doing nothing is not an appropriate course of action as in order to make the necessary savings and continue to deliver services the Council will require different organisational structures, roles and skills. • A 'gold plated' approach with higher costs is not necessary as the Council's managers have a level of experience and current skillsets. The development programmes will update and develop new skills. • To ensure we get the best commercial option with training providers we will use a mix of providers who have been tested via Vine HR contracts, our own evaluation and inviting new providers to draft proposals.

	<i>Benefit</i>	<i>Measure</i>
<i>Business benefits</i>	<p><i>Extracted from Appendix 1 of People Strategy: Outcomes & Benefits;</i></p> <ul style="list-style-type: none"> ▪ Leaders and managers able to work with ambiguity and deal with future challenges ▪ Increased management capacity ▪ Reduced operating costs ▪ Reduced time taken to reach decisions for residents and staff ▪ Improved leadership and management ▪ Increased attendance at corporate development events by senior managers ▪ Increase number of staff identified as future leaders/ managers 	<p>Skills Audit will give a baseline for Skills improvement</p> <p>Qualification/ programme completion rates</p> <p>Manager's Survey</p>

Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	Yes
Describe the main aims, objectives and purpose of the policy (or decision)	To ensure the Council's managers are developed and supported to perform in line with new roles and accountabilities
What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?	A new mandatory leadership/ management development programme in place.
Does or will the policy or decision affect: <ul style="list-style-type: none"> • service users • employees • the wider community or groups of people, particularly where there are areas of known inequalities? 	Employees (Managers)
Will the policy or decision influence how organisations operate?	It will result in different organisational skills, competencies and culture
Will the policy or decision involve substantial changes in resources?	It may result in an additional investment in management/ leadership development
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?	The project is part of a programme of work to take forward the Council's People Strategy and linked outcomes in this programme.
What does the information tell you about those groups identified?	We will have information on the group post the new structure and skills audit.
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	There will be a review of manager's current skills and qualifications via a Skills Audit & focus groups which will start in February 2018.

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If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	As above
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Use this section to assess any potential impact on equality groups based on what you now know.		
Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	<p>The new programmes will involve all current layers of management across the authority regardless of characteristic. The impact will not be known until the results of the proposed new structure and roles are in place.</p> <p><i>Further information to be attached once reports received/ analysed in HR.</i></p>	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No x	See comment above
	Yes <input type="checkbox"/>	If 'YES', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.

Action plan to address and monitor adverse impacts		
What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
N/A at this stage		

Project team

Role	Name	Responsibilities
Head of Transformation	David Bailey	Project Transformation Link

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<i>Role</i>	<i>Name</i>	<i>Responsibilities</i>
Assistant Director - HR	Paula Maginnis	Project Sponsor
Learning & Development Manager	Julie Dixon	Project Lead
Admin Support	TBC – this has been highlighted as a risk and is being taken forward by AD HR	Project Admin

Project plan

Key deliverables, milestones and acceptance criteria

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
Research via documents and visits/ phonecalls to Aylesbury, Braintree, Thurrock, LBWF	Jan 18	April 18	JD	Visits/ Meetings completed
PID Agreed	Feb 18	Jan 18	JD	PID agreed
Communication & Engagement with Leadership Team & Managers/ Staff	Jan 18	Mar 18	JD	Via Leadership Team briefing, Manager's Conference and District Lines
Skills Audit & focus group	Feb 18	Mar 18	JD	Audit & Report Complete
Draft mandatory development programmes	April 18	July 18	JD	Programme designed
Discussions/ Procurement with Providers	April 18	July 18	JD	Procurement or Proposals completed
Build mandatory programmes with providers	Sept 18	Nov 18	JD	Programme built
Launch new programmes	Jan 19		JD	Managers booked on appropriate training/ development
Evaluate first programmes	19/20		JD	Evaluation report completed
Close and Review PID	19/20		JD	PID Evaluation completed
New PID for Future Leaders Programme	19/20		JD	PID completed

Headline plan

2018/2019

Epping Forest District Council

	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan
Research						▷	▷	▷	▶									
PID Agreed						▷												
Communication						▷	▷	▶										
Draft & Build									▷	▷	▷	▶						
Launch																		▷
Evaluation																		▷

Key: ▷ = activity period, ▶ = completion / key deadline

Budget plan

Period	2017-2018	2018-2019	Comments
Revenue			
Capital	£10,000 £10,000	£10,000 £10,000	From Corporate Training From Apprenticeship Levy
Savings			
Totals	£20,000	£20,000	

Communication management strategy

Stakeholder	Needs	Communications
Managers	Engagement & Information	Focus Groups/ Facilitated sessions
Staff	Information	Staff Briefing District Lines
Leadership Team	Engagement & Information	Leadership Team – Feb 18
Members	n/a (update on overall People Strategy)	n/a
Training Providers	Information & Engagement; Training needs and programme requirements	Procurement Brief

Risk log

Description	Likelihood	Impact	Score	Control measures
Programme delayed	Medium	Moderate	Med	Adequate resources allocated to L&D
Costs go over budget	Low	Minor	Low	Budgets monitored monthly
Training does not meet needs	Low	Minor	Low	Quality control meetings with providers

Project approval

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager			1.0
Project Sponsor			1.0

Version control

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>

Distribution

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>

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Project Initiation Document (PID)*Project number***P177***Project***People Strategy
Recruitment and Retention Strategy Project***Manager***Wendy Stump – HR Manager – Human Resources***Sponsor***Paula Maginnis – Assistant Director – Human Resources***Corporate Plan 2015-20***Aim 3b Modernising Council Operations****Project purpose***Definition*

(1) To ensure that our recruitment processes and documentation place no barriers for the appointment of well-trained, suitably qualified, customer focussed candidates as efficiently as possible.

