

**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF STRONGER COUNCIL SELECT COMMITTEE
HELD ON TUESDAY, 19 JANUARY 2021
IN VIRTUAL MEETING ON ZOOM
AT 7.00 - 8.41 PM**

Members Present: P Bolton (Chairman), D Stocker (Vice-Chairman), R Bassett (Member), H Brady, R Brookes, D Dorrell, H Kane (Chairman of the Council), S Neville (Leader of the Green Party Group), M Owen, S Rackham and J M Whitehouse

Other members present: S Kane, S Murray and J Philip

Apologies for Absence:

Officers Present A Small (Strategic Director Corporate and 151 Officer), C Hartgrove (Interim Chief Financial Officer), L Wade (Service Director (Strategy, Delivery & Performance)), A Hendry (Democratic Services Officer), J Leither (Democratic Services Officer) and S Mitchell (PR Website Editor)

26. WEBCASTING INTRODUCTION

The Chairman reminded everyone present that the meeting would be broadcast live to the Internet, and that the Council had adopted a protocol for the webcasting of its virtual meetings.

27. SUBSITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

The Committee noted that there were no substitute members.

28. NOTES OF PREVIOUS MEETING

Resolved:

That the notes of the meeting held 13 October 2020 were agreed as a correct record.

29. DECLARATIONS OF INTEREST

(a) Pursuant to the Council's Code of Member Conduct, Councillor R Bassett declared a personal interest in item 8, Accommodation Update, by virtue of being the Chairman of Community Transport. The Councillor had determined that his interest was non-pecuniary and he would remain in the meeting for the consideration of this item.

30. TERMS OF REFERENCE & WORK PROGRAMME

Councillor Jon Whitehouse asked about the item on the work programme on the Asset Management Strategy he asked if a report on this would be coming back to this committee. A Small said that he would look at it to see if an updating report needed to come back to this committee and when.

31. DRAFT BUDGET PROPOSALS 2021/22

Andrew Small and Chris Hartgrove introduced the report on the draft budget proposals. They noted that the Cabinet had considered the draft Budget Proposals for 2021/22 on 22nd December. At that meeting they agreed the proposals should go forward for Scrutiny by this Stronger Council Select Committee.

The Committee were informed of the difficulties involved in developing a set of draft budget proposals this year and that as a consequence the proposals were less well developed and liable to change as better information became available.

The Budget development process was exceptional this year, in that Covid-19 was having, and would continue to have, a huge impact on many areas of the Council's income and expenditure. The impact, and continued uncertainty, was expected to continue into 2021/22 – at least during the early months – as the vaccine was rolled out. This was making the preparation of robust budgets exceptionally challenging, which has meant many significant assumptions have had to be made at this stage.

There were a lot of unknowns for which assumptions had to be made such as Leisure and Car Parking in the short term, impact on Council tax and rents in the medium term, and how the High Streets would recover, the survival of businesses and other longer term impacts on the community and economy.

It was noted that at November 2020 the council had a gap of £2.1 million, but now this had been closed somewhat.

Appendix A to the report reflected the emerging budget proposals and Appendix B the outline budget for the Housing Revenue Account.

On the General Fund Budget it was noted that work done during the latter part of 2020 led to a balanced position by December and there was no longer the £4.1million underlying deficit anticipated by the Medium Term Financial Plan (MTFP) in November but a net deficit of £2.1 million by amelioration by assumed government grants and use of £1million from the general reserves. The task for officers was to address that deficit by the 22nd December 2020 Cabinet meeting. The budget had been fully balanced when the papers were released for that meeting. However, before the meeting took place, the Government announced the Local Government Settlement for 2021/22. Unfortunately this opened up another (smaller) deficit.

The Public Sector Pay Freeze reduced pressure on spending although they were still assuming an increase of 1.5% (reduced from 3%). Costs on premises could be reduced in excess of 10% due to the new working arrangements and the refurbished Civic Offices.

No increases in Car Parking charges were assumed, with other assumed inflationary increases relatively modest (many were constrained by statute). However, there had been a range of significant positive developments to report on Fees and Charges due mainly by the new lease agreement at North Weald Airfield.

The assumed Council Tax increase of £5 for a Band D property currently remained unchanged from the MTFP and the anticipated collection rate was further reduced from 98.0% to 97.5%. Also, there would be a significant reduction in business rates.

New homes bonus has been reduced from £1.077million to just over £477k; but Government support for Covid 19 was raised to £1.2million; £200k more than anticipated by the MTFP.

Two unexpected bonus' were £135k for the Local Council Tax Support Grant and a Lower Tier Service grant of £186k, both very welcome.

