

Select Committee Agenda



Resources Select Committee Thursday, 13th July, 2017

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

**Committee Room 1, Civic Offices, High Street, Epping
on Thursday, 13th July, 2017
at 7.30 pm .**

**Glen Chipp
Chief Executive**

**Democratic Services
Officer**

A Hendry, Directorate of Governance
email: ahendry@eppingforestdc.gov.uk Tel: 01992 564246

Members:

Councillors S Kane (Chairman), A Patel (Vice-Chairman), R Bassett, N Bedford, D Dorrell, R Gadsby, J Jennings, P Keska, J Lea, A Mitchell, D Sunger, C Roberts, D Roberts 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 MEETINGS (Pages 5 - 18)**

Minutes

To agree the notes of the meetings of the Select Committee held on 28 March 2017 and 10 April 2017.

Matters Arising

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

4. DECLARATIONS OF INTEREST

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

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

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

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

5. RESOURCES BUSINESS PLAN FOR 2017 (Pages 19 - 24)

Members will recall that O & S had requested that Portfolio Holders present their Business Plans at the first meeting of the new O & S Cycle on the 6 June. As the Business Plans are developed on a Directorate basis, such a presentation would have required some careful choreography. However, agreement has been reached, that it makes more sense for the Business Plans to be presented to the relevant Select Committee, where there would be better alignment. This way the Select Committees would have time to undertake a more in-depth scrutiny role regarding the numerous services which make up their Select Committees.

On this basis, the relevant Portfolio Holders are requested to attend this meeting and take the Select Committee through their plans for the coming year.

6. CORPORATE PLAN 2018-2023 (Pages 25 - 38)

(Chief Executive) To consider the attached report.

7. PROVISIONAL CAPITAL OUTTURN REPORT 2016/17 (Pages 39 - 52)

(Director of Resources) to consider the attached report.

8. PROVISIONAL REVENUE OUTTURN 2016/17 (Pages 53 - 68)

(Director of Resources) to consider the attached report.

9. RISK MANAGEMENT STANDARDS ASSESSMENT AND INSURANCE RENEWALS (Pages 69 - 72)

(Director of Resources) To consider the attached report.

10. SICKNESS ABSENCE REPORT QUARTERS 3 AND 4 (Pages 73 - 80)

(Director of Resources) to consider the attached report.

11. KEY PERFORMANCE INDICATORS 2016/17 - OUTTURN QUARTER 4 (PERFORMANCE) (Pages 81 - 94)

(Chief Executive) to consider the attached report.

12. CORPORATE PLAN KEY ACTION PLAN 2016/17 QUARTER 4 (OUTTURN) POSITION (Pages 95 - 104)

(Chief Executive) to consider the attached report.

13. TERMS OF REFERENCE AND WORK PROGRAMME (Pages 105 - 110)

(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.

14. 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.

15. FUTURE MEETINGS

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

17th October 2017;
19th December;
13th February 2018; and
3rd April

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**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF RESOURCES SELECT COMMITTEE
HELD ON TUESDAY, 28 MARCH 2017
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.30 - 9.03 PM**

Members Present: S Kane (Chairman), A Patel (Vice-Chairman), N Bedford, D Dorrell, A Mitchell, C Roberts, D Roberts, H Whitbread and J M Whitehouse

Other members present: A Lion

Apologies for Absence: A Boyce, R Gadsby and R Jennings

Officers Present P Maddock (Assistant Director (Accountancy)), D Newton (Assistant Director (ICT and Facilities Management)) and A Hendry (Senior Democratic Services Officer)

51. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

It was noted that there were no substitute members for this meeting.

52. NOTES OF PREVIOUS MEETING

Minutes

The notes of the meeting held on 7 February 2017 were agreed.

Matters Arising

(a) Mr Maddock, the Assistant Director Resources (Accountancy) gave an update on the Benefits Fraud and Compliance report from the last meeting. He noted that officers had received a response from the Government on Universal Credit that they would be doing more work on this and that it was generally accepted that the Single Fraud Investigation Service (SFIS) was failing. The National Audit Office will be writing a report on this.

Councillor Lion asked what was the ongoing cost for not collecting on the benefit frauds. He was told that the Council did not know as it was all in the hands of SFIS who evaluated the money owed. We might be able to get someone from SFIS to attend one of our meetings. The Assistant Director (Benefits) will be asked to see if she could arrange this.

Councillor Patel said that there was also the suggestion of writing to our MP, via the Finance Portfolio Holder about this situation. Mr Maddock said that he had not had time to arrange this as yet. Councillor Bedford said that with the timescale on this it should be brought back in 9 months time for an update. The Chairman agreed to this.

(b) Councillor Patel asked about scrutiny of the Health and Safety issues for the depot. Mr Maddock said that he would get back to him on this.

(c) Councillor Kane mentioned that Councillor Bedford had asked that the Communities Select Committee be informed of the one for one match funding for

sprinklers mentioned at the last meeting. Had they been told as yet? Mr Maddock said that he would check up on this.

53. DECLARATIONS OF INTEREST

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

54. TERMS OF REFERENCE AND WORK PROGRAMME

Terms of Reference

The Committee noted their Terms of Reference.

Work Programme

It was noted that the Directorates Business Plan will be going to the first meeting in the new municipal year.

Item 14 – Review of Risk Management arrangements – this will go to the July 2017 meeting.

Item 17 – Shared Services Working – this was still to be arrange and should go to the July 2017 meeting.

The Chairman noted that with the new items being added to the July meeting, the item on Sickness Absences may have to be moved to another meeting.

55. KEY PERFORMANCE INDICATORS 2017/18 - REVIEW AND TARGETS

The Assistant Director (Accountancy) introduced the report on the proposed targets for next years Key Performance Indicators (2017/18). It was noted that the adoption of challenging but achievable KPIs each year was an important element of the Council's Performance Management Framework, and the KPI set is reviewed annually by Management Board to ensure the indicators and their targets are appropriate to provide challenge in the Council's key areas and to meet its objectives.

The provisional target for each indicator has been identified by service directors and relevant portfolio holder(s), based on third-quarter performance (and the estimated outturn position) for the current year. Management Board will review the provisional targets against outturn data for 2016/17 when this becomes available, and any revisions to next year's targets will be reported to the appropriate select committees in June 2017.

The review of the KPIs which fall within the areas of responsibility of the Resources Select Committee has resulted in the proposal that the target for 3 indicators was increased, and that 3 indicators are deleted.

Councillor Bedford asked about RES005 (processing of new claims), could that target be reduced to just under three weeks. Mr Maddock said that we did sort out a lot of the claims under this target, but they did get a few that tended to take longer which brought up the average. Councillor Bedford asked if we could simplify the forms to make them easier to fill in. Mr Maddock said he would investigate to see if there was a problem.

The Committee noted that:

RES001- *how many working days did we lose due to sickness absence* – had a reduction in target.

RES003 – *what % of the district's annual Council Tax was collected* – had an increase in its target.

RES005 – *on average, how many days did it take us to process new benefit claims* – had a decrease in its target.

The following targets have been designated to be deleted:

RES009 – are customer needs being met by the Corporate Website being available;

RES010 – are customer needs being met by the corporate website not having broken links; and

RES011 – are customer needs being met by the main Corporate Website having effective navigation.

RESOLVED:

That the Select Committee reviewed and agreed the proposed key performance indicator set and targets for 2017/18 for those areas which fell within its areas of responsibility.

56. QUARTERLY FINANCIAL MONITORING

The Assistant Director (Accountancy) introduced the financial monitoring report for the third quarter of 2016/17. The report covered the period from 1 April 2016 to 31 December 2016. The reports were based on which directorate was responsible for delivering the services to which the budgets related and the budgets themselves were the Revised Estimate.

Revenue Budgets

It was noted that:

- The salaries schedule showed an underspend of £148,000 or 0.9%. At the third quarter last year the underspend was 1.8%;
- Neighbourhoods was showing the largest underspend of £64,000, this relates mainly to Forward Planning and Grounds Maintenance;
- Resources showed an underspend of £59,000 relating to Revenues and Housing Benefits;
- The investment interest was a little lower than the budget partly due to a delay in the payment from Biffa for the loan;
- Development Control income at Month 9 was continuing the recent upward trend. Fees and charges were £59,000 higher than the budget to date and pre-application charges were in line with the updated position;
- Building Control income was £6,000 lower than the budgeted figure at the end of the third quarter. By the end of month 11 income was only £1,000 down;

- Although Public Hire licence income and other licensing was above expectations, the Public Hire figures shown include £27,000 relating to future years so in reality income relating to 2016/17 was £7,000 down;
- Income from MOT's carried out by Fleet Operations was £9,000 below expectations. Income had been affected by the uncertainty around the relocation to Oakwood Hill;
- Car parking income was £14,000 below the estimate as at month 9. However there was some income relating to this period that was not received until February;
- Local Land Charge income was £1,000 above expectations;
- Expenditure and income relating to Bed and Breakfast placements was on the increase; and
- The Housing Repairs Fund showed an underspend of £510,000. There were underspends showing on both Planned Maintenance and Voids work.

Business Rates:

It was noted that:

- This was the fourth year of operation for the Business Rates Retention Scheme whereby a proportion of rates collected were retained by the Council; and
- For 2016/17 the funding retained by the authority after allowing for the Collection Fund deficit from 2015/16 was £3,435,000. This exceeded the government baseline of £3,050,000 by some £385,000. The actual position for 2016/17 will not be determined until May 2017.

Tables for capital expenditure monitoring were appended to the main report along with major capital schemes.

With regard to revenue, income was generally up on expectations and expenditure down. The increased income levels are very much welcome, in particular Development Control income. Expenditure being below budget was not surprising as expenditure was usually heaviest in the last quarter.

Councillor Kane asked about uncertainty around the MOTs and the relocation to Oakwood Hill. Mr Maddock said that the move to Oakwood Hill proved to be quite expensive including the cost of security for the depot. When more services moved into Oakwood Hill, this should bring the costs down.

Councillor Lion asked about the delay in Biffa paying us back. He was told that it was Biffa who were late in billing us, which worked out in our favour.

Councillor Jon Whitehouse asked about the credits for the recycling income which was low when compared to expectations. Mr Maddock said that prices for recycling have now gone up and that the new receipts would now offset some of this.

Councillor Kane asked about the recycling income. Mr Maddock explained that officers were in negotiations with Biffa with regards to the quality of recycling and as a result more money was given by the Cabinet. For recycling credits, we were in the hands of the County for this, but will catch up by the end of the year.

Councillor Bedford asked about Oakwood Hill and if there was any prospect of partnering up with another authority such as Waltham Forest. Councillor Lion said that was the intent when they moved. Mr Maddock said that he would look into this.

Councillor Kane wanted to know how many people we put into Bed and Breakfast accommodation as they were reported to be on the increase. Mr Maddock said he would find out the average numbers.

Councillor Bedford asked if we were still in negotiations with Zinc at Ongar for us to use their spare rooms. He was told that we were still talking to them. Councillor Lion said the Cabinet had also recently agreed to house people in 'housing pods'. Mr Maddock added that we had got extra funding of about £¼ million for this.

RESOLVED:

That the Committee noted and commented on the revenue and capital financial monitoring report for the third quarter of 2016/17.

57. INFORMATION AND COMMUNICATION TECHNOLOGY UPDATE

The Assistant Director (ICT & Facilities Management), Mr Newton introduced the report on the progress of projects within the ICT strategy. Last year 91% of projects were completed on time. This year had seen ICT concentrating on strengthening the resilience of both systems and infrastructure with a number of key systems being out hosted.

As this existing strategy nears completion, work has already started on the next round of the ICT Strategy 2018/2023 which will be presented to Cabinet in due course. Cloud based options for both systems and infrastructure are already featuring heavily.

In the near future, most software products will only be available via subscription payments. Historically, software had been purchased outright from capital but this change in supplier behaviour would necessitate a switch to revenue expenditure.

It was noted that:

- The majority of desk top printers had been replaced with 26 high performance multi-Functional Devices;
- We have now two Unmanned Aerial Vehicles (UAV) purchased under the invest to save scheme. At present we only have one Civil Aviation Authority (CAA) qualified pilot; another staff member will be qualified shortly. First flight had already taken place for Planning Enforcement. Requests have also been received from Housing and external organisations for hiring the UAV;
- The website was now completely out hosted to an external site and all phone calls are carried over the internet;
- Modern.Gov has now also been out hosted, which proved problematic at first, the system is now stable;
- GOOD was now part of Blackberry who had introduced faster response times and other minor improvements;
- New storage solutions have been implemented successfully, with an increase in disk space to 9 Terabytes;
- The E-Financial system had now been upgraded; and
- The security devices and appliances used by ICT were now in place.

Councillor Dorrell said that the problems with Modern.Gov went on for a long time; would we get any credit for this? Mr Newton said that we were in dispute with them about this and that we were not aware of any credits for this at present. Out hosting was ultimately of benefit but getting there was sometimes painful.

Councillor H Whitbread asked if we could commercially hire the drone (UAV) services. Mr Newton said he would welcome it; we already had the Forestry Commission approach us to do a count of deer. We were happy to work with outside agencies, but we have not promoted our services as yet, but will do it soon. Councillor Lion added that he was not sure that we had a commercial package in place and if we could make a profit. Mr Maddock said that he did not see any issues with hiring out our services for the times when we were not using it; but we could not deliberately go out to make money.

Councillor Patel asked about the business contingency plans and were they detailed enough so that anyone could follow them in an emergency. Mr Newton said that they were fairly easy to pick up. Next year the email system will be hosted in the cloud.

Councillor Patel asked about the replacement printers. Mr Newton said that we only had 15 desktop printers in place from the 140 we used to have. The MFDs were now in place. Councillor Bedford asked if we had bought them or were they under contract. He was told that we had a contract with Xerox. Councillor Lion asked if Members would be trained on the use of the MFDs. Mr Newton said he would arrange something for the Members.

RESOLVED:

That the progress on ICT projects during 2016/2017 were noted by the Select Committee.

58. TELEPHONE MONITORING STATISTICS

The Assistant Director (ICT & Facilities Management), Mr Newton, introduced the report on the monitoring statistics covering the period April 2016 to January 2017. The Committee noted that from 1 April 2016 to 31 January 2017 there were 27,210 calls on average per month to the Council of which 4.6% were abandoned and 7.2% went to voicemail. In the last year the number of calls had dropped by 3,000 per month from the year before, mainly due to the stabilisation of the waste contract. Abandoned calls had dropped from 7.9% to 4.6%.

It was noted that the Head of Customer Services was now in place and the restructuring of some customer facing services had commenced. Consequently, the telephone workgroups currently reported on were unlikely to remain in their existing design from April 2017. It was anticipated that the next telephone monitoring statistics report to the Resources Select Committee would explain these changes and suggest alternatives to the current reporting format.

Councillor D Roberts asked how many voicemails had been actioned. Mr Newton said at present we could not monitor how many calls were responded to. Officers were currently looking to see if they could find out if they were opened. Councillor Bedford asked if it could be done by the time stamp, as we needed some way of measuring it. Councillor Patel added that we would like to know how quickly voicemails were actioned.

Councillor Whitehouse asked how many telephone calls there were compared to the number of emails. Mr Newton said that telephone calls and emails are both very popular. Emails might be more popular and he would bring back some statistics on this. There will be big changes to the website in the future and there will also be access to various forms on line. This would also contribute to fewer telephone calls. Forms filled in on line go straight to the back office systems.

Councillor Lion noted that the Customer Services Manager was looking at ways to monitor emails. Online forms can be measured and hopefully voicemails will also go down as the new Customer Services Section starts up.

RESOLVED:

That the telephone monitoring statistics for April 2016 to January 2017 be noted.

59. AGENCY STAFF AND CONSULTANCY

Mr Maddock introduced the report on the cost of consultants and agency staff for 2015/16 and to the end of February 2017. The Council on occasions needed to employ people either on a temporary basis or for a particular project. The former situation could be for peaks in workload or to cover maternity or long term sickness. The latter is for short term specific projects when the expertise does not exist in house and to employ someone for such a short term was impractical.

Such expenditure was recorded on the Council's finance system such that it was easily identifiable. However a reasonableness check has also been carried out to make sure that as far as possible the amounts recorded meet either the definition of an Agency worker or a consultant.

From the new tax year there were new arrangements regarding the accounting for tax and national insurance that may apply to some of our contracts. Information was given on what these changes were and how it was established whether a particular contract was affected by the changes. The legislation was referred to as Intermediaries Legislation (IR35).

IR35 was introduced in April 2000 to combat disguised employment. It stopped permanent employees leaving their employment one day and returning to their desks the next day as a limited company contractor and gaining the tax and benefits of running their own limited company.

Currently these changes apply only where the client was a public body.

From the 6 April 2017 the public sector will have responsibility for deciding whether an individual who was personally providing a service falls in or out of scope of IR35; and in certain circumstances liable for deducting tax and National Insurance Contributions (NICs) at source. Before this, this responsibility fell to the individual themselves.

Councillor Patel asked if agencies and consultants were employed on a project by project basis or at a daily rate. Mr Maddock said that a lot of them were on a daily rate, usually to cover a gap in staff, when management could not recruit immediately.

Councillor Patel then asked if we stipulated an end date and the amount of work to be done. He was told that agency staff had set dates; for consultants engaged for a piece of work, it was up to them how long they took.

Councillor C Roberts asked about any problems with staff retention. Mr Maddock said there were some, but in specific areas, such as forward planning, planning and building control. This was due in part with our closeness to London and Harlow. Councillor Kane added that at the end of the day it came down to salaries.

Councillor Whitehouse said that temporary contracts also came into this mix. The Local Plan was originally a short term project; but, when did it change to a long term one. Councillor Lion said that the Assistant Director (Human Resources) would be looking into this and how we would operate in the future.

Councillor Kane noting the IR35 legislation said that the new way of working could mean that that new contractors could walk away. Mr Maddock said that the Assistant Director (Human Resources) was looking into this and was also seeking some legal advice. Councillor Kane asked that the outcome for this be reported back to the Committee when available. This was agreed.

RESOLVED:

- (1) That the Select Committee noted the report on agency staff and consultancy;
- (2) That an updating report be brought back when further information was available.

60. 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.

61. FUTURE MEETINGS

The meeting noted the extra meeting scheduled for 10 April 2017 and the date of future meetings in the new municipal year.

**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF RESOURCES SELECT COMMITTEE
HELD ON MONDAY, 10 APRIL 2017
IN COUNCIL CHAMBER, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.00 - 8.37 PM**

Members Present:	S Kane (Chairman), A Patel (Vice-Chairman), N Bedford, D Dorrell, R Jennings, J Lea (Chairman of the Council), C Roberts, D Roberts, G Shiell and J M Whitehouse
Other members present:	R Brookes, G Mohindra, M Sartin, B Surtees, G Waller, C Whitbread and J H Whitehouse
Apologies for Absence:	A Boyce, R Gadsby, A Mitchell and H Whitbread
Officers Present	P Maddock (Assistant Director (Accountancy)), I Almond (Council Staff), D Bailey (Head of Transformation), R Carroll (UNISON), G Chipp (Chief Executive), P Freeman, G Greenwold (Council Staff), O Shaw (Head of Customer Service), J Shingler (Principal Planning Officer) and A Hendry (Senior Democratic Services Officer)

62. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

It was noted that Councillor J Lea was substituting for Councillor A Boyce and Councillor G Shiell was substituting for Councillor A Mitchell.

63. DECLARATIONS OF INTEREST

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

64. TRANSFORMATION PROGRAMME - OVERVIEW & SCRUTINY

The Chairman of the Select Committee noted that this meeting was called to establish the baseline for the scrutiny of the Council's Transformation Programme as proposed by the PICK form considered by the Overview and Scrutiny Committee at their meeting held on 28 February 2017. The O&S Committee agreed that the Resources Select Committee should be tasked with this scrutiny.

The Chairman of the Resources Select Committee had agreed to start with a one item special meeting to further explore the best approach and to establish an appropriate way forward. To do this the Head of Transformation, the Chief Executive and the Leader of the Council were invited to give a brief outline of the programme. All council members were invited via the Council Bulletin, as were the staff representatives on the Joint Consultative Committee.

The meeting opened with the Chief Executive giving a short introduction to the transformation programme saying it was the council's vision to make the council fit for the 21st century. It would enable the council to react quickly, make changes and drive efficiencies. Transformation meant any major changes to services. These were not delivered by just one or two people but by all the staff, over a period of years. There was a need for a programme to manage a council wide progress towards this

and the Transformation Programme was to manage this process and progress. Any major project would have to put together a project charter that would have to go to the Transformation Programme Board to be agreed. For example, currently there were about 4 or 5 separate projects to set up electronic forms that would be helpful to co-ordinate this council wide.

There were four drivers for change: responding to customers whose needs were changing; customers expected modern customer focused services; demanded well managed value for money services; and they wanted us to reduce our cost and protect front line services. Customer expectations were changing, they were using social media more and we had to respond to this. We also want well managed services working more efficiently and effectively. We did not want to reduce services but were looking to reduce accommodation costs and back office costs. There was a corporate need to manage projects and keep us out of Silos.

The Leader of the Council, Councillor Chris Whitbread added that this was an ongoing process over a long period of time. With current pressures from central government we still needed to maintain services to our residents and be fit for purpose in the 21st century. We need to supply services in a new way, such as online transactions and use of mobile phones and twitter etc.

This way we would be protecting front line staff and jobs for the future. The change of the use of the building was part of this, using our assets and protecting our services. We need to be a Council that works across the board and to add resilience to our services. An example of this would be our planned new reception area for customers.

The Head of Transformation, Mr Bailey, gave a short presentation on the Transformation Programme. The Committee noted that all organisations had to change and this was a council wide attempt to manage these change corporately and in a co-ordinated manner.

Programmes were comprised of groups of projects managed collectively to get better outcomes for the work. They have audited all the projects using the corporate plans for this. They had found projects in the organisation seeking major pieces of change for the authority and looked at them via the four "Workstreams" headings of 'customer experience', 'business culture', 'resources, accommodation and technology', and 'major projects'.

There was a 'Golden Thread' that was followed that said that projects deliver outputs that enabled changes that created outcomes that resulted in benefits and achieved objectives and addressed drivers. We were good at carrying out these changes but less good at measuring the impact of these changes and what they would mean for our residents. Organisations tended to work from 'outputs' to 'drivers' but the best way was to work the other way around and work from 'drivers' to 'outputs'. Working this way provided four key benefits of improved customer value, reduced waste, increased agility and increased savings and income.

Officers were looking at the proposed Corporate Plan for 2018/23. It was noted that we were in the third year of our current Corporate Plan but that plans change and evolve as it goes along. The Corporate Plan will go through scrutiny and public consultation in its draft form. The projects identified usually deliver something that the Corporate Plan needs. There were a lot of projects in motion right now and officers were looking to manage and co-ordinate this.

There was a group looking at this at present using 'Covalent', looking at themes and connections between projects, programmes and performance indicators. A recent example of this was the Multi-Function Devices (MFD) project; replacing desk top printers with 26 MFD's situated throughout the council. Officers looked at where they were needed and at the cost benefits of printing. Using this system officers can share project work across the organisation and share experience and also be transparent on what was going on.

The Transformation Team use 'Risk Potential Assessments' classifications to assess the projects underway to classify them as either High, Medium or Low classifications. The Low level projects have minimal need for project management and were within a single service area. Medium level projects had slightly higher profiles and were usually managed within a single directorate. However, High level projects were classed as transformative and required Council wide co-ordination and would be overseen by the Transformation Programme Board and actively supported by programme management officers. There were currently about 38 High and Medium level projects, each one given its own unique number and was followed through to its completion.

In conclusion Mr Bailey said that it was all about communication, there could never be enough and there would always be the need for more. The officers of the Transformation Programme held regular Q and A sessions and also put regular items in District Lines to keep staff informed; all communications had been internally focused so far. Change was about people and engagement was key. Not everyone would agree with what was put forward but there needed to be a discussion.