(2) Bring forward a draft recruitment and retention strategy for consideration by the Management Board;

Mandate

This is part of the People Strategy - Programme Definition Document agreed by Transformation Board and Cabinet.

*Background
information
and impact
assessment*

Our location means that we are competing against London for talent.

Traditionally we have had difficulty recruiting to certain posts due to market forces and the proximity to London especially to senior professional roles i.e. Planners – Policy, IT, Housing, HR, Accountancy

The project will look at current practice, best practice and develop a recruitment and retention strategy for the Council.

Approach

To investigate current best practice models for recruitment and retention strategies with other local authorities, industry leaders i.e. ACAS, CiPD and to engage external assistance where specific knowledge is required.

Discussions with internal hiring managers regarding our current processes and consideration of their suggestions for improvement.

Business case

To ensure that the recruitment and retention strategy supports the hiring of the right people, with the right attitudes/behaviours, at the right time in the right place.

That a retention strategy fits with our professional development Intentions and contracts

The authority is part way through a Transformation process and will need to ensure that it is able to recruit high calibre staff to take the authority forward

It is acknowledged that we have difficulty in recruiting to some roles and this places a dependency on hiring agency or consultant staff at greater cost to the council.

In scope

The following will be in scope for the review to inform the recruitment and retention Strategy

- Analysis of current recruitment statistics to define impact of current recruitment and retention of staff
- Current recruitment procedure for the opportunity to update and streamline the recruitment process in order to ensure that it does not present a barrier to effective recruitment of new staff
- Current advertising process for the opportunity to remove barriers to ensure as wide a range of suitable applicants are attracted to our vacant posts
- To look at resources available to implement reasonable adjustments to the recruitment process
- To review our recruitment processes ensuring that we meet the interview guarantee two tick scheme for disabled applicants
- The role and impact of values and behaviours in the recruitment process
- Where are we now – statistical analysis of available data
- How does the current recruitment process work in practice – Manager survey
- Competency based recruitment and whether it would support/hinder the delivery of well-trained/qualified, customer focussed candidates
- Recruitment branding
- Consistency in approach to recruitment and retention
- Assessment Centres as a method of recruitment selection
- What outside agencies can offer to support the recruitment process and/or formalise methods of employing agency staff
- The value of an end to end recruitment process involving the iTrent system
- To look at the value of either outsourcing or being part of a shared service with partner organisations.
- To investigate a preferred agency list/framework, linking with partner authorities, for managers to recruit from
- Review current advertising agreements to ensure that they are fit for purpose i.e. TMP, Jobs Go Public etc.
- The use of social media in the recruitment process
- To consider a centralised corporate budget for recruitment of staff
- What we do to retain our staff and how effective this is
- Develop retention initiatives as part of the recruitment and retention strategy that link to our current development intentions including coaching etc.
- Review current Exit Procedures

Links to other plans, dependencies and constraints

- Common Operating Model for the organisation
- Skills audit
- Review of Job Evaluation Scheme
- Review of Pay model
- Mandatory training
- Succession Planning
- iTrent Recruitment Module

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<i>Out of scope</i>	Chief Officers – as they have an existing processes for recruitment within the Council's Constitution
<i>Assumptions</i>	<p>Our main competitor for talent is London where pay and transport are perceived to be better than available to EFDC employees</p> <p>Our geographical area creates a barrier to recruitment because of a perceived lack of a reliable transport network, pay, housing costs etc.</p> <p>Some roles are traditionally difficult to recruit to i.e. Senior Professional roles such as Planners – Policy, IT, Housing, HR, Accountancy</p>

	<i>Benefit</i>	<i>Measure</i>
<i>Business benefits</i>	<ul style="list-style-type: none"> Increased profile of the organisation in the job market place 	<p>Appropriately qualified/skilled applicants apply</p> <p>Being the employer chosen by applicants (over our London competitors)</p>
	<ul style="list-style-type: none"> Improved focus on the 'type' of candidate the organisation wishes to appoint 	<p>Values and behaviours are clearly demonstrated and understood</p> <p>A flexible workforce able to meet customer expectations and future challenges</p>
	<ul style="list-style-type: none"> Recruitment takes place in accordance with the organisations Strategy 	Consistent approach to recruitment
	<ul style="list-style-type: none"> Hiring managers are aware of what the council wants to achieve 	A flexible workforce able to meet customer expectations and future challenges
	<ul style="list-style-type: none"> Shorten the gap between advertising a vacancy and getting new staff started in post 	<p>Review current time frame</p> <p>Reduction in the time taken to get staff in post</p>

Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	Yes
Describe the main aims, objectives and purpose of the policy (or decision)	To ensure that our recruitment procedures and documentation places no barriers for the appointment of well-trained/qualified, customer focussed candidates as efficiently as possible
What outcome(s) are you hoping to achieve (i.e. decommissioning or commissioning a service)?	To develop a Recruitment and Retention Strategy
Does or will the policy or decision affect: <ul style="list-style-type: none"> service users 	Employees; future applicants

Epping Forest District Council

<ul style="list-style-type: none"> employees the wider community or groups of people, particularly where there are areas of known inequalities? 	
Will the policy or decision influence how organisations operate?	It will result in a change to the way we recruit and retain staff
Will the policy or decision involve substantial changes in resources?	Not known at this stage
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?	The project is part of a programme of work to take forward the Council's People Strategy
What does the information tell you about those groups identified?	Whatever the outcome of the strategy we will ensure that we take account to reduce barriers to ensure as wide a range of suitable applicants are attracted to apply.
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	See the Communication Management Strategy
If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	As above

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	The strategy will involve all potential staff across the authority as well as external applicants regardless of characteristic. The impact will not be known until the results of the review are known and the associated decisions are taken to implement any recommendations.	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high		See comment above
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adverse impact on one or more equality groups?	Yes <input type="checkbox"/>	If ' YES ', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.
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Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
N/A at this stage		