An outline budget of the HRA was presented in appendix B of the report. A stable position compared to the general fund. A balanced position with just a small surplus could be expected. Incomes from dwellings was performing strongly, and with an expected 1.5% increase in rents then the income budget was expected to rise by £1.3million. These would help fund other spending pressures such as Capital Charges and the Housing Repairs Fund.

Councillor Neville thanked the officers for their hard work as it was not an easy year to develop a budget. However, he would expect more detail at this time of the cycle and asked when we would see this at a Cabinet meeting. He was told that the budget was less developed as it normally would be. There would be more details in the February Cabinet and Council meetings. Councillor Philip asked if he was looking for information on the small savings to be made or for the big ones. Councillor Neville replied it was nothing in particular but maybe more on the smaller items.

Councillor Brookes asked about the rent increase mentioned of 1.5%; was this set by us or were we told to do so. She was told that this was at our discretion, in line with CPI inflation plus 1%.

Councillor Brookes then asked how many tenants had their rents paid by Housing Benefits, what sort of percentage. Officers did not have that information with them and said they would get back to her on this.

Following the meeting the following answer was given:

"I can confirm that the Council holds the following statistics re Proportion of Housing Rents paid by Benefits:

- 2018/19 - 46.6%
- 2019/20 - 41.0%
- 2020/21 (to Week 30) - 35.4%

As you can see, there is a fairly strong downward trend, which is the result of working age claimants migrating from Housing Benefits to Universal Credit (UC), which has been ongoing for a while now (the vast majority of UC claimants receive the money and then pay their rent to the Council).

Theoretically the figures quoted above do include UC claimants. However, the figure is known to be significantly understated. The Council's current Housing system ("Ohms") is aging and was not built to cope with UC, although the Council is procuring a new Housing system, which will improve the situation, (unless the system changes in some way) there will still be a large number of UC claimants who are paying their rent in full and on time, that never get identified on the Council's system as UC claimants."

Councillor Brookes then asked about the Housing Repairs Fund; as repairs were going to Qualis now, would this effect things. She was told that it would be cost

neutral, payments would remain the same except it would be external payments and not internal.

Councillor Jon Whitehouse agreed that there was a lack of detail and it was not unreasonable that they should have service level budgets with comparison figures to previous years. He then asked how much the £5 increase in Council Tax would bring in and how many of the government changes and settlements were one year changes and how many would still be in effect in future years. He was told that the £5 increase would raise £270k, as for the other government changes they were mostly one off adjustments and officers were uncertain if they were to be extended. The New Homes Bonus had been extended for one more year, no extension for the Covid support was expected and others such as the local tax support grant depended on how quickly the economy recovered. We have also been promised a fundamental review of Local Government funding for a number of years now and this will be pushed back for another year or more or maybe axed altogether; but it could be reviewed at any time.

Councillor Rackham thanked officers for their hard work and asked about business rates and council tax and how well had we performed compared to other authorities. She was told that there was no neat answer to this; information was still emerging. We had performed badly on council tax and business rates but so had others. We did not know what would be the lasting legacy after this. The government would be giving back about 75% of our losses so that was not too bad. As for business rates, businesses have been massively affected by the pandemic and we may have a number of bankruptcies. But we did start the Pandemic with strong reserves, so were not suffering as much as other authorities. Councillor Philips added that traditionally businesses rates and Council taxes collections was the highest amongst our neighbours, so we had further to fall than they had. On the plus side these rates have not fallen as drastically as other places. We will only know when other authorities set their budgets. We have not had to cut or drop any of our services except for the leisure centres.

Councillor H Kane asked how much would the financing costs project, on further work– including the 2021/22 impacts of the joint Museum and Library project at Waltham Abbey, cost. She was told that paper went to the Cabinet before Christmas putting a business case for this. The anticipation generated by this new centre would cover the financing costs associated with it. There was about £200k already in the budget for this, but there was still more work to do in refining it. Councillor Kane asked if the officer would let her know when he had the figures. She then asked about the ‘non dwellings rents’ in Appendix B, what were they? She was told that these were garage rents. She then asked who carried out major repairs on leasehold properties. She was told that Qualis did this now.

Councillor H Kane then asked about the interest payable on loans; which loans were these. She was told that the council borrowed, back in 2012, as part of buying its way out of the Housing Subsidy scheme and now services this loan instead of paying over an annual subsidy to the Government.