The Chairman thanked Mr Bailey and Mr Chipp for their presentation and noted that this meeting was not meant to be a scrutiny session but they were looking at how to take this PICK form forward. He then opened the meeting out to questions from the members present.

Councillor Jennings asked about the suspension of the pro-rata rules governing the establishment of Task and Finish Panels. The Senior Democratic Services Officer explained that this enabled members that were specifically interested in the topic under consideration to let them sit on that Panel without having to fulfil the pro-rata rules. The Chairman expressed his preference for establishing a Task and Finish Panel to consider this PICK form.

Councillor Dorrell asked if an audit had been carried out and if there were a lot of projects not yet tied in with the transformation team and had they shut down any projects. Mr Bailey confirmed that they had not closed down any projects as they had not found pieces of work that have not been needed. They have found some good examples of project work being carried out. Mr Chipp said that there were a whole range of service plans with a lot of 'pet' projects included. Using the Covalent system we were able to put together a number of projects. They have found some good projects but could now identify common themes and fit them into our corporate priorities, such as the recent Customer Self-Service Payment Kiosk project, and bring them together.

Councillor Dorrell commented that their aspirations were to be transparent, but that could lead to blame. Mr Chipp said that he did not want a blame culture. Some projects needed more resources and transparency would enable us to do this. It also enables them to control the scope of the project; if changes were wanted we would look at it.

Councillor Shiell asked if they had all the Directors at their meetings or were they briefed individually. Mr Chipp replied that all directors were there as a corporate approach along with any other relevant officers. We empowered staff to try things on a small scale and this enabled us to see outcomes and any problems raised before it went large scale. It was a better way of working; we needed to be more efficient. Mr Bailey added that staff were encouraged to go and look at what was needed, like Parking at the Council offices; we had a number, but when we went to count up it came to something else. The same was for the number of meeting rooms used. We tried to make decisions that were evidence based. We also evaluated what went well and not so well and we needed to share this. Learning was important to us.

Councillor Patel asked how they engaged with members especially when seeking approval or it had an impact on the budget. Mr Bailey said that projects were Portfolio decisions or came under the Leader and were published in the Council Bulletin. Mr Chipp said that all four of the major projects reported to the various Select Committees. Two of the key projects went to the Cabinet. Also, a business case needed to be made and agreed. Staff have reacted well so far and were looking for better corporate overview and engagement. A good example of a good project was the installation of the MFDs. Officers were currently looking at hot desking and home working as there was a need to reduce building costs.

Councillor Mohindra welcomed the PICK form and would like to have feed back from any Task and Finish Panel established on the evaluation of costs and best value for money. He would also like assurance that we were not missing any project ideas from the staff and would like to identify who sat on the Transformation Board. Mr Bailey said that staff ideas came from forums and up through line managers, all were examined and evaluated. Mr Chipp added that they had trialled staff forums and would like more ideas to come from the staff.

Councillor Sartin noted that a lot of communications went through District Lines, this information would be useful for Members, and could it be given to us?

Councillor Jon Whitehouse asked if the Local Plan was a Transformation Project. Mr Bailey replied that it was a programme within the Transformation Programme and not a single piece of work; but of course he did not manage it. The Local Plan mentions the Council offices site, it was all interconnected. Councillor Jon Whitehouse asked what difference has the programme made to the Local Plan? Mr Chipp said that it had its own consultations and was a large piece of work based on evidence. It would not change our processes or procedures.

Councillor Jennings asked about hot desking, what was the Council doing to learn from other Authorities. All local authorities develop at different speeds, were we looking at their best practice? Mr Chipp replied that we were looking at other projects and other Local Authorities and what they did. As a good council we can look at doing other things such as having a Council Tax reduction and not just a 0% increase. Councillor Mohindra asked that they looked at the private sector as well.

Councillor Brookes had concerns about hot desking and that it was not necessarily a good thing for some staff. She did not want staff pushed into this if they did not want to. Mr Chipp said that there would always be a need for staff to be retained here such as in the contact centre. Home working and hot desking would happen over a period of 5 to 6 years. We needed to change how we worked before we hot desked. The staff seemed to like this flexibility in other authorities. There was a whole change to go through to get us to that point. When we reconfigure the building we need proper ways of working to fit in so the staff could do their work.

Councillor Bedford said that he worked in a hot desking environment and found that it suited him. There was a need to sort out general access to all services. Had we considered recruiting people to a general workforce where we could then choose staff for particular jobs/projects? Mr Chipp said that technology was the key to making this work and we needed to get this right. We did have staff that moved between disciplines and we would be putting staff from all services into one area, freeing up specialist staff that at present deal with minor items. They would be looking at an organisational plan looking at the skill set for individuals for a wide range of jobs.

Councillor Waller said that Essex County Council was moving to a single contact point, but how do we overcome the problem of people not knowing what to do. Mr Chipp said that his previous authority formed a one contact point, where they could identify where to put a call to. These days you could create virtual contact centres and have knowledge transfer so we could get follow through. We would have triage system for our contact point, freeing up qualified staff, but we will always need to have face to face contact with people.

The chairman asked if the JCC Staff representatives had any questions they would like to ask, they did not, as a lot of the points had been covered.

The Chairman summed up the meeting, saying that they would like to scrutinise the Programme Management Board and the High Risks Projects that had been identified. He noted that the medium level ones went to the various Select Committees anyway.

There were two options, either to form a sub group, from a smaller pool of talent to choose from, that would have no formal structure making it more difficult to scrutinise the topic on hand; or to form a Task and Finish Panel. By the general feeling of the meeting he thought it would be better to go to the next Overview and Scrutiny Committee and ask for a Task and Finish Panel to be set up. The meeting agreed that a Task and Finish Panel would be more appropriate.

It was agreed that the task and Finish Panel once set up should fully evaluate and establish:

- a) A clear statement as to the objectives of the programme;
- b) A clear understanding as to the scope of the programme;
- c) A clear understanding as to the budget and financial implications of the programme;
- d) To document proposals for the ongoing scrutiny required to ensure that the programme continues to be:
 - 1) Meeting the programme objectives;
 - 2) Focused on the identified scope;
 - 3) On schedule; and
 - 4) Within budget

The Panel should also look at the high risk projects that required Council wide co-ordination and were overseen by the Transformation Programme Board.

The Task and Finish Panel should also be mindful of having a clear end date to complete their work on.

RESOLVED:

That the Resources Select Committee recommend to the Overview and Scrutiny Committee that a Task and Finish Panel be established to specifically define the objectives, scope and budget of the Transformation Programme.

Resources Directorate Business Plan 2017-18



RESOURCES DIRECTORATE BUSINESS PLAN 2017-18

Director:	Bob Palmer					
Principal/Service accountant (noted)	John Bell Graham Keoghoe	John Bell	John Bell Farzana Ahmed	Farzana Ahmed	John Bell	Farzana Ahmed
Joint Management Board / Cabinet	9 th May 2017					
Responsible officer	Peter Maddock	Janet Twin	Rob Pavey	David Newton	Paula Maginnis	
	ACCOUNTANCY	BENEFITS	REVENUES	FACILITIES MANAGEMENT	ICT	HUMAN RESOURCES
PORTFOLIO HOLDER	<p align="center">Cllr Gagan Mohindra Finance Portfolio Holder</p> <p align="center">.....</p> <p align="center">Detailed service area plans provided on 27/3/17</p>			<p align="center">Cllr. Alan Lion Technology and Support Services Portfolio Holder</p> <p align="center">.....</p> <p align="center">Detailed service area plans provided on 27/3/17</p>		

RESOURCES DIRECTORATE SERVICE PLAN 2017/18						
No.	Action	Deadline	Target / Success measure(s)	Lead officer / title	Cross reference	Project / BAU
Accountancy 2017/18 Service Plan – Key Items (Responsible Officer Peter Maddock)						
1	Close the accounts and complete the Statutory Statement for 2016/17. Have audit completed for publication by 30 September	Sept 2017	Complete preliminary work between January and March. Carry out the closure timetable during April complete by 3 May. Complete the statutory statement by 31 May	Peter Maddock		BAU
2	Prepare the 2018/19 budget for adoption by full Council in mid-February	Feb 2018	Update Medium Term Financial Strategy during July 2017. Carry out budget consultations with Spending Officers during October and November 2017. Complete detailed papers December 2017 for mid-January Finance Cabinet. Prepare papers for Cabinet and Full Council.	Peter Maddock		BAU
3	Introduce e-invoicing across the authority following pilot and training carried out in the second half of 2016/17.	December 2017	With assistance from EGS, carry out the adoption of suppliers for inclusion in e-invoicing. Update invoice processing procedures for e-invoicing suppliers. Give suppliers access to EGS marketplace to enable them to PO flip marketplace generated orders. Investigate the possibility of e-invoicing using the OHMS Housing system.	Shane McNamara	Project P044	Project

RESOURCES DIRECTORATE SERVICE PLAN 2017/18

No.	Action	Deadline	Target / Success measure(s)	Lead officer / title	Cross reference	Project / BAU
Benefits 2017/18 Service Plan - Key Items (Responsible Officer Janet Twin)						
4	Improve Benefit processing times for new claims	March 2018	Average processing times for new claims reduced to 21 days for 2017/18	Janet Twinn/ Julian Lewis	KPI – RES005	Business as usual
5	Protect the Council Tax base through undertaking compliance checks	March 2018	Compliance checks undertaken on between 20% and 30% of the benefit caseload	Lynn Smith		Business as usual
6	Introduce on-line claim forms	June 2017	On-line application forms and other forms such as change in circumstances forms, available on the Council website	Janet Twinn/ Julian Lewis		Project
Revenues 2017-18 Service Plan – Key Items (Responsible Officer Rob Pavey)						
7	Maximise the collection of Council Tax and Business Rates due in 2017/18	31 March 2018	97.8% in-year Council Tax, 98.0% Business Rates	Rob Pavey	KPI – RES003/004	BAU
8	Implement further transactional services for residents and businesses using Capita's Advantage Digital Portal including change of address.	October 2017	Implementation by deadline date. Take-up by users	Rob Pavey		Project
9	Implement SMS text messaging for payment reminders	April 2017	Implementation by deadline date. Take-up by users	Peter Freeman		Project
10	Produce business case for internal enforcement agents	November 2017	Business case created. Potential Cabinet report November 2017	Gary Ayres		Project

RESOURCES DIRECTORATE SERVICE PLAN 2017/18						
No.	Action	Deadline	Target / Success measure(s)	Lead officer / title	Cross reference	Project / BAU
Facilities Management 2017-18 Service Plan – Key Items (Responsible Officer David Newton)						
11	Provide support to accommodation review and other transformation projects	March 2018	Transformation projects progress	David Newton	Project P002 and others.	Project
12	Deliver schemes identified in programme approved in November 2016	October 2017	Works complete prior to Autumn	Stuart Mitchell / Thomas Ellwood	Five Year Planned Maintenance Programme 2017-2022 for Operational and Commercial Properties	BAU
13	Civic Offices, Epping – sizing, purchase and installation of a new generator that will give full coverage of the whole site in the event of power outage. Replaces existing under capacity unit	March 2018	System installed, certified and fully operational by building users	Stuart Mitchell / Richard Spencer	Five Year Planned Maintenance Programme 2017-2022 for Operational and Commercial Properties	BAU
ICT 2017-18 Service Plan – Key Items (Responsible Officer David Newton)						
14	Develop 2018/2023 ICT Strategy	Jun 17	Cabinet approval (Nov 18)	David Newton / Stephen Bacon	ICT Strategy Corporate Plan	Project

RESOURCES DIRECTORATE SERVICE PLAN 2017/18

No.	Action	Deadline	Target / Success measure(s)	Lead officer / title	Cross reference	Project / BAU
15	Extension of telephone system	Mar 18	Smartphone users can make and receive calls via the internal Wi-Fi network.	David Newton	ICT Strategy	Project
16	Firmstep Achieve development. a) CRM b) CRM (Production Version) c) My Account d) Offline mobile	a) April 2017 b) July 2017 c) July 2017 d) October 2017	a) Proof Of Concept complete and in use b) Production system in use with integration where applicable c) Corporate Forms can integrate into Capita Connect Portal. d) Corporate Forms Solution can be used off-line.	Stephen Bacon	ICT Strategy	Project
17	Northgate Aspire Mobile Working	December 2017	Environmental Health and Private Sector Housing staff able to utilise the Northgate mobile solution.	Stephen Bacon	ICT Strategy	Project
Human Resources 2017-18 Service Plan – Key Items (Responsible Officer Paula Maginnis)						
18	Complete Workforce Planning/Organisational Development Strategy and Action Plan – Yr 1 targets	31 March 2018	First year targets of the Action Plan are completed	Paula Maginnis		Mixture of projects and BAU
19	Implement elements of self-serve functionality of iTrent	31 January 2017 31 March 2018	Participate in scoping activity of self-serve with Colchester & Braintree Implement agreed modules of self service	Paula Maginnis		Project
20	Recruit new cohort of corporate Apprentices	1 September 2017	Recruit at least 8 new apprentices	Julie Dixon		BAU
21	Print Review - update PID to include Phase 2 – investigating shared services	31 May 2017	PID is agreed by Transformation Project Board	Paula Maginnis		Project

Report to Resources Select Committee

Date of meeting: 13 July 2017

Subject: Corporate Plan 2018-2023

Officer contact for further information: David Bailey, Head of Transformation

Committee Secretary: Adrian Hendry, Democratic Services



Recommendations/Decisions Required:

- (1) That the Committee considers and provides comment on the Council's proposed new Corporate Plan for 2018-2023;**
- (2) That the Committee considers and provides comment on the proposed Benefits and Performance Measures for 2018-2023; and**
- (3) That the Committee considers and provides comment on the proposed Corporate Specification for the first year of the plan, 2018-2019.**

Executive Summary:

The Corporate Plan 2015-2020 is the authority's current key strategic planning document. This Plan was based around the Council's medium term priorities for that period. The Plan has been reviewed and updated with the input of Officers and Cabinet Members.

This new Corporate Plan will run from 2018 to 2023, and seeks to lay out the journey the Council will take to transform the organisation to be 'Ready for the Future'. This plan seeks to link the key external drivers influencing Council services, with a set of corporate aims and objectives, grouped under three corporate ambitions.

The success of the new Corporate Plan will be assessed through the achievement of a set of benefits, focussed on what the Council achieves for customers. These benefits in turn are evidenced through a set of performance measures.

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

Report:

1. The Corporate Plan is the Council's highest level strategic document. It sets the strategic direction of the organisation for the lifetime of the plan, and as such informs all other plans produced by the Council. The Corporate Plan does not cover everything that the organisation does in detail, but it does provide a framework to demonstrate how the work of the Council at a strategic level fits together. It also provides a focus to establish a set of corporate priorities, describing how the organisation will deliver positive change. The Corporate Plan does not contain specific information on the wide range of services that the Council provides, or how it delivers statutory duties or enforces legislation.

2. The Corporate Plan is the cornerstone of the Council's performance management framework (called its Benefits Management Strategy) and business planning processes. It provides a framework for the development of detailed annual directorate and service business plans which provide details of service provision and how the work of these groups directly contributes to the achievement of the Council's aims and objectives. Each individual member of staff should be able to see how their work contributes to the Corporate Plan through links to their appraisal. The Corporate Plan also provides the policy foundation for the Council's Medium Term Financial Strategy (MTFS) and is essential for the prioritisation of resources to provide public services and value for money.

3. The Corporate Plan 2015-2020 is the authority's current key strategic planning document. This Plan was based around the Council's medium term priorities for that period. Now in its third year, the plan has been reviewed and updated with the input of Officers and Cabinet Members.

4. This new Corporate Plan will run from financial year 2018/19 to 2022/23, and seeks to lay out the journey the Council will take to transform the organisation to be 'Ready for the Future'. This plan seeks to link the key external drivers influencing Council services, with a set of corporate aims and objectives, grouped under three corporate ambitions.

5. The new Corporate Plan aspires to be written in language and presented in a style that can be readily understood by our customers. Further it strives to 'put the customer at the heart of everything we do'. For the purposes of this Plan, 'customers' means people that:

- Live (residents);
- Work or do business;
- Learn (students);
- Visit (tourist economy) and
- Play (leisure activities) in the district.

6. The final Corporate Plan document will include many of the sections found in the organisation's previous Corporate Plans, including an overview of the district, our vision, purpose, values, and a set of corporate aims and objectives. The content presented in this report is by necessity more technical than it will be when presented in the final public documents. The most significant change to the plan is its focus on our customers and the measurement of success as the impact that the delivery of the plan has on them.

7. The corporate ambitions, aims and objectives are central elements of the new Corporate Plan and as such the new Plan has been developed around them in response to our external drivers and our vision, purpose and values. The new plan is a forward looking and organised document.

8. Our vision: A great place where people enjoy living, working, learning and leisure.

9. Our purpose: Working together to serve our community.

10. Our values: Trust, One Team, Performance, Innovation and Customer.

11. Like the existing Corporate Plan, to minimise the expenditure associated with its production, it will only be available as an electronic download via the Council's website.

Corporate Aims and Objectives

12. External drivers have been identified by Cabinet Members and the Council's Management Board and Leadership Team, for the organisation over the next five years. They have been refined and linked with a set of three interdependent corporate ambitions:

- Stronger Communities;
- Stronger Place; and
- Stronger Council.

13. Each ambition has a set of corporate aims, which are in turn detailed by one or more corporate objective, developed with the input of Cabinet Members and Officers. This work was undertaken via a series of workshops in March, April and May 2017. Further consultation on the draft Corporate Plan contained within the Appendices will be undertaken over the summer months and feedback invited from:

- Customers;
- Businesses;
- Partners;
- Staff and managers; and
- District Councillors, through Select Committees for Communities, Governance, Neighbourhoods and Resources, as well as the Overview and Scrutiny Committee.

14. The draft Corporate Plan – containing corporate ambitions, aims and objectives – is given on a single page in Appendix 1.

Corporate Specification 2018-2019

15. An annual Corporate Specification details how the Corporate Plan will be delivered through a set of operational objectives for that year. The Council has a number of Key Action Plans, so to avoid confusion the yearly action plan for the Corporate Plan will in future be referred to as the Corporate Specification. This name denotes that it specifies the operational objectives for a given year, which in turn are responded to through annual Directorate and Service business plans.

16. Corporate Specifications will continue to be set annually. Every year during the lifetime of the Corporate Plan, the Corporate Specification will be agreed by the Cabinet, with the scrutiny of the Select Committees. New operational objectives will reflect the progress already achieved against the Corporate Plan.

17. Appendix 2 to this report includes the draft Corporate Specification for 2018-19 within the left-most column, under 'Specification 2018-19'. The Corporate Plan aims, objectives and drivers are included in the two right-hand columns, under the heading 'Corporate Plan 2018-2023'.

Benefits Realisation

18. All benefits from individual corporate objectives, connect back to four key benefits, which are:

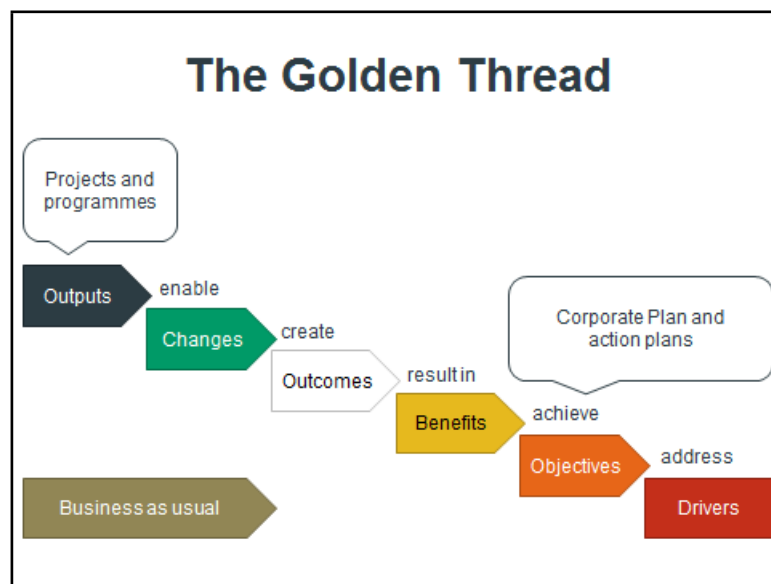
- B1 - Improved customer value – recognising what customers' value about our services and placing them as the heart of everything we do;
- B2 Increased efficiency – focussing on our speed of delivery and getting things right first time;

- B3 Increased agility – reducing red tape, simplifying how we work through joined up services; and
- B4 Increased savings and income – delivery of resource savings and income generation, to keep Council Tax low

19. In this context, a benefit is defined as: the measurable improvement resulting from an outcome perceived as an advantage by a stakeholder, which contributes towards one or more organisational objectives. All benefits must be defined in SMART terms – Specific, Measurable, Achievable, Relevant and Time-bound. It is possible that the Corporate Plan will have some negative impacts for some stakeholders as well as improvements. Where a negative effect of a change can be foreseen, then this is known as a dis-benefit.

20. The achievement of the new Corporate Plan will be monitored and assessed through the realisation of the set of interconnected benefits or benefits map, focussed on what the Council achieves for customers. The evidence that these benefits have been realised comes through the combination of a set of performance measures, replacing the current set of Key Performance Indicators (KPIs).

21. It is proposed that from 2018-2019 onwards, the delivery of the Corporate Specification will be monitored and reported alongside the information previously contained by the Transformation Programme Full Highlight Report and the key benefits and performance indicator set. It is envisaged that this will be presented as a benefits map, showing the interconnections between the delivery of projects, through benefits to the objectives and drivers from the Corporate Plan. A diagram showing the relationship between these elements is given below.



‘The Golden Thread’ linking project outputs through benefits to achieve objectives.

22. Appendix 2 contains the draft performance measures and benefits, in the middle three columns, headed ‘Benefits realisation’ (highlighted in purple). These ‘benefits maps’ show the linkages between the three interrelated parts:

- The Corporate Plan drivers, aims and objectives for 2018-2023 (right-hand side);

- The benefits realisation framework of measures and benefits (centre); and
- The Corporate Specification for 2018-19 (left-hand side).

23. Please note that when the benefits maps are created, best practice is to start from the right-hand side and work towards the left, i.e. start with the needs of our customers or the end in mind, and work back to the solutions on the left-hand side. When the organisation delivers services, it starts on the left-hand side and works over to the right, i.e. the delivery goes from left to right.

24. It should be noted that the content of the draft Corporate Plan attached, including the Corporate Specification and benefits maps, may be subject to change between consideration by Members and prior to publication, as a result of consultation.

25. The Committee is requested to consider and provide comment on the draft documents.

26. The Corporate Plan 2018-2023 document will be further considered by Cabinet in October 2017 before submission to Council for formal adoption in November 2017.

Resource Implications:

The design and production costs of the new Corporate Plan will be met from within the existing budget of the Transformation Programme Management Office. Resource requirements for any specific objective set out in this report will need to be identified by the relevant service director and reflected in the Council's budget processes.

Legal and Governance Implications:

There are no legal or governance implications arising from the recommendations of this report, which ensure that the Council sets appropriate corporate priorities, and monitors progress and reports against the achievement of benefits for customers.

Safer, Cleaner and Greener Implications:

There are no implications arising from the recommendations of this report in respect of the Council's commitment to the Climate Local Agreement, the corporate Safer, Cleaner and Greener initiative, or any crime and disorder issues within the district.

Consultation Undertaken:

Management Board, Leadership Team and Cabinet Members have been involved in developing the Corporate Plan 2018-2023. Over the next few months the plan is to consult on the content, priorities and benefits, with customers, businesses, partners and staff. The views of Councillors are also being sought through the Communities, Governance, Neighbourhoods and Resources Select Committees as well as the Overview and Scrutiny Committee.