Project team

<i>Role</i>	<i>Name</i>	<i>Responsibilities</i>
Assistant Director - HR	Paula Maginnis	Programme Lead
HR Manager	Wendy Stump	Project Manager
Assistant Director – Governance & Performance	Simon Hill	to contribute knowledge and experience of the existing recruitment and retention process in order that they are fully considered within the resultant recruitment and retention strategy
Principal Planning Officer	Stephan Solon	to contribute knowledge and experience of the existing recruitment and retention process in order that they are fully considered within the resultant recruitment and retention strategy
Assistant Communities Health and Wellbeing Manager	James Warwick	to contribute knowledge and experience of the existing recruitment and retention process in order that they are fully considered within the resultant recruitment and retention strategy
Public Relations Officer	Tom Carne	Ad-hoc member of project team
Head of Transformation	David Bailey	Transformation Link

Project plan**Key deliverables, milestones and acceptance criteria**

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
Initial Project Meeting to set up PID	21/11/17	21/11/17	WS	Agree scope and content to be included in PID
The project PID agreed by TPB		17/1/2018	WS	Proposal agreed
Where are we now – statistical analysis of available data	1/2/2018	1/3/2018	WS	Data interpretation to describe our current position with recruitment
How does the current recruitment process work in practice – Manager survey	1/2/2018	1/3/2018	WS	To gain an understanding of the current process and what is good and bad
1 st Draft of recruitment and retention strategy	1/3/2018	30/4/2018	WS	Content agreed with project team
2 nd Draft	1/5/2018	30/5/2018	WS	Agreed
Equality Impact Assessment	1/4/2018	30 April 2018	WS	Content agreed with project team
Action Plan		30/5/2018	WS	Action Plan agreed with management / Transformation team

Headline plan

	/2018															
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr
TPB agree PID	▷	▶														
Statistical analysis of available data	▷	▷	▶													
Manager survey	▷	▷	▶													
1 st Draft of recruitment and retention strategy	▷	▷	▷	▶												
Equality Impact Assessment		▷	▷	▶												
Strategy and Action Plan agreed by TPB	▷	▷	▷	▷	▶											

Key: ▷ = activity period, ▶ = completion / key deadline

Budget plan

<i>Period</i>	<i>2017-18</i>	<i>2018-19</i>	<i>Comments</i>
<i>Revenue</i>			
<i>Capital</i>			
<i>Savings</i>	Agency costs Advertising		These are potential savings to come out of the recruitment strategy action plan
<i>Totals</i>			

Communication management strategy

<i>Stakeholder</i>	<i>Needs</i>	<i>Communications</i>
Recruiters (recruiting managers)	This information will come from a recruiting managers' survey	Internal communications to target managers with a link to the questionnaire
Staff	Information regarding project	Internal communications i.e. district lines
Leadership Team	Updates at Leadership meeting	Update
Members	Outcomes Potential Savings	Joint Cabinet/Management Board meeting

Risk log

<i>Description</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Score</i>	<i>Control measures</i>
iTrent capabilities	Medium	Minor	Medium	We know that the iTrent system can automate the process. The development of the recruitment and retention strategy will take into account the capabilities of iTrent
Timeline – capacity of team to work on Strategy	High	Major	High	Time line is developed in line with available team capacity
Budget? –	Low	Minor	Low	There are likely to be no cost implications to develop the strategy, the costs will be as a result of implement elements of the strategy.

Project approval

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager	Wendy Stump		1.0
Project Sponsor	Paula Maginnis		1.0

Version control

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>

Distribution

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>

Project Initiation Document (PID)*Project number***P178**

<i>Project</i>	Developing a Skilled Workforce
<i>Manager</i>	Julie Dixon, Learning and Development Manager, HR
<i>Sponsor</i>	Paula Maginnis, Assistant Director, Human Resources
<i>Corporate Plan 2015-20</i>	Aim 3b Modernising Council Operations

Project purpose

<i>Definition</i>	<p>Design and launch a staff 'Skills for Change' Programme that meets the organisation's current requirements, also develop a staff corporate development programme including mandatory training.</p> <p>In 4th quarter 2018 develop and launch a 'Future Skills' Programme including mandatory programmes.</p>
<i>Mandate</i>	People Strategy Programme Definition Document agreed by Transformation Board and Cabinet. An outline of this project is contained within the PDD.
<i>Background information and impact assessment</i>	<p>The Local Government Association (LGA) has provided a proposal to undertake a structural review of our management structure using the Decision Making Accountability (DMA) tool.</p> <p>The review looked at management structures and decision making across the organisation and identified areas of compression or ineffective decision making arrangements. The Council is also implementing the Common Operating Model to restructure how services are delivered.</p> <p>With this comparative scale of change staff will need new skills sets and attitudes to be able to be resilient in the short term. The DMA will mean staff being empowered and expected to make decisions and be accountable. Within the COM structure people will be expected to be flexible, innovative, collaborative and creative. In order to deal with challenging financial targets commercial skills will be important to assist with this. Staff Corporate Development programmes need to drive and support this change in culture and subsequent skills gaps.</p>
<i>Approach</i>	<ul style="list-style-type: none"> ▪ Link to the recent LGA DMA Report (and in particular the changes to delegation of authority) Benchmarking of other organisation's programmes will take place including Aylesbury Vale DC, London Boroughs and Essex authorities ▪ Research via reports such as 'The 21st Century Public Servant' by the Public Service Academy/ Economic & Social Research Council. Also 'The Local State We're In' report by PWC'
<i>Business case</i>	The People Strategy will assist the Council to reduce spending and increase income generation to keep Council Tax low and protect front line services. The Council has also made the decision to reduce its building footprint which will see staff working flexibly and the requirement to work in an uncertain environment whilst continuing to provide excellent customer services.