Councillor Bassett asked when we could expect further details and asked about transfer payments, the estimates have gone from £29.5million to just under £25.5 million, what was happening. Also, something mentioned through the report was insurances, and changes in the value of insurances etc. could officers explain a bit more. He was told that transfer payments relate to Housing Benefits Payments, so at present the governments roll out of Universal Credit (UC) which means that some claimants and new claimants were being gradually migrated to universal credit. The

rate of migration to UC seems to be an area of uncertainty. But this is self-balancing due to government contributions. Councillor Bassett asked if we got paid by the government for administrating this on their behalf. He was told that yes, we did, this had not changed. As for insurance, this was a one off – previously the council had accounted for insurance in a holding account that sat outside the main fund budget. This had not been put in before, but as there was a new team this was now put in as part of the detail. Councillor Philip added that they were now being more transparent.

Councillor Bassett noticed an overspend of just under £600k, on Capital Charges due to a deficient Depreciation budget, was the same problem encountered in 2019/20. What was the problem. He was told that the 2019/20 budget set back in February 2019, which showed a half million depreciation in the budget by which time the budget for 2020/21 had already been set so it had rolled over so keeping the same problem. We propose to correct this in 21/22 so it should not happen again.

Councillor Bassett asked again when they would see the details and was told that officers were working on it and were nearly finished. Councillor Philip added that would be when they were sufficiently sure of the figures and would bring it to Cabinet if not the Council. Officers were also waiting for the County to set their budget, hopefully on 23 February.

Councillor Murray thanked officers for their work and the Portfolio Holder as this had not been an easy year. He agreed that they needed more details by the time of the full council meeting. He noted that it was said that no services would be cut, but presumably there would be less funding for them. He would like to know if we did not raise Council Tax at this late stage where would we get this money from? Councillor Philip echoed his thanks to the work done by the officers. This had been a challenging year and next year may prove to be more challenging. He did not want to put up Council Tax, but they were still setting the budget and would keep working the budget to see what they could do and hoped not to leave services with less money.

Resolved:

That the draft budget was considered and commented on by the Stronger Council Select Committee.

32. ACCOMMODATION UPDATE

The Service Director for Service, Delivery and Performance, L Wade, introduced the report on the update for the accommodation project. The Select Committee noted that construction works, fixtures and fittings continued to be on time, orders had now been placed with the first delivery taking place in January. Minor amendments had been made to the ground floor space to enable a large PACE room to be available impacting the consultation space.

Requirements for the desk and car park system were now complete and configuration of the IT system that would manage this had now commenced.

One of the “Travel to the Civic” options for employees and residents was the DRT. This was launched in January and there had already been a positive take up for the service with residents which we hoped to extend to employee usage.

Individual sessions had been taking place with teams and there had been a big focus on decluttering. With a “Scan it, Scrap it, Store it, Stop it” campaign, we had been

keen to ensure that we only retained what was necessary and recognised that files could be retained in digital form.

Commercialisation of the 2nd floor was now live. Officers would be looking to review the interest and opportunities for this space at the end of January. Talks continued with partners in terms of how they would use the Civic and this also extended to other partners that would be using touchdown space in the community hub.

Due to the current lockdown, we would be closely reviewing the plan and understanding any impact this may have on the fit out of the building and the co-ordination of both external and internal resources that will need to install equipment.

The refurbishment continued to be within the agreed budget and was forecasting a positive variance of £106,066.

Councillor Bassett asked about moving of offices and the removal of papers from officers. He noted that there was a legal requirement to keep some of these papers in hard copies, who would supervise this? He was told that this would be done in conjunction with each Service Director and the appropriate managers.

Councillor Brookes, noting that it would be a phased re-introduction to the offices, asked how many staff, given the restrictions, were working in the Civic Offices at present. She was told that there was restricted space in the Conder building at present, with only about 18 persons a day going in. This was also due to Health and Safety restrictions.

Councillor Neville asked how many council staff have been using the demand responsive transport. Also was it right that you had to book it three days in advance. L Wade said that she did not know the exact number but understood that it was mainly used by hospital staff not council staff. Councillor Bassett added that you did not have to book it three days in advance, as long as they had some advanced warning. Councillor Jon Whitehouse pointed out that the website said that it had to be three days in advance. Councillor Bassett replied that they would like three days' notice, but it was not necessary. Councillor Whitehouse said that this needed to be made frictionless for public use as it was a new initiative. Councillor Bassett said that he would investigate it but noted that it had been launched just as we were going into lockdown which did not help.

Councillor Whitehouse then went on to ask about the phrase 'concluding discussions'. Did this mean taking things to the stage of signing leases or getting agreement in principle. What would you consider this to mean? And did this include discussions with the County Council about the library. He was told that it varied according the partner being spoken to. As for the Library, the County Council still had various processes to go through before that was concluded.