Background Papers:

Corporate Plan 2015-2020
Transformation Programme – Scope and Methodology (C-073-2015/16)
Benefits Management Strategy (20 July 2016)

Risk Management:

There are no risk management issues arising from the recommendations of this report. Relevant issues arising from actions to achieve specific objectives or benefits will be identified the Corporate Risk Management Group.

Equality and Diversity:

There are no equality implications arising from this report. Relevant issues arising from actions to achieve specific objectives or benefits will be identified through individual service plans, project plans or Reports.

Equality analysis report

Step 1. About the policy, service change or withdrawal

Name of the policy, service or project: <i>be specific</i>	Corporate Plan 2018-2023
Revised / new / withdrawal:	New
Intended aims / outcomes/ changes:	Consultation with the committee on the draft Corporate Plan 2018-2023, the draft Corporate Specification 2018-19, and associated benefits maps
Relationship with other policies / projects:	All
Name of senior manager for the policy / project:	Glen Chipp, Chief Executive
Name of policy / project manager:	David Bailey, Head of Transformation

Step 2. Decide if the policy, service change or withdrawal is equality relevant

<p>Does the policy / project / service process involve, or have consequences for employees or other people? If yes, please state who will be affected. If yes, then the policy / project is equality relevant.</p> <p>If no, state your reasons for this decision. Go to step 7.</p> <p><i>The majority of Council policies and projects are equality relevant because they affect employees or our communities in some way.</i></p>	If yes, state which protected groups:
	<p>If no, state reasons for your decision:</p> <p>No. Any equalities impact assessment for individual projects or programmes will be detailed in the respective reports.</p>

Name and job title of officer completing this analysis:	David Bailey, Head of Transformation
Date of completion:	16.06.2017
Name & job title of responsible officer: (If you have any doubts about the completeness or sufficiency of this equality analysis, advice and support are available from the Performance Improvement Unit)	David Bailey, Head of Transformation
Date of authorisation:	16.06.2017
Date signed copy and electronic copy forwarded to PIU equality@eppingforestdc.gov.uk	16.06.2017

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Our Corporate Plan 2018-2023

“Ready for the future”

Our Vision

A great place where people enjoy living, working, learning and leisure.

Our Purpose

Working together to serve our community.



Stronger communities

People live longer, healthier and independent lives	Adults and children are supported in times of need	People and communities achieve their full potential
Promoting healthy lifestyles	Safeguarding and supporting people in vulnerable situations	Enabling communities to support themselves
Promoting independence for older people and people with disabilities		Promoting culture and leisure
		Keeping the district safe



Stronger place

Delivering effective core services that people want	A district with planned development	An environment where new and existing businesses thrive
Keeping the district clean and green	Planning development priorities	Supporting business enterprise and attracting investment
Improving the district housing offer	Ensuring infrastructure supports growth	People develop skills to maximise their employment potential
		Promoting retail, tourism and the visitor economy



Stronger council

Customer satisfaction	Democratic engagement	A culture of innovation	Financial independence with low Council Tax
Engaging with the changing needs of our customers	Robust local democracy and governance	Enhancing skills and flexibility of our workforce	Efficient use of our financial resources, buildings and assets
		Improving performance through innovation and new technology	Working with commercial partners to add value for our customers

Our Values:

Trust

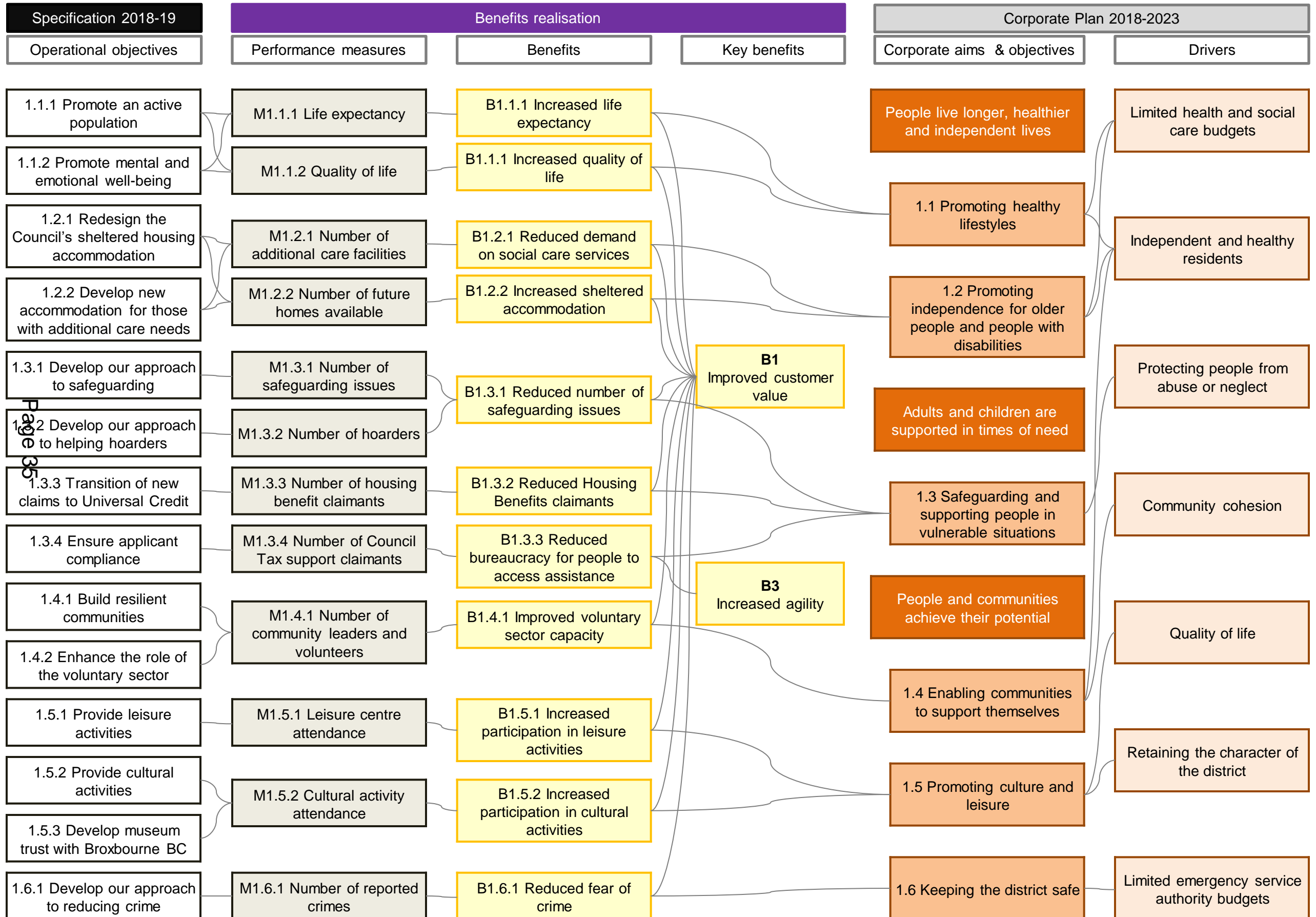
One Team

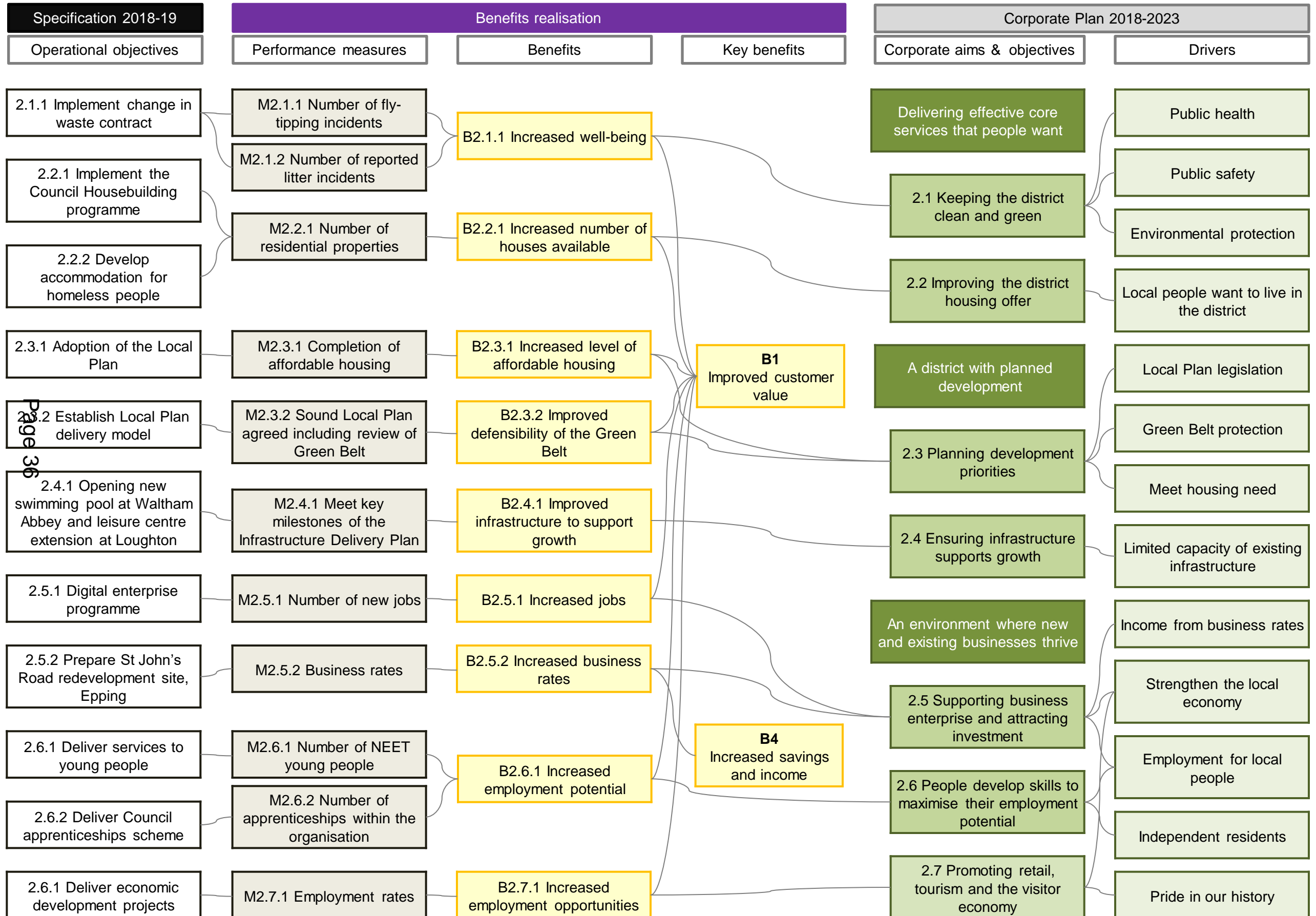
Performance

Innovation

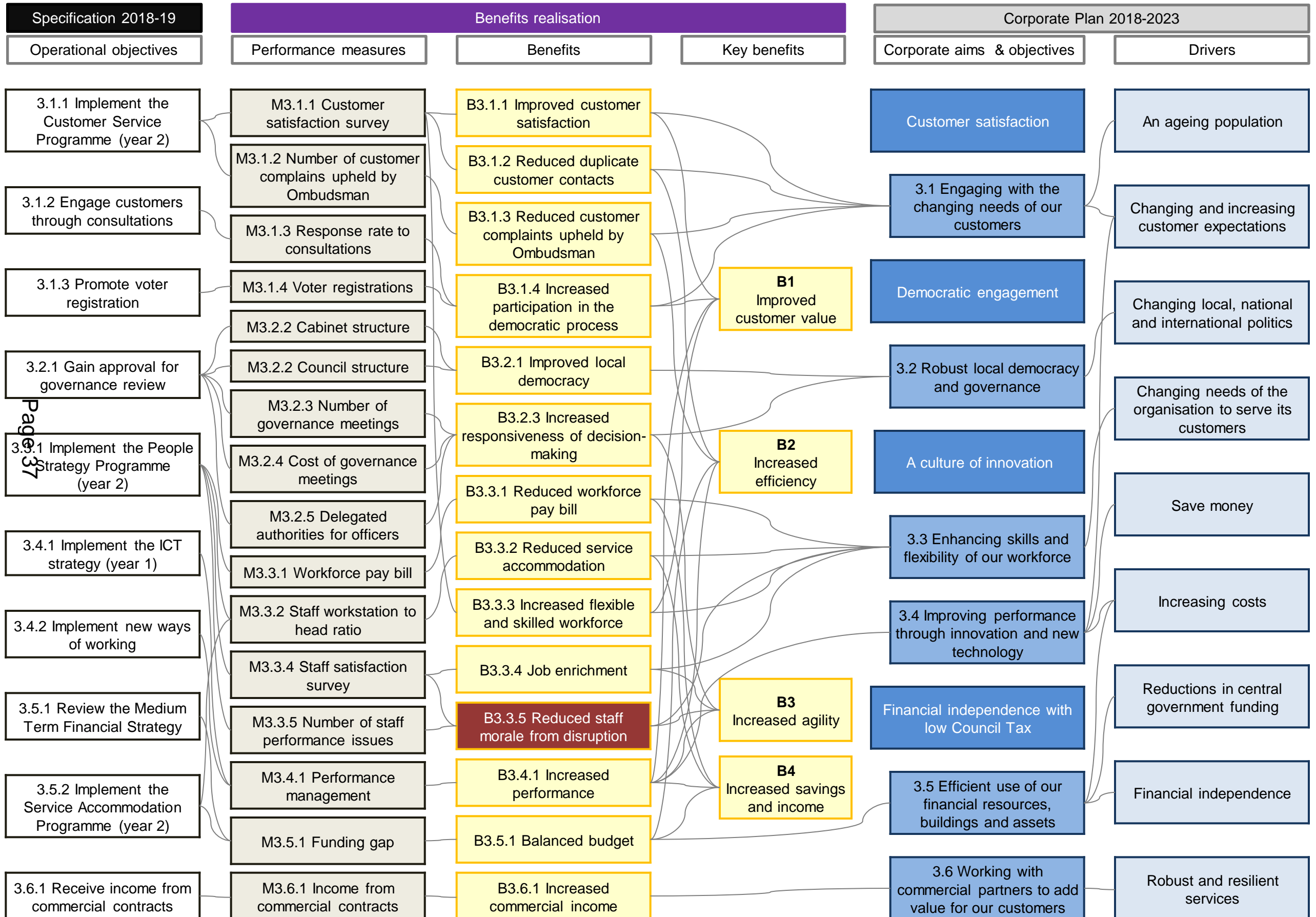
Customer

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Report to the Resources Select Committee

Date of meeting: 13 July 2017



Portfolio: Finance

Subject: Provisional Capital Outturn 2016/17

Responsible Officer: Teresa Brown (01992-564604)

Democratic Services Officer: Adrian Hendry (01992 564246).

Recommendations/Decisions Required:

- (1) That the provisional outturn report for 2016/17 be noted;**
- (2) That retrospective approval for the over and underspends in 2016/17 on certain capital schemes as identified in the report is noted;**
- (3) That approval for the carry forward of unspent capital estimates into 2017/18 relating to schemes on which slippage has occurred is noted; and**
- (4) That approval of the funding proposals outlined in this report in respect of the capital programme in 2016/17 is noted.**

Executive Summary:

This report sets out the Council's capital programme for 2016/17, 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 21 February 2017.

Appendix 1 summarises the Council's overall capital expenditure and funding in 2016/17. It shows the total amount of expenditure invested in Council-owned assets within the General Fund, analysed over the four directorates, and shows the sum invested in existing and new Housing Revenue Account (HRA) assets separately. Underneath 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 or brought forwards on a project-by-project basis in columns four to six. In some instances, other changes are recommended; these are identified in column seven 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 2016/17 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 and Major Repairs Fund resources in 2016/17 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 2016/17 was £36,957,000 compared to a revised estimate of £43,077,000, representing an underspend of 14%. Appendix 1 summarises the position by Directorate for the General Fund, and shows the overall outturn position for the HRA. It also summarises the capital loans and revenue expenditure finance from capital under statute (REFCuS).
2. With regard to the General Fund projects, there was an overall underspend of £1,675,000 or 9%, details of which are shown on Appendix 2. The main variations are discussed below.

Resources

3. Within the Resources Directorate, the largest underspend was on the planned maintenance programme as many of the schemes planned at the civic offices have been delayed awaiting the outcome of the Accommodation Review. Work was restricted to essential improvements only; this included new control panels which control the heating system, lead valley guttering, fire alarm system upgrade works and the installation of the LED lighting. Planned maintenance works on other buildings were progressed; this included the resurfacing of the rear access yard at the Limes Avenue shops in Chigwell and the installation of an electrical bypass panel at the Hillhouse shops in Waltham Abbey. However, the works planned at Town Mead Depot have not progressed to date. It is recommended that the full underspend of £318,000 is carried forward pending an assessment of requirements in the light of the Accommodation Review.
4. The Information and Communication Technology (ICT) Programme progressed very well in 2016/17 with many schemes completed successfully; including the expansion of mobile working and storage solutions, the enhancement of security systems, the installation of hardware for the BACS electronic banking system, and the introduction of the customer relationship management system prototype. While slippage has occurred on the cash receipting system and the gazetteer and planning system integration programmes, other projects were completed ahead of schedule. These included the installation of the Community Services on-line booking system, the replacement of thin client devices and the extension of the Council's back-up storage system. Overall, expenditure exceeded the budget by £31,000 and it recommended that this sum is brought forward from the 2017/18 allocation to cover this.
5. The project to install two cash kiosks at the civic centre in Epping was completed in 2016/17. However, the kiosks required additional software to be developed to create a seamless integration into the general ledger system. This resulted in an overspend of £8,000 for which retrospective approval is sought. The cash kiosk stolen from Waltham Abbey was replaced at the cost budgeted and it was fully funded from the insurance money received.
6. The Council's payroll system has been transferred from a Sage to an iTrent system. Epping is now working with Braintree and Colchester to scope and build the employee/manager self-serve, health and safety, recruitment and learning elements of the system. There was an underspend of £20,000 in 2016/17, which is requested to be carried forward at this stage pending the completion of the full roll-out.

7. A small overspend of £2,000 was incurred on the customer services programme, for which retrospective approval is sought.

Neighbourhoods

8. Within the Neighbourhoods Directorate, the largest underspend relates the surrender of a lease to Glyn Hopkin Limited in respect of a motor car dealership located on the corner of Brooker Road and Cartersfield Road in Waltham Abbey. Approval was given for the Council to make a payment of £990,000 in consideration of this and immediately following completion, a new 25-year lease was entered into, delivering significant annual revenue benefit. As the negotiations were not finalised until April 2017, Members are requested to approve the carry forward of the £990,000 allocation.
9. Progress on the main works to construct a new shopping park at Langston Road has proceeded according to plan. The contractor McLaughlin and Harvey commenced works in September 2016 and have made good progress on the construction of the retail units. The units are on target to be ready for tenant fit-out towards the end of June 2017, with only minor cost variations. The revised budget and actual costs given in appendix 2 show the construction costs and fees in 2016/17 for the main contract only, and show that there was an underspend of £280,000 on the budget for the year. Approval is sought to carry this sum forward to 2017/18 in respect of the main construction works, representing a relatively minor adjustment to the budget profile. The Section 278 road improvement works, however, have been subject to delays from the outset and still represent the largest risk to the project. The revised budget and actual costs of the construction works and fees associated with the highways work are shown separately in appendix 3 as they are classified as revenue costs financed from capital under statute. The figures show an underspend of £1,060,000, which has resulted from delays primarily due to changing requirements from the Highways Authority. The main variations to the original design and programme have resulted from working restrictions in the carriageway, revised drainage requirements and the re-location of a high pressure gas main. These variations have led to additional costs, which are currently estimated at £817,000.
10. The purchase of the land owned by Essex County Council for the development at St John's Road has now been finalised, with a small saving of £1,000.
11. The construction of the new depot at Oakwood Hill was completed last summer and has been operational from September 2016. However, there have been a number of snagging disputes, as well as an ongoing issue in relation to the off-site monitoring of the alarm system. In addition, a further fire alarm system had to be installed to comply with DDA safety requirements and there are some outstanding highways works. This has resulted in an overspend of £206,000 as at 31 March 2017 for which retrospective approval is requested. A report will be submitted to Cabinet once the final account has been agreed and all costs have been finalised. A review is also being undertaken to maximise the occupancy of the building as part of the Council's wider review of accommodation.
12. Installation of the new pay and displays machines in the Council's car parks has now been completed and a saving of £10,000 was made. The LED lighting and associated electrical works are progressing well with installations in Traps Hill Car Park Loughton complete. A carry forward of £14,000 is requested to allow for lighting at subsequent car parks to be improved during 2017/18 in line with the planned schedule. The £75,000 budget allocated from the Invest to Save Fund, for the purchase and set up costs in

respect of the ICT infrastructure needed for the delivery of the off-street enforcement operations was not fully spent; £45,000 is requested to be carried forward to 2017/18 for this scheme as well.

13. The grounds maintenance plant and equipment budget was fully spent this year. It is usual practice, however, to enhance this budget to allow for the sale proceeds of sold vehicles to be used towards financing new vehicles. In 2016/17 an additional £9,000 was received, above that already taken into account at revised budget stage. Having adjusted for this, Members are requested to approve a carry forward of £6,000 into 2017/18.
14. A sum of £12,000 was included in the capital programme to extend a vehicle compound at North Weald Airfield to increase rental income by £4,000 per year. However, work has been delayed due to planning permission considerations and Members are asked to approve a carry forward of the full sum. On the other hand, a new vehicle was purchased for the airfield at a cost of £30,000, which was financed from direct revenue savings. As a result there was no impact on the Council's overall finances in 2016/17, however, savings will accrue in the future in relation to reduced maintenance costs on the new vehicle over the old.

Communities

15. The largest General Fund capital project undertaken within the Communities Directorate in recent years was the impressive extension and refurbishment of the Council's museum. Although the new facility has been open to the public since March 2016, a number of outstanding works and improvements were carried out in 2016/17. These, combined with an agreed uplift in the architect's fees, have led to an overspend of £32,000. All works are now complete and retrospective approval of this sum is sought.
16. A budget of £321,000 was set aside for the provision of additional off-street parking schemes on housing land. These schemes are joint-funded between the General Fund and the HRA, depending on the split between sold properties and Council properties. Work on the schemes planned for 2016/17 have been hindered, primarily at Torrington Drive where delays were experienced during the consultation exercise and during health and safety investigations. There has also been an ongoing dispute with Essex Highways. These delays have resulted in a large underspend of £310,000 and it is recommended that the full sum is carried forward to continue the programme in 2017/18.
17. The majority of the CCTV upgrades were completed on time and on budget as per the 2016/17 programme, although there were some small adjustments. These included completing a full upgrade and refurbishment of the Roundhills system ahead of schedule and installing 2 additional cameras at the Hemnall Street offices and Oakwood Hill depot. The latter were funded from direct revenue savings of £3,000. In addition, the car park CCTV installation project has progressed well and an additional site at Lower Queens Road car park was added to the planned programme. Members are requested to recommend the approval of a brought forward sum of £10,000 from the 2017/18 allocation.