	The Council needs to build organisational resilience and develop new skills and commercial acumen. However, we believe we are under-equipped in terms of current and future capabilities (it is believed that the skills audit planned for Feb 18 will evidence this).	
<i>In scope</i>	All current corporate and specialist staff training and development activities.	
<i>Links to other plans, dependencies and constraints</i>	<ul style="list-style-type: none"> Common Operating Model for the organisation LGA/DMA Report Skills audit Review of Job Evaluation Scheme Review of Pay model Current Mandatory training plan Professional Education Scheme Service Accommodation Review (P002) 	
<i>Out of scope</i>	Management/ Leadership Development is covered by a separate PID.	
<i>Assumptions</i>	<ul style="list-style-type: none"> • • That there will be essential/ mandatory training for all roles/ job families. • That all Directorate training budgets will be centralised. • The preferred option is affordable using financial resources already in place through the corporate training budget and Apprenticeship Levy budget. • Doing nothing is not an appropriate course of action as in order to make the necessary savings and continue to deliver services the Council will require different organisational structures, roles and skills. • A 'gold plated' approach with higher costs is not necessary as the Council's staff have a level of experience and current skillsets. The training programmes will update and develop new skills. • To ensure we get the best commercial option with training providers we will use a mix of providers who have been tested via Vine HR contracts, our own evaluation and inviting new providers to draft proposals 	
<i>Essential/ mandatory</i>	<i>Benefit</i>	<i>Measure</i>
<i>Business benefits</i>	<p><i>Extracted from Appendix 1 of People Strategy: Outcomes & Benefits;</i></p> <ul style="list-style-type: none"> • Increased understanding of the future skills requirements for the future • Increased number of staff attending training • Improved relevant skills across the Council 	<ul style="list-style-type: none"> • Skills Audit will give a baseline for Skills improvement

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Is this a new policy (or decision) or a change to an existing policy, practice or project?	Yes
Describe the main aims, objectives and purpose of the policy (or decision)	To increase staff skills and capacity
What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?	A new essential skills staff development programme in place to meet current and then future skills
Does or will the policy or decision affect: <ul style="list-style-type: none"> service users employees the wider community or groups of people, particularly where there are areas of known inequalities? 	Employees <i>Further information to be attached once reports received/ analysed in HR.</i>
Will the policy or decision influence how organisations operate?	It will result in different organisational skills, competencies and culture
Will the policy or decision involve substantial changes in resources?	It may result in an additional investment in staff development
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?	The project is part of a programme of work to take forward the Council's People Strategy
What does the information tell you about those groups identified?	We will have information on the group post the new structure and skills audit.
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	There will be an audit (and focus groups) of staff current skills and qualifications starting in Feb 18.
If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	As above

Use this section to assess any potential impact on equality groups based on what you now know.		
Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	The new programmes will involve all staff across the authority regardless of characteristic. The impact will not be known until the results of the proposed new structure and roles are in place.	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		

Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No x	See comment above
	Yes <input type="checkbox"/>	If 'YES', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.

Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
N/A at this stage		

Project team

Role	Name	Responsibilities
Head of Transformation	David Bailey	Project Transformation Link
Assistant Director - HR	Paula Maginnis	Project Sponsor
Learning & Development Manager	Julie Dixon	Programme Lead

Project plan

Key deliverables, milestones and acceptance criteria

Key deliverable	Start date	End date	Lead officer	Acceptance criteria
Research via documents and visits/ phonecalls to Aylesbury, Thurrock, relevant Essex & London Councils	Jan 18	March 18	JD	Visits/ Meetings completed
PID Agreed	Jan 18	Jan 18	JD	PID agreed
Communication with Leadership Team (& Managers/ Staff)	Feb 18	Mar 18	JD	Via Leadership Team briefing, Manager's Conference and District Lines

Epping Forest District Council

Key deliverable	Start date	End date	Lead officer	Acceptance criteria
Skills Audit & Focus groups	Feb 18	Mar 18	JD	Audit & report complete
Design & Implement 'Skills for Change' Programme	Feb 18	March 18	JD	Programme launched and bookings made
Build mandatory programmes	April 18	Aug 18	JD	Programme built
Discussions/ Procurement with Providers	April 18	Aug 18	JD	Procurement or Proposals completed
Launch new programmes	Sept 18	May 19	JD	Staff booked on appropriate training/ development
Evaluate first programmes	Oct 18	May 19	JD	Evaluation report completed
Develop Future Skills (FS) Programme inc Mandatory training	Oct 18	Dec 18	JD	Programme designed
Launch FS Programme	19/20		JD	Programme launched and bookings made
Close and Review PID	19/20		JD	PID Evaluation completed

Headline plan

	2018/2019																	
	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan
Research						▷		▶										
PID Agreed						▷												
Communication						▷		▶										
Draft & Build									▷					▶				
Launch														▷				
Evaluation															▷	▷	▷	▷

Key: ▷ = activity period, ▶ = completion / key deadline

Budget plan

<i>Period</i>	<i>2017-2018</i>	<i>2018-2019</i>	<i>Comments</i>
<i>Revenue</i>			
<i>Capital</i>	£30,000 £10,000	£30,000 £10,000	From Corporate Training From Apprenticeship Levy
<i>Savings</i>			
<i>Totals</i>	£40,000	£40,000	

Communication management strategy

<i>Stakeholder</i>	<i>Needs</i>	<i>Communications</i>
Staff	Information and engagement	Audit & Focus groups Staff Briefing District Lines Intranet
Leadership Team	Information and engagement	Update at February's Leadership Team meeting
Members	n/a (update on overall People Strategy)	n/a
Training Providers	Training needs and programme requirements	Procurement Brief

Risk log

<i>Description</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Score</i>	<i>Control measures</i>
Programme delayed	Medium	Moderate	Med	Adequate resources allocated to L&D
Costs go over budget	Low	Minor	Low	Budgets monitored monthly
Training does not meet needs	Low	Minor	Low	Quality control meetings with providers

Project approval

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager			1.0
Project Sponsor			1.0

Version control

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>

Distribution

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>

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Report to Resources Select Committee



Date of meeting: 9 July 2018

SCRUTINY

Portfolio: Leader of the Council



Subject: Transformation Programme – Project Closures

Officer contact for further information: David Bailey, Head of Transformation
(01992 564105)

Democratic Services Officer: A Hendry, Democratic Services (01992 564180)

Recommendations/Decisions Required:

That the attached Project Closure report(s) from the Transformation Programme be noted.