Councillor Brookes asked about the People's Strategy and the support for staff, were staff still accessing support and was it still easy and anonymous? She was told that it was all still available and over the winter months they had added more resources, such as drop in sessions and Mental Health First Aiders and resources. Councillor Brookes added that in her opinion it was still difficult for some people to work from home and 18 spaces was not a lot. She was told that additional desks had also been made available at other sites for officers.

Councillor Murray asked about the summary which said that a PACE room was being made available. Was this the same as the Police interviews carried out under PACE

guidance? He was told that some service areas had to conduct interviews under formal PACE conditions. Councillor Murray then asked if this would impact on consultation space and other spaces. He was told that they had increased the size of space in the rooms to accommodate witnesses. This was more of a reconfiguration of the space available.

Resolved:

That the Committee noted the summary of progress on the Accommodation Programme.

33. CORPORATE PERFORMANCE REPORTING

The Chairman, Councillor Bolton, introduced the report on the results of corporate performance for quarter 3. He took each page of the report and asked for members to stop him if they wished to discuss any of the outcomes.

Councillor Whitehouse asked about the amber indicator for private sector letting, noting that it had been postponed. What had caused this? He was told that it was a resource constraint that led to this prioritisation that led to this being paused, a number of staff being unavailable due to several issues occurring at that time.

Councillor Whitehouse asked about the red indicator on the "Fix the Basics" item under the consumer excellence programme. He noted that the 'Contact-Us' email account had been withdrawn despite it being still on the website. What had been put in its place. He was told that a redirection had been put in place and officers were not aware of any issues stemming from this. But it would be checked. Councillor Neville said that the clerk at Buckhurst Hill Parish Council had not been redirected during a recent routine enquiry. It would be a good idea to investigate this more.

Councillor Brookes asked if there had been a lot of changes in the Contact Centre as she had recently been put through to the wrong office. She was told that there had been some recruitment in the last quarter, but there were no really new officers now.

Councillor Dorrell asked about the amber indicator on the Digital Members Journey noting that Mod.gov had been giving members a lot of problems on i-pads for some time now but was worried that he could not go back and look at notes he had made on agendas at the time. Was there any update on this problem? He was told that officers had formed a group to identify and understand what was happening. Councillor S Kane added that it was a Modern.Gov issue as he has also had problems on his i-pad. He asked if the problem was with the private paper section or the public version. Councillor Dorrell said it seem to be the private (signed in version) but only on his i-pad, his other device (Android) seemed to be OK. Councillor Philip confirmed that was the exact same problem for him as well. Councillor Kane said that he would investigate and get back to the Committee.

On the section on attracting, on boarding and retaining staff, Councillor Rackham noted that anything the council could do to retain its staff would be most welcome.

On the section on ICT Restructure, the Councillor Bolton noted that it said to reduce overall headcount but also that there were 10 vacancies in the team. Was this a paradox. Councillor S Kane said that they had identified jobs that did not exist previously, and jobs that were no longer required. They had lost 17 staff in that section but needed to recruit 10 staff to complete the team.

Councillor Bassett noted that under Engagement and Wellbeing it mentioned a private medical salary sacrifice scheme. Would this also be available to Members? Officers were unaware if it was and would investigate.

Councillor Brookes asked if it would not have been possible to recruit new people for IT while keeping on staff until the new staff were found. Councillor S Kane noted that it would have been possible but not financially advantageous to spend 6 months while paying for people that we did not need while searching for people that we did. All the new positions had been advertised within the council for a period of time and anyone up for redundancy was interviewed for any job they chose to apply for. Some had been placed into the new positions but not all. They have now completed the internal recruitment section and were onto advertising externally.

Councillor Bolton commented on the Sheltered Housing Review noting that plans for wi-fi was being removed due to being uneconomical, would it not be better to improve wi-fi access which he thought was the original plan. L Wade said that there were complexities and unknown costs associated with this. It needed further investigation and a detailed understanding of the needs for sheltered housing. Also, the high cost associated with this. Councillor Bassett noted that with Covid 19 people needed to communicate and wi-fi connectivity has proved to be vital in this and its help in mental health provision. Due to these circumstances it deserved to be reviewed to see what we could do to assist with this. L Wade said she would check what we had provided and what was intended to be done.

The meeting noted that the Local Plan was still in the hands of the inspector. A report on the Digital Gateway would be going to the next Cabinet meeting and the Leisure Contract had been overtaken by lockdown.

Councillor Neville noted that the council was below the employment rates of the BME target it had set. Why was this and what were the main obstacles. L Wade was unaware of the main obstacles but was aware that the Council had initiated a new project around this area to better understand the problems.

Resolved:

That the committee reviewed the report and noted the progress of project delivery against Q3 milestones.

34. DATES OF FUTURE MEETINGS

The Committee noted their future meeting dates.