Housing Revenue Account (HRA)

18. The approved HRA capital budget for 2016/17 was increased compared to previous years to provide for the Council's housebuilding programme. A revised budget of £20,563,000 was approved but expenditure during the year totaled £17,363,000, representing an underspend of £3,200,000 or 16%.
19. Appendix 3 shows how actual costs compared to revised budgets for each category of work within the HRA capital programme. It shows that the largest underspend of £1,462,000 was on the Council's new housebuilding programme. This was due to problems experienced at the Burton Road site, Phase 2, when trial excavations revealed contaminated ground below the garages and the forecourt slabs. The additional work required was estimated to increase costs by around £500,000 and delayed the works by about 14 weeks. The impact on the 2016/17 outturn was an underspend of £2,025,000 in respect of phase 2. This is off-set to some extent by relatively small variations, totaling £334,000 to anticipated profiling in respect of phases 1 & 2 and the development at Barnfields, Roydon. It was further off-set as a result of costs incurred on preliminary works relating to phases 4 to 6, for which budgets had been removed from the capital programme when the moratorium on these phases was put in place. The moratorium has subsequently been lifted. Members are requested to recommend the approval of a retrospective overspend of £227,000 in respect of phases 4 to 6 and a net carry forward of £1,689,000 in respect of the other phases.
20. The second largest underspend of £769,000 was experienced on the heating, rewiring and water tank works on existing properties. Within this sum, there were savings of £27,000 on mechanical ventilation and heat recovery installations, as the milder winter temperatures generated fewer condensation issues, and there were further savings of £43,000 on water tank replacements. The majority of the underspend, however, related to slippage on the gas boiler replacement programme, primarily in the sheltered units, for which a carry forward of £741,000 is sought to complete these works.
21. There were three areas where expenditure was higher than estimated; these being disabled adaptations, fencing (within the garage and environmental improvements category) and housing conversions. Overspends in these areas were £113,000, £25,000 and £23,000 respectively and are recommended for retrospective approval. Disabled adaptations showed the largest differential, as it did in 2015/16, resulting from the rising demands of an aging population combined with an increased number of extensions provided for people with disabilities.
22. All other areas of expenditure experienced underspends to a greater or lesser extent and details of each category can be seen in Appendix 3. Additional savings, from those identified in paragraph 20 above, of £397,000 have been identified to reflect the reduced workload anticipated in future years, given Members' decision to move from modern to decent homes standards. It is recommended that £858,000 of the underspends be carried forward in order to complete outstanding works in 2017/18, with a view to identifying further savings at revised estimate stage.
23. Capital expenditure work on leaseholder properties in 2016/17 was £156,000 but there was a negative adjustment of £143,000 relating to previous financial years. Although the budget in Appendix 3 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 final column.

Capital Loans

24. The only loans advanced in 2016/17 were those made to individuals to improve private housing stock. Actual loans were slightly lower than anticipated by £4,000 and Members are asked to recommend this for carry forward to 2017/18.

Revenue Expenditure Financed from Capital under Statute (REFCuS)

25. The Council has the authority to use capital funds to finance certain items of revenue expenditure, known as REFCuS. Expenditure falling within this section is of a capital nature but serves to increase the value of assets not owned by the Council.
26. The largest budget in this section is for the Section 278 highways works required to enable the new shopping park at Langston Road to proceed. The revised budget and actual costs for the construction costs and fees of the retail park in 2016/17 are given in Appendix 2 and progress on this and the related section 278 works is given in paragraph 8. Members are asked to recommend that the slippage of £1,060,000 highlighted above be carried forward to 2017/18.
27. The gas replacement programme of works undertaken at Ninefields and other council flats has now been completed, with a saving of £19,000.
28. Disabled Facility Grants (DFGs) given for adaptations to private properties have risen sharply in recent years. Given the rising demand for DFGs and the increase in Central Government support to finance these grants, it is recommended that the £3,000 overspend is absorbed within the 2016/17 outturn and not deducted from future approved budgets.
29. Expenditure on leasehold flats, sold under Right to Buy legislation where the Council is the freeholder, was lower than anticipated in 2016/17 by £19,000 and it is recommended that no adjustment is made to the 2017/18 allocation due to the reimbursable nature of this budget.
30. Finally, it is recommended that the £3,000 underspend on the Loughton Broadway parking review be carried forward to 2017/18.

Expenditure Summary

31. 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 £248,000 on the General Fund and £388,000 on the HRA, while there were savings of £11,000 on the General Fund and £467,000 on the HRA. In terms of slippage, carry forwards are recommended for totals of £1,995,000, £3,288,000, £4,000 and £1,063,000 for the General Fund, HRA, loans and REFCuS respectively; and brought forwards are recommended for totals of £41,000 and £5,000 for the General Fund and HRA respectively. Other variations total £42,000 on the General Fund, which represent additional expenditure funded from external and direct revenue sources. The other variations of £162,000 on the HRA are offset by an equivalent sum on REFCuS.

Funding

32. 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 2016/17 HRA house building programme.
33. 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.
34. Appendix 1 identifies the sources of funding used to finance the 2016/17 capital programme and it compares the actual sums used with the amounts estimated in the revised capital programme. In total, grants of £1,799,000 were used last year compared to an estimated sum of £1,466,000, representing an increase of £333,000. 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.
35. The generation of capital receipts was £1,041,000 higher in 2016/17 than had been anticipated, as shown in Appendix 4. This was due to more council houses being sold than expected, following a dip in 2015/16 and the steep rise of 2014/15 when the level of maximum allowable discount under the Right to Buy (RTB) scheme was raised significantly. A total of 46 properties were sold in 2016/17 compared to 20 in 2015/16. The Council retained more of the RTB capital receipts than expected as a result of the decision to lift the moratorium on phases 4 to 6 of the housebuilding programme. As a result of these factors, plus the decision to partially fund investment in the new shopping park from HRA capital receipts, the total use of capital receipts was £6,635,000 higher than estimated. As a consequence the year-end balance on the Capital Receipts Reserve was reduced to zero as at 31 March 2017.
36. External borrowing has been avoided in 2016/17, 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 £9,300,000. The latter is shown as unfunded capital expenditure in Appendix 1. However, the Council will need to borrow externally in 2017/18 to be able to fund its General Fund capital programme.
37. With regard to the use of direct revenue funding, the HRA contribution of £5,477,000 was higher than the revised budget by £110,000. However, the use of funds from the Major Repairs Reserve was £3,104,000 lower than estimated reflecting the underspend on HRA capital schemes. The impact of this, combined with an increase in the Major Repairs Allowance transfer, is that the balance on the Major Repairs Reserve is £3,561,000 higher than expected at £12,704,000 as at 31 March 2017.

Resource Implications:

The 2016/17 Provisional Capital Outturn totalled £17,077,000 for General Fund assets, which represents an overall underspend of £1,675,000 on the revised budget. This comprises of overspends of £248,000; savings of £11,000; slippage of £1,989,000; brought forwards of £31,000; and other overspends of £46,000 funded from revenue and external sources.

The 2016/17 HRA Provisional Capital Outturn was £17,363,000, which represents an overall underspend of £3,200,000 on the revised budget. This includes overspends of £388,000; savings of £467,000; slippage of £3,288,000; brought forwards of £5,000; and other overspends of £162,000 offset by an equivalent underspend on REFCuS.

Provisional Outturn figures on Capital Loans totalled £76,000, which represents an underspend of £4,000, all of which is slippage.

Revenue Expenditure Charged to Capital under Statute (REFCuS) totalled £2,441,000. This represents an overall budget underspend of £1,241,000 including an overspend of £3,000; a saving of £19,000; slippage of £1,063,000; and other underspends of £162,000 offset by an equivalent overspend on the HRA.

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 2017 and working papers filed for External Audit purposes.

Due Regard Record

Name of policy or activity: Capital Outturn

Date / Name	Summary of equality analysis
June 2017	This report represents a financial summary of expenditure within the Council's Capital Programme in 2016/17, in addition to the associated funding for the year.
Teresa Brown Principal Accountant	At this stage the aims of the public sector equality duty will already 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, an equality analysis is not considered relevant in respect of this report.

**CAPITAL PROGRAMME
2016/17 ACTUAL (PROVISIONAL)**

	2016/17 Revised £000	2016/17 Actual £000	(Under) / Overspend £000
EXPENDITURE			
Resources	889	592	(297)
Neighbourhoods	17,423	16,310	(1,113)
Communities	440	175	(265)
Total General Fund	18,752	17,077	(1,675)
Total HRA	20,563	17,363	(3,200)
Total Capital Programme	39,315	34,440	(4,875)
Total Capital Loans	80	76	(4)
Total Revenue Expenditure Financed From Capital under Statute	3,682	2,441	(1,241)
TOTAL CAPITAL FUNDED PROGRAMME	43,077	36,957	(6,120)
FUNDING			
Government Grant for DFGs	617	611	(6)
Other Government Capital Grants	81	115	34
Private Funding	768	1,073	305
Total Grants	1,466	1,799	333
General Fund	20,316	9,300	(11,016)
Total Borrowing/Unfunded Expenditure	20,316	9,300	(11,016)
Use on General Fund schemes	1,033	6,654	5,621
Use on HRA schemes	4,044	5,058	1,014
Total Capital Receipts	5,077	11,712	6,635
Direct GF Revenue Funding	150	1,072	922
Direct HRA Revenue Funding	5,367	5,477	110
Major Repairs Reserve	10,701	7,597	(3,104)
Total Revenue Contributions	16,218	14,146	(2,072)
TOTAL	43,077	36,957	(6,120)

**GENERAL FUND CAPITAL PROGRAMME
2016/17 ACTUAL (PROVISIONAL)**

	2016/17 Revised £000	2016/17 Actual £000	(Under) / Overspend £000	(Savings)/ Overspends £000	Carry Forwards £000	Brought Forwards £000	Other £000
Resources							
Planned Maintenance Programme	507	189	(318)		(318)		
ICT Projects	277	308	31			31	
Additional Equipment & Systems	90	78	(12)	8	(20)		
Customer Services Programme	15	17	2	2			
Total	889	592	(297)	10	(338)	31	0
Neighbourhoods							
Consideration for surrender of lease	990	0	(990)		(990)		
Langston Road Shopping Park	8,398	8,118	(280)		(280)		
St John's Road Development Epping	7,096	7,095	(1)	(1)			
Oakwood Hill Depot	703	909	206	206			
Car Parking Schemes	120	51	(69)	(10)	(59)		
Grounds Maint Plant & Equipment	93	96	3		(6)		9
N W Airfield Assets	12	30	18		(12)		30
Flood Alleviation Schemes	11	11	0				
Total	17,423	16,310	(1,113)	195	(1,347)	0	39
Communities							
Museum Development	32	64	32	32			
Housing Estate Parking	321	11	(310)		(310)		
CCTV Systems	87	100	13			10	3
Total	440	175	(265)	32	(310)	10	3
TOTAL GENERAL FUND PROGRAMME	18,752	17,077	(1,675)	237	(1,995)	41	42

**HRA CAPITAL PROGRAMME
2016/17 ACTUAL (PROVISIONAL)**

Housing Revenue Account	2016/17 Revised £000	2016/17 Actual £000	(Under) / Overspend £000	(Savings)/ Overspends £000	Carry Forwards £000	Brought Forwards £000	Other £000
New House Building	9,331	7,869	(1,462)	227	(1,689)		
Housing Conversions	0	23	23	23			
Heating/Rewiring/Water Tanks	3,635	2,866	(769)	(70)	(741)		42
Windows/Doors	1,069	838	(231)		(264)		33
Roofing	1,376	1,103	(273)	(190)			(83)
Other Planned Maintenance	127	98	(29)	(29)			
Structural Schemes	700	528	(172)		(174)		2
Kitchen & Bathroom Replacements	3,048	2,840	(208)	(178)	(30)		
Garages & Environmental Improvements	497	345	(152)	25	(177)		
North Weald Depot	70	11	(59)		(59)		
Disabled Adaptations	430	543	113	113			
Other Repairs and Maintenance	223	228	5			5	
Capital Service Enhancements	124	71	(53)		(46)		(7)
Housing Repairs Vehicles	108	0	(108)		(108)		
Less Work on Leasehold Properties	(175)	0	175				175
TOTAL HRA PROGRAMME	20,563	17,363	(3,200)	(79)	(3,288)	5	162

**CAPITAL LOANS
2016/17 ACTUAL (PROVISIONAL)**

Capital Loans	2016/17 Revised £000	2016/17 Actual £000	(Under) / Overspend £000	Savings/ Overspends £000	Carry Forwards £000	Brought Forwards £000	Other £000
Private Sector Housing Loans	80	76	(4)		(4)		
TOTAL CAPITAL LOANS	80	76	(4)	0	(4)	0	0

**REVENUE EXPENDITURE FINANCED FROM CAPITAL UNDER STATUTE
2016/17 ACTUAL (PROVISIONAL)**

REFCuS	2016/17 Revised £000	2016/17 Actual £000	(Under) / Overspend £000	Savings/ Overspends £000	Carry Forwards £000	Brought Forwards £000	Other £000
Langston Road Shopping Park	2,688	1,628	(1,060)		(1,060)		
Disabled Facilities Grants	630	633	3	3			
Gas Pipe Replacement Programme	129	110	(19)	(19)			
Recharged Work on Leasehold Properties	175	156	(19)				(19)
Adjustment for Leasehold Properties	0	(143)	(143)				(143)
Parking Review Schemes	60	57	(3)		(3)		
TOTAL REFCuS	3,682	2,441	(1,241)	(16)	(1,063)	0	(162)

**CAPITAL RECEIPTS
2016/17 ACTUAL (PROVISIONAL)**

	2016/17 Revised £000	2016/17 Actual £000	2016/17 Variation £000
Receipts Generation			
Housing Revenue Account	6,755	7,788	1,033
General Fund	3,007	3,015	8
Total Receipts	9,762	10,803	1,041
Receipts Analysis			
Usable Receipts	4,406	4,637	231
Available for Replacement Homes	1,019	3,287	2,268
Payment to Govt Pool	4,337	2,879	(1,458)
Total Receipts	9,762	10,803	1,041
Usable Capital Receipt Balances			
Opening Balance	3,788	3,788	0
Usable Receipts Arising	5,425	7,924	2,499
Use of Other Capital Receipts	(5,077)	(11,712)	(6,635)
Closing Balance	4,136	0	(4,136)

**MAJOR REPAIRS RESERVE
2016/17 ACTUAL (PROVISIONAL)**

	2016/17 Revised £000	2016/17 Actual £000	2016/17 Variation £000
Opening Balance	12,291	12,291	0
Major Repairs Allowance	7,553	8,010	457
Use of MRR	(10,701)	(7,597)	3,104
Closing Balance	9,143	12,704	3,561

Report to the Resources Select Committee

Date of meeting: 13 July 2017

Portfolio: Finance

Subject: Provisional Revenue Outturn 2016/17.

Responsible Officer: Peter Maddock (01992 564602)

Democratic Services Officer: Adrian Hendry (01992 564246).



Recommendations/Decisions Required:

- (1) That the provisional 2016/17 revenue out-turn for the General Fund and Housing Revenue Account (HRA) be noted;**
- (2) That £1 million from the General Fund be used to finance capital expenditure in 2016/17; and**
- (3) That as detailed in Appendix E, the carry forward of £1,301,000 District Development Fund and £107,000 Invest to Save Reserve expenditure be noted.**

Executive Summary

This report provides an overall summary of the revenue outturn for the financial year 2016/17. The General Fund saw £288,000 more than estimated being used from the opening balance. Total net expenditure on the General Fund was £14.039 million, some £787,000 higher than the original estimate and £71,000 higher than the revised estimate. Expenditure from the District Development Fund and Invest to Save Reserve was £1.643 million less than estimated.

The position on the Housing Revenue Account was £157,000 better than anticipated.

Reasons for proposed decision:

To note the provisional revenue outturn.

Other options for action:

Not to use the proposed £1 million additional funding for general fund capital expenditure.

General Fund

1. The table below summarises the revenue outturn for the Continuing Services Budget (CSB) of the General Fund and the consequential movement in balances for 2016/17.

General Fund	Original Estimate £000	Revised Estimate £000	Actual Expend £000	Variance from Original £000	Variance from Revised £000
Net Expenditure after Adjustments (CSB)	13,252	13,968	14,039	787	71
Government Grants and Local Taxation	13,216	13,191	12,974	242	217
(Contribution to)/from Balances	36	777	1,065	1,029	288
Opening Balances – 1/4/16	(7,272)	(7,272)	(7,272)	-	-
(Contribution to)/from Balances	36	777	1,065	1,029	288
Closing Balances – 31/3/17	(7,236)	(6,495)	(6,207)	1,029	288

2. Net expenditure (CSB) for 2016/17 totalled £14.039 million, which was £787,000 (5.9%) above the original estimate and £71,000 (0.5%) above the revised. Whilst the overspend compared to the revised appears small there was in fact a sizeable underspend on ongoing activities and because of this it has been proposed by the Finance Cabinet Committee, that an additional sum of £1 million be provided for capital funding. This is subject to Cabinet approval on 11 July.
3. 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 down by £217,000 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 2016/17 is based on an estimate made a year and a half ago and a lot has changed since then.
4. 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.
5. There was an in year surplus on the business rates collection fund which has brought the overall deficit down from £1.514m to £87,000. 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. The larger the provision for appeals being made the larger the deficit on the fund created.

6. The medium term financial strategy had estimated that the Council's portion of the deficit on the business rates collection fund would be £200,000 and on the council tax collection fund there would be a surplus of £210,000. In the event the business rates collection fund deficit at the end of March 2017 was lower at £35,000 which will need to be paid back over the next two years, the Council Tax collection fund showed a surplus of £209,000 which will be paid into the General Fund in future years. The combined net position is £164,000 better than was anticipated.
7. An analysis of the changes between Continuing Services Budget (CSB), the District Development Fund (DDF) and The Invest to Save Reserve (ITS) expenditure illustrates where the main variances in revenue expenditure have occurred.

General Fund	Original Estimate £000	Revised Estimate £000	Actual Expend £000	Variance from Original £000	Variance from Revised £000
Opening CSB	12,714	13,336	12,465	(249)	(871)
In Year Growth	949	1,408	1,395	446	(13)
In Year Savings	(411)	(778)	(823)	(412)	(45)
Total Continuing Services Budget	13,252	13,966	13,037	(215)	(929)
Capital Exp. Charged to Revenue (CERA)	0	2	1,002	1,002	1,000
Total Including CERA	13,252	13,968	14,039	787	71
DDF/ITS – Expenditure	2,106	3,099	2,527	421	(572)
DDF/ITS – One Off Savings	(1,296)	(1,683)	(2,754)	(1,458)	(1,071)
Total DDF/ITS	810	1,416	(227)	(1,037)	(1,643)
Total Net Expenditure	14,062	15,384	13,812	(250)	(1,572)

Continuing Services Budget

8. CSB expenditure was £215,000 below the original estimate and £929,000 below the revised. Variances have arisen on both the opening CSB and the in year figures. The opening CSB is £871,000 lower than the revised estimate and the in year figures, £58,000 lower than the revised estimate.
9. When measured against the Original Budget, salaries were underspent by £529,000. Actual salary spending for the authority in total, including agency costs, was some £21.97 million compared against a original estimate of £22.499 million. About three quarters of this underspend fell on the General Fund with Resources and Neighbourhoods recording the highest values. When comparing to the Revised Estimate there was an underspend of £157,000, All of which fell on the General Fund, though some salary costs are DDF and this showed a small underspend.
10. A contingency was included in the General Fund of £150,000 for potential settlement agreements little of this was spent in the end.
11. The addition to the General Fund Bad & Doubtful debts provision was £83,000 less than expected. Housing Benefit Overpayment debts have increased marginally and more than half of the Sundry Debts outstanding were less than a month old so we can expect most of this to be paid.
12. There were a number of other underspends such as Housing Benefits £133,000, additional income, mostly rents £112,000, various consultancy costs £103,000, business

rates £32,000, Grounds Maintenance £29,000, and as always a lot of minor amounts under £5,000 on various headings.

13. It is proposed, that because this underspend has occurred, it is sensible to provide some additional funding to the General Fund capital programme of £1 million which wipes out the underspend plus an additional £288,000 which still leaves the General Fund balance at £6.207 million which is comfortably above the target set in the Medium Term Financial Strategy. This change being quite significant has been shown on a separate line to make comparisons more meaningful.
14. The original in year CSB growth figure of £538,000 became an in year growth figure of £630,000. This was primarily due to additional expenditure required to support the Waste Management Contract (£427,000) though there was some compensatory additional income included in areas such as the technical agreement with major preceptors (£200,000) commercial and industrial rents (£135,000) and Development Control fee income (£70,000). In the event in year growth fell between the two at £572,000. Mainly due to further additional commercial rent income. Full details of items within the CSB growth figures can be found at appendix A.

District Development Fund

15. Net DDF expenditure was expected to be £698,000 in the original estimate and £1,096,000 in the revised estimate. In the event the DDF showed net income of £446,000. This is £1,144,000 below the original and £1,542,000 below the revised. There are requests for carry forwards totalling £1,301,000 these are detailed on Appendix E. 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 estimate.
16. 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.
17. The DDF increased between the Original and Revised position by £398,000, overall this was not significant but there were some large swings on both income and expenditure. On the Income side additions relating to Development and Building Control (£150,000), Various commercial and industrial rents (£122,000), various other grants and income (£86,000). There was also some reprofiling of expenditure into future years particularly in relation to the staffing costs relating to the technical agreement. Offsetting this were amounts brought forward from 2015/16 and additional resources provided for the Local Plan (£626,000), Waste and Recycling (£144,000) and an amount of £116,000 in relation to the income from the major preceptors that has been taken into the CSB. As always there were a significant number of other more minor items of both additions and reductions to the programme full details are also shown at appendix B.
18. The difference between the revised position and the outturn position was a reduction of £1,542,000. During February and March around £928,000 in grants and contributions were received which had been applied for but not confirmed in time for the budget setting process. These monies have been added to the DDF and are intended for spending in 2017/18. The largest of these is for the Garden Town funding of which £665,000 is carried forward into 2017/18. All of these grants and contributions relate to the Neighbourhoods Directorate. Other income variations are; additional income from the agreement with major preceptors £158,000, Unspent new burdens grant required in 2017/18 £127,000, additional commercial and industrial rents £63,000. There were also two larger underspends relating to building maintenance £92,000 and the local plan £66,000. There are again a number of less significant other variations that are highlighted in Appendix B.
19. Appendix C shows the overall position on the DDF with the balance as at 31 March 2017 being £4.188 million and Appendix E lists the DDF items requested for carry forward.

Invest to Save Reserve

20. Spending from the Invest to Save Reserve was £219,000 which was £101,000 below the revised estimate of £320,000. There are carry forward requests of £107,000 the largest relating to the ICT infrastructure for the new car park management contract of £45,000. There was also a small overspend relating to the payment kiosks at the Civic Offices.
21. The balance on the reserve was £425,000 at the start of 2016/17. It was agreed as part of the 2017/18 budget process to add £200,000 and having spent £219,000 leaves the year end balance at £406,000. The detail is shown in Appendix D and items for carry forward in Appendix E.

Housing Revenue Account

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

Housing Revenue Account	Original Estimate £000	Revised Estimate £000	Actual Expend £000	Variance from Original £000	Variance from Revised £000
Revenue Expenditure	28,016	26,391	26,270	(1,746)	(121)
Depreciation	12,925	15,765	15,763	2,838	(2)
Total Expenditure	40,941	42,156	42,033	1,092	123
Gross Dwelling Rents	32,032	31,788	31,925	107	(137)
Other Rents, Charges and Depreciation Reversals	8,462	10,862	10,759	(2,297)	103
Total Income	40,494	42,650	42,684	(2,190)	(34)
Deficit/(Surplus) for Year	447	(494)	(651)	(1,098)	(157)
Opening Balance – 1/4/16	(3,202)	(3,202)	(3,202)	-	-
Deficit/(Surplus) for year	447	(494)	(651)	(1,098)	(157)
Closing Balance – 31/3/17	(2,755)	(3,696)	(3,853)	(1,098)	(157)

23. A deficit within the HRA of £447,000 and surplus of £494,000 was expected within its original and revised revenue budgets respectively, the actual outturn was a surplus of £651,000.
24. There were savings on Revenue Expenditure of £121,000 when compared to the revised position. There were savings on sheltered unit management (£43,000), bad and doubtful debt provision (£26,000), grounds maintenance (£16,000), gas and electricity (£10,000) and Caretaking and Cleaning (£9,000).
25. Income from Dwelling Rents was up by £137,000 though other income was down by £103,000 the latter relating to management and service charges.
26. The HRA starts the new financial year in a slightly better position at £3.85 million. There is still significant uncertainty facing the HRA going forward with continued 1% rent reductions and the potential high value void levy so any addition to balances is helpful when viewed in that context.