Reason for decision:

The Overview and Scrutiny Committee requested that Project Closure report(s) from the Transformation Programme are submitted to the relevant select committee for their information, or in the case of those being managed by the Chief Executive to the Overview and Scrutiny Committee.

Options considered and rejected:

None.

Report

Introduction:

1. The Corporate Plan provides a framework to demonstrate how the work of the Council fits together at a strategic level. It provides a focus to establish a set of corporate priorities, describing how the organisation will deliver positive change.

2. An annual Corporate Specification details how the Corporate Plan will be delivered through a set of operational objectives for that year. Operational objectives can concern Business As Usual (BAU) or business transformation.

3. Business transformation is delivered through change projects and programmes. A project is a temporary activity to create something unique – a thing, a service or a product – that:

- Leads to change;
- Has a defined start and end;
- Has limited resources;
- Has specific objectives; and
- Enables benefits to be realised.

5. Here is a simple example which illustrates the difference between Business As Usual and business transformation.

If you build a car in your garage – it's a project. Whereas if you are a car manufacturer, building hundreds of cars a day, it's a production line and simply business as usual, i.e. it isn't unique. However, parts of a larger process can be considered projects, e.g. designing the car. So by their very nature, the delivery of any change involves project management.

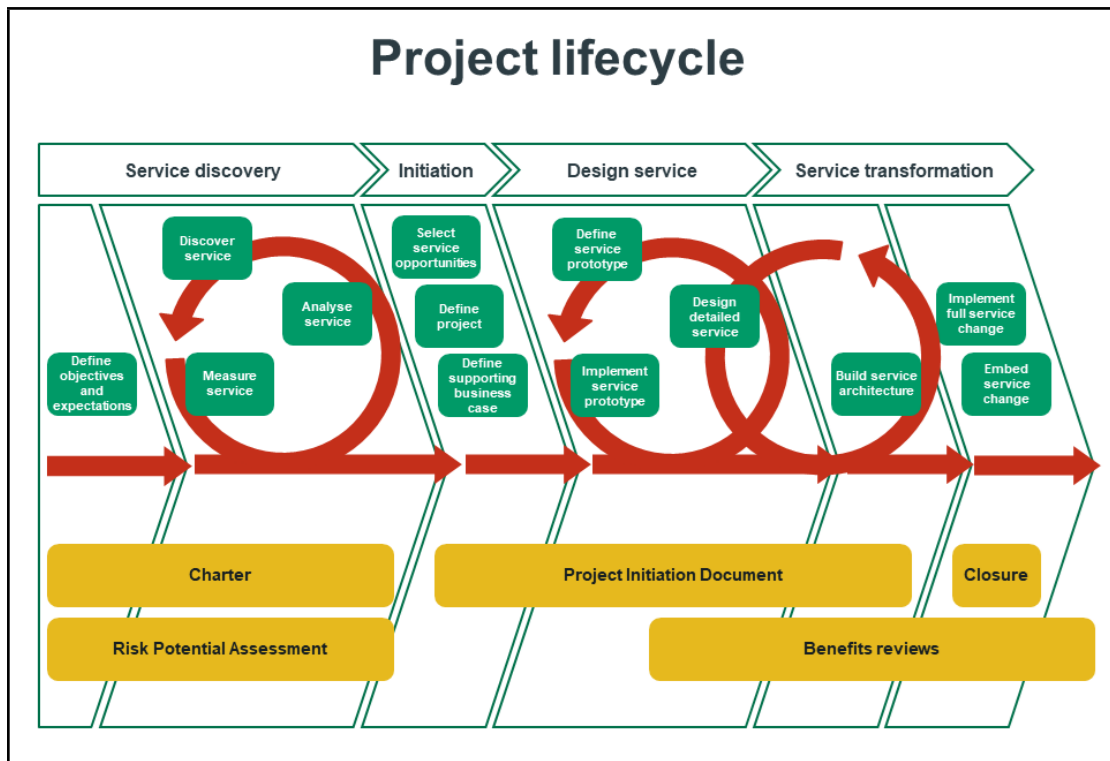
6. The Council established its Transformation Programme in early 2016, grouping change projects from the Corporate Plan into four workstreams:

- Customer Experience;
- Business Culture;
- Resources, Accommodation and Technology; and
- Major Projects.

7. A corporate methodology for managing projects was established in June 2016. All projects are registered with the Programme Management Office (PMO), overseen by the Head of Transformation. Projects are managed differently, depending on an assessment of their scale or complexity. This assessment is completed using the Risk Potential Assessment tool (RPA).

<i>RPA</i>	<i>Qualities</i>	<i>Project management</i>	<i>Processes</i>	<i>PMO support</i>
High	Transformative project – requires authority wide co-ordination	Overseen by the Transformation Programme Board	Charter, initiation document and evaluation are required and approved by TPB. Other documents may be required	PMO actively engaged in supporting the project
Medium	Project management best practice	Managed within a single directorate	Charter, PID and evaluation are required and logged with PMO	Support provided by PMO
Low	Minimal need for project management	Managed within a single service area	Charter, PID and evaluation are encouraged	Support available from PMO on request

8. High and Medium complexity projects follow a project life cycle (see diagram below).



Project Closures:

9. When a High or Medium complexity project comes to an end, the project is evaluated by the Project Sponsor and Project Manager, with input from the Project Team. This process is facilitated by the link officer assigned to the project from the Transformation Programme Management Office.