Consultation undertaken:

None

Resource implications:

Although the General Fund was underspent by £712,000 it has been proposed to use this and an additional £288,000 from reserves to provide an additional £1 million funding for the General Fund capital programme in 2016/17. This is subject to Cabinet approval on 11th July 2017.

The surplus on the HRA was slightly higher than expected due to some minor underspends and the balance has now risen to £3.85 million as at 31 March 2017.

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.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

Date / Name	Summary of equality analysis
1/06/17 Director of Resources	The report only sets out the revenue outturn and therefore has no equality implications.

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service		Original 2016/17 £000's	Probable 2016/17 £000's	Actual 2016/17 £000's	Variance from Revised £000's
Chief Executive	Corporate Policy Making	Flexible Working and Accomodation Review	(100)			-
	Total Chief Executive		(100)	0	0	0
Communitites	Affordable Housing	Legal fees B3Living	(5)	(5)	(5)	-
	Community Arts Programme	Additional Income (Savings made in expenditure)	(4)	(4)	(4)	-
	Safeguarding	Safeguarding Officers	50	51	51	-
	Safeguarding	Recharge to HRA	(31)	(31)	(31)	-
	Total Communitites		10	11	11	0
Governance	Building Control	Fees & Charges		(25)	(25)	-
	Building Control	Ring Fenced Account		25	25	-
	Conservation Policy	Bring Listed Building Service in house		(5)	(5)	-
	Development Control	Fees & Charges	(75)	(145)	(145)	-
	Development Control	Pre Application Consultation Fees	(10)	(10)	(10)	-
	Governance Admin	Training	9	10	5	(5)
	Governance Admin	Equipment New		6	6	-
	Internal Audit	Corporate Fraud Team	10	5	5	-
	Internal Audit	Shared Service (GF element)		(29)	(29)	-
	Legal Services	Fees & Charges		(6)	(7)	(1)
	Local Land Charges	Reduction Re Fees & Charges		12	7	(5)
	Members Allowances	Increase in Basic Allowances	50	43	40	(3)
	Planning Appeals	Fees & Charges		(4)	(4)	-
	Public Relations & Information	Committee Attendance		5	5	-
	Total Governance		(16)	(118)	(132)	(14)

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service		Original 2016/17 £000's	Probable 2016/17 £000's	Actual 2016/17 £000's	Variance from Revised £000's
Neighbourhoods	Animal Welfare	Budget Savings	(16)	(16)	(19)	(3)
	Countrycare	Additional Income	(12)	-	(1)	(1)
	Engineering, Drainage & Water	New Post	27	37	37	-
	Grounds Maintenance	Service Review (GF element)		(15)	(13)	2
	Land and Property	Oakwood Hill Units/Plots	(8)	(8)	(21)	(13)
	Land and Property	Brooker Road		(12)	(59)	(47)
	Land and Property	Greenyards	(2)	(2)	(2)	-
	Land and Property	David Lloyd Centre		(69)	(69)	-
	Land and Property	Rental Income - Shops		(22)	(29)	(7)
	Leisure Management	Savings from New Contract	(75)	-	-	-
	North Weald Airfield	Additional Income		(22)	(22)	-
	Off Street Parking	Parking Fee Increases	(31)	(72)	(55)	17
	Off Street Parking	Machine Maintenance and collections	5	5	5	-
	Planning Policy Group	Increase in Staffing	75	75	75	-
	Waste Management	Inter Authority Agreement, reduced ECC Income	19	19	19	-
	Waste Management	Waste Contract		427	419	(8)
	Waste Management	Additional Staffing	31	26	31	5
	Neighbourhoods	Savings		(2)	(2)	-
	Total Neighbourhoods			13	349	294

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service	Original 2016/17 £000's	Probable 2016/17 £000's	Actual 2016/17 £000's	Variance from Revised £000's
Resources	Cashiers				
	Self Service Machines (ITS)	(15)	(14)		14
	Civic Offices	(3)	(5)	(6)	(1)
	Civic Offices		3	5	2
	Finance Miscellaneous	(15)	(35)	(34)	1
	Housing Benefits Administration	73	59	40	(19)
	Housing Benefits	7	29	49	20
	ICT		(7)	(15)	(8)
	Revenues	(9)	(9)	(9)	-
	Resources		(4)	(2)	2
					-
	Total Resources	38	17	28	11
Other Items	Investment Interest	100	157	157	-
	Council Tax Collection		(200)	(200)	-
	All Directorates	450	371	371	-
	Pensions	43	43	43	-
	Total CSB	538	630	572	(58)
	Overspends/Income not achieved				63
	Underspends/ Income Overachievement				(121)
	Net Underspend				(58)

DISTRICT DEVELOPMENT FUND

Directorate	Description	2016/17					2017/18	2018/19	2019/20	
		Original	Probable	Actual	Difference	C/Fwd	over/(under)	Estimate	Estimate	Estimate
		£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Chief Executive	Chief Executive Policy Group	77	78	78	-	-	90	90	58	
	Transformation				-	-	100	100		
	Transformation		20	13	(7)	7	80	87		
	Transformation Projects									
Total Chief Executive	77	98	91	(7)	7	0	270	277	58	0
Communities	Externally Funded Projects	86	128	98	(30)		(30)	110	110	
	Externally Funded Projects	(86)	(128)	(98)	30		30	(110)	(110)	
	Museum Store License (Lease)	17	17	17	-		-			
	Legal Challenges	20	20	0	(20)	20	-	20	40	
	Landlord Accreditation Scheme	1	1	1	-		-	1	1	
	Analysts post	34	15	15	-		-			
	Analysts post	(30)			-		-			
	CCTV Trainee Assistant post	19	9	9	-		-	20	20	20
	Enabling Fund	8	8	8	-		-	8	8	
	CAB Debt Advisors				-		-	4	4	
Total Communities	69	70	50	(20)	20	0	53	73	20	8
Governance	Fees & Charges		(40)	(32)	8		8			
	Consultant Fees & Grants		(5)	(5)	-		-			
	Pre Application Consultation Fees	(10)	(30)	(31)	(1)		(1)	(13)	(13)	
	Fees & Charges	(75)	(175)	(180)	(5)		(5)	(175)	(175)	
	Trainee Contaminated Land Officer	22	15	15	-		-	23	23	10
	Trainee Planning Officer	45	24	25	1		1	45	45	27
	Agency Staff		30	29	(1)		(1)			
	Administrative Assistant	10	9	14	5		5	13	13	
	Additional Temporary staffing	27	27	27	-		-	28	28	
	Planning Validation Officer				-		-	26	26	26
	Document Scanning	68	79	73	(6)	1	(5)	113	114	113
	Savings no district elections				-		-	(41)	(41)	
	Individual Registration Costs		25	0	(25)	25	-	37	62	23
	Individual Registration Grant		(23)	(23)	-		-			
	Technical Assistant - Conservation	11	7	0	(7)	7	-		7	
	Transformation Programme	27	17	15	(2)	2	-	10	12	
	Additional Income		(10)	(13)	(3)		(3)			
Government Grant - New Burdens		(8)	(8)	-		-				
Contingency for Appeals	45	10	19	9	(9)	-	41	32	36	
Contribution from Other Local Authorities		(5)	(6)	(1)		(1)				
Total Governance	170	(53)	(81)	(28)	26	(2)	107	133	235	0

DISTRICT DEVELOPMENT FUND

Directorate	Description	2016/17					2017/18	2018/19	2019/20		
		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	64	35	42	7	(7)	-	79	72	50	
	Flood Defence										
	Flood Risk Works Pynest Green Lane			(16)	(16)	16	-		16		
	Countrycare	4	4	4	-		-	4	4		
	Economic Development	4	0	0	-		-	8	8		
	Economic Development	35	35	35	-		-				
	Economic Development	50	40	14	(26)	26	-	52	78		
	Economic Development	9	9	9	-		-				
	Asset Rationalisation	27	48	56	8	(8)	-	61	53		
	Asset Rationalisation	16	22	19	(3)	3	-		3		
	Food Safety		4	3	(1)		(1)				
	Forward Planning	552	1,178	1,112	(66)	66	-	1,028	1,094	237	
	Forward Planning			(129)	(129)	129	-		129		
	Forward Planning			(15)	(15)	15	-		15		
	Forward Planning			(6)	(6)	6	-		6		
	Forward Planning		6	7	1	(1)	-	3	2		
	Forward Planning			(665)	(665)	665	-		665		
	Forward Planning			(53)	(53)	53	-		53		
	Highways General Fund	50	50	50	-		-				
	Land and Property		(107)	(107)	-		-				
	Land and Property		(15)	(24)	(9)		(9)				
	Land and Property		12	12	-		-				
	Land and Property		(10)	(45)	(35)		(35)				
	Leisure Management				-		-	65	65	268	9
	North Weald Airfield			(5)	(5)	5	-		5		
	North Weald Airfield			(19)	(19)		(19)				
	Off street parking			23	23	(20)	3	20			
	Parks & Grounds			(50)	(50)	50	-		50		
	Parks & Grounds	10			-		-	10	10		
	Parks & Grounds				-		-	15	15		
	Waste Management	53	10	0	(10)		(10)				
Waste Management		40	38	(2)	2	-	218	220			
Waste Management		147	155	8		8	(104)	(104)			
Neighbourhoods		30	30	-		-					
Total Neighbourhoods		874	1,538	475	(1,063)	1,000	(63)	1,459	2,459	555	9

DISTRICT DEVELOPMENT FUND

Directorate	Description	2016/17						2017/18		2018/19	2019/20			
		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			
Resources	Accounts Payable			Implementation of E-Invoicing	2	7	7	-						
	Building Maintenance - Non HRA			Planned Building Maintenance Programme	110	103	11	(92)	92	-	104	196	99	152
	Cashiers			Consultants fees		7	6	(1)	1	-		1		
	Cashiers			License fees		6	6	-		-		-		
	Cashiers			Equipment New			2	2		2				
	Council Tax Benefits			Previous Year Clawback	(15)	(17)	(23)	(6)		(6)		-		
	Council Tax Collection			Collection Investment	(47)	(57)	(47)	10		10	(57)	(57)		
	Council Tax Collection			Local Council Tax New Burdens Expenditure - E-Services	108	101	34	(67)	52	(15)		52		
	Housing Benefits Administration			Hardship & Compliance	(82)	(71)	(80)	(9)		(9)	(71)	(71)		
	Housing Benefits Administration			Benefits Specific Grants - Online Forms	18	15	23	8		8		-		
	Housing Benefits Administration			Benefits Specific Grants - Data Matching	60	60	0	(60)	60	-		60		
	Housing Benefits Administration			Benefits Specific Grants - Unallocated		(51)	(59)	(8)		(8)	20	20		
	Housing Benefits Administration			Atlas upgrades		15	15	-		-		-		
	Housing Benefits Administration			Atlas upgrades		(15)	(15)	-		-		-		
	Housing Benefits			Hardship & Compliance - Benefits Officers	62	27	21	(6)	6	-	58	64	58	43
	Housing Benefits			Benefits Specific Grants - Furniture		2	0	(2)	2	-		2		
	Revenues			Temporary Additional Staffing	234	149	117	(32)	32	-	207	239	104	
	Sundry Non Distributable Costs			Emergency Premises Works	8	4	1	(3)	3	-	9	12		
	Total Resources				459	285	19	(266)	248	(18)	270	518	261	195
Total Service Specific District Development Fund				1,649	1,938	554	(1,384)	1,301	(83)	2,159	3,460	1,129	212	
Other Items	Transitional Grant			(54)	(54)	(54)	-		-	(53)	(53)			
	New Homes Bonus			(581)	(588)	(588)	-		-		-			
	Council Tax Collection			(316)	(200)	(358)	(158)		(158)	(200)	(200)	(200)	(200)	
	Pensions						-		-	(8)	(8)			
Total District Development Fund				698	1,096	(446)	(1,542)	1,301	(241)	1,898	3,199	929	12	

DISTRICT DEVELOPMENT FUND

Service	2016/17 Original £000	2016/17 Probable £000	2016/17 Actual £000	Over/(Under) spend £000	Carry Forward £000	2017/18 Original £000	2017/18 Updated £000
Chief Executive	77	98	91	0	7	270	277
Communtites	69	70	50	0	20	53	73
Governance	170	(53)	(81)	(2)	26	107	133
Neighbourhoods	874	1,538	475	(63)	1,000	1,459	2,459
Resources	459	285	19	(18)	248	270	518
Total DDF Expenditure	1,649	1,938	554	(83)	1,301	2,159	3,460
Funding Analysis							
Transfer from DDF							
Transfer to/(from) General Fund	1,649	1,938	554			2,159	3,460
Total DDF Funding	1,649	1,938	554			2,159	3,460
DDF Earmarked Reserve							
Balance B/F	3,742	3,742	3,742			2,646	4,188
Capital Expenditure Charged to Revenue							0
Tranistional Grant	(54)	(54)	(54)			(53)	(53)
Deficit Payments						(8)	(8)
New Homes Bonus	(581)	(588)	(588)			0	0
Technical Agreement	(316)	(200)	(358)			(200)	(200)
Transfer Out	1,649	1,938	554			2,159	3,460
Balance C/F	3,044	2,646	4,188		0	748	989

INVEST TO SAVE

			2016/17						2017/18	2018/19	2019/20	
			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	Customer Services	Software prototype	Capital		6	6	-	-		-		
	Civic Offices	Accommodation review	Revenue		83	83	-	-		-		
				0	89	89	0	0	0	0	0	0
Communities	Homelessness	Rental Loans Scheme	Revenue	30	30	30	-	-	30	30	30	
	Museum Resilience	Contribution	Revenue		20	0	(20)	20		20		
				30	50	30	(20)	20	30	50	30	0
Neighbourhoods	Car Parking	Replacement LED lighting	Capital	50	20	6	(14)	14	70	84		
	Car Parking	Termination of contract with NEPP	Revenue		26	26	-	-		-		
	Car Parking	New Car Parks	Capital				-	-	40	40		
	Car Parking	ICT infrastructure	Capital		75	30	(45)	45		45		
	Car Parking	Lea Valley pay & display	Capital				-	-	15	15		
	Car Parking	Vere Road Pay & Display	Capital				-	-	51	51		
	Car Parking	Vere Road Pay & Display	Revenue				-	-	4	4		
	Grounds Maintenance	Training	Revenue	2	2	2	-	-		-		
	North Weald Airfield	Extension to Vehicle Compound	Capital		12	0	(12)	12		12		
				52	135	64	(71)	71	180	251	0	0
Resources	Civic Offices	Alterations to cashiers hall	Revenue	10	10	8	(2)			-		
	Civic Offices	Reception area structural survey	Capital		15	0	(15)	15		15		
	Cashiers	Two payment kiosks	Capital	20	20	28	8			-		
	ICT	Ariel Camera System Training	Revenue		1	0	(1)	1		1		
				30	46	36	(10)	16	0	16	0	0
				112	320	219	(101)	107	210	317	0	0

DISTRICT DEVELOPMENT FUND 2016/17 - 2017/18

Directorate	Description	C/Fwd £000's	Year of Approval
Chief Executive	Transformation Projects	7	2016/17
		<u>7</u>	
Communities	Legal Challenges	20	2015/16
		<u>20</u>	
Governance	Document Scanning	1	2014/15
	Individual Registration Costs	25	2015/16
	Technical Assistant - Conservation	7	2016/17
	Transformation Programme	2	2016/17
	Contingency for Appeals	(9)	2016/17
		<u>26</u>	
Neighbourhoods	Contaminated land investigations	(7)	2015/16
	Flood Risk Works Pynest Green Lane	16	2017
	Town Centres Support	26	2014/15
	Council Asset Rationalisation	(8)	2014/15
	New Development Project Officer	3	2015/16
	Local Plan	66	2016/17
	Joint Working Contribution	129	2017
	Brownfield Register	15	2017
	Hillhouse	6	2016/17
	Neighbourhood Planning	(1)	2015/16
	Garden Town	665	2017
	Community Housing	53	2017
	Second hand fire truck	5	2016/17
	Payment to NEPP for redundancies	(20)	2015/16
	Roding Valley Development - Woodland Planting	50	2017
	DCLG recycling reward scheme	2	2015/16
		<u>1,000</u>	
Resources	Planned Building Maintenance Programme	92	2016/17
	Consultants fees	1	2016/17
	Local Council Tax New Burdens Expenditure - E-Services	52	2016/17
	Benefits Specific Grants - Data Matching	60	2016/17
	Hardship & Compliance - Benefits Officers	6	2015/16
	Benefits Specific Grants - Furniture	2	2015/16
	Temporary Additional Staffing	32	2015/16
	Emergency Premises Works	3	2015/16
		<u>248</u>	
	Total	<u><u>1,301</u></u>	
INVEST TO SAVE RESERVE 2016/17 - 2017/18			
Communtites	Museum Resilience	<u>20</u>	2015/16
Neighbourhoods	Replacement LED lighting	14	2015/16
	ICT infrastructure	45	2016/17
	Extension to Vehicle Compound	12	2015/16
		<u>71</u>	
Resources	Ariel Camera System Training	1	2015/16
	Reception area structural survey	15	2016/17
	Total	<u><u>16</u></u>	
	Grand Total	<u><u>107</u></u>	

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SCRUTINY



Report to Resources Select Committee

Date of meeting: 13 July 2017

Subject: Risk Management Standards Assessment & Insurance Renewal

Officer contact for further information: Edward Higgins

Committee Secretary: Adrian Hendry

Recommendations/Decisions Required:

- 1. To note the guidance provided by the Council's insurer, Zurich Municipal (ZM), following the Risk Management Standards Assessment on 8th February 2017;**
- 2. To note the insurance renewal information and the increase to Insurance Premium Tax (IPT).**

Report:

1. On the 8th February 2017 a Public Sector Risk Consultant from the Council's insurer visited to carry out a Risk Management Standards Assessment in three specified areas. The areas being assessed were, Property (General), Combined Liability and Motor.
2. The Property review looked at non-residential properties which include the Civic Offices, Oakwood Hill Depot, North Weald Airfield and other operational buildings.
3. The combined Liability element reviewed areas that could result in Employers' or Public Liability insurance claims, such as inspections of estates, car parks, open spaces and staff training.
4. The Motor element looks at how the Council operates the fleet and also the grey fleet, which is an employee driving their own vehicle for Council business.
5. The assessment was carried out in two parts. Prior to the visit the Council submitted numerous documents requested by ZM. These documents included the Safety Policy, examples of minutes from the Corporate Safety Team meetings and details of inspection regimes. On the day of review the Risk Consultant met officers from throughout the authority to gain an in-depth understanding of the operational practices.
6. The outcome of the review has identified areas for improvement, the most important of which I detail in the table below.

Assessment area	Guidance
Property – Fire safety management	Fire Risk Assessments should be completed for all Council Buildings and should be reviewed on a regular basis.
Property – Fire inception risks	Waste stored at the Civic Offices is stored in secure bins away from the building. If not the case already external waste should be secured 5m or more from all Council managed buildings wherever practicable.
Property – Fire development risks	Clear guidance should be given to building managers on what to inspect, how often, what typical defects could arise and the process of recording areas of concern.
Property – Unoccupied Properties	Internal and external inspections should be carried out and repairs completed for any damage noted during the inspection.
Assessment area	Guidance
Combined Liabilities – Maintenance & inspections	Risk based inspection regimes should be formalised and implemented in support of the overarching maintenance and inspection policy. Regimes should include car parks, open spaces and play areas, and housing schemes and estates. Any remedial action should be taken to address any issues identified.
Combined Liabilities – Contractors & partnerships	As part of the EDFC procurement toolkit the Council should develop a Control of Contractors Policy. When selecting and appointing contractors all relevant competency checks should be carried out.
Motor – Legislation	A formal policy for checking fleet and grey fleet drivers driving licence should be implemented.

The next steps

7. The Council has already started to address some of these areas since the review.
8. A Fire Risk Assessment has been carried out at the Civic Offices. The report has just been received, so at the time of writing colleagues have not been able to review the report.
9. Although not part of the ZM assessment, Alan Hall, Director of Communities, has detailed the Approach to Fire Safety for the Council's Housing Stock within the general information section of the Council Bulletin published on 23 June.
10. The Council has requested the insurer to carry out a review of current inspection regimes, which will be followed by inspection training for managers. The result of which should see a measured approach to inspections, maintenance and record keeping.
11. The Council has started updating the Drivers Handbook and is looking into methods to implement driving licences checks.

Insurance cover for the coming year

12. At the meeting of this Committee on 7th February 2017 an overview of claims statistics was presented and discussed. The discussion touched upon insurance premiums and the possibility of the insurer providing funding for dash mounted cameras for the Council's fleet vehicles.

13. Both these items were discussed on 23rd May 2017 when representatives from ZM visited the Civic Offices for the annual review of insurance premiums with Bob Palmer, Director of Resources and Edward Higgins, Senior Finance Officer. At the meeting ZM confirmed that the rates will remain unchanged for the upcoming insurance year, 30/06/2017 to 29/06/2018, with the exception of the motor policy, which sees a slight uplift. It is important to note that all premiums will be subject to an increase in Insurance Premium Tax (IPT) from 9.5% to 12%. This increase is effective from June 2017 and has been included into budgets for 2017/18.

14. The insurer advised that they were unable to provide any funding for dash mounted cameras. They did acknowledge the benefit that cameras can bring in 50:50 claims. However, they did advise the use of caution if the Council did decide to implement the cameras, as there is growing concern around the misuse of footage.

Reason for decision:

This report is to advise Members of the outcome of Zurich Municipal's Risk Management Assessment and provide information around the insurance renewal for 2017/18.

Options considered and rejected:

Report only

Consultation undertaken:

Risk Management Assessment carried out by Zurich Municipal.

Resource implications:

No additional resource requirement.

Budget provision: From existing.

Personnel: None

Land: None

Community Plan/BVPP reference: None

Relevant statutory powers: None

Background papers: None

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

Key Decision reference: (if required) Not required

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SCRUTINY



Report to the Resources Select Committee

Date of meeting: 13 July 2017

Subject: Sickness Absence

Officer contact for further information: Paula Maginnis (01992564536)

Committee Secretary: Adrian Henry (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, 2016/2017; 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 2016/2017 is an average of 7.5 days per employee. The current outturn figure for the two quarters is an average of 3.73 days, which is below the target of 3.86 days. The overall outturn figure for the year was an average of 6.71 days, which is 0.79 days lower than the target.

During Q3, 2.6% of employees met the trigger levels or above, 33.4% had sickness absence but did not meet the triggers and 64% had no absence. During Q4, 5% of employees met the trigger levels or above, 30% had sickness absence but did not meet the trigger levels and 65% 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. In 2016/17 the Council performed well against the national figures.

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 2012/2013 – 2016/2017

4. The KPI target for sickness absence remained at 7.5 days for 2016/17. The Council was below target over both Q3 and Q4.
5. Table 1 below shows the absence figures for each quarter since 2012/2013.

	Q1	Q2	Q3	Q4	Outturn	Target
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
2012/2013	1.6	1.78	1.83	1.78	6.99	7.5

Table 1

Directorate Figures 2016/2017

6. Table 2 shows the average number of days lost per employee in each Directorate. All Directorates were above target in Q3 (1.6). Only Communities were above target in Q4 (2.26) the other Directorates were considerably lower.