10. The request to close the project then progresses through the Programme Management Office (PMO), where once agreed formally recommend closure to the Transformation Programme Board.

11. The Committee are asked to consider the attached project closure report(s) in the Appendix.

Resource Implications:

None.

Legal and Governance Implications:

There are no governance implications from this report.

Safer, Cleaner and Greener Implications:

There are no Safer, Cleaner or Greener implications.

Consultation Undertaken:

No formal consultation was undertaken in the preparation of this report.

Background Papers:

Regular Transformation Programme Highlight Reports to the Cabinet.

Risk Management:

There are no Risk Management implications.

Equality:

There are no Equality Impact implications.

Appendix - Project Closures Resources Directorate

Key:

Risk Potential Assessment (RPA), i.e. Medium or High complexity.

Select Committee for scrutiny, i.e. O&S – Overview & Scrutiny, CSC – Communities, GSC – Governance, NSC – Neighbourhoods, RSC – Resources.

Generated on: 25 June 2018

<i>Workstream</i>	<i>Project</i>	<i>RPA</i>	<i>Scrutiny</i>	<i>Sponsor</i>	<i>Manager</i>
Workstream 2 Business Culture	P050 Reprographics Service Review	High	RSC	Derek Macnab, Acting Chief Executive .	Paula Maginnis, Assistant Director - Human Resources (RHR01)

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Reprographics – Finance Sub Group Outsourcing Exercise

Form an Alliance – Shared Service

- Annual billing – Council Tax
Housing Rents
- Weekly billing/reminders – Council Tax
- Benefits
- Agendas
- On demand - Mono
Enveloping
Binding
- Business Cards
- Compliment slips
- Visitor passes
- Training Handouts
- Full colour printing
- Large runs
- Licensing consultations
- NCR/numbered forms
- Housing – Leasehold

Retain

- Legal documents – originals bound
Scanning
- CT – summons
- Disciplinary documents
- Paper and envelop ordering, delivery
and storage

Ensure right equipment is in place if
elements are kept in-house

Elimination

- Movement to on-line billing may reduce
need for CT printing and housing rents
- Gain Member agreement for electronic
copies only
- No paper copies for officers
- NCR/numbered forms
- Visitors passes – done in a different way

Out Sourcing

- Annual billing – Council Tax
Housing Rents
- Benefits
- Agendas
- On demand - Mono
Enveloping
Binding
- Business Cards
- Compliment slips
- Visitor passes
- Training Handouts
- Full colour printing
- Large runs
- Elections Poll cards
Postal Votes
Ballot papers
(specialist company)
- Licensing consultations
- NCR/numbered forms
- Housing – Leasehold

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PMO Project Closure Report

Generated on: 04 May 18

1. Project title	Reprographics Service Review	5. Reference	P050
2. Managed By	Paula Maginnis, Assistant Director - Human Resources (RHR01)	6. Creation Date	30-Mar-2017
3. Sponsored By	Derek Macnab, Acting Chief Executive; Bob Palmer, Director of Resources (RDR01)	7. Last Modified Date	24-Apr-2018
4. Corporate Plan link	3.b.2016 <i>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</i>		
8.		Baseline	Actual
Start Dates		15-Jun-2016	15-Jun-2016
End Dates		30-Apr-2017	
Budget			
9. Timeline			
31-Aug-2016	Initial Research/Discovery/Data phase		
05-Sep-2016	Project Team start-up meeting		
23-Sep-2016	First Reprographics meeting on 23 September. Tasks were allocated		
30-Sep-2016	Meeting with Finance to discuss the budget arrangements on 30 September. Arranged a review meeting for 24 November		
31-Oct-2016	Review of equipment, including investigating price of digital press		
31-Oct-2016	Survey of users Meeting with other authorities about sharing a service		
30-Nov-2016	Reprographics to review the data and form an action plan to increase amount of appropriate work sent to reprographics		
30-Nov-2016	Review ROI of digital press		
30-Nov-2016	Obtain cost and income figures (including internal income) for the previous 5 years		
30-Nov-2016	Review of stock amounts		
30-Nov-2016	Review work flow for the function over a 12 month period		
31-Dec-2016	Analyse data		
31-Dec-2016	Provide 2 further years of workflow data to identify trends		
31-Dec-2016	A Hickman to produce an article for District Lines		
31-Dec-2016	Produce draft PID for comment by the Project Team		
24-Jan-2017	First prototype of electronic ordering form produced by ICT. Demonstrated to project group		
28-Feb-2017	Discussions to take place between CA and AH on how jobs will be managed when redirected to reprographics by the MFD		
28-Feb-2017	Communication to all staff to be agreed and sent before full implementation		
28-Feb-2017	Confirm budget codes to set up on ordering form		
28-Feb-2017	Review the number and types of codes used on MarketPlace for external printing to restrict them		
28-Feb-2017	Undertake a scoping exercise to explore the considerations for outsourcing the functions		
28-Feb-2017	Meet with Harlow and Broxbourne to discuss working arrangements Review the number and types of codes used on MarketPlace for external printing to restrict them Finalise order form including budget codes. Review processes		
30-Apr-2017	Draft PID finalised		

30-Apr-2017	2nd meeting of tri authority print group
21-Jun-2017	PID consider by TPB
30-Jul-2017	Report to Transformation Project Board on potential for shared services with Harlow and Broxbourne.
30-Sep-2017	Reduced number of codes on Marketplace that staff can use for external printing
31-Mar-2018	Form demonstrated to the Project Team. Team discusses and agrees form. Form in place for staff to use by end of July 2017
31-Mar-2018	Supplier list is established in conjunction with Broxbourne and Harlow.
31-Mar-2018	Report to Transformation Project Board
31-Mar-2018	Project is reviewed in line with the Council's Project Management methodology; project is closed and evaluated or next phase to start.

10. Executive Summary	11. Recommendations
<p>What was the project? A complete fundamental review of the Council's reprographics service that seeks to make improvements to the service and offer value for money</p> <p>What did you do?</p> <ul style="list-style-type: none"> Explored potential for external customers (e.g. partnership working with Broxbourne and Harlow Councils) Reviewed Marketplace for cost codes and suppliers to determine what was being spent on external print and associated costs - working with the Procurement Manager Process review to establish sign off from the Reprographics Manager for external printing to determine value for money corporately Mapping exercise to determine how print requests could be provided if not carried out internally Undertook a survey to understand how printing was carried out across the authority Worked with ICT to develop an order form which will reduce the administrative burden for the Print Manager <p>Why was it established? To demonstrate and explore the Council's Reprographics function offers value for money and a quality service.</p>	<p>The TPB are asked to consider the following options for the Reprographics function ;</p> <ul style="list-style-type: none"> Total in-house delivery (keep as is). Physically, this may not be possible due to the available accommodation once the Condor Building is sold in relation to the specific requirements of the machines and amount space necessary for a full in-house service. Hybrid version (mixture internal delivery and specialist outsourcing i.e. Election ballot papers and cards, confidential bulk printing). This option would include smaller machines with the capacity to do medium scale printing. Providing the flexibility to become a combined print, post and scanning function within the Business Support team. There is unlikely to be one print solution for all the Council's requirements, it is not advisable to propose a 'general' print company could be used for all our needs due to our specialist/confidential requirements. Individual contracts would need to be established by the relevant service areas for election documents and Council tax annual billing and benefit bulk mailings. Harlow currently have arrangements in place for these requirements and individual managers could establish links to procure these services together. Managers will need at least a 12 month lead in to establish credible suppliers and establish contracts. It is worth noting the Council currently obtains some of its printing externally i.e. colour printing and specialist finishes e.g. laminated printing. Total outsourced (no print function within the Council). This option will limit flexibility of service provision in the future. <p>The Board's attention is drawn to the expiry of the current leases for the copy machines at the end of August 2018. The current cost for the machines is £46,400 per annum. New equivalent machines will cost £40,800 per annum for a new 3 year lease arrangement, a saving of £16,800 over the period. We can continue with the current machines on a rolling arrangement at the current costs which are more expensive i.e. click charges at £0.0029 rather than £0.0019. A decision is required by the Board.</p>

12. Benefits

Improved Service provision

- One method to request internal print work
- Designed form to make efficiency savings
- Budgets managed on an allocation basis
- Internal work priced on materials only

Measure;

- One corporate order form is in place
- 15% reduction of Print Manager's time spent pricing jobs and associated paperwork

Increased potential of a shared service with Broxbourne and Harlow

Measure;

- 25% reduction in costs
- Implementation of a preferred supplier list for the 3 authorities

Reduced number of codes on Marketplace that staff can use for external printing to ensure a clearer understanding of how much and with whom Council money is spent.

Measure;

- Annual reports detailing the amount of external expenditure. (From 1.8.17 – 30.4.18 expenditure was £37820 – a full year is not available).

13. Projects and/or programmes of work that are affected by this project

This project has been and will continue to be impacted upon by the Accommodation review (P160) due to;

- Physical space needed to house equipment
- Deliveries - with the arch remaining and the steep slope on the car park side, deliveries will be more difficult than currently
- Depending on where a print room may be situated, the floor space required to wheel items through will impact on delivery and position of a reprographics function (based on current provision)
- The Review also had an impact on our ability to promote the Council as a 'seller' of the service to other authorities due to the uncertainty of whether the function would exist in the future.

14. What went well?

- Engagement through the print team in the process and project; there was no resistance to changes in work practices
- Project members were engaged and produced actions that went towards the project e.g. creation of a staff survey, finance sub-group support, Marketplace interrogation of data
- Stakeholder engagement was good as it allowed frank discussion about options for delivery
- Bulk ordering of paper for the Council and Broxbourne which has resulted in savings for Broxbourne. We were already receiving competitive rates.
- Using allocations for budgets has reduced administration for the Reprographics Manager

15. Areas to be improved?

- The project team was too large as it included stakeholders. Establishment of stakeholders and being clear in the difference between stakeholders and project members would have been a better use of staff time
- Capacity of project manager to drive the project due to priority work with the People Strategy (P106) which resulted in a loss of time to complete the project. This resulted in the completion of the project being delayed
- Capacity of IT to complete the queuing system for MFDs and the order form (subsequently ICT have increase their capacity to develop on-line forms). This is due to be completed by the end of June 2018.
- ICT to manage the period of time allocated for testing to ensure continuation of capacity

16. Findings

The information gathered from this project has been used to make service improvements and explore the potential of partnership working - this has not been able to be progressed due to the appetite of other Local Authorities. The Council's circumstances have since changed regarding Accommodation at the Civic offices which has resulted in

three options to consider under recommendations.

17. Data

From 1 August 2017 to 30 April 2018 the Council spent £37,820 on external printing. The Reprographics Manager signs off requests for external printing to ensure i) the team cannot do the work internally and ii) best value quotes are obtained. Expenditure information is much readily available and accurate.

See Appendix 1 – Analysis of existing work carried out by print and the potential for service delivery

18. Project Members

EFDC01 - All internal staff; John Bell, Senior Accountant; Peter Freeman, Senior Council Tax Officer; Donna Harding, Reprographics Assistant; Ann Hickman, Reprographics Manager; Simon Hill, Assistant Director - Governance; Paula Maginnis, Assistant Director - Human Resources; David Newton, Assistant Director - ICT & FM; Bob Palmer, Director of Resources; Mick Perry, Reprographics Operator; Gill Wallis, Community, Health & Wellbeing Manager; Michael Warr, Economic Development Officer; Ian Willis, Senior Benefits Officer.