Directorate	Ave FTE	Average Number of Days Absence 2016/2017				Total Ave No of Days 2016/17
		Q1	Q2	Q3	Q4	
Communities	215.43	1.3	1.8	2.52	2.43	8.05
Governance	92.67	0.9	1.0	1.77	1.34	5.3
Neighbourhoods	144.72	2.8	0.9	1.79	1.25	6.74
Resources	150.75	1	1.2	1.85	1.22	5.27

Table 2

Long Term Absence 2013/2014 – 2016/2017

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

	Q1	Q2	Q3	Q4	Total Average*
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 will be used as there could be the same employee in more than one quarter)

8. There continues to be a significant decrease in the number of long term absence cases since 2014/2015. During Q3 and Q4 of 2016/17 the numbers of staff taking long term sickness were less than those of the same quarter last year. The reasons for long term absences during 2016/2017 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	Total
Other musculoskeletal	3	3	2	3	11
Heart	2	1	1	1	5
Cancer	0	1	1	2	4
Depression	0	0	3	1	4
Eye, ear etc	0	0	2	1	3
Non work related stress	1	1	1	0	3
Genitourinary; menstrual problems etc	1	2	0	0	3
Infections	0	0	3	0	3
Work Related Stress	0	0	2	1	3
Gastro	1	0	0	0	1
Neurological	0	0	0	1	1
Back Problems	0	0	1	0	1

Table 4

9. All of the long term sickness employees, in both quarters, had one continuous period of absence. Table 5 provides further detail on the outcome of individual long term cases.

2016/17 Quarter	Resigned	Return to work	Warning	Dismissed	Redundancy	Still Absent	Ill-Health Retirement	Phased Return/Redeploy
Q1	0	4	0	0	0	3	0	1
Q2	0	3	0	0	0	3	0	2
Q3	1	7	0	0	0	6	0	3
Q4	1	4	0	0	0	5	0	0

Table 5
Page 75

10. 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	4.9%	14.5%	80.6%
Q2	4.5%	10.8%	84.7%
Q3	6.5%	8.8%	84.7%
Q4	4.3%	9%	86.7%

Table 6

Reasons for Absence

11. Appendix 1 shows the reasons for absence, including the number of days lost and number of employees for each reason in each quarter.
12. In comparison with Quarter 3 - 2015/16, the largest increases of the number of days taken are for other musculoskeletal problems, infections and heart problems. The largest decreases can be seen with genitourinary/menstrual problems and back conditions.
13. In comparison with Quarter 4 - 2015/16, the largest increases of the number of days taken are for cancer, neurological and eye/ear/nose and mouth problems. The largest decreases can be seen with other musculoskeletal problems, genitourinary/menstrual problems and depression.
14. The largest decrease in the average number of days per employee over Q3 – Q4 was for other musculoskeletal problems, infections, work related stress and depression.

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. The figures show that Quarters 3 and 4 have the highest numbers of staff recording sickness which corresponds with the winter and spring months.

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)
Quarter (Based on 670 headcount)	Staff with no absence	Staff with 7 days or less	Staff with 8 days or more
1 – 2015/2016	73.6% (493)	22.1% (148)	4.3% (29)
2 – 2015/2016	71.8% (481)	24.2% (162)	4% (27)
3 – 2015/2016	68.4% (458)	27.9% (187)	3.7% (25)
4 – 2015/2016	61% (409)	35% (234)	4% (27)

Table 7

Partner Figures

16. At the December meeting members asked for comparison figures from our partner organisations. Unfortunately they have not been provided. However figures from the CIPD report (as mentioned in paragraph 1) the following national figures are provided:

Sector	Average number of days
Leisure	5.1
Waste (Transport, distribution & storage)	7
Housing Repairs (construction)	4.9

Performance Indicator 2016/17 - Action Plan

17. The current Performance Indicator action plan includes a number of improvements, shown below along with progress.

Improvement Action	Target Dates	Key Measures/Milestones	Comments
HR to further develop and improve sickness information given to Directors, Assistant Directors and Managers.	31 March 2017	Increased awareness of sickness absence within Directorates and individual service areas. Employees meeting one or both trigger levels are managed in a timely and appropriate way.	Completed. HR Officers working closely with Assistant Directors and managers. Leadership Team reminded (Nov 16) of the importance of ensuring all sickness absence is recorded
An article on the Council's sickness absence position will be published in District Lines.	December 2016	Employees are informed of the Council's sickness absence figures.	Completed. Will provide information again at the end of Q4 - Completed

Conclusion

18. There has been an improvement in the outturn figures and better than that recorded in 2012/13. The Council compares favourably to the national figure of 6.3 average days per employee (CIPD Report).

19. The number of long term sickness cases continues to decrease.

20. Compared to the previous financial year 2016/17 saw increases in other musculo-skeletal, heart, neurological, infections and non-work related stress. There were decreases in gastro, depression and back problems.

21. The Action Plan for this quarter has been completed.

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.

Reasons for Absence

2016 – 2017 Q3 and 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	137.3	256	184.6	31.2	60.6	18.5	0	32.5	80.7	23.8	51.8	51	40	6.3	5.6	0
Q2	125	191	172	18	21.7	72.4	0	19.3	23.3	32.8	91.2	71.8	21	1	2	1.9
Q3	147.2	217.8	474	97.5	91.9	82	13.6	51.6	54.1	73.9	132	45	29.5	0.8	15	2
Q4	176.7	177.1	342.6	51.7	32.3	65.5	67.3	101.5	20.1	65.6	14.7	19	21	0	0	8
Number of Employees																
Q1	41	20	66	4	7	2	0	14	8	11	6	3	6	1	3	0
Q2	55	24	51	2	5	3	0	15	7	10	11	9	6	1	1	1
Q3	57	30	136	3	6	4	2	27	8	12	4	3	8	1	2	1
Q4	68	25	106	3	6	2	3	22	6	14	4	5	6	0	0	1
Av No of Days per Employee																
Q1	3.4	12.8	2.8	7.8	8.7	9.3	0	2.3	10.1	2.2	8.6	17	6.7	6.3	1.9	0
Q2	2.3	8	3.4	9	4.3	24	0	1.3	3.3	3.3	8.3	8	3.5	1	2	1.9
Q3	2.6	7.3	3.5	32.5	15.3	20.5	6.8	1.9	6.8	6.2	3.3	15.3	3.7	0.8	7.5	2
Q4	2.6	7.1	3.2	17.2	5.4	32.8	22.4	4.6	3.4	10.9	3.7	3.8	3.5	0	0	8

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SCRUTINY



Report to: Resources Select Committee

Date of meeting: 13 July 2017

Portfolio: Finance (Councillor G. Mohindra)

Subject: Key Performance Indicators 2016/17 - 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 the performance against the Key Performance Indicators within its areas of responsibility for 2016/17.

Executive Summary:

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

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

Reasons for Proposed Decision:

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

Other Options for Action:

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

Report:

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

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 2016/17, is attached as Appendix A to this report together with details of the specific twelve-month performance for each indicator. Attached at Appendix B is the Improvement plan for RES003 (Council tax collection) which failed to achieve its target for the year.

Key Performance Indicators 2016/17 – Quarter 4 Performance

4. **All indicators** - The overall position for all 37 KPIs at the end of the year was as follows:
 - (a) 28 (75%) indicators achieved target;
 - (b) 9 (25%) indicators did not achieve target; although
 - (c) 3 (8 %) of these KPIs performed within its tolerated amber margin.
5. **Resources Select Committee indicators** – Nine (9) of the Key Performance Indicators fall within the Resources Select Committee's areas of responsibility. The overall position with regard to the achievement of target performance at the end of the year for these indicators, was as follows:
 - (a) 8 (89%) indicators achieved target;
 - (b) 1 (11% indicators did not achieve target; and
 - (c) 0 (0%) 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 February 2016.
7. The Select Committee is requested to review performance at the end of the year in relation to the KPIs for 2016/17 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.

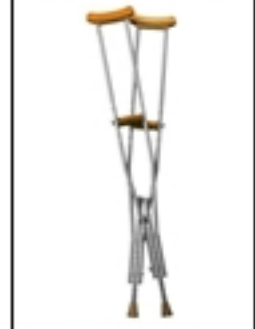
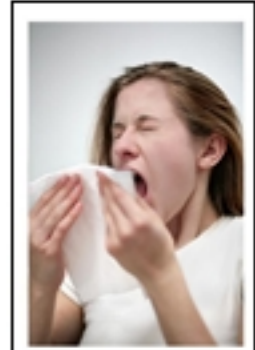
Background Papers: KPI submissions are held by the Performance Improvement Unit.

Impact Assessments:

Risk Management – none for this report.

Equality: none for this report.

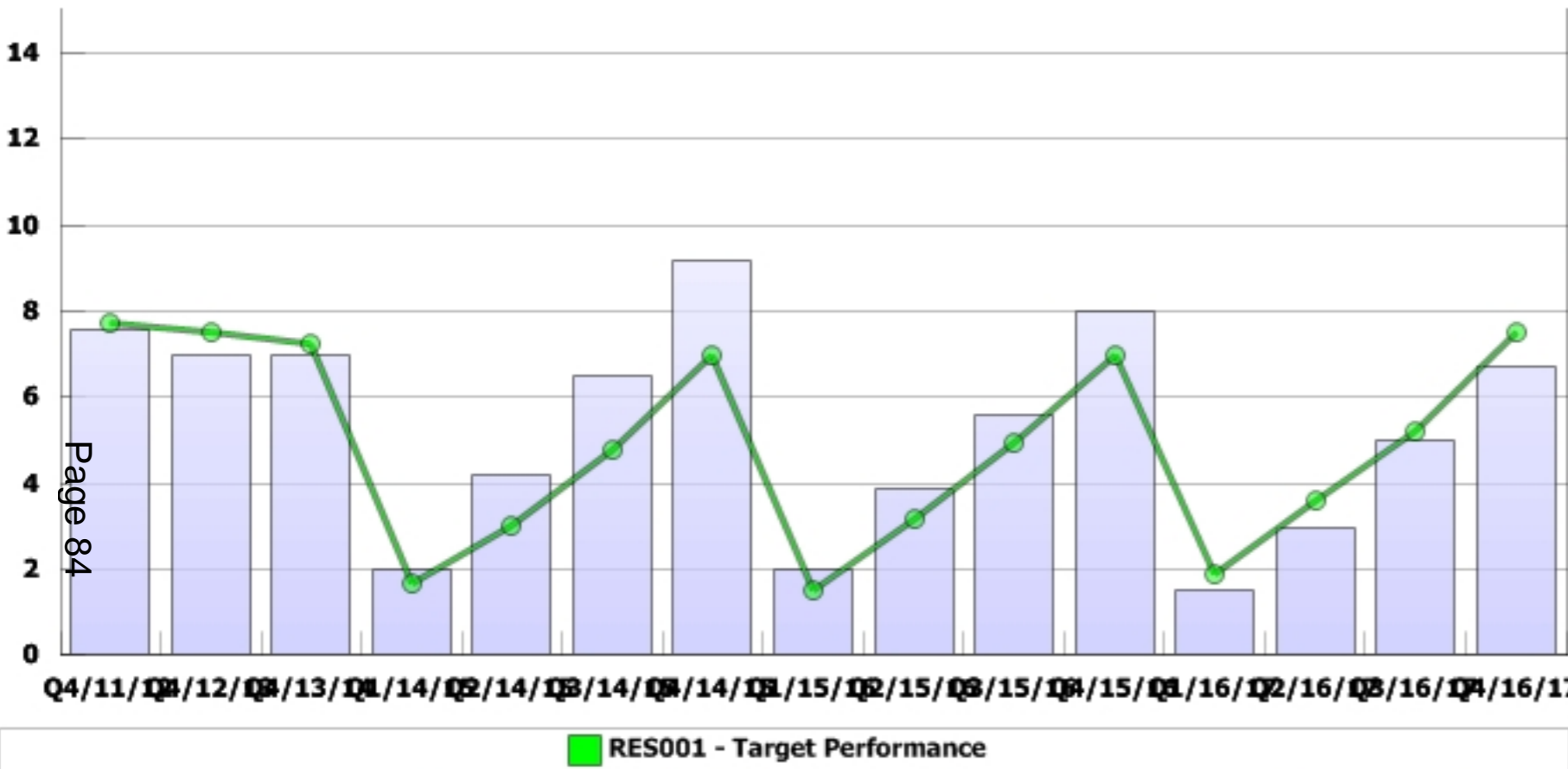
Quarterly Indicators		Quarter 1			Quarter 2			Quarter 3			Quarter 4			Is year-end target likely to be achieved?
		Tgt	Actual		Tgt	Actual		Tgt	Actual		Tgt	Actual		
Communities Quarterly KPIs														
COM001	(Housing rent) (%)	99.00%	101.59%	🟢	99.00%	100.13%	🟢	99.00%	100.07%	🟢	99.00%	100.3...	🟢	Yes
COM002	(Void re-lets) (days)	37	49	🔴	37	42	🔴	37	39	🔴	37	38	🟡	No
COM003	(Tenant satisfaction) (%)	98.00%	100.00%	🟢	98.00%	100.00%	🟢	98.00%	99.65%	🟢	98.00%	99.44%	🟢	Yes
COM004	(Temp. accommodation) (no.)	140	103	🟢	140	111	🟢	140	101	🟢	140	116	🟢	Yes
COM005	(Non-decent homes) (%)	0.0%	0.0%	🟢	0.0%	0.0%	🟢	0.0%	0.0%	🟢	0.0%	0.0%	🟢	Yes
COM006	(Modern Homes Std) (%)	825	587	🔴	1,650	1,414	🔴	2,475	2,116	🔴	3,300	2,806	🔴	No
COM007	(Emergency repairs) (%)	99.00%	99.15%	🟢	99.00%	99.14%	🟢	99.00%	99.19%	🟢	99.00%	99.21%	🟢	Yes
COM008	(Responsive repairs) (days)	7.00	4.87	🟢	7.00	5.15	🟢	7.00	5.58	🟢	7.00	5.81	🟢	Yes
COM009	(Emergency repairs) (%)	98.00%	98.00%	🟢	98.00%	98.00%	🟢	98.00%	98.00%	🟢	98.00%	98.15%	🟢	Yes
COM010	(Calls to Careline) (%)	97.50%	99.90%	🟢	97.50%	99.80%	🟢	97.50%	99.80%	🟢	97.50%	99.86%	🟢	Yes
Governance Quarterly KPIs														
GOV004	(Major planning) (%)	90.00%	92.86%	🟢	90.00%	95.65%	🟢	90.00%	93.33%	🟢	90.00%	95.24%	🟢	Yes
GOV005	(Minor planning) (%)	90.00%	88.68%	🟡	90.00%	90.71%	🟢	90.00%	92.11%	🟢	90.00%	92.24%	🟢	Yes
GOV006	(Other planning) (%)	94.00%	94.69%	🟢	94.00%	95.85%	🟢	94.00%	95.43%	🟢	94.00%	94.84%	🟢	Yes
GOV007	(Appeals - officers) (%)	20.0%	21.4%	🟡	20.0%	25.0%	🔴	20.0%	27.1%	🔴	20.0%	22.2%	🔴	No
GOV008	(Appeals - members) (%)	50.0%	57.1%	🔴	50.0%	62.5%	🔴	50.0%	70.0%	🔴	50.0%	66.7%	🔴	No
Neighbourhoods Quarterly KPIs														
NEI001	(Non-recycled waste) (kg)	95	101	🔴	196	195	🟢	296	306	🟡	400	415	🟡	No
NEI003	(Litter) (%)	8%	8%	🟢	8%	8%	🟢	8%	9%	🟡	8%	6%	🟢	Yes
NEI004	(Detritus) (%)	10%	10%	🟢	10%	9%	🟢	10%	9%	🟢	10%	4%	🟢	Yes
NEI005	(Neighbourhood issues) (%)	95.50%	98.82%	🟢	95.50%	99.16%	🟢	95.50%	98.80%	🟢	95.50%	98.79%	🟢	Yes
NEI006	(Fly-tip investigations) (%)	92.00%	99.39%	🟢	92.00%	99.01%	🟢	92.00%	98.63%	🟢	92.00%	98.08%	🟢	Yes
NEI007	(Fly-tip: contract) (%)	90.00%	93.72%	🟢	90.00%	91.74%	🟢	90.00%	91.51%	🟢	90.00%	91.91%	🟢	Yes
NEI008	(Fly-tip: non-contract) (%)	90.00%	94.67%	🟢	90.00%	95.22%	🟢	90.00%	94.24%	🟢	90.00%	94.11%	🟢	Yes
NEI009	(Noise investigations) (%)	90.00%	88.76%	🔴	90.00%	90.95%	🟢	90.00%	92.38%	🟢	90.00%	92.22%	🟢	Yes
NEI010	(Increase in homes) (no.)	41	23	🔴	69	68	🟡	87	114	🟢	230	131	🔴	Yes
NEI011	(Commercial rent arrears) (%)	2.5%	2.0%	🟢	2.5%	2.0%	🟢	2.5%	1.8%	🟢	2.5%	1.8%	🟢	Yes
NEI012	(Commercial premises let) (%)	98.00%	98.89%	🟢	98.00%	98.15%	🟢	98.00%	97.42%	🟡	98.00%	97.79%	🟡	Yes
NEI013	(Waste recycled) (%)	30.00%	22.00%	🔴	30.00%	26.09%	🔴	30.00%	25.00%	🔴	30.00%	26.93%	🔴	No
NEI014	(Waste composted) (%)	30.00%	37.64%	🟢	30.00%	35.00%	🟢	30.00%	33.15%	🟢	30.00%	30.32%	🟢	Yes
Resources Quarterly KPIs														
RES001	(Sickness absence) (days)	1.90	1.50	🟢	3.64	2.98	🟢	5.24	5.03	🟢	7.50	6.71	🟢	Yes
RES002	(Invoice payments) (%)	97%	98%	🟢	97%	97%	🟢	97%	97%	🟢	97%	96%	🔴	No
RES003	(Council Tax collection) (%)	27.27%	27.61%	🟢	51.99%	52.65%	🟢	77.09%	78.00%	🟢	97.00%	98.00%	🟢	Yes
RES004	(NNDR Collection) (%)	28.48%	28.83%	🟢	53.46%	53.25%	🟡	78.67%	78.02%	🔴	97.70%	97.75%	🟢	Yes
RES005	(New benefit claims) (days)	22.00	21.28	🟢	22.00	22.72	🟡	22.00	21.98	🟢	22.00	21.83	🟢	Yes
RES006	(Benefits changes) (days)	6.00	6.91	🟡	6.00	7.62	🔴	6.00	7.69	🔴	6.00	4.77	🟢	Yes
RES009	(Website Availability) (%)	99.60%	99.82%	🟢	99.60%	99.89%	🟢	99.60%	99.73%	🟢	99.60%	99.79%	🟢	Yes
RES010	(Website Broken Links) (%)	95.00%	99.89%	🟢	95.00%	100.00%	🟢	95.00%	100.00%	🟢	95.00%	97.70%	🟢	Yes
RES011	(Website Navigation) (%)	79.90%	80.51%	🟢	79.90%	80.42%	🟢	79.90%	80.34%	🟢	79.90%	80.42%	🟢	Yes



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

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

Current and previous quarters performance



Quarter	Target	Actual	Status
Q4/16/17	7.50	6.71	✓
Q3/16/17	5.24	5.03	✓
Q2/16/17	3.64	2.98	✓
Q1/16/17	1.90	1.50	✓
Q4/15/16	7.00	7.99	✗

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

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

↓ is the direction of improvement

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

Yes

Comment on current performance (including context):

(Q4 2016/17)
 Q1, Q2, Q3 & Q4 outturn figures are below target and are an improvement on the same quarters in 2015/2016. There has been an improvement of an average of 1.28 days between FY 2015/16 and FY 2016/17.

Figures were within target and despite both Q3 and Q4 historically tending to show an increase in the number of days taken as sickness absence this did not prevent the target being met. It may be relevant that the new absence Trigger Warning system was introduced at the start of this FY.

Corrective action proposed (if required):

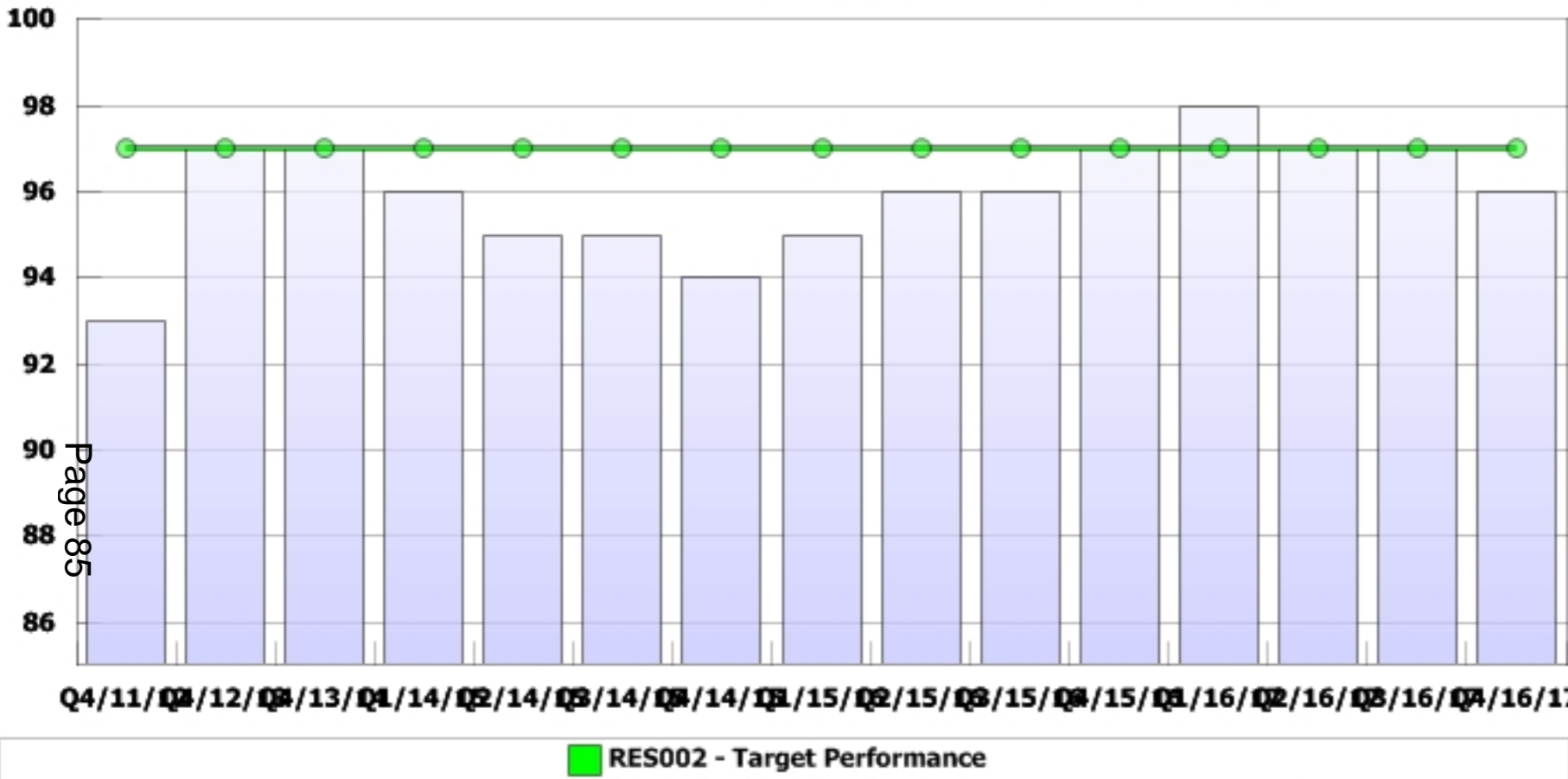
(Q1-4 2016/17) - No additional (corrective) action was required to bring figures within target.

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

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

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

Current and previous quarters performance



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

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

Indicator of good performance:
 A higher percentage is good

↑ is the direction of improvement

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

No

Comment on current performance (including context):

(Q4 2016/17) - Performance dipped slightly during February and March and the target was narrowly missed. Communities and Neighbourhoods achieved 96% during March, with Governance and Resources achieving 97%. The quantity of invoices processed by Communities is the biggest factor in whether the target is achieved or not.

Corrective action proposed (if required):

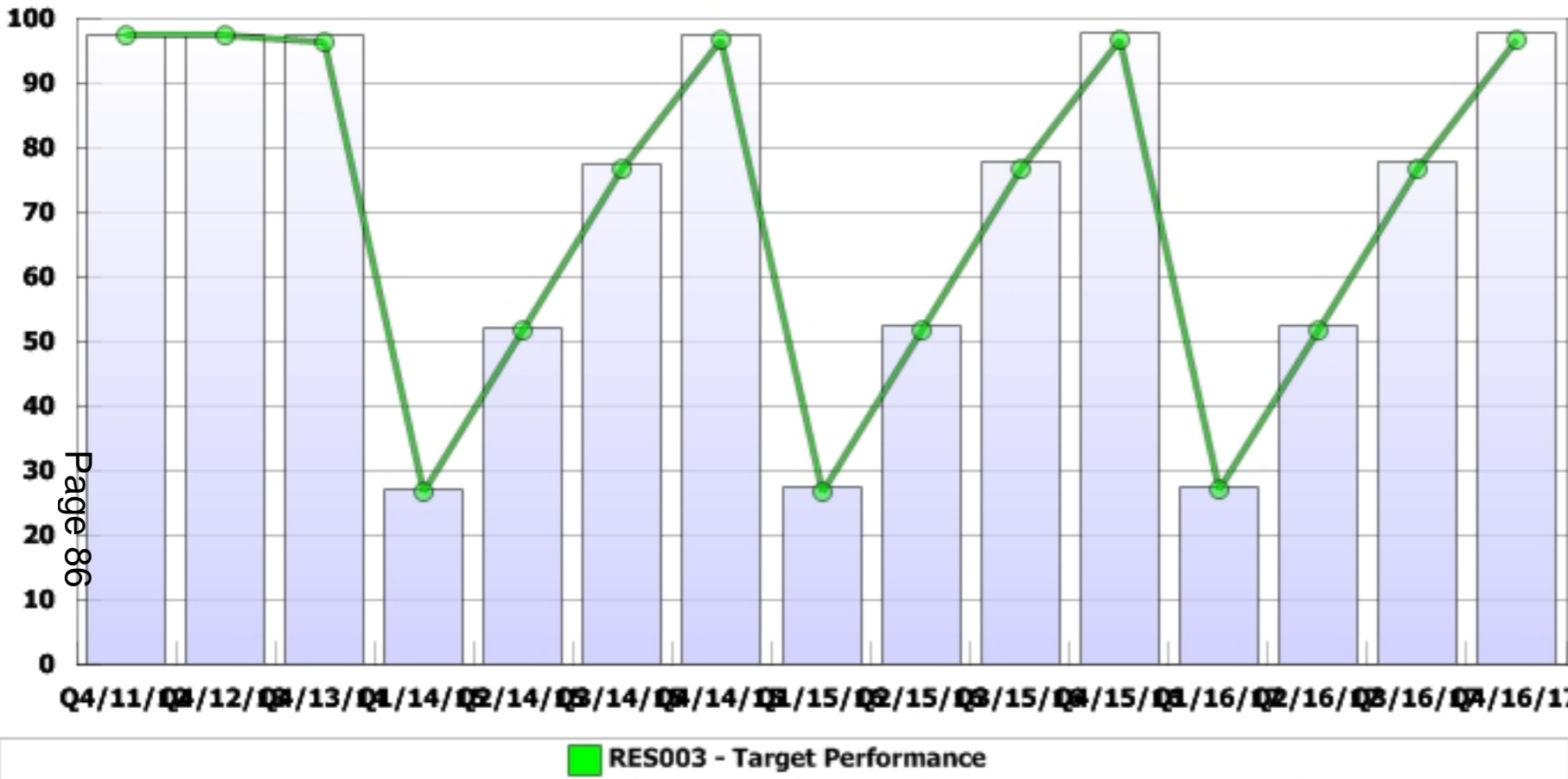
A reminder of the importance of passing invoices promptly is to be issued during May.

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

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

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

Current and previous quarters performance



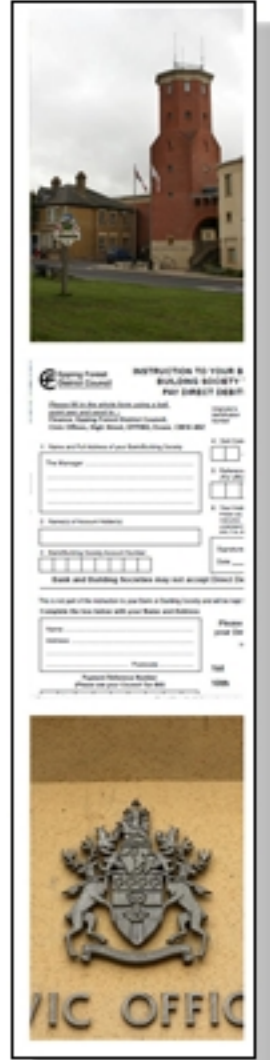
Quarter	Target	Actual	Status
Q4/16/17	97.00%	98.00%	✓
Q3/16/17	77.09%	78.00%	✓
Q2/16/17	51.99%	52.65%	✓
Q1/16/17	27.27%	27.61%	✓
Q4/15/16	96.50%	98.03%	✓

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

Indicator of good performance:
A higher percentage is good

↑ is the direction of improvement

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



Comment on current performance (including context):

(Q4 2016/17) - The performance exceeded the target and was broadly the same as last year's performance despite a reduction in the amount of Local Council Tax Support provided and an increase in the debit collected due to the new County Council precept for social care.

Corrective action proposed (if required):

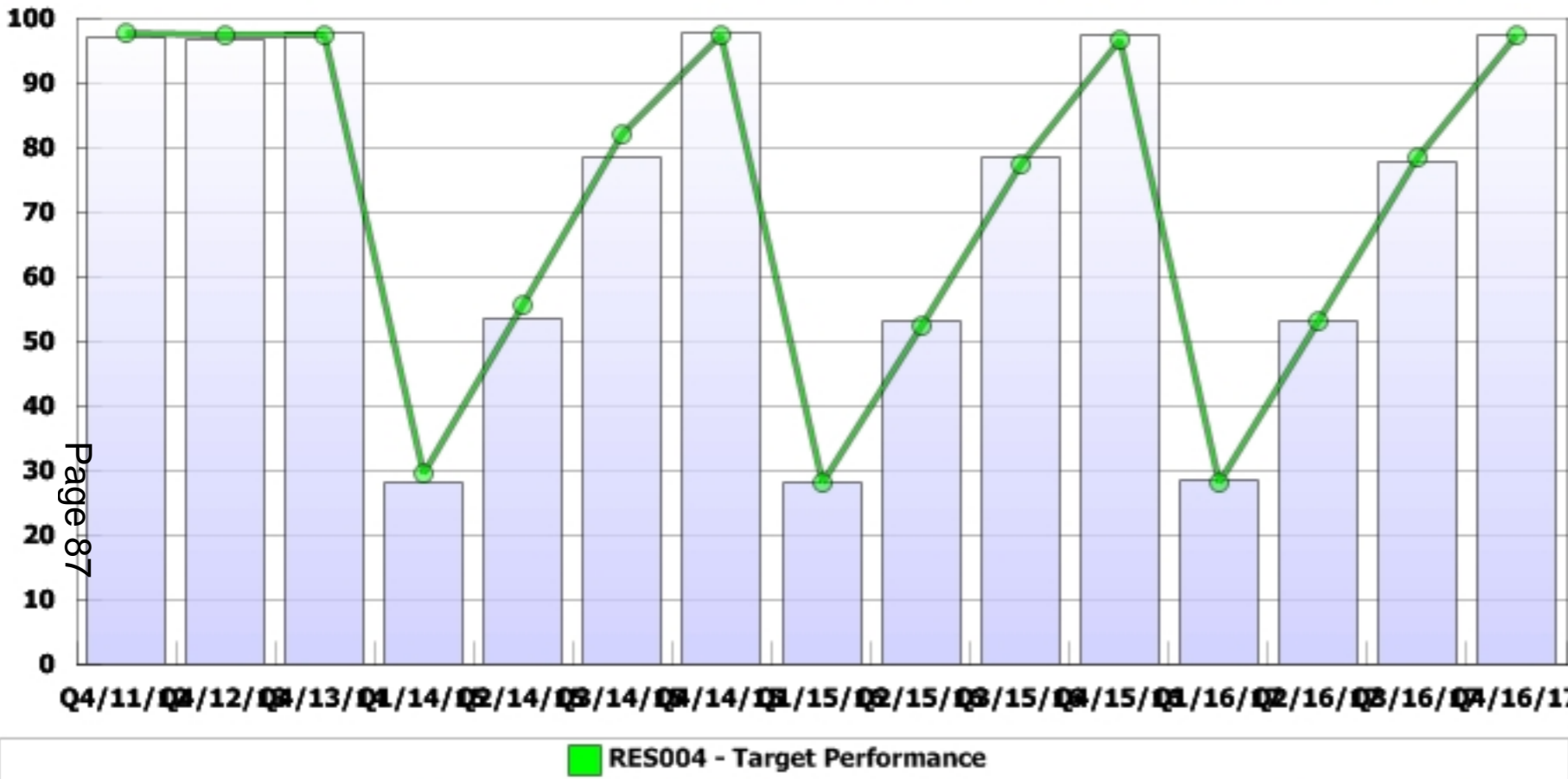
(Q4 2016/17) - the Council Tax team has a debt recovery timetable in place to collect any outstanding debt in the forthcoming year.

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

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

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

Current and previous quarters performance



Quarter	Target	Actual	Status
Q4/16/17	97.70%	97.75%	✓
Q3/16/17	78.67%	78.02%	✗
Q2/16/17	53.46%	53.25%	✗
Q1/16/17	28.48%	28.83%	✓
Q4/15/16	97.20%	97.84%	✓

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

Indicator of good performance:
A higher percentage is good

↑ is the direction of improvement

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

Comment on current performance (including context):

(Q4 2016/17) - the performance has achieved the target set and is only slightly down on last year's figure.

Corrective action proposed (if required):

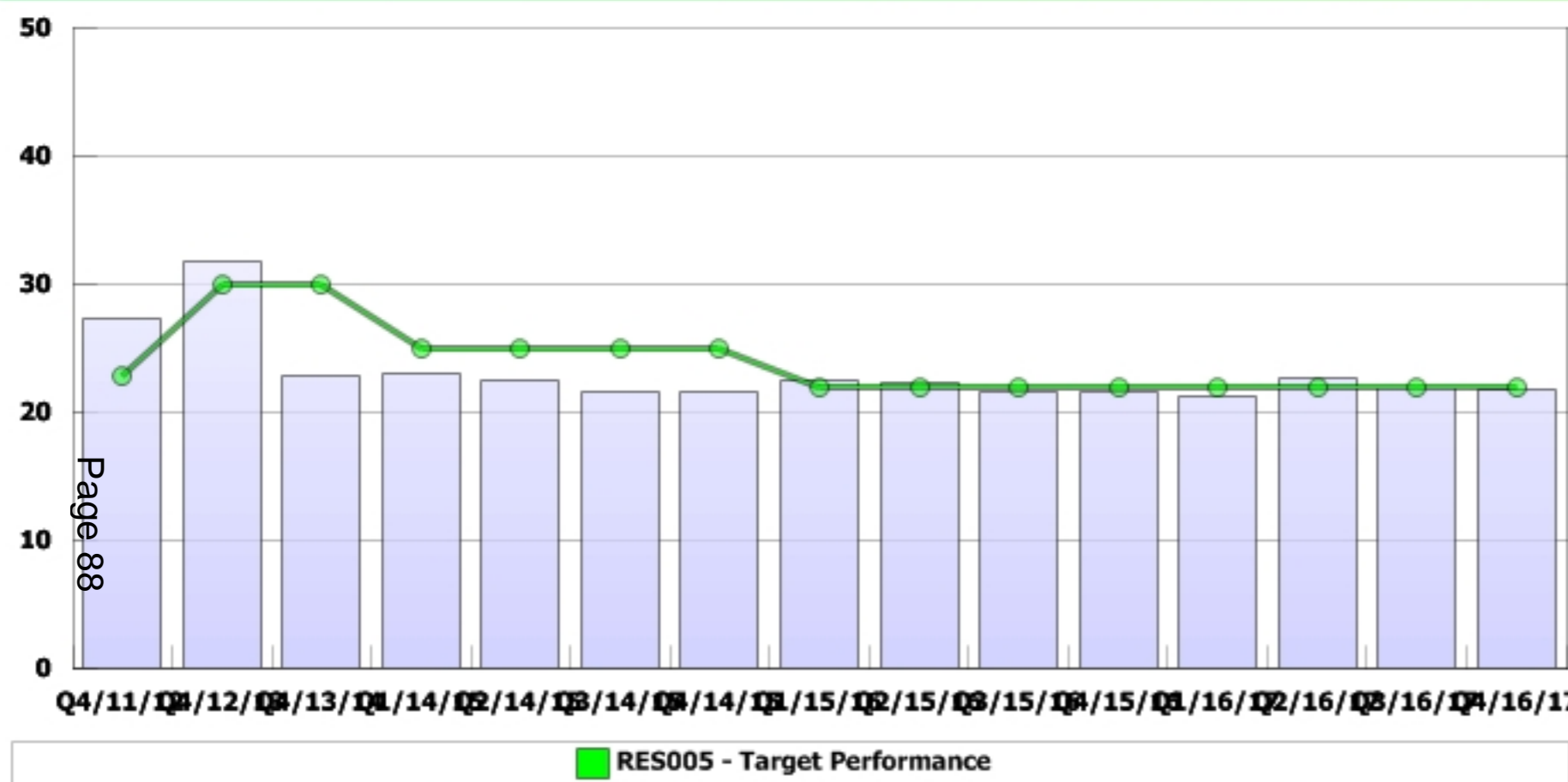
(Q4 2016/17) - the Business Rates team has a debt recovery timetable in place to collect any outstanding debts in the forthcoming year.

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

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

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

Current and previous quarters performance



Quarter	Target	Actual	Status
Q4/16/17	22.00	21.83	✓
Q3/16/17	22.00	21.98	✓
Q2/16/17	22.00	22.72	✗
Q1/16/17	22.00	21.28	✓
Q4/15/16	22.00	21.76	✓

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

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

Comment on current performance (including context):

(Q4 2016/17) - Target met for 2016/2017

Corrective action proposed (if required):

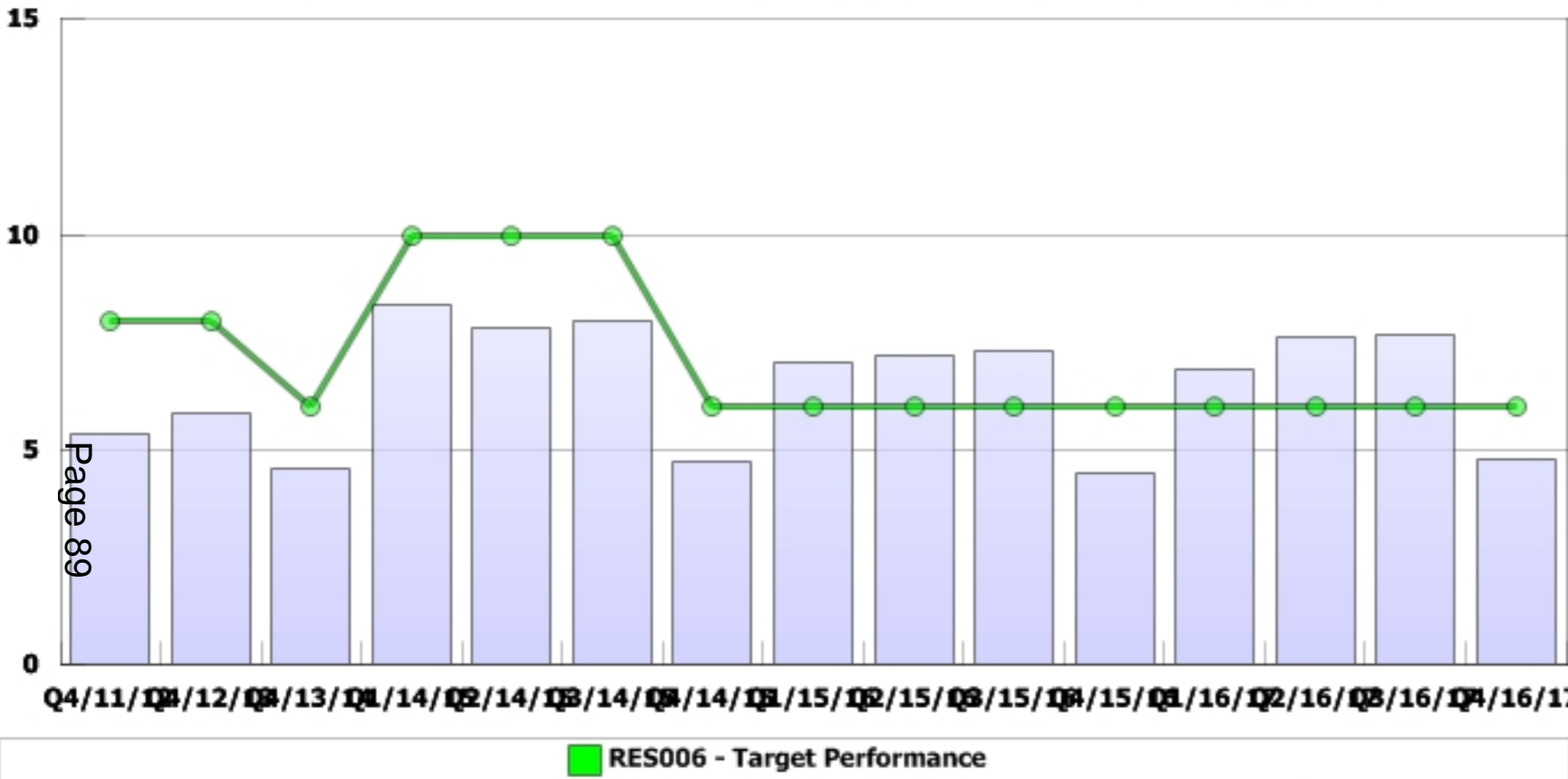
(Q4 2016/17) - As anticipated target met for this year.

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

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

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

Current and previous quarters performance



Quarter	Target	Actual	Status
Q4/16/17	6.00	4.77	✓
Q3/16/17	6.00	7.69	✗
Q2/16/17	6.00	7.62	✗
Q1/16/17	6.00	6.91	✗
Q4/15/16	6.00	4.47	✓

Annual 2016/17 - 6.00 days
 Target: 2015/16 - 6.00 days
 Indicator of good performance:
 A lower number of days is good
 ↓ is the direction of improvement

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

Comment on current performance (including context):

(Q4 2016/17) - Target met for 2016/2017

Corrective action proposed (if required):

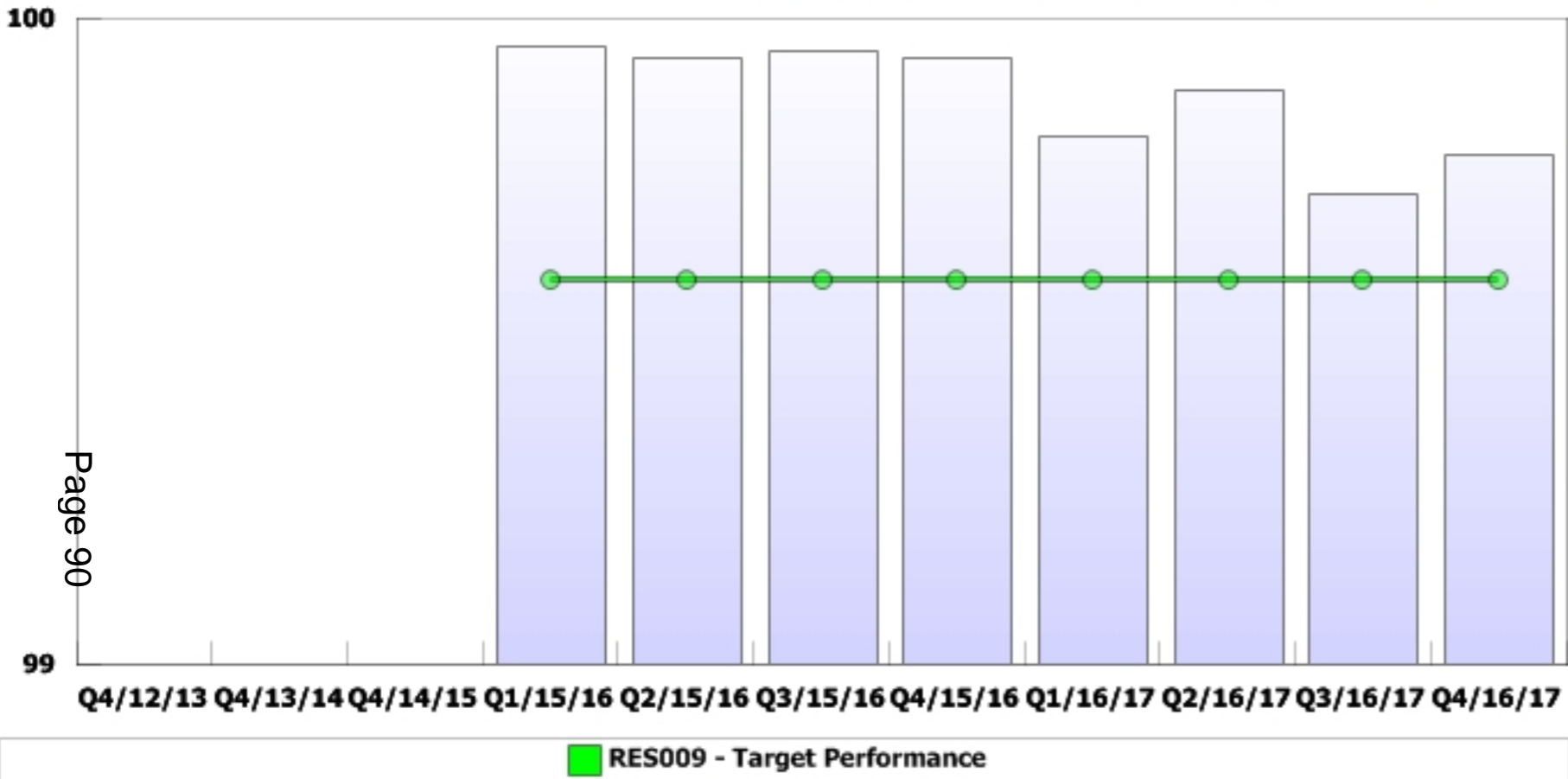
(Q4 2016/17) - As anticipated target has been met for 2016/2017.

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

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

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

Current and previous quarters performance



Quarter	Target	Actual	Status
Q4/16/17	99.60%	99.79%	✓
Q3/16/17	99.60%	99.73%	✓
Q2/16/17	99.60%	99.89%	✓
Q1/16/17	99.60%	99.82%	✓
Q4/15/16	99.60%	99.94%	✓

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

Indicator of good performance:
A higher number is good

↑ is the direction of improvement

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

Comment on current performance (including context):

(Q4 2016/17) - the target for website availability (uptime) is 99.60% - the actual uptime is 99.79%.