James Carstairs, Community Health & Wellbeing assisted with the Marketplace review.

19. Workstream

WS2 Workstream 2 - Business Culture

PMO Project Closure Report

Generated on: 14 May 18

1. Project title	Reprographics Service Review		5. Reference	P050
2. Managed By	Paula Maginnis, Assistant Director - Human Resources (RHR01)		6. Creation Date	30-Mar-2017
3. Sponsored By	Derek Macnab, Acting Chief Executive; Bob Palmer, Director of Resources (RDR01)		7. Last Modified Date	11-May-2018
4. Corporate Plan link	3.b.2016 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			
8.		Baseline	Actual	
Start Dates		15-Jun-2016	15-Jun-2016	
End Dates		30-Apr-2017		
Budget				
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31-Mar-2018	Form demonstrated to the Project Team. Team discusses and agrees form.
31-Mar-2018	Supplier list is established in conjunction with Broxbourne and Harlow.
31-Mar-2018	Explore outsourcing possibilities
16-May-2018	Project is reviewed in line with the Council's Project Management methodology; project is closed and evaluated or next phase to start.

10. Executive Summary	11. Recommendations
-----------------------	---------------------

<p>What was the project? A complete fundamental review of the councils reprographics service that seeks to make improvements to the service and offer value for money</p> <p>What did you do?</p> <ul style="list-style-type: none"> • Explored potential for external customers (e.g. partnership working with Broxbourne and Harlow Councils) • Reviewed Marketplace for cost codes and suppliers to determine what was being spent on external print and associated costs - working alongside the Procurement Manager • Process review to establish sign off from the Reprographics Manager for external printing to determine value for money corporately • Mapping exercise to determine the external service need for the Council • Undertook a survey to understand how printing was carried out across the authority • Worked with ICT to develop an order form which will reduce the administrative burden for the Print Manager <p>Why was it established? To demonstrate and explore the Council's Reprographics function offers value for money and a quality service.</p>	<ul style="list-style-type: none"> • Close the project and keep the print function as is, all other review elements to be picked up as part of BAU - Physically, this may not be possible due to the available accommodation once the Condor Building is sold in relation to the specific requirements of the machines and amount of space necessary for a full in-house service • Pursue the option of fully outsourcing the Reprographics function - (no print function within the Council). This option will limit flexibility of service provision in the future. <p>It is worth noting the Council currently obtains some of its printing externally i.e. colour printing and specialist finishes e.g. laminated printing.</p> <ul style="list-style-type: none"> • Explore a hybrid version of the Reprographics function - (mixture internal delivery and specialist outsourcing i.e. Election ballot papers and cards, confidential bulk printing). This option would include smaller machines with the capacity to do medium scale printing. Providing the flexibility to become a combined print, post and scanning function within the Business Support team. There is unlikely to be one print solution for all the Council's requirements, it is not advisable to propose a 'general' print company could be used for all our needs due to our specialist/confidential requirements. Individual contracts would need to be established by the relevant service areas for election documents and Council tax annual billing and benefit bulk mailings. Harlow currently have arrangements in place for these requirements and individual managers could establish links to procure these services together. Managers will need at least a 12 month lead in to establish credible suppliers and establish contracts.
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- Internal work priced on materials only

Measure;

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- 15% reduction of Print Manager's time spent pricing jobs and associated paperwork

Increased potential of a shared service with Broxbourne and Harlow

Measure;

- 25% reduction in costs
- Implementation of a preferred supplier list for the 3 authorities

Reduced number of codes on Marketplace that staff can use for external printing to ensure a clearer understanding of how much and with whom Council money is spent.

Measure;

- Annual reports detailing the amount of external expenditure (From 1.8.17 – 30.4.18 expenditure was £37820 – a full year is not available).

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- Capacity of IT to complete the queuing system for MFDs and the order form (subsequently ICT have increase their capacity to develop on-line forms). This is due to be completed by the end of June 2018.
- ICT to manage the period of time allocated for testing to ensure continuation of capacity

16. Findings

The information gathered from this project has been used to make service improvements and explore the potential of partnership working - this has not been able to be progressed due to the appetite of other Local Authorities. The Council's circumstances have since changed regarding Accommodation at the Civic offices which has resulted in three options to consider under recommendations.

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- The Board's attention is drawn to the expiry of the current leases for the copy machines at the end of August 2018. The current cost for the machines is £46,400 per annum. New equivalent machines will cost £40,800 per annum for a new 3 year lease arrangement, a saving of £16,800 over the period. We can continue with the current machines on a rolling arrangement at the current costs which are more expensive i.e click charges at £0.0029 rather than £0.0019. A decision is required by the Board.

18. Project Members

EFDC01 - All internal staff; David Bailey, Head of Transformation; John Bell, Senior Accountant (RAC06); Peter Freeman, Senior Council Tax Officer (RRE03); Donna Harding, Reprographics Assistant (RRP03); Ann Hickman, Reprographics Manager (RRP01); Simon Hill, Assistant Director - Governance (GPM01); Paula Maginnis, Assistant Director - Human Resources (RHR01); David Newton, Assistant Director - ICT & FM; Bob Palmer, Director of Resources (RDR01); Mick Perry, Reprographics Operator (RRP02); Gill Wallis, Community, Health & Wellbeing Manager (CHW01); Michael Warr, Economic Development Officer (NED03); Ian Willis, Senior Benefits Officer (RBE07); XXXXXXXX XXXX

19. Workstream

WS2 Workstream 2 - Business Culture