Corrective action proposed (if required):

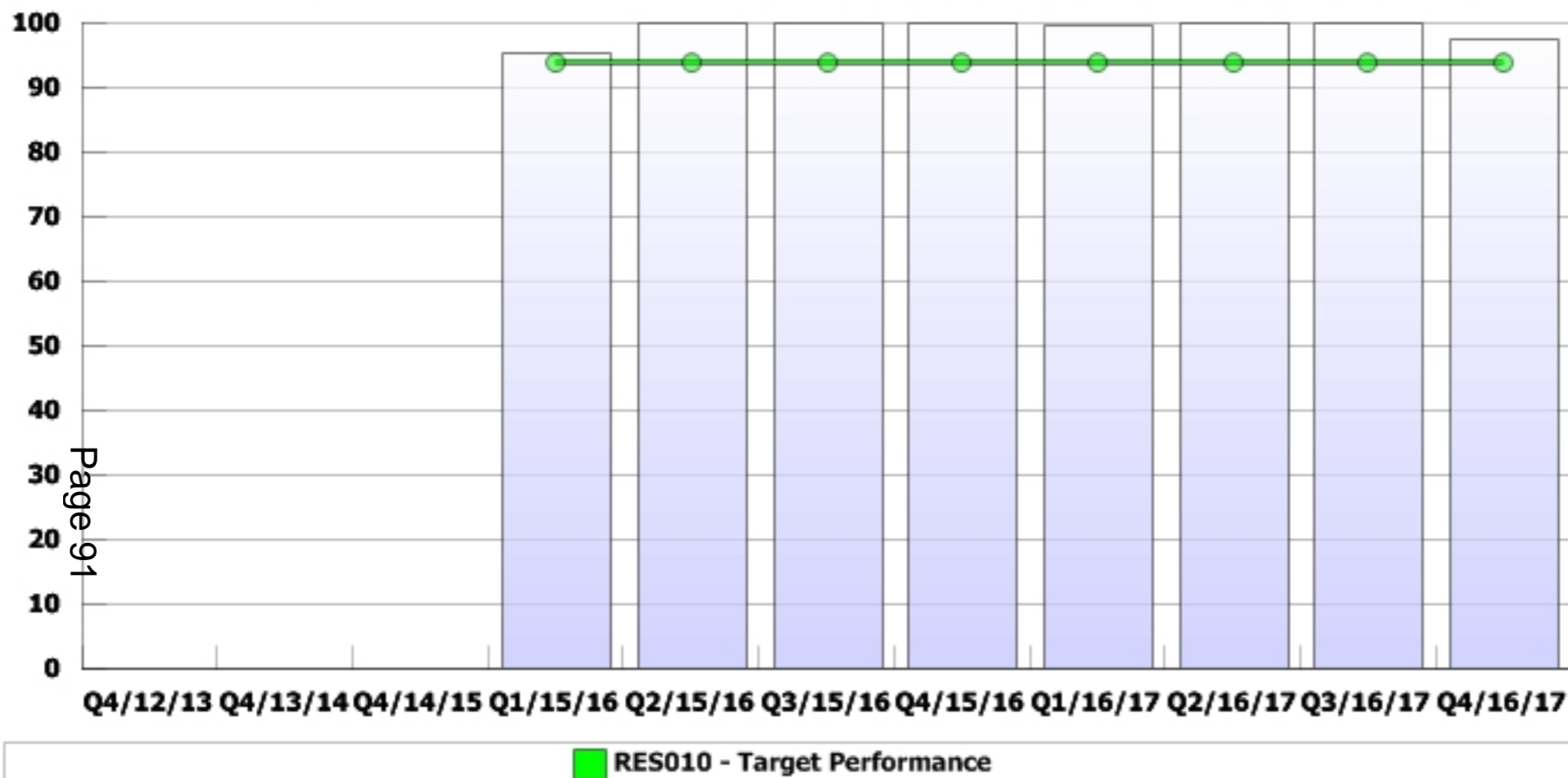
None.

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

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

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

Current and previous quarters performance



Quarter	Target	Actual
Q4/16/17	95.00%	97.70%
Q3/16/17	95.00%	100.00%
Q2/16/17	95.00%	100.00%
Q1/16/17	95.00%	99.89%
Q4/15/16	94.10%	100.00%

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

Indicator of good performance:
A higher number is good

↑ is the direction of improvement

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

Yes

Comment on current performance (including context):

(Q4 2016/17) - target is 95%. Actual is 97.7%, there were 5 broken links on 215 pages on main website.

Corrective action proposed (if required):

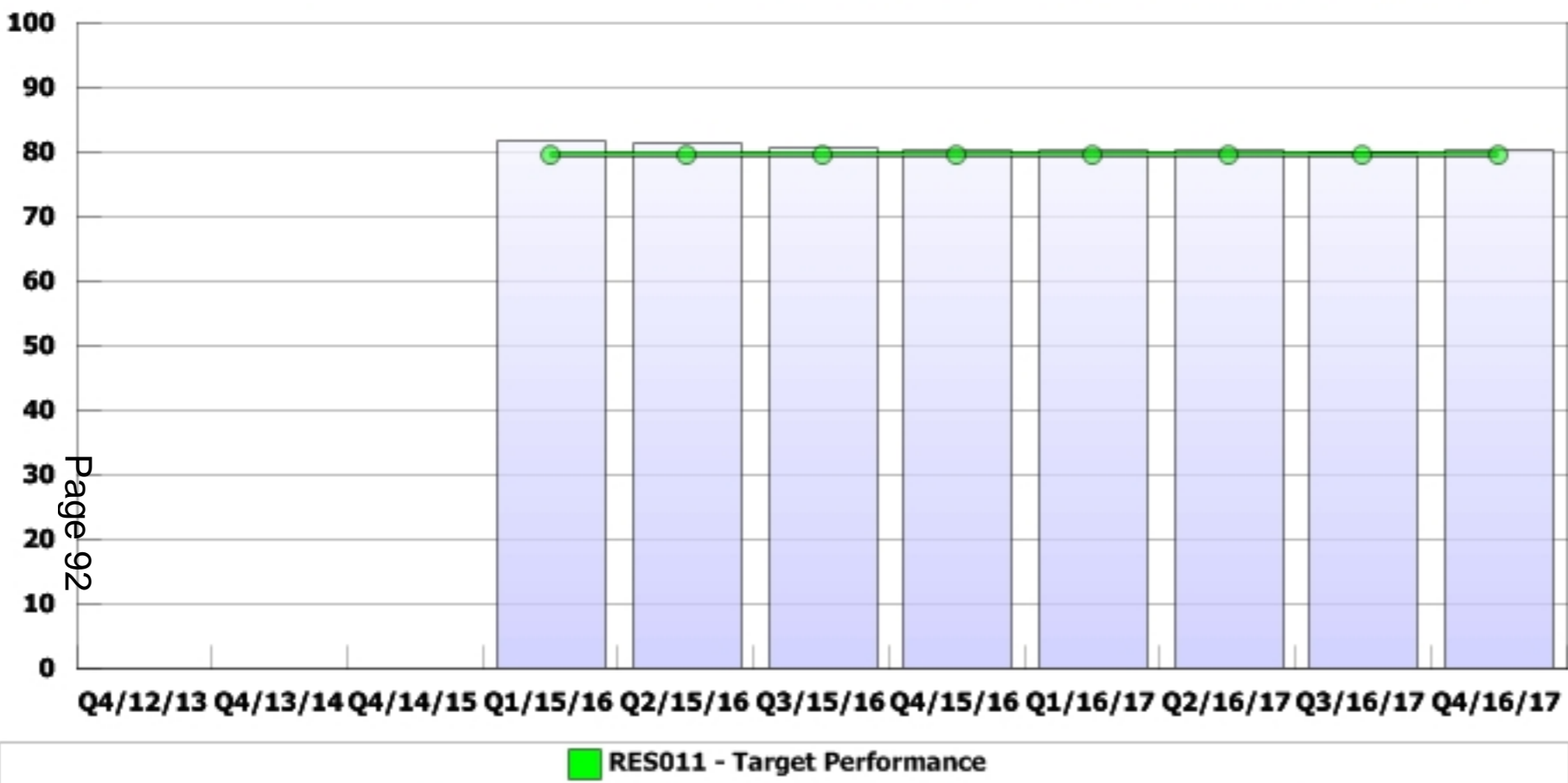
None.

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

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

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

Current and previous quarters performance



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

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

Indicator of good performance:
A higher number is good

↑ is the direction of improvement

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

Comment on current performance (including context):

(Q4 2016/17) - target of 79.90% actual 80.42%.

Corrective action proposed (if required):

None.

RES03 What percentage of the district's annual Council Tax was collected?

Outturn			Target
2013/14	2014/15	2015/16	2016/17
97.62%	97.79%	98.03%	97.10%

Responsible Officer

Bob Palmer
Director of Resources

Improvement Action	Target Dates	Key Measures / Milestones
Migration of FAQ calls for Debt Recovery into the Customer Service Team to free up time for specialist resource to chase debt.	30/06/16	Reduction in calls taken by back-office
Re-tender of Enforcement Agent contract	01/09/16	Appointment of supplier(s)
Implementation of Direct Debit on the internet	01/09/16	Go-live
Implementation of on-line authentication for residents and businesses to view their accounts and check balances, and to have provision for e-billing.	01/09/16	Go-live
Develop use of SMS text messages to remind customers of instalment due and provide link for payment	31/12/16	Go-live

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

All costs contained within existing contract provisions

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

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



SCRUTINY



Report to Resources Select Committee

Date of meeting: 13 July 2017

Portfolio: Leader (Councillor C. Whitbread)

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

Executive Summary:

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

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

The Corporate Plan Key Action Plan for 2016/17 was agreed by the Cabinet in October 2015. 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 2016/17 for actions most appropriately considered by the Resources Select Committee at the end of the year (31 March 2017).

Other Options for Action:

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

Report:

1. The Corporate Plan 2015-2020 is the Council's highest level strategic document. It sets the strategic direction for the authority for the five year lifetime of the Plan. It focuses on a number of key areas that the Council needs to focus on during that time and helps to prioritise resources to provide quality services and value for money. These key areas are known as the Corporate Aims and are supported by a set of Key Objectives which represent the Council's high-level initiatives and over-arching goals to achieve the Corporate Aims. The Key Objectives are in turn, delivered via an annual Key Action Plan.
2. The Key Action Plan 2016/17 is populated with actions or deliverables designed to secure progress against each of the Key Objectives during 2016/17. During the subsequent years in the lifetime of the Key Objectives, annual action plans will be developed which build on progress achieved during preceding years.
3. The annual action plans are working documents 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. Therefore, during Q2, action (i) (b) (5) became no longer required.
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 2016/17 Key Action Plan, is as below: In reporting outturn progress, the following 'status' indicators have been applied to the to individual actions:

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

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.

There are 49 actions in the Key Action Plan 2016/17. At the end of the year:

- (a) 33 (68%) of the individual deliverables or actions supporting the key objectives had been achieved;
- (b) 9 (18%) of the deliverables are expected to achieve target in the next 6 months.
- (c) 7 (14%) of the deliverables or actions were not completed by year-end albeit significant progress has been made. Details of the progress made are set out in the comments against the individual deliverables or actions in the attached schedule.

Thirteen (13) actions fall within the areas of responsibility of the Resources Select Committee. At the end of the year:

- 10 (77%) of these actions have been achieved; and
- 3 (23%) of these actions have not been achieved.

5. The Committee is requested to review the outturn position of the Corporate Plan Key Action Plan for 2016/17 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 15 June 2017 and the Overview and Scrutiny Committee on 6 June 2017.

Resource Implications: None for this report.

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

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

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

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

Impact Assessments:

Risk Management: None for this report.

Equality: None for this report.

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

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

Action	Lead Directorates	Target Date	Status	Progress
1) Deliver identified savings	Management Board	31-Mar-17	Achieved	<p>Q1 (2016/17) Printer Migration Project is being implemented. Transformation work-stream is reviewing further opportunities. Reports due in the autumn.</p> <p>Q2 (2016/17) Transformation savings of £107,260 of which £70,960 are General Fund and £36,300 HRA.</p> <p>Q3 (2016/17) Transformation savings of £107,260 of which £70,960 are General Fund and £36,300 HRA.</p> <p>Q4 (2016/17) Transformation savings of £107,260 of which £70,960 are General Fund and £36,300 HRA.</p>
2) Progress preparations for delivering savings for 2016/17	Management Board	31-Mar-17	Achieved	<p>Q1 (2016/17) Not yet due - will be progressed as part of the 2017/18 budget process.</p> <p>Q2 (2016/17) Not yet due - will be progressed as part of the 2017/18 budget process.</p> <p>Q3 (2016/17) Not yet due - will be progressed as part of the 2017/18 budget process.</p> <p>Q4 (2016/17) Budget approved by Council and medium term budget targets were achieved despite greater than anticipated reduction in New Homes Bonus.</p>
3) Develop additional business cases	Management Board	30-Sep-16	Achieved	<p>Q1 (2016/17) Printer Migration Project is being implemented. Transformation work-stream is reviewing further opportunities. Reports due in the autumn.</p>

				<p>Q2 (2016/17) Savings identified for 2016/17 total £107,260, of which £70,960 are general fund and £36,300 are HRA. Savings identified for 2017/18 total £40,500, of which £34,800 are general fund and £5,700 are HRA. Further savings ideas to be considered by the Cabinet for 2017/18 are estimated to range from £480,900 to £533,200. Of this £451,300 to £502,800 are general fund and £29,600 to £30,400 are HRA.</p> <p>Q3 (2016/17) Savings identified for 2016/17 total £107,260, of which £70,960 are general fund and £36,300 are HRA. Savings identified for 2017/18 total £40,500, of which £34,800 are general fund and £5,700 are HRA. Further savings ideas to be considered by the Cabinet for 2017/18 are estimated to range from £480,900 to £533,200. Of this £451,300 to £502,800 are general fund and £29,600 to £30,400 are HRA.</p> <p>Q4 (2016/17) Cabinet approved the transformation business case for the accommodation review. Detailed business case in preparation.</p>
4) Presentation of the Financial Issues Paper and MTFS update	Resources	31-Jul-16	Achieved	<p>Q1 (2016/17) The Financial Issues Paper will be presented to the Finance & Performance Management Cabinet Committee on 14 July.</p> <p>Q2 (2016/17) The Financial Issues Paper was presented to the Finance and Performance Management Cabinet Committee on 14 July and the recommendations have now been agreed by Cabinet.</p> <p>Q4 (2016/17) as per Q3</p> <p>Q4 (2016/17) as per Q2 & Q3</p>

Key Objective (i)(c) To explore appropriate opportunities to make savings and increase income through the shared delivery of services with other organisations, where such arrangements would provide improved and/or more cost effective outcomes.

Action	Lead Directorates	Target Date	Status	Progress
8) Explore the possible expansion of the insurance service provided to Uttlesford. District Council.	Resources	30-Sep-16	Achieved	(Q1 2016/17) - The possibility of expanding the insurance service has been explored with both Uttlesford and other Essex districts but unfortunately all those contacted are not interested in changing their arrangements at this time. (Q2 & Q3 & Q4 2016/17) – As per Q1.
9) Implement an integrated HR/Payroll IT system jointly with at least one other authority.	Resources	31-Mar-17	Achieved	(Q1 2016/17) - Implementation underway with Braintree & Colchester councils, with these sites going live first. The target for Epping to go live with the new system is December 2016. (Q2 2016/17) – The implementation is proceeding in line with the timetable and the system is still expected to go live in December 2016. (Q3 2016/17) Payroll for December produced successfully on the new system. Work continues to fully implement the system and make features like self-service available. (Q4 2016/17) System in place and producing monthly payroll. Lead roles on implementing other modules agreed with partner authorities and work progressing.
10) Evaluate possibility of shared service as part of Debt Working Party.	Resources	30-Sep-16	Behind Schedule	(Q1 2016/17) - The Working Party continues to meet and reports back to Management Board on potential improvements and alterations to the processes of debt recovery. (Q2 & Q3 & Q4 2016/17) – As per Q1.
11) Provide HR/payroll services to at least one other authority	Resources	31-Mar-17	Behind Schedule	(Q1 2016/17) - The primary focus is currently the implementation of the new system - see item 9 above.

				<p>(Q2 & Q3 2016/17) – As per Q1 – the system needs to be in place before we can offer it to others.</p> <p>(Q4 2016/17) – System now in place and this ambition can be carried forward to 2017/18.</p>
12) Evaluate possibility of shared service as part of Scanning Working Party	Resources	30-Sep-16	Behind Schedule	<p>(Q1 2016/17) - The Working Party has been established with a project charter and meetings have taken place as part of the discovery phase.</p> <p>(Q2 2016/17) – The discovery phase is continuing and changes have already been made to make several processes more efficient.</p> <p>(Q3 2016/17) As for Q2 above, although progress has been slower than had been anticipated.</p> <p>(Q4 2016/17) Project Initiation Document drafted for discussion at the Transformation Programme Board on 5 April. This will determine the future direction of the project.</p>
13) Identify additional Council services that may benefit from a shared provision with other organisations	Management Board	31-Mar-17	Achieved	<p>(Q1 2016/17) Good progress made with audit. Opportunities being discussed with West Essex Chief Executives.</p> <p>(Q2 2016/17) - Good progress made with audit. Opportunities being discussed with West Essex Chief Executives.</p> <p>(Q3 2016/17) - Workshop on joint working with Essex County Council scheduled for Leadership Team in February 2017.</p> <p>(Q4 2016/17) - Audit shared service fully implemented. Plans well advanced for a Museum Development Trust with potential to provide services to other councils.</p>

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

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

Action	Lead Directorates	Target Date	Status	Progress
1) Continue with the Council's apprenticeship scheme for the district's young people, providing sustainable employment opportunities.	Resources	30-Sep-16	Achieved	<p>(Q1 2016/17) The cohort recruited in 2015 continues to make good progress with their apprenticeships. A full intake will occur again in 2017. For 2016 the focus is on the recruitment of a new graduate trainee.</p> <p>(Q2 2016/17) Despite several attempts we were unable to recruit a new graduate trainee. The current apprentices continue to make good progress and preparations are underway to expand the programme to meet the requirements of the Apprenticeship Levy from April 2017.</p> <p>(Q3 2016/17) - All but one of the current apprentices have now found jobs. Plans now in place to meet the requirements of the Apprenticeship Levy and to manage the larger intake of apprentices in 2017/18.</p> <p>(Q4 2016/17) All of the apprentices have now found jobs. Work progressing well for larger intake of apprentices in 2017/18 and to ensure compliance with the requirements of the Apprenticeship Levy.</p>

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

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

Action	Lead Directorates	Target Date	Status	Progress
4) Continue the implementation of the Council's ICT Strategy, with the completion of the following key projects	Resources	31-Mar-17	Achieved	<p>(Q1 2016/17) Implementation continues and is on target. An update report was presented to the Resources Select Committee in April.</p> <p>(Q2 2016/17) Good progress continues to be made and the capital bid for 2017/18 will be presented to Cabinet on 12 October.</p> <p>(Q3 2016/17) Cabinet approved the capital bid for 2017/18 which will now be subject to approval as part of the budget process. Implementation of projects is in line with targets.</p> <p>(Q4 2016/17) All key projects scheduled for 2016/17 have been implemented. Work now underway to update the Strategy for 2018 to 2023.</p>
5) Free up computer suite 1 for re-use as office accommodation.	Resources	31-Mar-17	Achieved	<p>(Q1 2016/17) On hold pending the accommodation review and is awaiting works to fully decommission.</p> <p>(Q2 & Q3 & Q4 2016/17) The computer suite is free for alternative users but will not be allocated or refurbished until the accommodation review has been completed.</p>

RESOURCES SELECT COMMITTEES

TERMS OF REFERENCE 2017/18

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, though review of progress against adopted key performance indicators and other appropriate measures;
4. To identify any matters within the services and functions of the Resources Directorate requiring in-depth scrutiny, for referral to the Overview and Scrutiny Committee;
5. To establish working groups as necessary to undertake any activity within these terms of reference;
6. To respond to applicable consultations as appropriate;

Finance

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

Information and Communications Technology

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

Value For Money

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

Human Resources

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

Transformation Programme

12. To fully evaluate and establish:
- a) A clear statement as to the objectives of the programme;
 - b) A clear understanding as to the scope of the programme;
 - c) A clear understanding as to the budget and financial implications of the programme;
 - d) To document proposals for the ongoing scrutiny required to ensure that the programme continues to be:
 - Meeting the programme objectives;
 - Focused on the identified scope;
 - On schedule; and
 - Within budget

Chairman: Cllr S Kane

Resources Select Committee (Chairman – Cllr S Kane)

2017/18

Item	Report Deadline/ Priority	Progress / Comments	Programme of Meetings
(1) Key Performance Indicators 2016/17 – outturn review	Outturn KPI performance considered at the first meeting of each municipal year.	Outturn KPI performance report for 2016/17 – for 1 st meeting of the year.	13 July 2017; 17 October; 19 December;
(2) To review the specific quarterly KPI's for 2017/18	Quarterly.	Review of quarterly performance: Q1 in October 2017; Q2 in December '17; Q3 in Feb. '18	13 February 2018; 03 April
(3) Corporate Plan Key Action Plan 2016/17 – Outturn review	First meeting of each municipal year	Outturn Key Action Plan 2015/16 performance to July 2017 meeting	
(4) Corporate Plan Key Action Plan 2017/18 – quarterly review	Quarterly	Review of quarterly performance: Q1 October 2017; Q2 December 2017; Q3 February 2018.	
(5) Detailed Portfolio Budgets	Portfolio budgets considered on an annual basis jointly with the Finance & Performance Management Cabinet Committee.	Annual review of portfolio budgets to be considered at joint meeting with the F&P M Cabinet Committee in January of each year.	

(6) ICT Strategy – Progress & Call Handling	Progress against ICT Strategy considered on an annual basis.	Progress report on call/response handling. Also to receive a report on options following introduction of new telephony system. <i>Last update in March 2017 on General IT systems and telephone monitoring statistics.</i>
(7) Fees and Charges 2018/19	Proposed fees and charges for 2018/19 – for October 2017 meeting.	Proposed fees and charges considered on an annual basis each October.
(8) Provisional Capital Outturn 2016/17	Provisional outturn for 2016/17 for July 2017 meeting.	Provisional Capital Outturn considered on an annual basis at first meeting in each municipal year.
(9) Provisional Revenue Outturn 2016/17	Provisional outturn for 2016/17 for July 2017 meeting.	Provisional Revenue Outturn considered on an annual basis at first meeting in each municipal year.
(10) Sickness Absence Outturn	July 2017	To review the Sickness Outturn report for 2016 - 17
(11) Sickness Absence	Half-yearly progress reports for 2017/18 to be considered at December and July meetings.	Detailed progress against achievement of sickness absence targets reviewed on a six-monthly basis. <i>Last report received at December 2016 meeting.</i>
(12) Medium Term Financial Strategy & Financial issues paper	October 2017	To receive the Financial Issues Paper and Medium Term Financial Strategy including 4 year General Fund forecast

(13) Quarterly Financial Monitoring	Oct 2017; Dec.2017; & February 2018	To receive quarterly financial monitoring reports
(14) Review of Risk management arrangements	March 2017	Item from the O&S Co-ordinating Group. To review the trends in claims experience.
(15) Shared Services Working	TBA	To review any shared services working being carried out by EFDC. HR currently working with Colchester and Braintree Councils on a shared HR payroll system. <i>Last update at the December 2015 meeting.</i>
(16) Invest to Save	December 2017	To receive a report updating the Committee on the Council's Invest to Save scheme.
(17) General update on the General Fund CSB, DDF and ITS	December 2017	To receive an updating report on the CSB, DDF and ITS scheme.
(18) Scrutiny of the Transformation Project	Had an Initial meeting on 10 April 2017	Initial meeting to review PICK form and set terms of reference for looking at the Transformation Project. A T&F Panel was subsequently set up to review what the Select Committee would need to review.

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